

2020 Semi-Annual Report

DFS GUARANTEED INVESTMENT FUNDS

Financial Information as of **June 30, 2020**

DFS Guaranteed Investment Funds are established by **Desjardins Financial Security Life Assurance Company**.

Desjardins Insurance refers to Desjardins Financial Security Life Assurance Company.



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WHAT'S A DFS GIF?

DFS stands for Desjardins Financial Security Life Assurance Company.

GIF stands for Guaranteed Investment Fund.

A Guaranteed Investment Fund (GIF) is a segregated fund created and issued exclusively by life insurance companies. It is offered through individual variable insurance contracts which provide maturity and death benefit guarantees.

IS THIS DOCUMENT AVAILABLE ONLINE?

Yes, at

desjardinslifeinsurance.com/GIFreports.

IS IT POSSIBLE TO RECEIVE PAPER COPIES OF THIS FINANCIAL REPORT?

Yes. Please send a letter to:

Desjardins Financial Security
GIF Administration
1 Complexe Desjardins
P.O. Box 9000
Montréal, Québec H5B 1H5

Or send an email to:

gifclientservice@dfs.ca

Please include your name, mailing address, telephone number, email address and client number in your request, and indicate whether your request applies to the annual financial report and/or the semi-annual financial report.



Investment Solutions

DFS GUARANTEED INVESTMENT FUNDS

DFS GIF – CONSERVATIVE*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	414,639	178,025
Investments at fair value through profit or loss (FVTPL)	40,711,905	33,070,110
Premiums receivable	213,745	439
Receivable for securities sold	—	1,805
	<u>41,340,289</u>	<u>33,250,379</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	77,776	64,872
Withdrawals payable	43,373	17,573
Payable for securities purchased	589,880	87,684
	<u>711,029</u>	<u>170,129</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>40,629,260</u>	<u>33,080,250</u>
NET ASSETS PER UNIT		
Series 5	<u>5.72</u>	5.48
Series 6	<u>5.96</u>	5.71
Series 7	<u>6.16</u>	5.89
Series 8	<u>5.61</u>	5.37

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	176	355
Distributions from underlying funds	422,883	323,376
Changes in fair value:		
Net realized gain (loss) on investments	190,876	37,061
Net unrealized gain (loss) on investments	1,380,790	1,516,494
	<u>1,994,725</u>	<u>1,877,286</u>
EXPENSES		
Management fees and guarantee charge	390,908	275,552
Operating expenses	40,693	28,703
	<u>431,601</u>	<u>304,255</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>1,563,124</u>	<u>1,573,031</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	399,155	333,331
- per unit	0.24	0.32
Average Number of Units	1,666,725	1,053,017
SERIES 6		
Increase (Decrease) in Net Assets from Operations	749,365	842,817
- per unit	0.25	0.33
Average Number of Units	3,051,244	2,549,987
SERIES 7		
Increase (Decrease) in Net Assets from Operations	80,963	121,214
- per unit	0.25	0.36
Average Number of Units	321,263	337,751
SERIES 8		
Increase (Decrease) in Net Assets from Operations	333,641	275,669
- per unit	0.24	0.33
Average Number of Units	1,384,315	843,389

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	33,080,250	22,161,111
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,563,124	1,573,031
Premiums		
Series 5	5,820,200	1,755,863
Series 6	3,370,291	4,233,998
Series 7	483,170	316,755
Series 8	2,550,266	2,431,404
	12,223,927	8,738,020
Withdrawals		
Series 5	(1,764,575)	(380,843)
Series 6	(3,373,089)	(1,714,985)
Series 7	(149,338)	(78,617)
Series 8	(951,039)	(1,054,977)
	(6,238,041)	(3,229,422)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	40,629,260	29,242,740

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,563,124	1,573,031
Adjustments for:		
Net realized (gain) loss	(190,876)	(37,061)
Net unrealized (gain) loss	(1,380,790)	(1,516,494)
Non-cash distribution from investments	(422,883)	(323,376)
Proceeds from sale/maturity of investments	4,725,115	3,352,973
Investments purchased	(10,372,361)	(8,695,325)
Receivable for securities sold	1,805	(142)
Accrued expenses	12,904	9,940
Payable for securities purchased	502,196	21,169
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(5,561,766)	(5,615,285)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	12,010,621	8,757,907
Amounts paid on withdrawals	(6,212,241)	(3,102,089)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	5,798,380	5,655,818
Increase (decrease) in cash/ bank overdraft	236,614	40,533
Cash (bank overdraft), beginning of period	178,025	75,396
CASH (BANK OVERDRAFT), END OF PERIOD	414,639	115,929
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	176	355

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CONSERVATIVE (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
Beutel Goodman Fundamental Canadian Equity Fund, Class I	109,717	1,113,079	1,112,703
BlackRock CDN US Equity Index Fund, Series D	102,333	2,655,795	2,983,719
Desjardins Canadian Equity Fund, I-Class	119,776	1,180,408	1,134,758
Desjardins Enhanced Bond Fund, I-Class	572,158	6,368,968	6,554,072
Desjardins Low Volatility Global Equity Fund, I-Class	93,672	1,153,378	1,156,850
Desjardins Overseas Equity Fund, I-Class	44,497	723,049	836,546
Desjardins Overseas Equity Growth Fund, I-Class	26,702	624,998	901,335
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
DGIA Canadian Bond Fund	2,368,203	24,609,723	26,030,861
Total Investments		38,430,509	40,711,905
Other Net Assets (-0.2%)			(82,645)
Net Assets (100%)			40,629,260

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
DGIA CANADIAN BOND FUND 64.2%	
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
DESJARDINS ENHANCED BOND FUND 16.1%	
Government of Canada, 2.750%, 2048-12-01	6.4%
Canada Housing Trust, 2.650%, 2028-12-15	5.5%
Government of Canada, 2.250%, 2029-06-01	4.2%
Province of Ontario, 2.800%, 2048-06-02	3.0%
Government of Canada, 1.250%, 2030-06-01	2.8%
BLACKROCK CDN US EQUITY INDEX FUND 7.3%	
Microsoft	6.0%
Apple	5.8%
Amazon	4.5%
Facebook	2.1%
Alphabet	1.7%

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited (continued)

Security Name	Percentage
DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 2.8%	
Walmart	3.0%
Verizon Communications	2.9%
Roche Holding	2.8%
Electronic Arts	2.1%
Citrix Systems	2.0%
DESJARDINS CANADIAN EQUITY FUND 2.8%	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.0%
Enbridge	4.2%
Canadian National Railway Company	3.9%
BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 2.7%	
Royal Bank of Canada	9.0%
Toronto-Dominion Bank	8.2%
Rogers Communications	7.4%
Magna International	5.1%
Canadian National Railway Company	4.8%
DESJARDINS OVERSEAS EQUITY GROWTH FUND 2.2%	
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
DESJARDINS OVERSEAS EQUITY FUND 2.1%	
Keyence	7.2%
Nestlé	6.0%
Roche Holding	5.2%
Taiwan Semiconductor Manufacturing Company	4.8%
L'Oréal	4.8%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%
FIDELITY TRUE NORTH® FUND 0.0%	
Royal Bank of Canada	6.5%
Toronto-Dominion Bank	5.3%
Barrick Gold Corporation	4.5%
Alimentation Couche-Tard	4.0%
Shopify	3.7%

DFS GIF – CONSERVATIVE (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To generate a consistent flow of income with an emphasis on the preservation of capital by investing in a number of different fixed-income and equity underlying funds.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	11,697,325	29,014,580	—	40,711,905
TOTAL	11,697,325	29,014,580	—	40,711,905

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	9,727,629	23,342,481	—	33,070,110
TOTAL	9,727,629	23,342,481	—	33,070,110

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (80%)	1.00	318,470	258,109
S&P/TSX (6%)	3.00	71,656	58,075
MSCI World Net (14%)	3.00	167,197	135,507

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – MODERATE*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	401,754
Investments at fair value through profit or loss (FVTPL)	64,817,184	60,794,562
Premiums receivable	12,811	98,662
Receivable for securities sold	6,401	6,215
	64,836,396	61,301,193
LIABILITIES		
Current Liabilities		
Bank overdraft	4,113	—
Accrued expenses	124,946	117,523
Withdrawals payable	57,198	37,332
	186,257	154,855
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	64,650,139	61,146,338
NET ASSETS PER UNIT		
Series 5	5.89	5.70
Series 6	6.22	6.01
Series 7	6.45	6.21
Series 8	5.64	5.44

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	610	1,864
Distributions from underlying funds	630,757	560,490
Changes in fair value:		
Net realized gain (loss) on investments	440,601	120,040
Net unrealized gain (loss) on investments	1,823,363	3,391,897
	2,895,331	4,074,291
EXPENSES		
Management fees and guarantee charge	663,813	519,706
Operating expenses	69,557	54,778
	733,370	574,484
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	2,161,961	3,499,807
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	183,562	193,513
- per unit	0.18	0.36
Average Number of Units	1,018,792	531,716
SERIES 6		
Increase (Decrease) in Net Assets from Operations	1,147,192	1,954,048
- per unit	0.21	0.40
Average Number of Units	5,471,870	4,903,818
SERIES 7		
Increase (Decrease) in Net Assets from Operations	293,751	662,963
- per unit	0.24	0.44
Average Number of Units	1,227,444	1,508,135
SERIES 8		
Increase (Decrease) in Net Assets from Operations	537,456	689,283
- per unit	0.18	0.36
Average Number of Units	2,925,545	1,902,138

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	61,146,338	45,693,297
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,161,961	3,499,807
Premiums		
Series 5	1,983,964	1,223,167
Series 6	4,002,215	6,944,390
Series 7	474,255	143,530
Series 8	1,693,555	3,091,733
	8,153,989	11,402,820
Withdrawals		
Series 5	(1,352,023)	(634,861)
Series 6	(3,610,600)	(3,384,210)
Series 7	(646,667)	(816,117)
Series 8	(1,202,859)	(1,330,042)
	(6,812,149)	(6,165,230)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	64,650,139	54,430,694

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,161,961	3,499,807
Adjustments for:		
Net realized (gain) loss	(440,601)	(120,040)
Net unrealized (gain) loss	(1,823,363)	(3,391,897)
Non-cash distribution from investments	(630,757)	(560,490)
Proceeds from sale/maturity of investments	9,451,881	7,029,593
Investments purchased	(10,579,782)	(11,746,346)
Receivable for securities sold	(186)	45,702
Accrued expenses	7,423	10,258
Payable for securities purchased	—	23,781
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(1,853,424)	(5,209,632)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	8,239,840	11,591,590
Amounts paid on withdrawals	(6,792,283)	(6,367,583)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	1,447,557	5,224,007
Increase (decrease) in cash/ bank overdraft	(405,867)	14,375
Cash (bank overdraft), beginning of period	401,754	395,955
CASH (BANK OVERDRAFT), END OF PERIOD	(4,113)	410,330
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	610	1,864

The accompanying Notes are an integral part of these financial statements.

DFS GIF – MODERATE (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Beutel Goodman Fundamental Canadian Equity Fund, Class I	307,664	3,119,276	3,120,201
BlackRock CDN US Equity Index Fund, Series D	287,190	7,325,210	8,373,592
Desjardins Canadian Equity Fund, I-Class	334,431	3,324,726	3,168,404
Desjardins Enhanced Bond Fund, I-Class	739,185	8,197,025	8,467,370
Desjardins Low Volatility Global Equity Fund, I-Class	260,546	3,197,384	3,217,743
Desjardins Overseas Equity Fund, I-Class	123,984	1,972,711	2,330,904
Desjardins Overseas Equity Growth Fund, I-Class	74,554	1,692,312	2,516,563
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
DGIA Canadian Bond Fund	3,058,760	31,535,376	33,621,346
Total Investments		60,365,131	64,817,184
Other Net Assets (-0.3%)			(167,045)
Net Assets (100%)			64,650,139

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
DGIA CANADIAN BOND FUND 52.0%	
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
DESJARDINS ENHANCED BOND FUND 13.1%	
Government of Canada, 2.750%, 2048-12-01	6.4%
Canada Housing Trust, 2.650%, 2028-12-15	5.5%
Government of Canada, 2.250%, 2029-06-01	4.2%
Province of Ontario, 2.800%, 2048-06-02	3.0%
Government of Canada, 1.250%, 2030-06-01	2.8%
BLACKROCK CDN US EQUITY INDEX FUND 13.0%	
Microsoft	6.0%
Apple	5.8%
Amazon	4.5%
Facebook	2.1%
Alphabet	1.7%

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited (continued)

Security Name	Percentage
DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 5.0%	
Walmart	3.0%
Verizon Communications	2.9%
Roche Holding	2.8%
Electronic Arts	2.1%
Citrix Systems	2.0%
DESJARDINS CANADIAN EQUITY FUND 4.9%	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.0%
Enbridge	4.2%
Canadian National Railway Company	3.9%
BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 4,8%	
Royal Bank of Canada	9.0%
Toronto-Dominion Bank	8.2%
Rogers Communications	7.4%
Magna International	5.1%
Canadian National Railway Company	4.8%
DESJARDINS OVERSEAS EQUITY GROWTH FUND 3.9%	
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
DESJARDINS OVERSEAS EQUITY FUND 3.6%	
Keyence	7.2%
Nestlé	6.0%
Roche Holding	5.2%
Taiwan Semiconductor Manufacturing Company	4.8%
L'Oréal	4.8%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – MODERATE (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To generate income while leaving room for some capital appreciation by investing in a number of different fixed-income and equity underlying funds.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	22,822,246	41,994,938	—	64,817,184
TOTAL	22,822,246	41,994,938	—	64,817,184

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	21,980,603	38,813,959	—	60,794,562
TOTAL	21,980,603	38,813,959	—	60,794,562

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (65%)	1.00	400,491	399,453
S&P/TSX (10.5%)	3.00	194,084	193,581
MSCI World Net (24.5%)	3.00	452,862	451,689

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – BALANCED*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	45,659	663,907
Investments at fair value through profit or loss (FVTPL)	279,295,122	276,275,714
Premiums receivable	205,146	350,556
Receivable for securities sold	78,605	220,398
Interest, dividends and other receivables	65,073	—
	<u>279,689,605</u>	<u>277,510,575</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	573,301	580,953
Withdrawals payable	481,772	576,305
Payable for securities purchased	60,772	—
	<u>1,115,845</u>	<u>1,157,258</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>278,573,760</u>	<u>276,353,317</u>
NET ASSETS PER UNIT		
Series 5	<u>6.11</u>	5.96
Series 6	<u>6.48</u>	6.32
Series 7	<u>6.70</u>	6.52
Series 8	<u>5.66</u>	5.51

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	1,583
Distributions from underlying funds	2,036,344	1,023,873
Changes in fair value:		
Net realized gain (loss) on investments	911,558	423,523
Net unrealized gain (loss) on investments	7,112,929	7,797,492
	<u>10,060,831</u>	<u>9,246,471</u>
EXPENSES		
Management fees and guarantee charge	3,082,223	1,081,009
Operating expenses	301,731	110,782
	<u>3,383,954</u>	<u>1,191,791</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>6,676,877</u>	<u>8,054,680</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	2,826,421	458,364
- per unit	0.14	0.43
Average Number of Units	19,812,194	1,060,102
SERIES 6		
Increase (Decrease) in Net Assets from Operations	2,318,075	4,413,101
- per unit	0.16	0.48
Average Number of Units	14,132,539	9,263,200
SERIES 7		
Increase (Decrease) in Net Assets from Operations	213,510	1,003,393
- per unit	0.09	0.51
Average Number of Units	2,405,036	1,961,483
SERIES 8		
Increase (Decrease) in Net Assets from Operations	1,318,871	2,179,822
- per unit	0.15	0.42
Average Number of Units	8,977,842	5,242,560

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	276,353,317	91,940,497
Increase (Decrease) in Net Assets from operations attributable to contract owners	6,676,877	8,054,680
Premiums		
Series 5	7,343,296	1,915,077
Series 6	6,908,684	7,644,606
Series 7	3,120,105	414,797
Series 8	4,011,646	5,495,541
	21,383,731	15,470,021
Withdrawals		
Series 5	(13,908,160)	(895,432)
Series 6	(6,783,467)	(5,232,799)
Series 7	(2,431,263)	(907,126)
Series 8	(2,717,275)	(1,962,008)
	(25,840,165)	(8,997,365)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	278,573,760	106,467,833

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	6,676,877	8,054,680
Adjustments for:		
Net realized (gain) loss	(911,558)	(423,523)
Net unrealized (gain) loss	(7,112,929)	(7,797,492)
Non-cash distribution from investments	(2,036,344)	(1,023,873)
Proceeds from sale/maturity of investments	51,639,054	10,521,990
Investments purchased	(44,597,631)	(15,903,077)
Receivable for securities sold	141,793	(391)
Interest, dividends and other receivables	(65,073)	—
Accrued expenses	(7,652)	15,878
Payable for securities purchased	60,772	3,437
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	3,787,309	(6,552,371)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	21,529,141	15,452,674
Amounts paid on withdrawals	(25,934,698)	(8,859,915)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(4,405,557)	6,592,759
Increase (decrease) in cash/ bank overdraft	(618,248)	40,388
Cash (bank overdraft), beginning of period	663,907	379,679
CASH (BANK OVERDRAFT), END OF PERIOD	45,659	420,067
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	1,583

The accompanying Notes are an integral part of these financial statements.

DFS GIF – BALANCED (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Beutel Goodman Fundamental Canadian Equity Fund, Class I	1,887,208	19,133,064	19,139,306
BlackRock CDN US Equity Index Fund, Series D	1,767,986	47,301,991	51,549,147
Desjardins Canadian Equity Fund, I-Class	2,056,081	20,645,824	19,479,314
Desjardins Enhanced Bond Fund, I-Class	2,449,448	27,590,216	28,058,429
Desjardins Low Volatility Global Equity Fund, I-Class	1,603,264	20,260,734	19,800,310
Desjardins Overseas Equity Fund, I-Class	763,524	12,556,897	14,354,244
Desjardins Overseas Equity Growth Fund, I-Class	459,255	10,447,621	15,502,168
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
DGIA Canadian Bond Fund	10,135,823	106,153,188	111,411,143
Total Investments		264,090,646	279,295,122
Other Net Assets (-0.3%)			(721,362)
Net Assets (100%)			278,573,760

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
DGIA CANADIAN BOND FUND 39.9%	
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
BLACKROCK CDN US EQUITY INDEX FUND 18.5%	
Microsoft	6.0%
Apple	5.8%
Amazon	4.5%
Facebook	2.1%
Alphabet	1.7%
DESJARDINS ENHANCED BOND FUND 10.1%	
Government of Canada, 2.750%, 2048-12-01	6.4%
Canada Housing Trust, 2.650%, 2028-12-15	5.5%
Government of Canada, 2.250%, 2029-06-01	4.2%
Province of Ontario, 2.800%, 2048-06-02	3.0%
Government of Canada, 1.250%, 2030-06-01	2.8%

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited (continued)

Security Name	Percentage
DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 7.1%	
Walmart	3.0%
Verizon Communications	2.9%
Roche Holding	2.8%
Electronic Arts	2.1%
Citrix Systems	2.0%
DESJARDINS CANADIAN EQUITY FUND 7.0%	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.0%
Enbridge	4.2%
Canadian National Railway Company	3.9%
BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 6.9%	
Royal Bank of Canada	9.0%
Toronto-Dominion Bank	8.2%
Rogers Communications	7.4%
Magna International	5.1%
Canadian National Railway Company	4.8%
DESJARDINS OVERSEAS EQUITY GROWTH FUND 5.6%	
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
DESJARDINS OVERSEAS EQUITY FUND 5.2%	
Keyence	7.2%
Nestlé	6.0%
Roche Holding	5.2%
Taiwan Semiconductor Manufacturing Company	4.8%
L'Oréal	4.8%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – BALANCED (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide investors with an attractive balance of current income and capital appreciation by investing in a number of different fixed-income and equity underlying funds.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	116,334,832	162,960,290	—	279,295,122
TOTAL	116,334,832	162,960,290	—	279,295,122

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	117,910,505	158,365,209	—	276,275,714
TOTAL	117,910,505	158,365,209	—	276,275,714

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (50%)	1.00	1,273,053	1,390,096
S&P/TSX (15%)	3.00	1,145,747	1,251,086
MSCI World Net (35%)	3.00	2,673,411	2,919,201

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GROWTH*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	85,634	318,943
Investments at fair value through profit or loss (FVTPL)	111,273,231	104,817,700
Premiums receivable	119,400	151,322
	<u>111,478,265</u>	<u>105,287,965</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	229,243	213,232
Withdrawals payable	140,180	104,580
Payable for securities purchased	70,803	236,900
	<u>440,226</u>	<u>554,712</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>111,038,039</u>	<u>104,733,253</u>
NET ASSETS PER UNIT		
Series 5	<u>6.33</u>	6.22
Series 6	<u>6.83</u>	6.71
Series 7	<u>7.04</u>	6.90
Series 8	<u>5.70</u>	5.59

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	358	685
Distributions from underlying funds	820,453	796,855
Changes in fair value:		
Net realized gain (loss) on investments	1,274,128	370,022
Net unrealized gain (loss) on investments	1,311,307	7,619,217
	<u>3,406,246</u>	<u>8,786,779</u>
EXPENSES		
Management fees and guarantee charge	1,202,934	969,851
Operating expenses	117,040	94,449
	<u>1,319,974</u>	<u>1,064,300</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>2,086,272</u>	<u>7,722,479</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	401,658	1,496,062
- per unit	0.11	0.51
Average Number of Units	3,663,262	2,911,930
SERIES 6		
Increase (Decrease) in Net Assets from Operations	1,030,927	3,759,500
- per unit	0.14	0.56
Average Number of Units	7,434,412	6,733,226
SERIES 7		
Increase (Decrease) in Net Assets from Operations	162,472	702,786
- per unit	0.15	0.60
Average Number of Units	1,105,934	1,167,097
SERIES 8		
Increase (Decrease) in Net Assets from Operations	491,215	1,764,131
- per unit	0.10	0.46
Average Number of Units	4,790,934	3,800,795

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	104,733,253	77,796,751
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,086,272	7,722,479
Premiums		
Series 5	4,570,089	3,700,438
Series 6	5,525,347	5,581,182
Series 7	77,606	113,722
Series 8	3,202,073	3,096,831
	13,375,115	12,492,173
Withdrawals		
Series 5	(2,857,221)	(2,352,320)
Series 6	(4,521,480)	(3,157,131)
Series 7	(95,985)	(543,468)
Series 8	(1,681,915)	(635,683)
	(9,156,601)	(6,688,602)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	111,038,039	91,322,801

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,086,272	7,722,479
Adjustments for:		
Net realized (gain) loss	(1,274,128)	(370,022)
Net unrealized (gain) loss	(1,311,307)	(7,619,217)
Non-cash distribution from investments	(820,453)	(796,855)
Proceeds from sale/maturity of investments	21,107,581	9,683,795
Investments purchased	(24,157,224)	(14,602,629)
Receivable for securities sold	—	4,257
Accrued expenses	16,011	15,615
Payable for securities purchased	(166,097)	(46,643)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(4,519,345)	(6,009,220)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	13,407,037	12,213,483
Amounts paid on withdrawals	(9,121,001)	(6,294,016)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	4,286,036	5,919,467
Increase (decrease) in cash/ bank overdraft	(233,309)	(89,753)
Cash (bank overdraft), beginning of period	318,943	275,379
CASH (BANK OVERDRAFT), END OF PERIOD	85,634	185,626
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	358	685

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GROWTH (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
Beutel Goodman Fundamental Canadian Equity Fund, Class I	978,995	9,926,186	9,928,572
BlackRock CDN US Equity Index Fund, Series D	914,385	23,098,907	26,660,698
Desjardins Canadian Equity Fund, I-Class	1,065,419	10,630,288	10,093,775
Desjardins Enhanced Bond Fund, I-Class	683,037	7,581,060	7,824,189
Desjardins Low Volatility Global Equity Fund, I-Class	830,357	10,171,963	10,254,912
Desjardins Overseas Equity Fund, I-Class	394,893	6,246,988	7,423,986
Desjardins Overseas Equity Growth Fund, I-Class	237,535	5,368,656	8,018,009
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
DGIA Canadian Bond Fund	2,826,468	29,148,850	31,068,029
Total Investments		102,174,009	111,273,231
Other Net Assets (-0.2%)			(235,192)
Net Assets (100%)			111,038,039

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
DGIA CANADIAN BOND FUND 28.1%	
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
BLACKROCK CDN US EQUITY INDEX FUND 24.0%	
Microsoft	6.0%
Apple	5.8%
Amazon	4.5%
Facebook	2.1%
Alphabet	1.7%
DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 9.2%	
Walmart	3.0%
Verizon Communications	2.9%
Roche Holding	2.8%
Electronic Arts	2.1%
Citrix Systems	2.0%

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited (continued)

Security Name	Percentage
DESJARDINS CANADIAN EQUITY FUND 9.1%	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.0%
Enbridge	4.2%
Canadian National Railway Company	3.9%
BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 8.9%	
Royal Bank of Canada	9.0%
Toronto-Dominion Bank	8.2%
Rogers Communications	7.4%
Magna International	5.1%
Canadian National Railway Company	4.8%
DESJARDINS OVERSEAS EQUITY GROWTH FUND 7.2%	
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
DESJARDINS ENHANCED BOND FUND 7.0%	
Government of Canada, 2.750%, 2048-12-01	6.4%
Canada Housing Trust, 2.650%, 2028-12-15	5.5%
Government of Canada, 2.250%, 2029-06-01	4.2%
Province of Ontario, 2.800%, 2048-06-02	3.0%
Government of Canada, 1.250%, 2030-06-01	2.8%
DESJARDINS OVERSEAS EQUITY FUND 6.7%	
Keyence	7.2%
Nestlé	6.0%
Roche Holding	5.2%
Taiwan Semiconductor Manufacturing Company	4.8%
L'Oréal	4.8%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – GROWTH (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To emphasize appreciation of capital while still generating some income by investing in a number of different fixed-income and equity underlying funds.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	53,544,504	57,728,727	—	111,273,231
TOTAL	53,544,504	57,728,727	—	111,273,231

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	51,437,620	53,380,080	—	104,817,700
TOTAL	51,437,620	53,380,080	—	104,817,700

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (35%)	1.00	348,898	362,625
S&P/TSX (19.5%)	3.00	583,158	606,102
MSCI World Net (45.5%)	3.00	1,360,701	1,414,238

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – MAXIMUM GROWTH*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	10,197	28,677
Investments at fair value through profit or loss (FVTPL)	12,705,144	10,434,548
Premiums receivable	77,928	816
	<u>12,793,269</u>	<u>10,464,041</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	25,779	21,489
Withdrawals payable	2,515	2,102
Payable for securities purchased	12,985	1,487
	<u>41,279</u>	<u>25,078</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>12,751,990</u>	<u>10,438,963</u>
NET ASSETS PER UNIT		
Series 5	<u>6.61</u>	6.54
Series 6	<u>7.10</u>	7.03
Series 7	<u>7.34</u>	7.24
Series 8	<u>5.72</u>	5.65

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Distributions from underlying funds	77,816	73,254
Changes in fair value:		
Net realized gain (loss) on investments	141,239	34,854
Net unrealized gain (loss) on investments	109,587	811,491
	<u>328,642</u>	<u>919,599</u>
EXPENSES		
Management fees and guarantee charge	127,757	96,146
Operating expenses	12,529	9,401
	<u>140,286</u>	<u>105,547</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>188,356</u>	<u>814,052</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	63,735	49,802
- per unit	0.46	0.46
Average Number of Units	<u>137,104</u>	<u>107,171</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	70,125	419,950
- per unit	0.09	0.61
Average Number of Units	<u>808,440</u>	<u>689,140</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	30,804	194,078
- per unit	0.10	0.68
Average Number of Units	<u>315,113</u>	<u>284,225</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	23,692	150,222
- per unit	0.05	0.51
Average Number of Units	<u>484,635</u>	<u>296,181</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	10,438,963	7,358,021
Increase (Decrease) in Net Assets from operations attributable to contract owners	188,356	814,052
Premiums		
Series 5	422,260	397,556
Series 6	1,510,797	1,023,822
Series 7	2,750	7,550
Series 8	1,499,676	302,434
	3,435,483	1,731,362
Withdrawals		
Series 5	(257,050)	(14,557)
Series 6	(825,190)	(326,670)
Series 7	(5,969)	(6,119)
Series 8	(222,603)	(68,672)
	(1,310,812)	(416,018)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	12,751,990	9,487,417

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	188,356	814,052
Adjustments for:		
Net realized (gain) loss	(141,239)	(34,854)
Net unrealized (gain) loss	(109,587)	(811,491)
Non-cash distribution from investments	(77,816)	(73,254)
Proceeds from sale/maturity of investments	3,130,119	1,317,930
Investments purchased	(5,072,073)	(2,534,459)
Receivable for securities sold	—	(362)
Accrued expenses	4,290	3,376
Payable for securities purchased	11,498	(9,745)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(2,066,452)	(1,328,807)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	3,358,371	1,730,952
Amounts paid on withdrawals	(1,310,399)	(414,262)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	2,047,972	1,316,690
Increase (decrease) in cash/ bank overdraft	(18,480)	(12,117)
Cash (bank overdraft), beginning of period	28,677	35,298
CASH (BANK OVERDRAFT), END OF PERIOD	10,197	23,181

The accompanying Notes are an integral part of these financial statements.

DFS GIF – MAXIMUM GROWTH (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (99.6%)			
Beutel Goodman Fundamental Canadian Equity Fund, Class I	137,348	1,392,589	1,392,924
BlackRock CDN US Equity Index Fund, Series D	128,489	3,326,656	3,746,342
Desjardins Canadian Equity Fund, I-Class	149,661	1,480,836	1,417,890
Desjardins Enhanced Bond Fund, I-Class	44,554	494,963	510,366
Desjardins Low Volatility Global Equity Fund, I-Class	116,701	1,436,919	1,441,262
Desjardins Overseas Equity Fund, I-Class	55,488	937,438	1,043,180
Desjardins Overseas Equity Growth Fund, I-Class	33,368	799,792	1,126,342
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
DGIA Canadian Bond Fund	184,299	1,908,211	2,025,777
Total Investments		11,778,515	12,705,144
Other Net Assets (0.4%)			46,846
Net Assets (100%)			12,751,990

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
BLACKROCK CDN US EQUITY INDEX FUND 29.4%	
Microsoft	6.0%
Apple	5.8%
Amazon	4.5%
Facebook	2.1%
Alphabet	1.7%
DGIA CANADIAN BOND FUND 15.9%	
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 11.3%	
Walmart	3.0%
Verizon Communications	2.9%
Roche Holding	2.8%
Electronic Arts	2.1%
Citrix Systems	2.0%

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited (continued)

Security Name	Percentage
DESJARDINS CANADIAN EQUITY FUND 11.1%	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.0%
Enbridge	4.2%
Canadian National Railway Company	3.9%
BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 10.9%	
Royal Bank of Canada	9.0%
Toronto-Dominion Bank	8.2%
Rogers Communications	7.4%
Magna International	5.1%
Canadian National Railway Company	4.8%
DESJARDINS OVERSEAS EQUITY GROWTH FUND 8.8%	
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
DESJARDINS OVERSEAS EQUITY FUND 8.2%	
Keyence	7.2%
Nestlé	6.0%
Roche Holding	5.2%
Taiwan Semiconductor Manufacturing Company	4.8%
L'Oréal	4.8%
DESJARDINS ENHANCED BOND FUND 4.0%	
Government of Canada, 2.750%, 2048-12-01	6.4%
Canada Housing Trust, 2.650%, 2028-12-15	5.5%
Government of Canada, 2.250%, 2029-06-01	4.2%
Province of Ontario, 2.800%, 2048-06-02	3.0%
Government of Canada, 1.250%, 2030-06-01	2.8%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – MAXIMUM GROWTH (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To maximize the appreciation of capital while still generating some income by investing in a number of different fixed-income and equity underlying funds.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

Strategy of the Fund

To invest in a wide array of underlying funds managed by using a multi-manager approach provided by acclaimed fund managers and sub-advisors.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	6,933,025	5,772,119	—	12,705,144
TOTAL	6,933,025	5,772,119	—	12,705,144

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	5,765,387	4,669,161	—	10,434,548
TOTAL	5,765,387	4,669,161	—	10,434,548

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (20%)	1.00	22,621	20,912
S&P/TSX (24%)	3.00	81,436	75,282
MSCI World Net (56%)	3.00	190,018	175,659

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".



Responsible Investment Portfolios

DFS GUARANTEED INVESTMENT FUNDS

DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	706	102,714
Investments at fair value through profit or loss (FVTPL)	7,880,177	7,316,668
Premiums receivable	9,413	—
Receivable for securities sold	310	2,326
	<u>7,890,606</u>	<u>7,421,708</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	15,767	15,362
Withdrawals payable	4,041	5,975
Payable for securities purchased	—	101,703
	<u>19,808</u>	<u>123,040</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>7,870,798</u>	<u>7,298,668</u>
NET ASSETS PER UNIT		
Series 5	<u>5.54</u>	5.41
Series 6	<u>5.56</u>	5.42
Series 7	<u>5.62</u>	5.47
Series 8	<u>5.60</u>	5.45

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	6	2
Changes in fair value:		
Net realized gain (loss) on investments	(49,680)	6,964
Net unrealized gain (loss) on investments	248,486	229,912
	<u>198,812</u>	<u>236,878</u>
EXPENSES		
Management fees and guarantee charge	87,269	34,326
Operating expenses	8,521	3,402
	<u>95,790</u>	<u>37,728</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>103,022</u>	<u>199,150</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(54,566)	23,317
- per unit	(0.19)	0.33
Average Number of Units	<u>291,862</u>	<u>71,570</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	93,625	83,355
- per unit	0.17	0.34
Average Number of Units	<u>552,674</u>	<u>245,785</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	18,637	12,253
- per unit	0.42	0.36
Average Number of Units	<u>43,891</u>	<u>34,265</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	45,326	80,225
- per unit	0.09	0.35
Average Number of Units	<u>499,863</u>	<u>226,441</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	7,298,668	2,222,198
Increase (Decrease) in Net Assets from operations attributable to contract owners	103,022	199,150
Premiums		
Series 5	369,113	405,345
Series 6	1,213,435	940,954
Series 7	137,902	69,399
Series 8	1,072,403	500,118
	2,792,853	1,915,816
Withdrawals		
Series 5	(1,196,625)	(35,788)
Series 6	(574,400)	(115,236)
Series 7	(4,895)	—
Series 8	(547,825)	(379,126)
	(2,323,745)	(530,150)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	7,870,798	3,807,014

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	103,022	199,150
Adjustments for:		
Net realized (gain) loss	49,680	(6,964)
Net unrealized (gain) loss	(248,486)	(229,912)
Proceeds from sale/maturity of investments	1,860,099	269,879
Investments purchased	(2,224,802)	(1,643,967)
Receivable for securities sold	2,016	—
Accrued expenses	405	2,919
Payable for securities purchased	(101,703)	5,576
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(559,769)	(1,403,319)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,783,440	1,933,261
Amounts paid on withdrawals	(2,325,679)	(505,031)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	457,761	1,428,230
Increase (decrease) in cash/ bank overdraft	(102,008)	24,911
Cash (bank overdraft), beginning of period	102,714	50
CASH (BANK OVERDRAFT), END OF PERIOD	706	24,961
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	6	2

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.1%)			
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
SocieTerra Conservative Portfolio, I-Class	708,809	7,471,696	7,879,116
Total Investments		<u>7,472,807</u>	<u>7,880,177</u>
Other Net Assets (-0.1%)			<u>(9,379)</u>
Net Assets (100%)			<u>7,870,798</u>

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
SOCIETERRA CONSERVATIVE PORTFOLIO 100.1%	
Desjardins SocieTerra Canadian Bond Fund	60.0%
Desjardins SocieTerra Canadian Equity Fund	7.0%
Desjardins SocieTerra Global Bond Fund	6.8%
Desjardins SocieTerra Environmental Bond Fund	6.7%
Desjardins SocieTerra American Equity Fund	6.4%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide income and achieve a moderate level of long-term capital appreciation by investing primarily in Canadian, and to a lesser extent, foreign equity and fixed-income bonds and/or in units of mutual funds which themselves invest primarily in Canadian or foreign equity and fixed-income bonds. The Fund follows a responsible approach to investing.

Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying fund as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (71%) and Growth (29%).

The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	7,880,177	—	—	7,880,177
TOTAL	7,880,177	—	—	7,880,177

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	7,316,668	—	—	7,316,668
TOTAL	7,316,668	—	—	7,316,668

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (56.8%)	1.00	44,706	41,456
Bloomberg Barclays Multiverse Hedged (14.2%)	1.00	11,177	10,364
MSCI Canada (8.7%)	3.00	20,543	19,050
MSCI All Country World ex Canada IMI (20.3%)	3.00	47,933	44,449

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – BALANCED – DESJARDINS SOCIETERRA*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	9,172
Investments at fair value through profit or loss (FVTPL)	33,999,924	30,423,982
Premiums receivable	227,743	222,594
Receivable for securities sold	14,361	—
	34,242,028	30,655,748
LIABILITIES		
Current Liabilities		
Bank overdraft	13,317	—
Accrued expenses	71,718	64,811
Withdrawals payable	52,370	68,823
Payable for securities purchased	226,876	66,668
	364,281	200,302
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	33,877,747	30,455,446
NET ASSETS PER UNIT		
Series 5	5.98	5.84
Series 6	6.01	5.86
Series 7	6.16	5.99
Series 8	5.69	5.54

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	17	2
Changes in fair value:		
Net realized gain (loss) on investments	29,713	(20,910)
Net unrealized gain (loss) on investments	1,169,195	2,439,127
	1,198,925	2,418,219
EXPENSES		
Management fees and guarantee charge	348,348	291,679
Operating expenses	51,535	43,834
	399,883	335,513
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	799,042	2,082,706
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	240,976	586,684
- per unit	0.16	0.43
Average Number of Units	1,479,944	1,361,587
SERIES 6		
Increase (Decrease) in Net Assets from Operations	304,676	722,137
- per unit	0.15	0.43
Average Number of Units	1,997,380	1,674,433
SERIES 7		
Increase (Decrease) in Net Assets from Operations	45,983	414,787
- per unit	0.06	0.46
Average Number of Units	742,467	900,588
SERIES 8		
Increase (Decrease) in Net Assets from Operations	207,407	359,098
- per unit	0.18	0.41
Average Number of Units	1,128,589	881,281

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – BALANCED – DESJARDINS SOCIETERRA (continued)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	30,455,446	24,274,741
Increase (Decrease) in Net Assets from operations attributable to contract owners	799,042	2,082,706
Premiums		
Series 5	987,774	1,036,869
Series 6	3,554,837	1,994,303
Series 7	12,000	320,897
Series 8	2,034,726	2,014,273
	6,589,337	5,366,342
Withdrawals		
Series 5	(959,247)	(838,373)
Series 6	(1,443,675)	(1,376,687)
Series 7	(763,784)	(216,597)
Series 8	(799,372)	(826,106)
	(3,966,078)	(3,257,763)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	33,877,747	28,466,026

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	799,042	2,082,706
Adjustments for:		
Net realized (gain) loss	(29,713)	20,910
Net unrealized (gain) loss	(1,169,195)	(2,439,127)
Proceeds from sale/maturity of investments	1,728,067	1,270,028
Investments purchased	(4,105,101)	(3,056,562)
Receivable for securities sold	(14,361)	(5,899)
Accrued expenses	6,907	4,856
Payable for securities purchased	160,208	(248,740)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(2,624,146)	(2,371,828)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,584,188	5,629,978
Amounts paid on withdrawals	(3,982,531)	(3,263,702)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	2,601,657	2,366,276
Increase (decrease) in cash/ bank overdraft	(22,489)	(5,552)
Cash (bank overdraft), beginning of period	9,172	655
CASH (BANK OVERDRAFT), END OF PERIOD	(13,317)	(4,897)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	17	2

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
SocieTerra Balanced Portfolio, I-Class	3,167,104	31,324,528	33,998,863
Total Investments		31,325,639	33,999,924
Other Net Assets (-0.4%)			(122,177)
Net Assets (100%)			33,877,747

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
SOCIETERRA BALANCED PORTFOLIO 100.4%	
Desjardins SocieTerra Canadian Bond Fund	39.8%
Desjardins SocieTerra Canadian Equity Fund	14.0%
Desjardins SocieTerra American Equity Fund	12.8%
Desjardins SocieTerra International Equity Fund	6.9%
Desjardins SocieTerra Cleantech Fund	5.3%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – BALANCED – DESJARDINS SOCIETERRA (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To achieve a balance between long-term capital appreciation and income by investing primarily in Canadian, and to a lesser extent, foreign equity and fixed-income securities and/or in units of mutual funds which themselves invest primarily in Canadian or foreign equity and fixed-income securities. The Fund follows a responsible approach to investing.

Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying funds as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (55%) and Growth (45%).

The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	33,999,924	—	—	33,999,924
TOTAL	33,999,924	—	—	33,999,924

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	30,423,982	—	—	30,423,982
TOTAL	30,423,982	—	—	30,423,982

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (44%)	1.00	146,229	131,099
Bloomberg Barclays Multiverse Hedged (11%)	1.00	36,557	32,775
MSCI Canada (13.5%)	3.00	134,597	120,670
MSCI All Country World ex Canada IMI (31.5%)	3.00	314,059	281,564

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GROWTH – DESJARDINS SOCIETERRA*

STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	12
Investments at fair value through profit or loss (FVTPL)	15,932,584	11,138,299
Premiums receivable	2,518	167,720
Receivable for securities sold	1,812	1,002
	15,936,914	11,307,033
LIABILITIES		
Current Liabilities		
Bank overdraft	793	—
Accrued expenses	34,702	23,728
Withdrawals payable	13,701	10,627
Payable for securities purchased	2,518	141,251
	51,714	175,606
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	15,885,200	11,131,427
NET ASSETS PER UNIT		
Series 5	5.58	5.51
Series 6	5.59	5.51
Series 7	5.65	5.56
Series 8	5.64	5.55

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	2	3
Changes in fair value:		
Net realized gain (loss) on investments	9,583	(96)
Net unrealized gain (loss) on investments	474,294	434,758
	483,879	434,665
EXPENSES		
Management fees and guarantee charge	162,030	54,582
Operating expenses	14,765	4,965
	176,795	59,547
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	307,084	375,118
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	72,786	73,725
- per unit	0.20	0.38
Average Number of Units	357,693	194,526
SERIES 6		
Increase (Decrease) in Net Assets from Operations	120,587	143,398
- per unit	0.11	0.43
Average Number of Units	1,118,672	331,947
SERIES 7		
Increase (Decrease) in Net Assets from Operations	2,525	13,086
- per unit	0.09	0.47
Average Number of Units	28,000	28,000
SERIES 8		
Increase (Decrease) in Net Assets from Operations	111,186	144,909
- per unit	0.12	0.45
Average Number of Units	938,323	319,325

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	11,131,427	3,417,216
Increase (Decrease) in Net Assets from operations attributable to contract owners	307,084	375,118
Premiums		
Series 5	570,865	1,286,970
Series 6	2,943,188	1,395,968
Series 8	2,085,853	432,115
	5,599,906	3,115,053
Withdrawals		
Series 5	(149,451)	(471,982)
Series 6	(894,442)	(198,036)
Series 8	(109,324)	(59,757)
	(1,153,217)	(729,775)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	15,885,200	6,177,612

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	307,084	375,118
Adjustments for:		
Net realized (gain) loss	(9,583)	96
Net unrealized (gain) loss	(474,294)	(434,758)
Proceeds from sale/maturity of investments	358,082	72,503
Investments purchased	(4,668,490)	(2,405,000)
Receivable for securities sold	(810)	—
Accrued expenses	10,974	4,723
Payable for securities purchased	(138,733)	290,842
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(4,615,770)	(2,096,476)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	5,765,108	3,026,401
Amounts paid on withdrawals	(1,150,143)	(724,980)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	4,614,965	2,301,421
Increase (decrease) in cash/ bank overdraft	(805)	204,945
Cash (bank overdraft), beginning of period	12	(1)
CASH (BANK OVERDRAFT), END OF PERIOD	(793)	204,944
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	2	3

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GROWTH – DESJARDINS SOCIETERRA (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
SocieTerra Growth Portfolio, I-Class	1,432,949	14,869,183	15,931,523
Total Investments		14,870,294	15,932,584
Other Net Assets (-0.3%)			(47,384)
Net Assets (100%)			15,885,200

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
SOCIETERRA GROWTH PORTFOLIO 100.3%	
Desjardins SocieTerra Canadian Bond Fund	31.6%
Desjardins SocieTerra Canadian Equity Fund	16.8%
Desjardins SocieTerra American Equity Fund	15.3%
Desjardins SocieTerra International Equity Fund	8.2%
Desjardins SocieTerra Cleantech Fund	6.3%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide long-term capital appreciation and to a lesser extent, income. The Fund invests in Canadian and foreign equity and fixed-income bonds and/or in units of mutual funds which themselves invest primarily in Canadian or foreign equity and fixed-income bonds. The Fund follows a responsible approach to investing.

Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying fund as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (40%) and Growth (60%).

The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	15,932,584	—	—	15,932,584
TOTAL	15,932,584	—	—	15,932,584

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	11,138,299	—	—	11,138,299
TOTAL	11,138,299	—	—	11,138,299

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager’s best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (32%)	1.00	50,833	35,621
Bloomberg Barclays Multiverse Hedged (8%)	1.00	12,708	8,905
MSCI Canada (18%)	3.00	85,780	60,110
MSCI All Country World ex Canada IMI (42%)	3.00	200,154	140,256

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 “Financial Instruments Disclosures”.

DFS GIF – MAXIMUM GROWTH – DESJARDINS SOCIETERRA*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	937	1,085
Investments at fair value through profit or loss (FVTPL)	2,647,224	2,061,418
Premiums receivable	380	380
Receivable for securities sold	75	—
	<u>2,648,616</u>	<u>2,062,883</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	6,443	5,035
Withdrawals payable	458	349
Payable for securities purchased	380	455
	<u>7,281</u>	<u>5,839</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>2,641,335</u>	<u>2,057,044</u>
NET ASSETS PER UNIT		
Series 5	<u>5.63</u>	5.61
Series 6	<u>5.64</u>	5.63
Series 7	<u>5.70</u>	5.67
Series 8	<u>5.68</u>	5.65

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	9	1
Changes in fair value:		
Net realized gain (loss) on investments	2,520	(806)
Net unrealized gain (loss) on investments	57,271	168,860
	<u>59,800</u>	<u>168,055</u>
EXPENSES		
Management fees and guarantee charge	32,233	21,062
Operating expenses	2,691	1,776
	<u>34,924</u>	<u>22,838</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>24,876</u>	<u>145,217</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	554	19,494
- per unit	0.01	0.51
Average Number of Units	<u>43,766</u>	<u>37,919</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	22,103	83,997
- per unit	0.07	0.45
Average Number of Units	<u>309,754</u>	<u>185,813</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	845	15,028
- per unit	0.03	0.54
Average Number of Units	<u>28,000</u>	<u>28,000</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	1,374	26,698
- per unit	0.03	0.53
Average Number of Units	<u>50,097</u>	<u>50,461</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – MAXIMUM GROWTH – DESJARDINS SOCIETERRA (continued)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	2,057,044	1,087,739
Increase (Decrease) in Net Assets from operations attributable to contract owners	24,876	145,217
Premiums		
Series 5	54,121	25,415
Series 6	522,953	682,827
Series 8	22,587	26,665
	599,661	734,907
Withdrawals		
Series 5	(528)	(73)
Series 6	(21,711)	(41,420)
Series 8	(18,007)	(29,269)
	(40,246)	(70,762)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	2,641,335	1,897,101

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	24,876	145,217
Adjustments for:		
Net realized (gain) loss	(2,520)	806
Net unrealized (gain) loss	(57,271)	(168,860)
Proceeds from sale/maturity of investments	41,323	59,736
Investments purchased	(567,338)	(701,796)
Receivable for securities sold	(75)	16,154
Accrued expenses	1,408	1,680
Payable for securities purchased	(75)	1,392
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(559,672)	(645,671)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	599,661	851,298
Amounts paid on withdrawals	(40,137)	(203,182)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	559,524	648,116
Increase (decrease) in cash/bank overdraft	(148)	2,445
Cash (bank overdraft), beginning of period	1,085	—
CASH (BANK OVERDRAFT), END OF PERIOD	937	2,445
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	9	1

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
SocieTerra Maximum Growth Portfolio, I-Class	239,255	2,409,336	2,646,163
Total Investments		<u>2,410,447</u>	<u>2,647,224</u>
Other Net Assets (-0.2%)			<u>(5,889)</u>
Net Assets (100%)			<u>2,641,335</u>

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
SOCIETERRA MAXIMUM GROWTH PORTFOLIO 100.2%	
Desjardins SocieTerra Canadian Equity Fund	22.0%
Desjardins SocieTerra American Equity Fund	20.3%
Desjardins SocieTerra Canadian Bond Fund	15.7%
Desjardins SocieTerra International Equity Fund	10.9%
Desjardins SocieTerra Cleantech Fund	8.3%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – MAXIMUM GROWTH – DESJARDINS SOCIETERRA (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To achieve long-term capital appreciation. The Fund invests in Canadian and foreign equity and fixed-income bonds and/or in units of mutual funds which themselves invest primarily in Canadian or foreign equity and fixed-income bonds. The Fund follows a responsible approach to investing.

Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying fund as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (20%) and Growth (80%).

The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	2,647,224	—	—	2,647,224
TOTAL	2,647,224	—	—	2,647,224

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	2,061,418	—	—	2,061,418
TOTAL	2,061,418	—	—	2,061,418

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Funds Risk Management

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (16%)	1.00	4,226	3,291
Bloomberg Barclays Multiverse Hedged (4%)	1.00	1,057	823
MSCI Canada (24%)	3.00	19,018	14,811
MSCI All Country World ex Canada IMI (56%)	3.00	44,374	34,558

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

Individual Funds

DFS GUARANTEED INVESTMENT FUNDS

DFS GIF – MONEY MARKET*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	67,210	—
Investments at fair value through profit or loss (FVTPL)	43,726,239	41,283,543
Premiums receivable	252,640	377,879
Interest, dividends and other receivables	78	—
	<u>44,046,167</u>	<u>41,661,422</u>
LIABILITIES		
Current Liabilities		
Bank overdraft	—	159,638
Accrued expenses	41,880	41,170
Withdrawals payable	315,356	139,143
	<u>357,236</u>	<u>339,951</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>43,688,931</u>	<u>41,321,471</u>
NET ASSETS PER UNIT		
Series 1	<u>6.60</u>	6.58
Series 3	<u>6.61</u>	6.59
Series 5	<u>6.89</u>	6.86
Series 6	<u>5.14</u>	5.11
Series 7	<u>5.32</u>	5.27
Series 8	<u>5.14</u>	5.10
Series IGP	<u>9.97</u>	9.93

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Interest for attribution purposes	—	208
Distributions from underlying funds	368,144	321,533
Changes in fair value:		
Net realized gain (loss) on investments	115,850	98,364
Net unrealized gain (loss) on investments	31,601	(87,337)
	<u>515,595</u>	<u>332,768</u>
EXPENSES		
Management fees and guarantee charge	176,760	130,872
Operating expenses	82,388	60,117
	<u>259,148</u>	<u>190,989</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>256,447</u>	<u>141,779</u>
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	1,109	671
- per unit	0.02	0.01
Average Number of Units	49,226	47,783
SERIES 3		
Increase (Decrease) in Net Assets from Operations	6,948	4,133
- per unit	0.02	0.01
Average Number of Units	306,896	313,089
SERIES 5		
Increase (Decrease) in Net Assets from Operations	96,322	49,047
- per unit	0.03	0.03
Average Number of Units	2,804,936	1,910,184
SERIES 6		
Increase (Decrease) in Net Assets from Operations	77,304	49,040
- per unit	0.03	0.03
Average Number of Units	2,342,137	1,927,708
SERIES 7		
Increase (Decrease) in Net Assets from Operations	12,501	8,757
- per unit	0.05	0.04
Average Number of Units	263,614	213,881
SERIES 8		
Increase (Decrease) in Net Assets from Operations	58,317	27,075
- per unit	0.04	0.03
Average Number of Units	1,453,269	813,371
SERIES IGP		
Increase (Decrease) in Net Assets from Operations	3,946	3,056
- per unit	0.04	0.02
Average Number of Units	107,074	126,712

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	41,321,471	32,266,032
Increase (Decrease) in Net Assets from operations attributable to contract owners	256,447	141,779
Premiums		
Series 1	204,253	600
Series 3	2,400,200	499,819
Series 5	14,455,733	4,162,658
Series 6	10,150,057	3,543,160
Series 7	566,818	205,000
Series 8	9,146,260	3,800,298
Series IGP	17,143	5,774
	36,940,464	12,217,309
Withdrawals		
Series 1	(211,173)	(67,180)
Series 3	(1,746,579)	(156,122)
Series 5	(19,601,070)	(5,347,989)
Series 6	(6,300,102)	(4,109,455)
Series 7	(52,134)	(1,019,872)
Series 8	(6,886,029)	(2,874,653)
Series IGP	(32,364)	(104,268)
	(34,829,451)	(13,679,539)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	43,688,931	30,945,581

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	256,447	141,779
Adjustments for:		
Net realized (gain) loss	(115,850)	(98,364)
Net unrealized (gain) loss	(31,601)	87,337
Non-cash distribution from investments	(368,144)	(321,533)
Proceeds from sale/maturity of investments	19,218,447	8,321,682
Investments purchased	(21,145,548)	(6,993,787)
Interest, dividends and other receivables	(78)	(94)
Accrued expenses	710	(1,966)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(2,185,617)	1,135,054
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	37,065,703	12,514,043
Amounts paid on withdrawals	(34,653,238)	(13,752,525)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	2,412,465	(1,238,482)
Increase (decrease) in cash/ bank overdraft	226,848	(103,428)
Cash (bank overdraft), beginning of period	(159,638)	121,922
CASH (BANK OVERDRAFT), END OF PERIOD	67,210	18,494
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	114

The accompanying Notes are an integral part of these financial statements.

DFS GIF – MONEY MARKET (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.1%)			
DGIA Money Market Fund	4,557,347	43,467,816	43,726,239
Total Investments		43,467,816	43,726,239
Other Net Assets (-0.1%)			(37,308)
Net Assets (100%)			43,688,931

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Bank of Montreal, 1.610%, 2021-10-28	6.9%
Government of Canada, floating rate, 2020-10-01	5.6%
Canada Housing Trust, 3.500%, 2020-09-15	5.2%
CDP Financial, 4.600%, 2020-07-15	5.1%
Royal Bank of Canada, 2.030%, 2021-03-15	4.9%
John Deere, floating rate, 2020-09-21	3.9%
National Bank of Canada, 1.809%, 2021-07-26	3.9%
AltaLink, commercial paper, 2020-08-31	3.7%
Canadian Imperial Bank of Commerce, floating rate, 2020-12-08	3.5%
Toronto-Dominion Bank, floating rate, 2020-09-04	3.5%
BMW Canada, 2.800%, 2021-01-28	3.4%
Scotiabank, 2.873%, 2021-06-04	3.0%
Canadian Imperial Bank of Commerce, 2.900%, 2021-09-14	2.9%
Wells Fargo Canada, 3.040%, 2021-01-29	2.9%
Province of Ontario, floating rate, 2020-09-12	2.7%
Province of Saskatchewan, 3.900%, 2020-07-28	2.6%
Royal Bank of Canada, 2.00375%, 2020-07-28	2.4%
TMX Group, commercial paper, 2020-07-16	2.3%
Toyota Credit Canada, floating rate, 2020-07-24	2.2%
Scotiabank, floating rate, 2020-12-01	2.0%
John Deere, 1.850%, 2021-03-24	1.9%
Cadillac Fairview, 4.310%, 2021-01-25	1.8%
Canadian Imperial Bank of Commerce, 1.900%, 2021-04-26	1.8%
Toronto-Dominion Bank, 1.9128%, 2020-10-02	1.7%
Government of Canada, floating rate, 2021-05-20	1.7%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide a higher level of interest income than can normally be obtained from savings accounts, combined with a high level of liquidity and safety of capital.

Strategy of the Fund

To invest among others in Canadian government treasury bills and in bankers' acceptances. The Fund's modified duration may not exceed 180 days and the average maturity cannot exceed 365 days.

The principal risk factors of this Fund are interest rate and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	43,726,239	—	43,726,239
TOTAL	—	43,726,239	—	43,726,239

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	41,283,543	—	41,283,543
TOTAL	—	41,283,543	—	41,283,543

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – MONEY MARKET (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada 91 Day Treasury Bills	0.25	3,816	66,469

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – INCOME – FIERA CAPITAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	21,331	17,855
Investments at fair value through profit or loss (FVTPL)	61,506,696	52,004,285
Investments at fair value through profit or loss (FVTPL) pledged as collateral	11,908,521	19,051,754
Premiums receivable	149,864	66,620
Cash guarantee received for repurchase transactions	10,633,970	18,162,916
Interest, dividends and other receivables	209,753	207,095
	84,430,135	89,510,525
LIABILITIES		
Current Liabilities		
Accrued expenses	116,782	115,619
Withdrawals payable	246,281	231,147
Commitments related to repurchase transactions	10,633,970	18,162,916
	10,997,033	18,509,682
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	73,433,102	71,000,843
NET ASSETS PER UNIT		
Series 1	10.96	10.25
Series 3	11.74	10.96
Series 5	12.70	11.81
Series 6	6.04	5.61
Series 7	6.24	5.78
Series 8	5.77	5.35

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Interest for attribution purposes	611,109	778,280
Distributions from underlying funds	291,695	252,768
Revenue from securities lending activities	19,487	12,129
Changes in fair value:		
Net realized gain (loss) on investments	1,604,230	1,105,636
Net unrealized gain (loss) on investments	3,338,847	2,047,028
	5,865,368	4,195,841
EXPENSES		
Management fees and guarantee charge	482,240	477,896
Operating expenses	207,933	216,363
	690,173	694,259
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	5,175,195	3,501,582
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	63,479	44,071
- per unit	0.71	0.44
Average Number of Units	88,957	99,199
SERIES 3		
Increase (Decrease) in Net Assets from Operations	371,576	285,862
- per unit	0.78	0.50
Average Number of Units	477,151	577,254
SERIES 5		
Increase (Decrease) in Net Assets from Operations	3,463,713	2,524,896
- per unit	0.89	0.57
Average Number of Units	3,899,383	4,444,975
SERIES 6		
Increase (Decrease) in Net Assets from Operations	696,459	402,756
- per unit	0.43	0.28
Average Number of Units	1,636,025	1,458,634
SERIES 7		
Increase (Decrease) in Net Assets from Operations	288,529	115,879
- per unit	0.45	0.30
Average Number of Units	634,264	388,116
SERIES 8		
Increase (Decrease) in Net Assets from Operations	291,439	128,118
- per unit	0.41	0.28
Average Number of Units	711,551	462,248

DFS GIF – INCOME – FIERA CAPITAL (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	71,000,843	69,031,873
Increase (Decrease) in Net Assets from operations attributable to contract owners	5,175,195	3,501,582
Premiums		
Series 1	900	40,195
Series 3	552,594	93,601
Series 5	2,399,346	4,433,114
Series 6	1,542,252	1,841,512
Series 7	529,442	2,007,809
Series 8	954,436	852,356
	5,978,970	9,268,587
Withdrawals		
Series 1	(62,681)	(119,683)
Series 3	(596,118)	(573,359)
Series 5	(5,806,980)	(6,322,379)
Series 6	(1,396,103)	(607,407)
Series 7	(278,103)	(502,073)
Series 8	(581,921)	(123,826)
	(8,721,906)	(8,248,727)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	73,433,102	73,553,315

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	5,175,195	3,501,582
Adjustments for:		
Net realized (gain) loss	(1,604,230)	(1,105,636)
Net unrealized (gain) loss	(3,338,847)	(2,047,028)
Non-cash distribution from investments	(291,695)	(252,768)
Proceeds from sale/maturity of investments	101,466,630	72,521,371
Investments purchased	(98,591,087)	(73,393,068)
Cash guarantee received for repurchase transactions	7,528,946	1,953,489
Interest, dividends and other receivables	(2,658)	(8,458)
Accrued expenses	1,163	(3,236)
Commitments related to repurchase transactions	(7,528,946)	(1,953,489)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2,814,471	(787,241)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	5,895,726	9,371,747
Amounts paid on withdrawals	(8,706,772)	(8,293,721)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(2,811,046)	1,078,026
Effect of exchange rate changes on foreign cash	51	(48)
Increase (decrease) in cash/bank overdraft	3,476	290,737
Cash (bank overdraft), beginning of period	17,855	(24,852)
CASH (BANK OVERDRAFT), END OF PERIOD	21,331	265,885
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	608,424	769,838
Interest paid	4	16

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Bonds (64.9%)				
Government of Canada (15.6%)				
Government of Canada				
3.250%, 2021-06-01	CAD	2,430,000	2,502,876	2,497,298
Series G328, 0.500%, 2022-03-01	CAD	83,000	83,358	83,362
1.500%, 2022-05-01*	CAD	5,094,000	5,212,774	5,208,718
1.000%, 2022-09-01	CAD	67,000	68,069	68,060
2.250%, 2029-06-01*	CAD	1,389,000	1,571,872	1,604,067
2.000%, 2051-12-01*	CAD	429,000	519,383	545,988
Muskrat Falls				
Series C, 3.860%, 2048-12-01	CAD	210,000	275,251	304,820
Royal Office Finance				
Series A, 5.209%, 2032-11-12	CAD	858,810	778,881	1,137,585
			<u>11,012,464</u>	<u>11,449,898</u>
Provincial Governments and Crown Corporations (29.1%)				
Brock University				
Series B, 3.033%, 2060-05-17	CAD	289,000	289,000	310,759
Hospital for Sick Children				
Series B, 3.416%, 2057-12-07	CAD	362,000	362,000	453,860
Hydro-Québec				
stripped, 2029-02-15	CAD	29,000	22,604	25,694
stripped, 2029-08-15	CAD	29,000	22,245	25,400
stripped, 2030-02-15	CAD	28,000	21,169	24,211
stripped, 2030-08-15	CAD	27,000	19,833	23,068
stripped, 2031-02-15	CAD	27,000	19,751	22,833
stripped, 2031-08-15	CAD	26,000	18,481	21,658
stripped, 2032-02-15	CAD	26,000	18,452	21,324
stripped, 2032-08-15	CAD	26,000	17,859	20,997
Ontario Infrastructure				
4.700%, 2037-06-01	CAD	80,000	71,858	111,022
Ontario Power Generation				
3.215%, 2030-04-08	CAD	208,000	208,000	229,404
Ontario School Boards Financing, Private Placement				
Series 06A1, 5.070%, 2031-04-18	CAD	415,189	372,475	498,993
Ornge Issuer Trust				
5.727%, 2034-06-11	CAD	188,976	173,029	233,802
Province of Alberta				
2.900%, 2028-12-01*	CAD	715,000	741,334	799,860
2.050%, 2030-06-01	CAD	1,646,000	1,584,933	1,718,632
3.300%, 2046-12-01	CAD	29,000	30,458	35,004
3.100%, 2050-06-01	CAD	741,000	832,573	888,701
Province of Manitoba				
3.000%, 2028-06-02*	CAD	190,000	191,858	214,665
2.050%, 2030-06-02	CAD	134,000	138,938	141,774
3.400%, 2048-09-05*	CAD	305,000	309,103	386,976
Province of New Brunswick				
3.100%, 2048-08-14	CAD	102,000	103,086	122,140
3.050%, 2050-08-14*	CAD	100,000	99,477	120,649
Province of Newfoundland and Labrador				
2.850%, 2029-06-02*	CAD	333,000	357,099	364,136
3.700%, 2048-10-17*	CAD	260,000	278,603	316,037
2.650%, 2050-10-17	CAD	127,000	119,944	128,847

DFS GIF – INCOME – FIERA CAPITAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Provincial Governments and Crown Corporations (continued)				
Province of Ontario				
2.050%, 2030-06-02	CAD	3,410,000	3,498,822	3,641,440
2.650%, 2050-12-02*	CAD	4,793,000	5,186,328	5,640,714
Province of Québec				
3.100%, 2051-12-01	CAD	1,010,000	1,155,642	1,304,804
Province of Saskatchewan				
2.200%, 2030-06-02	CAD	936,000	992,010	1,001,025
3.900%, 2045-06-02	CAD	271,000	320,631	360,602
3.100%, 2050-06-02*	CAD	32,000	35,783	39,004
TCHC Issuer Trust				
4.877%, 2037-05-11	CAD	287,000	238,639	397,666
Series B, 5.395%, 2040-02-22	CAD	884,000	879,524	1,323,323
University of Ottawa				
Series C, 2.635%, 2060-02-13	CAD	220,000	220,000	226,438
University of Western Ontario				
Series B, 3.388%, 2057-12-04	CAD	178,000	178,000	203,236
			<u>19,129,541</u>	<u>21,398,698</u>
Municipalities and Semi-Public Institutions (0.3%)				
City of Ottawa				
2.500%, 2051-05-11	CAD	175,000	174,064	182,308
Corporations (19.9%)				
Aéroports de Montréal				
Series R, 3.030%, 2050-04-21	CAD	116,000	116,000	126,248
Bell Canada				
Series M45, 4.450%, 2047-02-27	CAD	370,000	387,133	446,719
Canadian National Railway Company				
3.600%, 2049-02-08	CAD	111,000	120,889	132,876
3.050%, 2050-02-08	CAD	155,000	153,973	169,332
Choice Properties Real Estate Investment Trust				
Series P, 2.848%, 2027-05-21	CAD	325,000	325,000	333,464
CU				
4.543%, 2041-10-24	CAD	187,000	208,646	246,799
4.085%, 2044-09-02	CAD	125,000	133,320	157,948
3.964%, 2045-07-27	CAD	42,000	43,545	52,434
3.763%, 2046-11-19	CAD	129,000	130,004	157,479
Enbridge				
3.200%, 2027-06-08	CAD	461,000	460,591	491,593
3.520%, 2029-02-22	CAD	263,000	262,890	289,908
2.990%, 2029-10-03	CAD	458,000	457,684	480,595
4.570%, 2044-03-11	CAD	8,000	7,419	9,114
4.330%, 2049-02-22	CAD	180,000	164,313	211,646
Enbridge Gas				
3.650%, 2050-04-01	CAD	283,000	282,386	343,776
Enbridge Pipelines				
4.550%, 2045-09-29	CAD	573,000	559,065	686,837
EPCOR Utilities				
3.949%, 2048-11-26	CAD	14,000	16,346	17,784
Great-West Lifeco				
3.337%, 2028-02-28	CAD	1,662,000	1,762,461	1,859,771
5.998%, 2039-11-16	CAD	103,000	136,278	146,906

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Corporations (continued)				
Health Montréal Collective, Private Placement				
Series 144A, 6.721%, 2049-09-30	CAD	407,000	469,612	604,880
Hydro One				
6.930%, 2032-06-01	CAD	60,000	85,864	89,492
3.630%, 2049-06-25	CAD	160,000	159,501	194,935
iA Financial Group				
3.072%, (floating rate from 2026-09-24), 2031-09-24	CAD	266,000	266,000	279,749
Integrated Team Solutions SJHC				
5.946%, 2042-11-30	CAD	186,448	172,331	256,373
Melancthon Wolfe Wind				
3.834%, 2028-12-31	CAD	146,327	146,345	157,246
Newfoundland Power				
Series AQ, 3.608%, 2060-04-20	CAD	193,000	193,000	212,865
North Battleford Power				
Series A, 4.958%, 2032-12-31	CAD	203,748	194,219	245,638
North West Redwater Partnership				
Series E, 3.200%, 2026-04-24	CAD	64,000	63,864	68,551
Series F, 4.250%, 2029-06-01	CAD	203,000	202,436	234,123
Nova Scotia Power				
Series 2020, 3.307%, 2050-04-25	CAD	249,000	249,000	271,292
Pembina Pipeline				
Series 12, 3.620%, 2029-04-03	CAD	398,000	401,128	427,279
Series 3, 4.750%, 2043-04-30	CAD	198,000	171,633	220,538
Series 4, 4.810%, 2044-03-25	CAD	19,000	19,463	21,361
Series 9, 4.740%, 2047-01-21	CAD	180,000	196,479	200,832
Series 11, 4.750%, 2048-03-26	CAD	51,000	52,617	57,215
Royal Bank of Canada				
2.328%, 2027-01-28	CAD	154,000	149,214	160,962
SGTP Highway Bypass				
Series A, 4.105%, 2045-01-31	CAD	435,000	435,000	510,206
Sinai Health System				
Series A, 3.527%, 2056-06-09	CAD	151,000	151,000	180,742
SmartCentres Real Estate Investment Trust				
Series V, 3.192%, 2027-06-11	CAD	249,000	249,000	253,629
Series U, 3.526%, 2029-12-20	CAD	388,000	388,000	396,529
Sun Life Financial				
2.580%, (floating rate from 2027-05-10), 2032-05-10	CAD	785,000	784,702	812,514
Suncor Energy				
5.000%, 2030-04-09	CAD	360,000	358,909	426,213
TELUS				
Series CY, 3.300%, 2029-05-02	CAD	342,000	339,178	374,744
Series CAB, 3.950%, 2050-02-16*	CAD	118,000	117,002	130,761
Toronto Hydro				
Series 15, 2.990%, 2049-12-10	CAD	50,000	49,980	55,406
Toronto-Dominion Bank				
3.105%, (floating rate from 2025-04-22), 2030-04-22	CAD	162,000	162,000	170,608

The accompanying Notes are an integral part of these financial statements.

DFS GIF – INCOME – FIERA CAPITAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	PAR VALUE	COST	FAIR VALUE
		\$	\$
Corporations (continued)			
TransCanada PipeLines			
3.800%, 2027-04-05	CAD 792,000	790,741	876,042
3.000%, 2029-09-18	CAD 44,000	45,018	46,635
Series 17-A, 4.650%, (floating rate from 2027-05-18), 2077-05-18	CAD 333,000	332,846	328,638
		<u>13,124,025</u>	<u>14,627,227</u>
Total Bonds		<u>43,440,094</u>	<u>47,658,131</u>
	NUMBER OF UNITS		
Investment Funds (35.1%)			
Fiera Capital Active Short Term Canadian Municipal Bond, Series A	2,476,880	24,839,549	25,757,086
Total Investments (100.0%)		<u>68,279,643</u>	<u>73,415,217</u>
Other Net Assets (0.0%)			<u>17,885</u>
Net Assets (100%)			<u>73,433,102</u>

* Securities pledged as collateral, in part or in whole, through the securities lending program.

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
FIERA ACTIVE SHORT TERM CANADIAN MUNICIPAL BOND 35.1%	
Province of Québec, 2.750%, 2025-09-01	12.1%
Province of Québec, 4.500%, 2020-12-01	2.4%
Province of Ontario, 2.700%, 2029-06-02	1.6%
City of Pointe-Claire, 2.200%, 2024-07-24	1.4%
Société de transport de Laval, 2.300%, 2022-11-15	1.3%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide above-average interest income with some potential for capital growth by investing primarily in bonds and other interest-bearing instruments of Canadian federal and provincial governments and investment-grade corporations.

Strategy of the Fund

The Fund aims to achieve its objective by varying the duration of the portfolio according to interest rate forecasts and by modifying the relative weight of corporate bonds according to the economic condition and the relative value of various sectors.

The principal risk factors of this Fund are interest rate, market and some credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Bonds	30,921,508	16,736,623	—	47,658,131
Investment Funds	—	25,757,086	—	25,757,086
TOTAL	30,921,508	42,493,709	—	73,415,217

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Bonds	32,285,356	13,025,495	—	45,310,851
Investment Funds	—	25,660,380	—	25,660,380
Money Market Securities	84,808	—	—	84,808
TOTAL	32,370,164	38,685,875	—	71,056,039

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Currency Risk

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk.

As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

As at June 30, 2020 and December 31, 2019, the majority of the Fund's financial assets and liabilities are denominated in Canadian dollars.

As a result, the Fund is not significantly exposed to currency risk.

DFS GIF – INCOME – FIERA CAPITAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Interest Rate Risk

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The following table summarizes the Fund's exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value, categorized by the earlier of contractual re-pricing or maturity dates. The table also illustrates the impact on the Net Assets Attributable to Contract Owners, had prevailing interest rates changed by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant.

	Less than 1 Year	1 to 5 Years	5 to 10 Years	Greater than 10 Years	Total	Impact on Net Assets Attributable to Contract Owners
	\$	\$	\$	\$	\$	\$
June 30, 2020	2,518,629	5,530,748	18,088,493	21,541,592	47,679,462	1,523,737
December 31, 2019	960,493	3,891,905	25,841,120	14,719,996	45,413,514	1,259,748

The impact on the Net Assets Attributable to Contract Owners is based on the portfolio's fixed income securities as well as the portfolio's underlying investment funds and index-based investments exposed to interest rate risk, if any.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Concentration Risk

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The following tables summarize the concentration risk, as a percentage of the Net Assets Attributable to Contract Owners:

June 30, 2020		December 31, 2019	
Market Segment	%	Market Segment	%
Bonds		Bonds	
Provincial Governments and Crown Corporations	29.1	Provincial Governments and Crown Corporations	32.2
Corporations	19.9	Corporations	16.5
Government of Canada	15.6	Government of Canada	15.1
Municipalities and Semi-Public Institutions	0.3	Income Investment Funds	36.2
Income Investment Funds	35.1	Money Market Securities	0.1
TOTAL	100	Other Net Assets	(0.1)
		TOTAL	100

Price Risk

The Fund may trade in financial instruments and take positions in over-the-counter instruments.

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

Benchmarks	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
	%	\$	\$
FTSE Canada Universe Bond	1.00	687,217	685,052

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Credit Risk

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Fund's credit risk is mainly concentrated in fixed-income securities. Their fair values include consideration of the issuers' creditworthiness and accordingly, represent the Fund's maximum exposure to credit risk.

Portfolio's Fixed-Income Securities by Credit Rating Category

Credit Rating	Percentage of Fixed Income Securities	
	June 30, 2020	December 31, 2019
	%	%
AAA	24	24
AA	30	48
A	29	14
BBB	17	14
TOTAL	100	100

Securities Lending and Repurchase Transactions

As part of its securities lending against cash and repurchase transactions, the Fund is exposed to counterparty credit risk.

The carrying amount of financial assets lent as part of repurchase transaction is:

	\$
June 30, 2020	10,149,663
December 31, 2019	18,058,679

As part of its reverse repurchase transactions, the Fund is permitted to sell or repledge in the absence of default the financial assets held as collateral.

The fair value of those financial assets is:

	\$
June 30, 2020	1,882,202
December 31, 2019	1,620,954

The fair value of financial assets accepted as collateral which have been sold or repledged totalled:

	\$
June 30, 2020	474,337
December 31, 2019	—

These financial assets were received as collateral as part of transactions involving reverse repurchase agreements.

Liquidity Risk

Part of the Fund's Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – INCOME – FIERA CAPITAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

DERECOGNITION OF FINANCIAL ASSETS**Securities Lending and Repurchase Transactions**

As part of transactions involving securities lending or repurchase transactions, the Fund transfers financial assets under terms and conditions providing for their future repurchase. These financial assets remain recognized in the "Investments at fair value through profit or loss pledged as collateral" of the Statement of Financial Position as the Fund retains substantially all the risks and rewards related to these assets.

	June 30, 2020	December 31, 2019
	\$	\$
Investments at FVTPL pledged as collateral	11,908,522	19,051,754
Value of Collateral received	12,146,692	19,434,931

The Funds require collateral in the form of cash or such other securities as may be acceptable to Desjardins Financial Security and that have an aggregate value of no less than 102% of the loaned securities' fair value.

The following table presents the carrying amount and the fair value of financial assets transferred by the Fund but not derecognized as well as the related liabilities recognized in "Commitments related to repurchase transactions" and "Commitments related to securities lending" of the Statement of Financial Position.

	June 30, 2020	December 31, 2019
	Fair Value*	Fair Value*
	\$	\$
Financial assets	10,149,663	18,058,679
Related liabilities	10,157,229	18,162,916

* The fair value equals carrying amount.

RECONCILIATION OF INCOME FROM SECURITIES LENDING ACTIVITIES (Note 2)

The following table shows a reconciliation of the total income generated from securities lending transactions of the Fund and the revenue from securities lending activities disclosed in the Fund's Statement of Comprehensive Income.

	June 30, 2020		June 30, 2019	
	\$	%	\$	%
Total Income	32,478	100	20,215	100
Net Income received by the Fund	19,487	60	12,129	60
Net Income received by Desjardins Trust	12,991	40	8,086	40

DFS GIF – CANADIAN BOND*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	2,845	19,655
Investments at fair value through profit or loss (FVTPL)	30,655,192	28,049,396
Premiums receivable	50,174	883
Receivable for securities sold	10,308	4,485
	<u>30,718,519</u>	<u>28,074,419</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	46,016	43,238
Withdrawals payable	100,990	70,962
Receivable for securities sold	23,141	6,545
	<u>170,147</u>	<u>120,745</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>30,548,372</u>	<u>27,953,674</u>
NET ASSETS PER UNIT		
Series 5	<u>5.64</u>	5.29
Series 6	<u>5.68</u>	5.33
Series 7	<u>5.83</u>	5.46
Series 8	<u>5.71</u>	5.35

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Distributions from underlying funds	365,642	349,298
Changes in fair value:		
Net realized gain (loss) on investments	127,758	(8,689)
Net unrealized gain (loss) on investments	1,675,243	1,480,600
	<u>2,168,643</u>	<u>1,821,209</u>
EXPENSES		
Management fees and guarantee charge	188,714	184,462
Operating expenses	80,971	83,801
	<u>269,685</u>	<u>268,263</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>1,898,958</u>	<u>1,552,946</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	1,327,359	1,197,884
- per unit	0.35	0.27
Average Number of Units	<u>3,804,729</u>	4,364,819
SERIES 6		
Increase (Decrease) in Net Assets from Operations	371,175	271,801
- per unit	0.36	0.28
Average Number of Units	<u>1,019,088</u>	962,296
SERIES 7		
Increase (Decrease) in Net Assets from Operations	84,158	19,301
- per unit	0.42	0.30
Average Number of Units	<u>199,847</u>	63,935
SERIES 8		
Increase (Decrease) in Net Assets from Operations	116,266	63,960
- per unit	0.33	0.29
Average Number of Units	<u>351,185</u>	220,072

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BOND (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	27,953,674	30,481,659
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,898,958	1,552,946
Premiums		
Series 5	1,907,860	466,213
Series 6	1,206,333	296,525
Series 7	407,002	—
Series 8	1,207,019	35,486
	4,728,214	798,224
Withdrawals		
Series 5	(2,660,985)	(3,613,093)
Series 6	(854,309)	(532,354)
Series 7	(74,954)	(32,096)
Series 8	(442,226)	(56,701)
	(4,032,474)	(4,234,244)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	30,548,372	28,598,585

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,898,958	1,552,946
Adjustments for:		
Net realized (gain) loss	(127,758)	8,689
Net unrealized (gain) loss	(1,675,243)	(1,480,600)
Non-cash distribution from investments	(365,642)	(349,298)
Proceeds from sale/maturity of investments	3,035,646	3,916,012
Investments purchased	(3,472,799)	(225,589)
Receivable for securities sold	(5,823)	(40,553)
Accrued expenses	2,778	(5,764)
Payable for securities purchased	16,596	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(693,287)	3,375,843
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	4,678,923	831,326
Amounts paid on withdrawals	(4,002,446)	(4,251,999)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	676,477	(3,420,673)
Increase (decrease) in cash/ bank overdraft	(16,810)	(44,830)
Cash (bank overdraft), beginning of period	19,655	12,386
CASH (BANK OVERDRAFT), END OF PERIOD	2,845	(32,444)

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
DGIA Canadian Bond Fund	2,788,910	28,557,441	30,655,192
Total Investments		28,557,441	30,655,192
Other Net Assets (-0.3%)			(106,820)
Net Assets (100%)			30,548,372

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Canada Housing Trust, 2.550%, 2023-12-15	4.4%
Government of Canada, 1.250%, 2020-06-01	3.4%
Canada Housing Trust, 2.900%, 2024-06-15	3.3%
Canada Housing Trust, 2.400%, 2020-12-15	3.1%
Province of Ontario, 1.350%, 2022-03-08	2.1%
Province of Ontario, 2.600%, 2025-06-02	2.1%
Government of Canada, 5.000%, 2037-06-01	1.9%
Province of Ontario, 4.650%, 2041-06-02	1.8%
Province of Ontario, 3.450%, 2045-06-02	1.7%
Royal Bank of Canada, 1.650%, 2021-07-15	1.6%
Canada Housing Trust, 2.350%, 2023-09-15	1.5%
Government of Canada, 4.000%, 2041-06-01	1.4%
Province of Ontario, 2.400%, 2026-06-02	1.4%
Government of Canada, 1.500%, 2024-09-01	1.3%
Province of Ontario, 2.800%, 2048-06-02	1.3%
Toronto-Dominion Bank, 1.994%, 2023-03-23	1.2%
Province of Ontario, 4.600%, 2039-06-02	1.2%
Government of Canada, 1.000%, 2027-06-01	1.1%
Canada Pension Plan Investment Board, 3.000%, 2028-06-15	1.0%
Government of Canada, 2.000%, 2051-12-01	1.0%
Financement-Québec, 5.250%, 2034-06-01	0.9%
Province of Québec, 5.000%, 2041-12-01	0.9%
Government of Canada, 2.000%, 2023-09-01	0.9%
Province of Québec, 3.500%, 2048-12-01	0.9%
Bank of Montreal, 2.270%, 2022-07-11	0.9%

DFS GIF – CANADIAN BOND (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide regular income and capital security by investing in a portfolio of fixed-income securities from the Canadian bond market.

Strategy of the Fund

This Fund, actively managed, employs a fundamental investment approach targeting a consistent allocation of value added sources. The strategy seeks to add value through management of duration, yield curve and credit risk.

The principal risk factors of this Fund are credit risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	30,655,192	—	30,655,192
TOTAL	—	30,655,192	—	30,655,192

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	28,049,396	—	28,049,396
TOTAL	—	28,049,396	—	28,049,396

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond	1.00	310,788	274,548

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	207	4,477
Investments at fair value through profit or loss (FVTPL)	<u>2,014,900</u>	<u>659,493</u>
	<u>2,015,107</u>	<u>663,970</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	3,616	1,179
Withdrawals payable	1,428	301
Payable for securities purchased	<u>—</u>	<u>4,193</u>
	<u>5,044</u>	<u>5,673</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>2,010,063</u>	<u>658,297</u>
NET ASSETS PER UNIT		
Series 5	<u>4.96</u>	5.08
Series 6	<u>4.96</u>	5.08
Series 7	<u>4.99</u>	5.09
Series 8	<u>4.98</u>	5.09

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020**
	\$
Period ended June 30	
INCOME	
Distributions from underlying funds	28,923
Changes in fair value:	
Net realized gain (loss) on investments	(35,464)
Net unrealized gain (loss) on investments	<u>(8,912)</u>
	<u>(15,453)</u>
EXPENSES	
Management fees and guarantee charge	14,150
Operating expenses	<u>1,630</u>
	<u>15,780</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(31,233)</u>
DATA PER SERIES	
SERIES 5	
Increase (Decrease) in Net Assets from Operations	<u>(5,918)</u>
- per unit	<u>(0.08)</u>
Average Number of Units	<u>72,567</u>
SERIES 6	
Increase (Decrease) in Net Assets from Operations	<u>(20,545)</u>
- per unit	<u>(0.15)</u>
Average Number of Units	<u>137,425</u>
SERIES 7	
Increase (Decrease) in Net Assets from Operations	<u>(2,877)</u>
- per unit	<u>(0.09)</u>
Average Number of Units	<u>31,354</u>
SERIES 8	
Increase (Decrease) in Net Assets from Operations	<u>(1,893)</u>
- per unit	<u>(0.04)</u>
Average Number of Units	<u>48,068</u>

* This Fund is composed of units of the corresponding underlying investment funds.

** Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Period ended June 30

	<u>2020*</u>
	<u>\$</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>658,297</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(31,233)</u>
Premiums	
Series 5	604,617
Series 6	897,410
Series 7	176,394
Series 8	<u>180,638</u>
	<u>1,859,059</u>
Withdrawals	
Series 5	(208,568)
Series 6	(186,388)
Series 7	(4,190)
Series 8	<u>(76,914)</u>
	<u>(476,060)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>2,010,063</u>

STATEMENT OF CASH FLOWS – unaudited

Period ended June 30

	<u>2020*</u>
	<u>\$</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	(31,233)
Adjustments for:	
Net realized (gain) loss	35,464
Net unrealized (gain) loss	8,912
Non-cash distribution from investments	(28,923)
Proceeds from sale/maturity of investments	332,784
Investments purchased	(1,703,644)
Accrued expenses	2,437
Payable for securities purchased	<u>(4,193)</u>
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(1,388,396)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	1,859,059
Amounts paid on withdrawals	<u>(474,933)</u>
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>1,384,126</u>
Increase (decrease) in cash/ bank overdraft	(4,270)
Cash (bank overdraft), beginning of period	<u>4,477</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>207</u>

* Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
Desjardins Global Tactical Bond Fund, I-Class	204,745	2,042,594	2,014,900
Total Investments		2,042,594	2,014,900
Other Net Assets (-0.2%)			(4,837)
Net Assets (100%)			2,010,063

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Cash and Cash Equivalents	9.5%
Sequa Mezzanine Holdings, floating rate, 2021-11-28	1.6%
KIRS Midco 3, 8.375%, 2023-07-15	1.5%
JPMorgan Chase Commercial Mortgage Securities, floating rate, 2051-02-01	1.5%
Government of Ukraine, 6.750%, 2026-06-20	1.4%
Republic of Turkey, 5.750%, 2047-05-11	1.2%
College Ave Student Loans, floating rate, 2030-01-25	1.2%
Nokia Oyj, 3.125%, 2028-05-15	1.1%
Royal Bank of Scotland, 8.625%, Perpetual	1.1%
Gazprom, 8.625%, 2034-04-28	1.1%
Republic of Panama, 4.500%, 2056-04-01	1.1%
Republic of Chile, 3.860%, 2047-06-21	1.0%
Topaz Solar Farms, 5.750%, 2039-09-30	1.0%
Uniti Group, 7.875%, 2025-02-15	1.0%
Nationwide Building Society, floating rate, 2049-12-31	1.0%
NE Property, 1.875%, 2026-10-09	0.9%
SLM, 7.250%, 2022-01-25	0.9%
Republic of Serbia, 3.125%, 2027-05-15	0.8%
Barclays Bank, 7.625%, 2022-11-21	0.8%
Diamond 1 Finance / Diamond 2 Finance, 6.020%, 2026-06-15	0.8%
Sberbank of Russia, 5.717%, 2021-06-16	0.8%
Kingdom of Saudi Arabia, 4.500%, 2060-04-22	0.8%
Unique Pub Finance Company, 7.395%, 2024-03-28	0.8%
Arab Republic of Egypt, 6.375%, 2031-04-11	0.7%
CVS Pass-Through Trust, 8.353%, 2031-07-10	0.7%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide a high income return and some long-term capital appreciation by investing primarily in fixed-income securities of issuers throughout the world.

Strategy of the Fund

The Fund invests in the Desjardins Global Tactical Bond fund. The underlying fund invests primarily in global credit markets including, without limitation, investment-grade corporate bonds, high-yield corporate bonds and emerging market bonds. The Fund may also invest in other classes of securities, such as floating rate loans, asset-backed securities, mortgage-backed securities and government bonds.

The principal risk factors of this Fund are interest rate risk, credit risk, derivatives risk, foreign currency risk and sovereign risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	2,014,900	—	—	2,014,900
TOTAL	2,014,900	—	—	2,014,900

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	659,493	—	—	659,493
TOTAL	659,493	—	—	659,493

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

Benchmarks	Change in Price %	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020 \$	December 31, 2019 \$
Bloomberg Barclays Global Aggregate Corporate Bond Ex Emerging Markets Hedged (33.3%)	1.50	10,050	3,291
BofA Merrill Lynch Global High Yield, BB-B Rated Constrained Developed Markets Hedged (33.3%)	2.00	13,400	4,389
JPMorgan EMBI Global Diversified Hedged (33.3%)	2.00	13,400	4,389

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – DIVERSIFIED INCOME – FRANKLIN QUOTENTIAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	29,610
Investments at fair value through profit or loss (FVTPL)	143,025,246	147,042,333
Premiums receivable	2,155	87,585
Receivable for securities sold	70,442	—
	143,097,843	147,159,528
LIABILITIES		
Current Liabilities		
Bank overdraft	43,878	—
Accrued expenses	334,282	346,538
Withdrawals payable	293,890	245,833
Payable for securities purchased	—	59,991
	672,050	652,362
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	142,425,793	146,507,166
NET ASSETS PER UNIT		
Series 3	7.78	7.61
Series 5	8.00	7.82
Series 6	5.72	5.58
Series 7	5.91	5.75
Series 8	5.39	5.24

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	51	(2)
Changes in fair value:		
Net realized gain (loss) on investments	1,648,570	2,295,023
Net unrealized gain (loss) on investments	3,803,339	9,240,359
	5,451,960	11,535,380
EXPENSES		
Management fees and guarantee charge	1,652,698	1,802,389
Operating expenses	360,437	397,123
	2,013,135	2,199,512
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	3,438,825	9,335,868
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	78,961	252,941
- per unit	0.20	0.43
Average Number of Units	396,473	582,636
SERIES 5		
Increase (Decrease) in Net Assets from Operations	2,439,431	6,847,752
- per unit	0.18	0.45
Average Number of Units	13,235,105	15,115,185
SERIES 6		
Increase (Decrease) in Net Assets from Operations	503,095	1,259,113
- per unit	0.14	0.33
Average Number of Units	3,612,614	3,865,380
SERIES 7		
Increase (Decrease) in Net Assets from Operations	130,755	333,274
- per unit	0.16	0.35
Average Number of Units	823,137	949,362
SERIES 8		
Increase (Decrease) in Net Assets from Operations	286,583	642,788
- per unit	0.14	0.31
Average Number of Units	2,007,710	2,070,226

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – DIVERSIFIED INCOME – FRANKLIN QUOTENTIAL (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	146,507,166	156,857,648
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,438,825	9,335,868
Premiums		
Series 3	14,762	46,874
Series 5	3,678,350	4,942,024
Series 6	1,147,770	1,305,284
Series 7	44,000	—
Series 8	1,290,285	1,026,447
	6,175,167	7,320,629
Withdrawals		
Series 3	(1,040,600)	(559,037)
Series 5	(9,249,547)	(15,435,899)
Series 6	(1,788,207)	(2,577,817)
Series 7	(210,710)	(370,483)
Series 8	(1,406,301)	(647,027)
	(13,695,365)	(19,590,263)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	142,425,793	153,923,882

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,438,825	9,335,868
Adjustments for:		
Net realized (gain) loss	(1,648,570)	(2,295,023)
Net unrealized (gain) loss	(3,803,339)	(9,240,359)
Proceeds from sale/maturity of investments	10,686,509	15,216,202
Investments purchased	(1,217,513)	(851,400)
Receivable for securities sold	(70,442)	(36,104)
Accrued expenses	(12,256)	(31,724)
Payable for securities purchased	(59,991)	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	7,313,223	12,097,460
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,260,597	7,462,359
Amounts paid on withdrawals	(13,647,308)	(19,615,296)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(7,386,711)	(12,152,937)
Increase (decrease) in cash/bank overdraft	(73,488)	(55,477)
Cash (bank overdraft), beginning of period	29,610	(184,987)
CASH (BANK OVERDRAFT), END OF PERIOD	(43,878)	(240,464)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	51	—
Interest paid	—	2

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Franklin Quotential Diversified Income Portfolio, Series O	18,088,434	117,353,734	143,025,246
Total Investments		117,353,734	143,025,246
Other Net Assets (-0.4%)			(599,453)
Net Assets (100%)			142,425,793

The accompanying Notes are an integral part of these financial statements.

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	28.0%
Franklin Bissett Canadian Government Bond Fund	21.8%
Franklin Liberty Global Aggregate Bond ETF	9.3%
Franklin Bissett Short Duration Bond Fund	7.7%
Templeton Global Bond Fund	4.8%
Franklin U.S. Core Equity Fund	4.5%
Franklin Strategic Income Fund	4.5%
Franklin FTSE U.S. Index ETF	2.4%
Franklin Emerging Market Core Equity Fund	2.3%
Franklin International Core Equity Fund	2.3%
iShares Core MSCI EAFE ETF	2.2%
Franklin FTSE Canada All Cap Index ETF	2.1%
Franklin Bissett Canadian Equity Fund	2.1%
Franklin U.S. Rising Dividends Fund	1.9%
Franklin U.S. Opportunities Fund	1.9%
Franklin Canadian Core Equity Fund	1.6%
Cash and Cash Equivalents	0.6%

DFS GIF – DIVERSIFIED INCOME – FRANKLIN QUOTENTIAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide a balance of capital growth and interest income by investing primarily in units of an underlying fund in order to gain the desired exposure to the equity and fixed-income markets.

Strategy of the Fund

To emphasize investments in fixed-income underlying funds in order to provide income and capital preservation. The Fund also invests, to a lesser extent, in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	143,025,246	—	—	143,025,246
TOTAL	143,025,246	—	—	143,025,246

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	147,042,333	—	—	147,042,333
TOTAL	147,042,333	—	—	147,042,333

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (55%)	1.00	846,652	733,811
Bloomberg Barclays Multiverse Bond (25%)	1.00	384,842	333,551
S&P/TSX (5%)	3.00	230,905	280,183
MSCI All Country World Net (15%)	3.00	692,716	520,339

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – BALANCED INCOME – FRANKLIN QUOTENTIAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	54,577	63,069
Investments at fair value through profit or loss (FVTPL)	200,704,428	210,090,009
Premiums receivable	—	21,033
Receivable for securities sold	44,705	109,958
	<u>200,803,710</u>	<u>210,284,069</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	482,728	508,726
Withdrawals payable	405,213	348,494
	<u>887,941</u>	<u>857,220</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>199,915,769</u>	<u>209,426,849</u>
NET ASSETS PER UNIT		
Series 3	<u>7.19</u>	7.14
Series 5	<u>7.45</u>	7.38
Series 6	<u>5.92</u>	5.86
Series 7	<u>6.10</u>	6.02
Series 8	<u>5.32</u>	5.26

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	264	360
Changes in fair value:		
Net realized gain (loss) on investments	3,294,306	3,478,983
Net unrealized gain (loss) on investments	1,385,346	14,112,480
	<u>4,679,916</u>	<u>17,591,823</u>
EXPENSES		
Management fees and guarantee charge	2,360,747	2,544,585
Operating expenses	555,896	601,899
	<u>2,916,643</u>	<u>3,146,484</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>1,763,273</u>	<u>14,445,339</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	39,718	413,408
- per unit	0.05	0.46
Average Number of Units	<u>759,137</u>	<u>903,207</u>
SERIES 5		
Increase (Decrease) in Net Assets from Operations	1,426,335	12,073,174
- per unit	0.06	0.47
Average Number of Units	<u>22,941,821</u>	<u>25,618,689</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	191,329	1,258,816
- per unit	0.06	0.38
Average Number of Units	<u>3,200,128</u>	<u>3,324,017</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	45,975	244,022
- per unit	0.08	0.40
Average Number of Units	<u>610,737</u>	<u>612,202</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	59,916	455,919
- per unit	0.05	0.35
Average Number of Units	<u>1,126,913</u>	<u>1,321,359</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	209,426,849	214,428,262
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,763,273	14,445,339
Premiums		
Series 3	59,502	42,175
Series 5	4,719,167	8,721,166
Series 6	927,833	972,818
Series 7	2,600	2,672
Series 8	280,609	714,168
	5,989,711	10,452,999
Withdrawals		
Series 3	(359,049)	(961,432)
Series 5	(15,324,401)	(19,368,670)
Series 6	(1,167,087)	(1,328,460)
Series 7	(59,332)	(79,396)
Series 8	(354,195)	(1,162,581)
	(17,264,064)	(22,900,539)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	199,915,769	216,426,061

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,763,273	14,445,339
Adjustments for:		
Net realized (gain) loss	(3,294,306)	(3,478,983)
Net unrealized (gain) loss	(1,385,346)	(14,112,480)
Proceeds from sale/maturity of investments	14,236,858	16,151,918
Investments purchased	(171,625)	(664,810)
Receivable for securities sold	65,253	35,856
Accrued expenses	(25,998)	(32,216)
Payable for securities purchased	—	191,964
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	11,188,109	12,536,588
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,010,744	10,191,922
Amounts paid on withdrawals	(17,207,345)	(22,489,941)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(11,196,601)	(12,298,019)
Increase (decrease) in cash/ bank overdraft	(8,492)	238,569
Cash (bank overdraft), beginning of period	63,069	28,638
CASH (BANK OVERDRAFT), END OF PERIOD	54,577	267,207
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	264	360

The accompanying Notes are an integral part of these financial statements.

DFS GIF – BALANCED INCOME – FRANKLIN QUOTENTIAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Franklin Quotential Balanced Income Portfolio, Series O	19,223,273	150,054,682	200,704,428
Total Investments		<u>150,054,682</u>	<u>200,704,428</u>
Other Net Assets (-0.4%)			(788,659)
Net Assets (100%)			<u>199,915,769</u>

The accompanying Notes are an integral part of these financial statements.

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	22.2%
Franklin Bissett Canadian Government Bond Fund	15.0%
Franklin Liberty Global Aggregate Bond ETF	9.6%
Franklin Bissett Short Duration Bond Fund	5.8%
Franklin U.S. Core Equity Fund	5.7%
Franklin FTSE U.S. Index ETF	4.4%
Templeton Global Bond Fund	4.3%
Franklin FTSE Canada All Cap Index ETF	4.0%
Franklin Bissett Canadian Equity Fund	3.9%
Franklin U.S. Rising Dividends Fund	3.5%
Franklin U.S. Opportunities Fund	3.4%
Franklin International Core Equity Fund	3.3%
iShares Core MSCI EAFE ETF	3.2%
Franklin Canadian Core Equity Fund	2.9%
Franklin LibertyQT U.S. Equity Index ETF	2.5%
iShares Core MSCI Emerging Markets ETF	1.5%
Franklin Emerging Market Core Equity Fund	1.4%
Franklin FTSE Europe Ex U.K. Index ETF	1.3%
Templeton Emerging Markets Fund	1.3%
Cash and Cash Equivalents	0.8%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed-income markets.

Strategy of the Fund

To invest in fixed-income underlying funds in order to provide income and capital preservation. The Fund also invests in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	200,704,428	—	—	200,704,428
TOTAL	200,704,428	—	—	200,704,428

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	210,090,009	—	—	210,090,009
TOTAL	210,090,009	—	—	210,090,009

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – BALANCED INCOME – FRANKLIN QUOTENTIAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	847,986	824,354
Bloomberg Barclays Multiverse Bond (20%)	1.00	423,993	412,177
S&P/TSX (10%)	3.00	635,990	927,399
MSCI All Country World Net (30%)	3.00	1,907,969	1,545,664

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN BALANCED – FIDELITY*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	190,254
Investments at fair value through profit or loss (FVTPL)	705,180,635	731,871,077
Premiums receivable	86,621	935,568
Receivable for securities sold	509,571	293,133
	705,776,827	733,290,032
LIABILITIES		
Current Liabilities		
Bank overdraft	55,798	—
Accrued expenses	1,705,415	1,796,201
Withdrawals payable	1,361,356	2,157,918
	3,122,569	3,954,119
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	702,654,258	729,335,913
NET ASSETS PER UNIT		
Series 3	10.39	10.36
Series 5	10.88	10.83
Series 6	6.51	6.48
Series 7	6.73	6.68
Series 8	5.56	5.52

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	948	1,274
Distributions from underlying funds	10,041,494	11,159,065
Changes in fair value:		
Net realized gain (loss) on investments	6,388,652	7,220,328
Net unrealized gain (loss) on investments	(3,216,899)	68,411,561
	13,214,195	86,792,228
EXPENSES		
Management fees and guarantee charge	8,300,587	8,648,986
Operating expenses	1,975,375	2,067,081
	10,275,962	10,716,067
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	2,938,233	76,076,161
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	12,108	866,559
- per unit	0.02	1.01
Average Number of Units	766,009	861,001
SERIES 5		
Increase (Decrease) in Net Assets from Operations	2,684,718	70,270,613
- per unit	0.04	1.06
Average Number of Units	60,405,644	66,246,681
SERIES 6		
Increase (Decrease) in Net Assets from Operations	167,974	3,197,509
- per unit	0.03	0.63
Average Number of Units	4,875,264	5,045,839
SERIES 7		
Increase (Decrease) in Net Assets from Operations	37,461	523,134
- per unit	0.05	0.67
Average Number of Units	762,176	782,659
SERIES 8		
Increase (Decrease) in Net Assets from Operations	35,972	1,218,346
- per unit	0.01	0.54
Average Number of Units	2,576,189	2,239,486

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BALANCED – FIDELITY (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	729,335,913	703,673,437
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>2,938,233</u>	<u>76,076,161</u>
Premiums		
Series 3	309,563	351,627
Series 5	28,692,987	35,797,224
Series 6	2,417,135	3,107,675
Series 7	4,750	8,246
Series 8	1,412,826	2,306,778
	<u>32,837,261</u>	<u>41,571,550</u>
Withdrawals		
Series 3	(682,117)	(1,332,330)
Series 5	(56,811,697)	(70,579,751)
Series 6	(3,460,276)	(3,771,456)
Series 7	(216,713)	(79,669)
Series 8	(1,286,346)	(1,742,924)
	<u>(62,457,149)</u>	<u>(77,506,130)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>702,654,258</u>	<u>743,815,018</u>

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,938,233	76,076,161
Adjustments for:		
Net realized (gain) loss	(6,388,652)	(7,220,328)
Net unrealized (gain) loss	3,216,899	(68,411,561)
Non-cash distribution from investments	(10,041,494)	(11,159,065)
Proceeds from sale/maturity of investments	40,348,003	46,745,679
Investments purchased	(444,314)	(400,717)
Receivable for securities sold	(216,438)	157,970
Accrued expenses	(90,786)	(37,811)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>29,321,451</u>	<u>35,750,328</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	33,686,208	41,312,103
Amounts paid on withdrawals	(63,253,711)	(77,005,517)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(29,567,503)</u>	<u>(35,693,414)</u>
Increase (decrease) in cash/bank overdraft	(246,052)	56,914
Cash (bank overdraft), beginning of period	190,254	(79,130)
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(55,798)</u>	<u>(22,216)</u>
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	948	1,274

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Fidelity Canadian Balanced Fund, Series O	29,275,063	581,685,736	705,180,635
Total Investments		581,685,736	705,180,635
Other Net Assets (-0.4%)			(2,526,377)
Net Assets (100%)			702,654,258

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Royal Bank of Canada	4.2%
Shopify	4.1%
Canadian Pacific Railway	3.9%
Barrick Gold Corporation	2.9%
Brookfield Asset Management	2.1%
Dollarama	1.9%
Toronto-Dominion Bank	1.9%
Wheaton Precious Metals	1.8%
Alimentation Couche-Tard	1.8%
Suncor Energy	1.8%
Thomson Reuters	1.6%
Microsoft	1.6%
Restaurant Brands International	1.4%
Visa	1.3%
Sun Life Financial	1.3%
Constellation Software	1.2%
Scotiabank	1.2%
TC Energy	1.1%
Fidelity Canadian Money Market Fund	1.1%
S&P Global	1.1%
Chipotle Mexican Grill	1.0%
Kinaxis	1.0%
Canadian Natural Resources	0.9%
Apple	0.9%
BRP	0.8%

DFS GIF – CANADIAN BALANCED – FIDELITY (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve high total investment return using a diversified portfolio targeting long-term capital appreciation and a regular income stream through investment in any kind of equity or fixed-income security or money market instrument. The fundamental investment objective of the Fund is to provide investors with a balanced asset mix with the potential for capital growth.

Strategy of the Fund

Target fixed asset allocation to deliver superior long-term growth potential and reduced levels of risk. The Fund invests primarily in a mix of Canadian equity securities, investment grade bonds, high yield securities and money market instruments. The equity investment decisions are based on a thorough examination of the company, financial conditions and long-term earnings potential.

The principal risk factors of this Fund are interest rate risk, special equities risk, derivatives risk, market risk and credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	705,180,635	—	—	705,180,635
TOTAL	705,180,635	—	—	705,180,635

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	731,871,077	—	—	731,871,077
TOTAL	731,871,077	—	—	731,871,077

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	2,906,377	2,929,489
Merrill Lynch High Yield Master II (10%)	2.00	1,453,188	1,464,744
S&P/TSX Capped (50%)	3.00	10,898,914	10,985,582

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – U.S. MONTHLY INCOME – FIDELITY*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	10,495	1,924
Investments at fair value through profit or loss (FVTPL)	20,148,825	21,109,285
Premiums receivable	30,425	87,314
Receivable for securities sold	6,272	—
	<u>20,196,017</u>	<u>21,198,523</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	45,293	47,003
Withdrawals payable	40,102	68,358
Payable for securities purchased	9,462	25,144
	<u>94,857</u>	<u>140,505</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>20,101,160</u>	<u>21,058,018</u>
NET ASSETS PER UNIT		
Series 5	<u>6.05</u>	6.18
Series 6	<u>6.07</u>	6.20
Series 7	<u>6.23</u>	6.34
Series 8	<u>5.61</u>	5.72

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Distributions from underlying funds	185,958	190,776
Changes in fair value:		
Net realized gain (loss) on investments	79,859	34,968
Net unrealized gain (loss) on investments	(424,078)	1,058,632
	<u>(158,261)</u>	<u>1,284,376</u>
EXPENSES		
Management fees and guarantee charge	249,842	218,378
Operating expenses	22,325	19,530
	<u>272,167</u>	<u>237,908</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(430,428)</u>	<u>1,046,468</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(46,593)	137,326
- per unit	(0.13)	0.35
Average Number of Units	<u>369,424</u>	<u>394,482</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(166,232)	382,317
- per unit	(0.13)	0.35
Average Number of Units	<u>1,257,595</u>	<u>1,096,674</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(48,917)	167,998
- per unit	(0.11)	0.34
Average Number of Units	<u>463,426</u>	<u>491,345</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(168,686)	358,827
- per unit	(0.13)	0.32
Average Number of Units	<u>1,291,494</u>	<u>1,110,617</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	21,058,018	15,844,506
Increase (Decrease) in Net Assets from operations attributable to contract owners	(430,428)	1,046,468
Premiums		
Series 5	134,428	387,183
Series 6	1,365,282	1,153,878
Series 7	67,691	682,059
Series 8	832,547	1,706,776
	2,399,948	3,929,896
Withdrawals		
Series 5	(733,239)	(443,816)
Series 6	(1,181,157)	(703,146)
Series 7	(57,307)	(47,832)
Series 8	(954,675)	(598,380)
	(2,926,378)	(1,793,174)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	20,101,160	19,027,696

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(430,428)	1,046,468
Adjustments for:		
Net realized (gain) loss	(79,859)	(34,968)
Net unrealized (gain) loss	424,078	(1,058,632)
Non-cash distribution from investments	(185,958)	(190,776)
Proceeds from sale/maturity of investments	1,888,032	826,077
Investments purchased	(1,085,833)	(2,733,223)
Receivable for securities sold	(6,272)	14,981
Accrued expenses	(1,710)	4,922
Payable for securities purchased	(15,682)	40,621
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	506,368	(2,084,530)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,456,837	3,893,522
Amounts paid on withdrawals	(2,954,634)	(1,807,972)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(497,797)	2,085,550
Increase (decrease) in cash/ bank overdraft	8,571	1,020
Cash (bank overdraft), beginning of period	1,924	194
CASH (BANK OVERDRAFT), END OF PERIOD	10,495	1,214

The accompanying Notes are an integral part of these financial statements.

DFS GIF – U.S. MONTHLY INCOME – FIDELITY (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
Fidelity U.S. Monthly Income Fund, Series O	817,615	19,206,863	20,148,825
Total Investments		19,206,863	20,148,825
Other Net Assets (-0.2%)			(47,665)
Net Assets (100%)			20,101,160

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Fidelity U.S. Money Market Fund	4.0%
iShares TIPS Bond ETF	2.5%
iShares COMEX Gold Trust ETF	1.3%
USTB, 3.000%, 2049-02-15	1.2%
Johnson & Johnson	1.1%
JPMorgan Chase & Co.	1.1%
Microsoft	0.9%
Walmart	0.9%
Walt Disney	0.9%
Cisco Systems	0.8%
Bank of America	0.8%
Danaher	0.8%
USTN, 2.250%, 2027-11-15	0.7%
USTN, 2.125%, 2024-07-31	0.7%
Chevron	0.7%
NextEra Energy	0.7%
McDonald's	0.6%
Prologis	0.6%
Citigroup	0.6%
Apple	0.6%
Wells Fargo & Company	0.6%
Eli Lilly and Company	0.6%
Amgen	0.6%
Fidelity National Information Services	0.6%
Bristol-Myers Squibb	0.5%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To achieve a combination of a steady flow of income and the potential for capital gains by investing in a mix of U.S. income-producing securities.

Strategy of the Fund

The Fund invests primarily in a mix of U.S. income-producing securities, either directly or indirectly through investments in underlying funds. The Fund's neutral mix is 50% exposure to equity securities and 50% exposure to fixed-income securities. These securities may be U.S. securities or non-U.S. securities but at least 70% of the Fund's net assets will be invested in U.S. dollar-denominated investments.

The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	20,148,825	—	—	20,148,825
TOTAL	20,148,825	—	—	20,148,825

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	21,109,285	—	—	21,109,285
TOTAL	21,109,285	—	—	21,109,285

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – U.S. MONTHLY INCOME – FIDELITY (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

Benchmarks	Change in Price %	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020 \$	December 31, 2019 \$
Bloomberg Barclays U.S. Aggregate Bond (31%)	1.50	88,739	94,840
Bank of America ML all US Convertibles (5%)	1.50	14,313	15,297
JPMorgan EMBI Global Diversified (5%)	2.00	19,084	20,396
Bank of America ML High Yield Master II Constrained (12%)	2.00	45,801	48,950
FTSE NAREIT Equity REITs (7%)	3.00	40,076	42,831
S&P 1500 (40%)	3.00	229,004	244,749

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL BALANCED – JARISLOWSKY FRASER*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	144,339
Investments at fair value through profit or loss (FVTPL)	241,838,760	255,523,272
Premiums receivable	—	1,029,295
Interest, dividends and other receivables	—	554,423
	241,838,760	257,251,329
LIABILITIES		
Current Liabilities		
Bank overdraft	4,518	—
Accrued expenses	550,822	585,254
Withdrawals payable	795,040	1,143,470
	1,350,380	1,728,724
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	240,488,380	255,522,605
NET ASSETS PER UNIT		
Series 3	8.83	9.05
Series 5	9.41	9.61
Series 6	5.82	5.94
Series 7	5.96	6.06
Series 8	5.38	5.48

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	1,207
Distributions from underlying funds	2,087,723	3,501,532
Changes in fair value:		
Net realized gain (loss) on investments	2,026,050	1,891,765
Net unrealized gain (loss) on investments	(6,096,509)	19,169,211
	(1,982,736)	24,563,715
EXPENSES		
Management fees and guarantee charge	2,551,288	2,626,792
Operating expenses	777,626	825,581
	3,328,914	3,452,373
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(5,311,650)	21,111,342
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(178,128)	637,846
- per unit	(0.22)	0.70
Average Number of Units	812,450	907,970
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(3,591,871)	14,440,984
- per unit	(0.21)	0.76
Average Number of Units	17,030,026	18,896,421
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(825,985)	3,276,870
- per unit	(0.12)	0.47
Average Number of Units	7,141,897	6,996,059
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(167,540)	810,409
- per unit	(0.12)	0.50
Average Number of Units	1,451,879	1,632,826
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(548,126)	1,945,233
- per unit	(0.11)	0.43
Average Number of Units	4,975,018	4,494,004

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL BALANCED – JARISLOWSKY FRASER (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	255,522,605	241,056,344
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(5,311,650)</u>	21,111,342
Premiums		
Series 3	103,025	390,279
Series 5	6,495,203	12,101,832
Series 6	3,475,715	4,791,454
Series 7	27,582	192,610
Series 8	2,342,711	4,376,100
	<u>12,444,236</u>	21,852,275
Withdrawals		
Series 3	(443,143)	(927,609)
Series 5	(15,498,945)	(22,424,377)
Series 6	(3,849,187)	(3,628,364)
Series 7	(599,214)	(411,536)
Series 8	(1,776,322)	(1,870,464)
	<u>(22,166,811)</u>	(29,262,350)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	240,488,380	254,757,611

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(5,311,650)	21,111,342
Adjustments for:		
Net realized (gain) loss	(2,026,050)	(1,891,765)
Net unrealized (gain) loss	6,096,509	(19,169,211)
Non-cash distribution from investments	(2,087,723)	(3,501,532)
Proceeds from sale/maturity of investments	14,472,572	13,817,448
Investments purchased	(2,770,796)	(3,200,091)
Interest, dividends and other receivables	554,423	—
Accrued expenses	(34,432)	(12,428)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	8,892,853	7,153,763
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	13,473,531	21,766,926
Amounts paid on withdrawals	(22,515,241)	(28,974,248)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(9,041,710)	(7,207,322)
Increase (decrease) in cash/ bank overdraft	(148,857)	(53,559)
Cash (bank overdraft), beginning of period	144,339	128,038
CASH (BANK OVERDRAFT), END OF PERIOD	(4,518)	74,479
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	672

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.6%)			
Jarislowsky Fraser Global Balanced Fund	17,535,158	206,939,451	241,838,760
Total Investments		206,939,451	241,838,760
Other Net Assets (-0.6%)			(1,350,380)
Net Assets (100%)			240,488,380

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Jarislowsky International Pooled Fund	18.3%
Jarislowsky Fraser Emerging Market Equity Fund	2.6%
Microsoft	1.9%
Jarislowsky Special Equity Fund	1.8%
Toronto-Dominion Bank	1.4%
Canadian National Railway Company	1.4%
Canadian Imperial Bank of Commerce	1.3%
Brookfield Asset Management	1.3%
Province of Ontario	1.2%
Province of Ontario	1.2%
Province of Alberta	1.2%
Alimentation Couche-Tard	1.1%
Enbridge	1.1%
Province of Ontario	1.0%
Amazon	1.0%
Government of Canada	1.0%
Open Text	1.0%
Scotiabank	1.0%
Bank of Montreal	1.0%
Shopify	0.9%
UnitedHealth Group	0.9%
Alphabet	0.9%
Manulife Financial	0.9%
Province of Ontario	0.9%
Province of Ontario	0.9%

DFS GIF – GLOBAL BALANCED – JARISLOWSKY FRASER (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide investors with an opportunity to achieve a high rate of return by investing in a diversified portfolio consisting of a balance of equity and fixed-income securities of issuers located throughout the world.

Strategy of the Fund

To provide such an opportunity through a diversified portfolio consisting of a balance of mainly large cap equity and mainly investment grade fixed-income securities of issuers located throughout the world.

The principal risk factors of this Fund are interest rate risk, market risk, foreign currency risk and credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	241,838,760	—	241,838,760
TOTAL	—	241,838,760	—	241,838,760

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	255,523,272	—	255,523,272
TOTAL	—	255,523,272	—	255,523,272

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada 91 Day Treasury Bill (5%)	0.25	29,526	34,448
FTSE Canada Universe Bond (38.5%)	1.00	909,401	1,060,987
S&P/TSX (22%)	3.00	1,558,974	1,818,835
S&P 500 (16%)	3.00	1,133,799	1,322,789
MSCI EAFE Net (16%)	3.00	1,133,799	1,322,789
MSCI Emerging Markets Net (2.5%)	3.00	177,156	206,686

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	95,796	409,174
Investments at fair value through profit or loss (FVTPL)	178,856,744	164,293,788
Investments at fair value through profit or loss (FVTPL) pledged as collateral	15,129,341	31,063,405
Premiums receivable	76,604	548,271
Cash guarantee received for repurchase transactions	14,610,092	29,106,186
Interest, dividends and other receivables	253,540	225,806
	<u>209,022,117</u>	<u>225,646,630</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	415,579	417,148
Withdrawals payable	528,078	316,092
Payable for securities purchased	—	362,883
Commitments related to repurchase transactions	14,610,092	29,106,186
	<u>15,553,749</u>	<u>30,202,309</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>193,468,368</u>	<u>195,444,321</u>
NET ASSETS PER UNIT		
Series 1	<u>11.20</u>	11.42
Series 3	<u>12.67</u>	12.88
Series 5	<u>13.68</u>	13.86
Series 6	<u>6.73</u>	6.82
Series 7	<u>6.95</u>	7.03
Series 8	<u>5.68</u>	5.75

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Interest for attribution purposes	512,585	717,756
Dividends	926,653	926,153
Distributions from underlying funds	409,887	408,562
Revenue from securities lending activities	26,462	12,077
Foreign exchange gain (loss) on cash	106	(244)
Changes in fair value:		
Net realized gain (loss) on investments	901,577	1,034,832
Net unrealized gain (loss) on investments	(2,972,748)	16,996,459
	<u>(195,478)</u>	<u>20,095,595</u>
EXPENSES		
Management fees and guarantee charge	1,965,942	1,753,507
Operating expenses	509,062	477,181
	<u>2,475,004</u>	<u>2,230,688</u>
Commissions and other portfolio transaction costs	13,358	10,882
	<u>2,488,362</u>	<u>2,241,570</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(2,683,840)</u>	<u>17,854,025</u>
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	<u>(107,094)</u>	550,143
- per unit	<u>(0.23)</u>	1.05
Average Number of Units	<u>467,372</u>	521,718
SERIES 3		
Increase (Decrease) in Net Assets from Operations	<u>(224,103)</u>	1,145,883
- per unit	<u>(0.23)</u>	1.24
Average Number of Units	<u>957,525</u>	922,019
SERIES 5		
Increase (Decrease) in Net Assets from Operations	<u>(1,925,328)</u>	13,853,664
- per unit	<u>(0.19)</u>	1.35
Average Number of Units	<u>10,088,338</u>	10,299,527
SERIES 6		
Increase (Decrease) in Net Assets from Operations	<u>(312,358)</u>	1,327,519
- per unit	<u>(0.10)</u>	0.64
Average Number of Units	<u>3,071,366</u>	2,072,734
SERIES 7		
Increase (Decrease) in Net Assets from Operations	<u>(17,655)</u>	165,928
- per unit	<u>(0.07)</u>	0.70
Average Number of Units	<u>242,386</u>	238,075
SERIES 8		
Increase (Decrease) in Net Assets from Operations	<u>(97,302)</u>	810,888
- per unit	<u>(0.04)</u>	0.55
Average Number of Units	<u>2,772,622</u>	1,473,832

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	195,444,321	164,670,618
Increase (Decrease) in Net Assets from operations attributable to contract owners	(2,683,840)	17,854,025
Premiums		
Series 1	16,943	18,039
Series 3	165,592	157,008
Series 5	7,268,586	6,523,377
Series 6	5,194,824	2,626,458
Series 7	3,150	20,188
Series 8	4,841,140	1,679,768
	17,490,235	11,024,838
Withdrawals		
Series 1	(197,231)	(361,763)
Series 3	(863,602)	(1,745,491)
Series 5	(11,258,955)	(12,645,940)
Series 6	(3,285,237)	(1,321,916)
Series 7	(62,014)	(126,458)
Series 8	(1,115,309)	(956,313)
	(16,782,348)	(17,157,881)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	193,468,368	176,391,600

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(2,683,840)	17,854,025
Adjustments for:		
Foreign exchange (gain) loss on cash	(106)	244
Net realized (gain) loss	(901,577)	(1,034,832)
Net unrealized (gain) loss	2,972,748	(16,996,459)
Non-cash distribution from investments	(409,887)	(408,562)
Proceeds from sale/maturity of investments	179,965,592	151,778,073
Investments purchased	(180,254,099)	(145,265,638)
Cash guarantee received for repurchase transactions	14,496,094	427,265
Interest, dividends and other receivables	(27,734)	20,903
Accrued expenses	(1,569)	(102,200)
Commitments related to repurchase transactions	(14,496,094)	(427,265)
Payable for securities purchased	(362,883)	(10,012)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(1,703,355)	5,835,542
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	17,961,902	11,244,793
Amounts paid on withdrawals	(16,570,362)	(17,108,350)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	1,391,540	(5,863,557)
Effect of exchange rate changes on foreign cash	(1,563)	(1,927)
Increase (decrease) in cash/ bank overdraft	(313,378)	(29,942)
Cash (bank overdraft), beginning of period	409,174	144,336
CASH (BANK OVERDRAFT), END OF PERIOD	95,796	114,394
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	503,493	632,888
Dividends received, net of withholding taxes	914,493	927,274
Interest paid	2	232

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF SHARES	COST	FAIR VALUE
		\$	\$
Equities (41.3%)			
Materials (2.3%)			
CCL Industries, Class B	53,700	3,014,092	2,356,356
Winpak	52,137	2,402,511	2,168,378
		<u>5,416,603</u>	<u>4,524,734</u>
Industrials (9.3%)			
CAE	48,225	1,363,722	1,061,432
Canadian National Railway Company	29,890	2,131,264	3,595,468
Canadian Pacific Railway	11,830	2,252,872	4,106,666
Ritchie Bros. Auctioneers	15,600	757,535	865,020
Thomson Reuters	29,378	1,903,816	2,714,233
Toromont Industries	51,850	3,022,787	3,496,246
Waste Connections	17,006	1,108,316	2,165,884
		<u>12,540,312</u>	<u>18,004,949</u>
Consumer Discretionary (2.5%)			
Dollarama	54,615	1,721,650	2,484,436
Restaurant Brands International	31,440	2,482,389	2,323,102
		<u>4,204,039</u>	<u>4,807,538</u>
Consumer Staples (6.4%)			
Alimentation Couche-Tard, Class B	84,452	2,317,914	3,601,033
Empire Company, Class A	58,750	1,824,790	1,908,200
Loblaw Companies	38,357	2,167,472	2,535,781
Metro	63,875	2,839,417	3,577,000
Saputo Group*	23,350	998,617	755,139
		<u>10,148,210</u>	<u>12,377,153</u>
Financials (11.1%)			
Bank of Montreal	33,300	2,993,203	2,399,931
Brookfield Asset Management, Class A	72,400	2,313,052	3,233,384
Intact Financial Corporation	18,505	1,832,449	2,391,031
National Bank of Canada	45,125	2,772,634	2,776,090
Royal Bank of Canada	41,444	3,198,855	3,824,452
TMX Group	25,000	2,094,116	3,360,250
Toronto-Dominion Bank	58,762	3,233,976	3,562,740
		<u>18,438,285</u>	<u>21,547,878</u>
Information Technology (5.0%)			
CGI, Class A	34,678	2,083,915	2,964,969
Constellation Software	2,214	1,578,571	3,396,210
Open Text	56,400	2,338,772	3,252,024
		<u>6,001,258</u>	<u>9,613,203</u>
Communication Services (3.5%)			
Québecor, Class B	77,452	1,714,748	2,255,402
Rogers Communications, Class B	26,956	1,709,978	1,470,450
Shaw Communications, Class B	63,650	1,662,285	1,414,303
TELUS	69,700	1,632,637	1,587,073
		<u>6,719,648</u>	<u>6,727,228</u>

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		NUMBER OF SHARES	COST	FAIR VALUE
			\$	\$
Utilities (1.2%)				
ATCO, Class I		56,425	2,554,027	2,281,263
Total Equities			<u>66,022,382</u>	<u>79,883,946</u>
		NUMBER OF UNITS		
Investment Funds (28.3%)				
Fiera Capital Active Short Term Canadian Municipal Bond, Series A		1,335,111	13,409,740	13,883,820
Fiera Capital Global Equity Fund, Series A		1,511,382	21,763,473	40,903,883
Total Investment Funds			<u>35,173,213</u>	<u>54,787,703</u>
		PAR VALUE		
Money Market Securities (15.5%)				
Canada Treasury Bills				
2020-07-16*	CAD	21,075,000	21,073,145	21,073,145
2020-08-06	CAD	5,215,000	5,213,397	5,213,397
Province of Alberta, notes				
2020-08-25	CAD	3,675,000	3,673,456	3,673,456
Total Money Market Securities			<u>29,959,998</u>	<u>29,959,998</u>
Bonds (15.2%)				
Government of Canada (3.5%)				
Government of Canada				
Series 596, 0.750%, 2020-09-01*	CAD	2,416,000	2,419,503	2,418,264
Series G328, 0.500%, 2022-03-01	CAD	385,000	386,659	386,680
1.500%, 2022-05-01*	CAD	214,000	218,926	218,819
1.000%, 2022-09-01	CAD	314,000	319,011	318,968
2.250%, 2025-06-01	CAD	1,926,000	2,016,187	2,107,442
2.000%, 2051-12-01*	CAD	139,000	164,226	176,905
Muskat Falls				
Series C, 3.860%, 2048-12-01	CAD	348,000	456,131	505,131
Royal Office Finance				
Series A, 5.209%, 2032-11-12	CAD	430,272	426,619	569,942
			<u>6,407,262</u>	<u>6,702,151</u>
Provincial Governments and Crown Corporations (6.9%)				
Brock University				
Series B, 3.033%, 2060-05-17	CAD	170,000	170,000	182,799
Hospital for Sick Children				
Series B, 3.416%, 2057-12-07	CAD	178,000	178,000	223,169
Hydro-Québec				
stripped, 2029-02-15	CAD	45,000	35,075	39,870
stripped, 2029-08-15	CAD	44,000	33,751	38,538
stripped, 2030-02-15	CAD	43,000	32,509	37,181
stripped, 2030-08-15	CAD	42,000	30,851	35,884
stripped, 2031-02-15	CAD	41,000	29,993	34,673
stripped, 2031-08-15	CAD	40,000	28,432	33,320
stripped, 2032-02-15	CAD	39,000	27,678	31,986
stripped, 2032-08-15	CAD	39,000	26,788	31,495

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Provincial Governments and Crown Corporations (continued)				
Ontario Infrastructure				
4.700%, 2037-06-01	CAD	70,000	70,093	97,144
Ontario Power Generation				
3.215%, 2030-04-08*	CAD	131,000	131,000	144,480
Ontario School Boards Financing, Private Placement				
Series 04A1, 5.483%, 2029-11-26	CAD	298,108	318,146	359,855
Series 06A1, 5.070%, 2031-04-18	CAD	296,563	296,563	356,423
Ornge Issuer Trust				
5.727%, 2034-06-11	CAD	105,243	118,198	130,207
Province of Alberta				
2.900%, 2028-12-01*	CAD	352,000	364,955	393,777
2.050%, 2030-06-01*	CAD	1,027,000	988,898	1,072,318
3.300%, 2046-12-01*	CAD	10,000	10,503	12,070
3.100%, 2050-06-01	CAD	306,000	343,815	366,994
Province of Manitoba				
3.000%, 2028-06-02*	CAD	98,000	98,958	110,722
2.050%, 2030-06-02*	CAD	165,000	171,080	174,573
3.400%, 2048-09-05*	CAD	149,000	151,009	189,047
Province of New Brunswick				
3.100%, 2048-08-14	CAD	51,000	51,543	61,070
3.050%, 2050-08-14*	CAD	51,000	50,733	61,531
Province of Newfoundland and Labrador				
2.850%, 2029-06-02*	CAD	267,000	286,323	291,965
3.700%, 2048-10-17*	CAD	125,000	133,944	151,941
2.650%, 2050-10-17	CAD	103,000	97,766	104,498
Province of Ontario				
3.500%, 2024-06-02*	CAD	166,000	183,310	183,952
6.500%, 2029-03-08*	CAD	506,000	690,930	721,982
2.700%, 2029-06-02*	CAD	1,355,000	1,450,409	1,518,251
2.650%, 2050-12-02*	CAD	3,623,000	4,058,850	4,263,782
Province of Québec				
3.500%, 2048-12-01*	CAD	169,000	180,003	227,430
3.100%, 2051-12-01*	CAD	277,000	316,943	357,852
Province of Saskatchewan				
2.200%, 2030-06-02	CAD	552,000	585,032	590,348
3.900%, 2045-06-02	CAD	135,000	159,724	179,636
3.100%, 2050-06-02*	CAD	43,000	48,083	52,412
TCHC Issuer Trust				
4.877%, 2037-05-11	CAD	59,000	59,000	81,750
Series B, 5.395%, 2040-02-22	CAD	110,000	112,200	164,667
University of Ottawa				
Series C, 2.635%, 2060-02-13	CAD	129,000	129,000	132,775
University of Western Ontario				
Series B, 3.388%, 2057-12-04	CAD	88,000	88,000	100,476
			<u>12,338,088</u>	<u>13,342,843</u>

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Municipalities and Semi-Public Institutions (0.1%)				
City of Ottawa				
2.500%, 2051-05-11	CAD	138,000	137,262	143,763
Corporations (4.7%)				
407 International				
4.190%, 2042-04-25	CAD	80,000	87,400	101,000
Aéroports de Montréal				
Series R, 3.030%, 2050-04-21	CAD	57,000	57,000	62,036
Bank of Montreal				
2.370%, 2025-02-03	CAD	133,000	132,999	138,340
3.190%, 2028-03-01	CAD	463,000	490,474	522,898
Bell Canada				
Series M45, 4.450%, 2047-02-27	CAD	85,000	89,766	102,625
Canadian National Railway Company				
3.600%, 2049-02-08	CAD	59,000	64,260	70,628
3.050%, 2050-02-08	CAD	82,000	81,458	89,582
Choice Properties Real Estate Investment Trust				
Series P, 2.848%, 2027-05-21*	CAD	192,000	192,000	197,000
Series N, 2.981%, 2030-03-04*	CAD	123,000	123,000	125,322
CU				
4.543%, 2041-10-24	CAD	78,000	88,448	102,943
4.085%, 2044-09-02	CAD	29,000	34,368	36,644
3.964%, 2045-07-27	CAD	107,000	112,121	133,582
3.763%, 2046-11-19	CAD	38,000	39,838	46,389
Enbridge				
3.200%, 2027-06-08	CAD	190,000	194,645	202,609
3.520%, 2029-02-22	CAD	155,000	156,341	170,858
2.990%, 2029-10-03	CAD	232,000	231,795	243,445
4.570%, 2044-03-11	CAD	12,000	13,012	13,671
4.330%, 2049-02-22*	CAD	107,000	97,675	125,812
Enbridge Gas				
3.650%, 2050-04-01	CAD	192,000	191,583	233,233
Enbridge Pipelines				
4.550%, 2045-09-29	CAD	349,000	341,987	418,335
EPCOR Utilities				
3.949%, 2048-11-26	CAD	8,000	9,341	10,163
Greater Toronto Airports Authority				
Series 99-1, 6.450%, 2029-07-30	CAD	17	19	21
Great-West Lifeco				
3.337%, 2028-02-28	CAD	316,000	318,200	353,603
5.998%, 2039-11-16	CAD	62,000	84,893	88,429
Health Montréal Collective, Private Placement				
Series 144A, 6.721%, 2049-09-30	CAD	236,000	290,337	350,741
Hydro One				
6.930%, 2032-06-01	CAD	30,000	42,932	44,746
3.720%, 2047-11-18	CAD	1,000	1,010	1,227
3.630%, 2049-06-25	CAD	110,000	111,374	134,018

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

		PAR VALUE	COST	FAIR VALUE
			\$	\$
Corporations (continued)				
iA Financial Group				
2.400%, (floating rate from 2025-02-21), 2030-02-21	CAD	504,000	504,000	511,958
3.072%, (floating rate from 2026-09-24), 2031-09-24	CAD	137,000	137,000	144,081
IGM Financial				
4.115%, 2047-12-09	CAD	20,000	20,115	21,669
Intact Financial Corporation				
2.850%, 2027-06-07*	CAD	51,000	51,200	54,526
Integrated Team Solutions SJHC				
5.946%, 2042-11-30	CAD	50,023	50,375	68,783
Melancthon Wolfe Wind				
3.834%, 2028-12-31	CAD	69,279	69,287	74,448
National Bank of Canada				
2.580%, 2025-02-03*	CAD	30,000	29,999	31,479
Newfoundland Power				
Series AQ, 3.608%, 2060-04-20	CAD	138,000	138,000	152,204
North Battleford Power				
Series A, 4.958%, 2032-12-31	CAD	95,082	95,089	114,631
North West Redwater Partnership				
Series E, 3.200%, 2026-04-24	CAD	44,000	43,906	47,129
Series F, 4.250%, 2029-06-01	CAD	54,000	59,385	62,279
Series B, 4.050%, 2044-07-22	CAD	26,000	28,045	29,189
Nova Scotia Power				
Series 2020, 3.307%, 2050-04-25	CAD	139,000	139,000	151,444
Pembina Pipeline				
Series 12, 3.620%, 2029-04-03	CAD	203,000	203,988	217,934
Series 3, 4.750%, 2043-04-30	CAD	158,000	136,958	175,985
Series 4, 4.810%, 2044-03-25	CAD	83,000	83,068	93,314
Plenary Health Care Partnerships Humber				
4.895%, 2039-05-31	CAD	114,985	114,985	142,803
Royal Bank of Canada				
2.328%, 2027-01-28	CAD	203,000	199,489	212,178
SGTP Highway Bypass				
Series A, 4.105%, 2045-01-31	CAD	164,000	164,000	192,354
Sinai Health System				
Series A, 3.527%, 2056-06-09	CAD	55,000	55,000	65,833
SmartCentres Real Estate Investment Trust				
Series V, 3.192%, 2027-06-11	CAD	147,000	147,000	149,733
Series U, 3.526%, 2029-12-20	CAD	212,000	212,000	216,660
Sun Life Financial				
2.580%, (floating rate from 2027-05-10), 2032-05-10	CAD	465,000	464,823	481,298
Suncor Energy				
5.000%, 2030-04-09	CAD	212,000	211,358	250,992
TELUS				
Series CAC, 2.350%, 2028-01-27	CAD	113,000	112,689	115,853
Series CY, 3.300%, 2029-05-02*	CAD	294,000	293,637	322,149
Series CAB, 3.950%, 2050-02-16*	CAD	94,000	93,205	104,165

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	PAR VALUE	COST	FAIR VALUE
		\$	\$
Corporations (continued)			
Toronto-Dominion Bank			
3.105%, (floating rate from 2025-04-22), 2030-04-22	CAD 242,000	242,000	254,859
TransCanada PipeLines			
3.800%, 2027-04-05	CAD 386,000	385,386	426,960
Series 17-A, 4.650%, (floating rate from 2027-05-18), 2077-05-18	CAD 161,000	160,922	158,891
		<u>8,324,185</u>	<u>9,165,681</u>
Total Bonds		<u>27,206,797</u>	<u>29,354,438</u>
Total Investments (100.3%)		<u>158,362,390</u>	<u>193,986,085</u>
Other Net Assets (-0.3%)			<u>(517,717)</u>
Net Assets (100%)			<u>193,468,368</u>

* Securities pledged as collateral, in part or in whole, through the securities lending program.

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
FIERA CAPITAL GLOBAL EQUITY FUND 21.1%	
Moody's	7.1%
Keyence	6.0%
Mastercard	5.5%
Alphabet	4.3%
MSCI	4.2%
FIERA ACTIVE SHORT TERM CANADIAN MUNICIPAL BOND 7.2%	
Province of Québec, 2.750%, 2025-09-01	12.1%
Province of Québec, 4.500%, 2020-12-01	2.4%
Province of Ontario, 2.700%, 2029-06-02	1.6%
City of Pointe-Claire, 2.200%, 2024-07-24	1.4%
Société de transport de Laval, 2.300%, 2022-11-15	1.3%

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide investors with a balance of capital growth and interest income by investing primarily in Canadian fixed-income and equity securities.

Strategy of the Fund

To provide such a balance by investing primarily in the common shares of medium and large cap Canadian corporations and in Canadian government and Canadian investment-grade corporate bonds and other interest-bearing instruments.

The principal risk factors of this Fund are interest rate, market, derivative and some minor foreign currency and credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Equities	79,883,946	—	—	79,883,946
Bonds	18,559,290	10,795,148	—	29,354,438
Investment Funds	—	54,787,703	—	54,787,703
Money Market Securities	29,959,998	—	—	29,959,998
TOTAL	128,403,234	65,582,851	—	193,986,085
December 31, 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Equities	84,672,700	—	—	84,672,700
Bonds	19,245,604	6,922,796	—	26,168,400
Investment Funds	—	54,284,106	—	54,284,106
Money Market Securities	30,231,987	—	—	30,231,987
TOTAL	134,150,291	61,206,902	—	195,357,193

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

FINANCIAL INSTRUMENTS RISKS (Note 7)

Currency Risk

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

As at June 30, 2020 and December 31, 2019, the majority of the Fund's financial assets and liabilities are denominated in Canadian dollars. As a result, the Fund is not significantly exposed to currency risk.

Interest Rate Risk

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The following table summarizes the Fund's exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value, categorized by the earlier of contractual re-pricing or maturity dates. The table also illustrates the impact on the Net Assets Attributable to Contract Owners, had prevailing interest rates changed by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant.

	Less than 1 Year	1 to 5 Years	5 to 10 Years	Greater than 10 Years	Total	Impact on Net Assets Attributable to Contract Owners
	\$	\$	\$	\$	\$	\$
June 30, 2020	32,474,058	4,152,497	10,244,727	12,538,950	59,410,232	1,525,150
December 31, 2019	30,641,161	2,610,047	14,943,413	8,614,940	56,809,561	1,250,648

The impact on the Net Assets Attributable to Contract Owners is based on the portfolio's fixed income securities as well as the portfolio's underlying investment funds and index-based investments exposed to interest rate risk, if any.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Concentration Risk

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The following tables summarize the concentration risk, as a percentage of the Net Assets Attributable to Contract Owners:

June 30, 2020		December 31, 2019	
Market Segment	%	Market Segment	%
Equities		Equities	
Financials	11.1	Financials	13.8
Industrials	9.3	Industrials	8.5
Consumer Staples	6.4	Consumer Staples	5.8
Information Technology	5.0	Information Technology	5.1
Communication Services	3.5	Communication Services	3.2
Consumer Discretionary	2.5	Materials	2.4
Materials	2.3	Consumer Discretionary	2.2
Utilities	1.2	Utilities	1.3
Investment Funds		Energy	1.0
Growth	21.1	Investment Funds	
Income	7.2	Growth	20.7
Money Market Securities	15.5	Income	7.1
Bonds	15.2	Money Market Securities	15.5
Other Net Assets	(0.3)	Bonds	13.4
TOTAL	100	TOTAL	100

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Price Risk

The Fund may trade in financial instruments and take positions in traded and over-the-counter instruments.

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada 91 Day Treasury Bills (10%)	0.25	36,259	45,034
FTSE Canada Universe Bond (30%)	1.00	435,111	540,410
S&P/TSX Capped (40%)	3.00	1,740,443	2,161,641
MSCI World Net (20%)	3.00	870,222	1,080,820

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Fund's credit risk concentration is separated between fixed-income and money market securities. Their fair values include consideration of the issuers' creditworthiness and accordingly, represent the Fund's maximum exposure to credit risk.

Portfolio's Fixed-Income Securities by Credit Rating Category

Credit Rating	Percentage of Fixed Income Securities	
	June 30, 2020	December 31, 2019
	%	%
AAA	23	26
AA	39	48
A	20	13
BBB	18	13
TOTAL	100	100

Portfolio's Money Market Securities by Credit Rating Category

Credit Rating	Percentage of Money Market Securities	
	June 30, 2020	December 31, 2019
	%	%
R-1 (High)	88	76
R-1 (Middle)	12	24
TOTAL	100	100

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Securities Lending and Repurchase Transactions

As part of its securities lending against cash and repurchase transactions, the Fund is exposed to counterparty credit risk.

The carrying amount of financial assets lent as part of repurchase transactions is:

	\$
June 30, 2020	13,929,433
December 31, 2019	28,862,655

As part of its reverse repurchase transactions, the Fund is permitted to sell or repledge in the absence of default the financial assets held as collateral.

The fair value of those financial assets is:

	\$
June 30, 2020	2,585,946
December 31, 2019	2,597,030

The fair value of financial assets accepted as collateral which have been sold or repledged totalled:

	\$
June 30, 2020	651,688
December 31, 2019	—

These financial assets were received as collateral as part of transactions involving reverse repurchase agreements.

Liquidity Risk

Part of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DERECOGNITION OF FINANCIAL ASSETS

Securities Lending and Repurchase Transactions

As part of transactions involving securities lending or repurchase transactions, the Fund transfers financial assets under terms and conditions providing for their future repurchase. These financial assets remain recognized in the "Investments at fair value through profit or loss pledged as collateral" of the Statement of Financial Position as the Fund retains substantially all the risks and rewards related to these assets.

	June 30, 2020	December 31, 2019
	\$	\$
Investments at FVTPL pledged as collateral	15,129,341	31,063,405
Value of Collateral received	15,432,117	31,685,225

The Funds require collateral in the form of cash or such other securities as may be acceptable to Desjardins Financial Security and that have an aggregate value of no less than 102% of the loaned securities' fair value.

The following table presents the carrying amount and the fair value of financial assets transferred by the Fund but not derecognized as well as the related liabilities recognized in "Commitments related to repurchase transactions" and "Commitments related to securities lending" of the Statement of Financial Position.

	June 30, 2020	December 31, 2019
	Fair Value*	Fair Value*
	\$	\$
Financial assets	13,929,433	28,862,655
Related liabilities	13,955,100	29,106,186

* The fair value equals carrying amount.

DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

RECONCILIATION OF INCOME FROM SECURITIES LENDING ACTIVITIES (Note 2)

The following table shows a reconciliation of the total income generated from securities lending transactions of the Fund and the revenue from securities lending activities disclosed in the Fund's Statement of Comprehensive Income.

	June 30, 2020		June 30, 2019	
	\$	%	\$	%
Total Income	44,103	100	20,128	100
Net Income received by the Fund	26,462	60	12,077	60
Net Income received by Desjardins Trust	17,641	40	8,051	40

DFS GIF – BALANCED GROWTH – FRANKLIN QUOTENTIAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	26,585
Investments at fair value through profit or loss (FVTPL)	432,876,923	453,484,207
Premiums receivable	51,812	265,311
Receivable for securities sold	90,931	257,746
	433,019,666	454,033,849
LIABILITIES		
Current Liabilities		
Bank overdraft	74,034	—
Accrued expenses	1,054,401	1,110,281
Withdrawals payable	634,364	857,665
Payable for securities purchased	—	25,150
	1,762,799	1,993,096
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	431,256,867	452,040,753
NET ASSETS PER UNIT		
Series 3	6.81	6.86
Series 5	7.09	7.13
Series 6	6.06	6.09
Series 7	6.25	6.27
Series 8	5.28	5.29

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	147	(21)
Changes in fair value:		
Net realized gain (loss) on investments	7,682,227	7,656,130
Net unrealized gain (loss) on investments	(4,044,453)	34,396,072
	3,637,921	42,052,181
EXPENSES		
Management fees and guarantee charge	5,113,591	5,451,196
Operating expenses	1,209,592	1,292,534
	6,323,183	6,743,730
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(2,685,262)	35,308,451
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(58,450)	681,156
- per unit	(0.05)	0.51
Average Number of Units	1,153,843	1,346,779
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(2,427,270)	31,251,714
- per unit	(0.04)	0.52
Average Number of Units	54,596,531	59,959,077
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(185,354)	2,311,241
- per unit	(0.04)	0.45
Average Number of Units	4,908,047	5,166,376
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(5,332)	274,834
- per unit	(0.01)	0.49
Average Number of Units	460,390	560,465
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(8,856)	789,506
- per unit	—	0.39
Average Number of Units	1,989,739	2,048,724

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – BALANCED GROWTH – FRANKLIN QUOTENTIAL (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	452,040,753	445,462,406
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(2,685,262)</u>	35,308,451
Premiums		
Series 3	23,124	64,242
Series 5	11,949,215	18,649,686
Series 6	1,055,489	1,688,148
Series 7	25,701	4,766
Series 8	653,078	1,481,268
	<u>13,706,607</u>	21,888,110
Withdrawals		
Series 3	(279,167)	(1,427,537)
Series 5	(28,991,974)	(36,664,008)
Series 6	(1,900,863)	(2,420,074)
Series 7	(32,665)	(408,125)
Series 8	(600,562)	(1,047,295)
	<u>(31,805,231)</u>	(41,967,039)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>431,256,867</u>	460,691,928

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(2,685,262)	35,308,451
Adjustments for:		
Net realized (gain) loss	(7,682,227)	(7,656,130)
Net unrealized (gain) loss	4,044,453	(34,396,072)
Proceeds from sale/maturity of investments	25,453,554	27,027,694
Investments purchased	(1,208,496)	(439,906)
Receivable for securities sold	166,815	159,183
Accrued expenses	(55,880)	(44,952)
Payable for securities purchased	(25,150)	(13,531)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>18,007,807</u>	19,944,737
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	13,920,106	21,884,231
Amounts paid on withdrawals	(32,028,532)	(41,866,788)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(18,108,426)</u>	(19,982,557)
Increase (decrease) in cash/bank overdraft	(100,619)	(37,820)
Cash (bank overdraft), beginning of period	26,585	11,253
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(74,034)</u>	(26,567)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	147	—
Interest paid	—	21

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Franklin Quotential Balanced Growth Portfolio, Series O	35,345,259	295,475,996	432,876,923
Total Investments		295,475,996	432,876,923
Other Net Assets (-0.4%)			(1,620,056)
Net Assets (100%)			431,256,867

The accompanying Notes are an integral part of these financial statements.

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	14.4%
Franklin Bissett Canadian Government Bond Fund	9.7%
Franklin U.S. Core Equity Fund	8.5%
Franklin FTSE U.S. Index ETF	6.5%
Franklin Liberty Global Aggregate Bond ETF	6.2%
Franklin FTSE Canada All Cap Index ETF	5.8%
Franklin Bissett Canadian Equity Fund	5.7%
Franklin U.S. Rising Dividends Fund	5.1%
Franklin U.S. Opportunities Fund	5.0%
Franklin International Core Equity Fund	4.9%
iShares Core MSCI EAFE ETF	4.7%
Franklin Canadian Core Equity Fund	4.2%
Franklin Bissett Short Duration Bond Fund	3.8%
Franklin LibertyQT U.S. Equity Index ETF	3.6%
Templeton Global Bond Fund	2.8%
iShares Core MSCI Emerging Markets ETF	2.2%
Franklin Emerging Market Core Equity Fund	2.2%
Franklin FTSE Europe Ex U.K. Index ETF	2.0%
Templeton Emerging Markets Fund	1.9%
Cash and Cash Equivalents	0.8%

DFS GIF – BALANCED GROWTH – FRANKLIN QUOTENTIAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed-income markets.

Strategy of the Fund

To emphasize investments in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests, to a lesser extent, in fixed-income underlying funds in order to provide stability.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	432,876,923	—	—	432,876,923
TOTAL	432,876,923	—	—	432,876,923

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	453,484,207	—	—	453,484,207
TOTAL	453,484,207	—	—	453,484,207

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (28%)	1.00	1,241,283	1,369,815
Bloomberg Barclays Multiverse Bond (12%)	1.00	531,978	456,605
S&P/TSX (15%)	3.00	1,994,919	2,739,630
MSCI All Country World Net (45%)	3.00	5,984,756	5,479,260

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN BALANCED – CI SIGNATURE*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	135,847
Investments at fair value through profit or loss (FVTPL)	108,371,019	119,849,496
Premiums receivable	48,052	—
Receivable for securities sold	116,238	224,607
	108,535,309	120,209,950
LIABILITIES		
Current Liabilities		
Bank overdraft	23,777	—
Accrued expenses	256,735	285,573
Withdrawals payable	235,208	288,459
Payable for securities purchased	—	134,728
	515,720	708,760
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	108,019,589	119,501,190
NET ASSETS PER UNIT		
Series 5	7.43	7.70
Series 6	6.03	6.25
Series 7	6.23	6.43
Series 8	5.09	5.27

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	40	(3)
Changes in fair value:		
Net realized gain (loss) on investments	(316,561)	(308,646)
Net unrealized gain (loss) on investments	(2,349,178)	12,367,059
	(2,665,699)	12,058,410
EXPENSES		
Management fees and guarantee charge	1,278,223	1,417,950
Operating expenses	295,504	336,390
	1,573,727	1,754,340
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(4,239,426)	10,304,070
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(2,833,749)	6,857,034
- per unit	(0.30)	0.61
Average Number of Units	9,536,668	11,241,576
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(830,863)	2,066,727
- per unit	(0.21)	0.49
Average Number of Units	3,921,591	4,188,627
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(188,590)	480,125
- per unit	(0.23)	0.52
Average Number of Units	829,798	917,650
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(386,224)	900,184
- per unit	(0.17)	0.41
Average Number of Units	2,210,287	2,179,830

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	119,501,190	118,316,086
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(4,239,426)</u>	10,304,070
Premiums		
Series 5	1,008,192	3,274,152
Series 6	1,127,633	1,528,067
Series 7	—	6,691
Series 8	774,293	1,309,059
	<u>2,910,118</u>	6,117,969
Withdrawals		
Series 5	(6,997,944)	(8,040,480)
Series 6	(1,986,719)	(2,440,678)
Series 7	(470,806)	(175,384)
Series 8	(696,824)	(1,014,766)
	<u>(10,152,293)</u>	(11,671,308)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>108,019,589</u>	123,066,817

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(4,239,426)	10,304,070
Adjustments for:		
Net realized (gain) loss	316,561	308,646
Net unrealized (gain) loss	2,349,178	(12,367,059)
Proceeds from sale/maturity of investments	9,143,473	8,396,839
Investments purchased	(330,735)	(1,118,969)
Receivable for securities sold	108,369	(193,757)
Accrued expenses	(28,838)	(13,534)
Payable for securities purchased	(134,728)	(1,133)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>7,183,854</u>	5,315,103
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,862,066	6,245,292
Amounts paid on withdrawals	(10,205,544)	(11,718,707)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(7,343,478)</u>	(5,473,415)
Increase (decrease) in cash/ bank overdraft	(159,624)	(158,312)
Cash (bank overdraft), beginning of period	<u>135,847</u>	528
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(23,777)</u>	(157,784)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	40	—
Interest paid	—	3

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN BALANCED – CI SIGNATURE (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Signature Canadian Balanced Fund, Class I	11,727,831	109,879,280	108,371,019
Total Investments		109,879,280	108,371,019
Other Net Assets (-0.3%)			(351,430)
Net Assets (100%)			108,019,589

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
SPDR Gold Shares	7.4%
Manulife Financial	3.4%
iShares MSCI ACWI ETF	1.9%
Microsoft	1.7%
Nestlé	1.6%
Province of Ontario, 2.600%, 2025-06-02	1.6%
Scotiabank	1.4%
Shopify	1.4%
Power Corporation of Canada	1.4%
Wheaton Precious Metals	1.3%
iShares S&P/TSX 60 Index ETF	1.3%
Canadian Pacific Railway	1.3%
Province of Québec, 2.500%, 2026-09-01	1.3%
Government of Canada, 2.000%, 2051-12-01	1.1%
Toronto-Dominion Bank	1.1%
Canadian Imperial Bank of Commerce	1.1%
Advanced Micro Devices	1.1%
Samsung Electronics	1.0%
Province of Ontario, 2.900%, 2028-06-02	1.0%
SPDR S&P 500 Trust ETF	1.0%
Sony	1.0%
Alimentation Couche-Tard	1.0%
Fairfax Financial Holdings Limited	0.9%
Mondelez International	0.9%
Suncor Energy	0.9%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide investors with an attractive balance of current income and capital appreciation by investing primarily in a combination of Canadian equity and equity-related securities and fixed-income securities.

Strategy of the Fund

For the equity portion, the Fund invests primarily in companies providing a stable income or consistent dividends. For the fixed-income portion, the portfolio advisor selects high-quality fixed-income securities, including bank loans and floating rate debt instruments but may choose to shift the weighting of the portion of the Fund held in bonds with longer terms to maturity depending on the expected fluctuations in interest rates. The Fund may also invest in foreign securities as well as warrants, and derivatives, the latter to aid in hedging against potential losses resulting from changes in the prices of the securities that the Fund has invested in as well as any exposure from foreign currencies.

The principal risk factors of this Fund are credit risk, interest rate risk, special equities risk, market risk, foreign currency risk and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	108,371,019	—	—	108,371,019
TOTAL	108,371,019	—	—	108,371,019

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	119,849,496	—	—	119,849,496
TOTAL	119,849,496	—	—	119,849,496

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – CANADIAN BALANCED – CI SIGNATURE (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	421,309	505,930
S&P/TSX (30%)	3.00	947,946	1,138,342
MSCI All Country World Net (30%)	3.00	947,946	1,138,342

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – INCOME AND GROWTH – CI SIGNATURE*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	3,790
Investments at fair value through profit or loss (FVTPL)	108,940,734	113,719,250
Premiums receivable	217,790	151,757
Receivable for securities sold	83,362	23,502
	109,241,886	113,898,299
LIABILITIES		
Current Liabilities		
Bank overdraft	10,408	—
Accrued expenses	258,376	267,963
Withdrawals payable	422,621	253,106
	691,405	521,069
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	108,550,481	113,377,230
NET ASSETS PER UNIT		
Series 5	6.91	7.37
Series 6	5.91	6.30
Series 7	6.11	6.49
Series 8	4.98	5.30

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Distributions from underlying funds	4,408,303	4,311,493
Changes in fair value:		
Net realized gain (loss) on investments	(90,182)	(76,974)
Net unrealized gain (loss) on investments	(9,521,035)	6,758,528
	(5,202,914)	10,993,047
EXPENSES		
Management fees and guarantee charge	1,354,755	1,385,997
Operating expenses	170,492	173,235
	1,525,247	1,559,232
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(6,728,161)	9,433,815
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(2,746,946)	4,047,045
- per unit	(0.40)	0.59
Average Number of Units	6,800,009	6,864,555
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(2,079,820)	2,864,450
- per unit	(0.40)	0.51
Average Number of Units	5,261,753	5,654,991
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(417,680)	653,667
- per unit	(0.39)	0.54
Average Number of Units	1,077,887	1,207,442
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(1,483,715)	1,868,653
- per unit	(0.34)	0.43
Average Number of Units	4,400,187	4,366,673

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – INCOME AND GROWTH – CI SIGNATURE (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	113,377,230	102,319,975
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(6,728,161)</u>	9,433,815
Premiums		
Series 5	8,659,708	6,392,331
Series 6	1,390,063	3,490,040
Series 7	38,923	74,500
Series 8	<u>1,204,191</u>	<u>3,265,505</u>
	11,292,885	13,222,376
Withdrawals		
Series 5	(4,872,858)	(6,558,741)
Series 6	(2,395,352)	(3,444,425)
Series 7	(193,080)	(301,801)
Series 8	<u>(1,930,183)</u>	<u>(2,527,708)</u>
	(9,391,473)	(12,832,675)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>108,550,481</u>	112,143,491

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(6,728,161)	9,433,815
Adjustments for:		
Net realized (gain) loss	90,182	76,974
Net unrealized (gain) loss	9,521,035	(6,758,528)
Non-cash distribution from investments	(4,408,303)	(4,311,493)
Proceeds from sale/maturity of investments	6,119,704	5,477,946
Investments purchased	(6,544,102)	(4,422,141)
Receivable for securities sold	(59,860)	127,493
Accrued expenses	(9,587)	3,985
Payable for securities purchased	—	(23,368)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(2,019,092)</u>	(395,317)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	11,226,852	13,216,234
Amounts paid on withdrawals	(9,221,958)	(12,685,778)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>2,004,894</u>	530,456
Increase (decrease) in cash/ bank overdraft	(14,198)	135,139
Cash (bank overdraft), beginning of period	3,790	(188,222)
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(10,408)</u>	(53,083)

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Signature Income & Growth Fund, Class I	12,680,060	112,700,463	108,940,734
Total Investments		112,700,463	108,940,734
Other Net Assets (-0.4%)			(390,253)
Net Assets (100%)			108,550,481

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
SPDR Gold Shares	7.6%
Manulife Financial	3.5%
iShares S&P/TSX 60 Index ETF	2.2%
Nestlé	1.8%
Microsoft	1.7%
Power Corporation of Canada	1.5%
Scotiabank	1.4%
Shopify	1.4%
Wheaton Precious Metals	1.4%
Canadian Pacific Railway	1.3%
Samsung Electronics	1.1%
Toronto-Dominion Bank	1.1%
Advanced Micro Devices	1.1%
Government of Canada, 2.000%, 2051-12-01	1.1%
Canadian Imperial Bank of Commerce	1.1%
Alimentation Couche-Tard	1.0%
Mondelez International	1.0%
Sony	1.0%
Amazon	0.9%
Fairfax Financial Holdings Limited	0.9%
Suncor Energy	0.9%
Enbridge	0.9%
Bank of Montreal	0.8%
Apple	0.8%
Loblaw Companies	0.8%

DFS GIF – INCOME AND GROWTH – CI SIGNATURE (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

The objective of this Fund is to provide a steady flow of current income while preserving capital by obtaining exposure primarily to equity, equity related and fixed-income securities of Canadian issuers.

Strategy of the Fund

The Fund invests in a combination of equity, fixed-income and derivatives. Broadly diversified by sector and style, preferred and common shares make up portions of the Fund's investments in equity securities. The fixed-income portion of the Fund's investments is comprised of high-yielding government and corporate bonds, debentures and notes, including some securities that are unrated or have credit ratings below investment grade. The Fund may also invest in real estate investment trusts (REITs), royalty trusts, income trusts and other similar high yielding instruments. The principal risk factors of this Fund are market risk, derivatives risk, currency risk, credit risk, and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	108,940,734	—	—	108,940,734
TOTAL	108,940,734	—	—	108,940,734

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	113,719,250	—	—	113,719,250
TOTAL	113,719,250	—	—	113,719,250

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (20%)	1.00	192,251	165,832
Merrill Lynch High Yield Master II (20%)	2.00	384,502	331,663
S&P/TSX Composite High Dividend (0%)	3.00	N/A	331,663
S&P/TSX (35%)	3.00	1,009,317	994,989
MSCI All Country World Net (25%)	3.00	720,941	994,989

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GROWTH AND INCOME – NEI NORTHWEST*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	172,385	806,520
Investments at fair value through profit or loss (FVTPL)	206,540,897	231,867,135
Premiums receivable	—	136,587
Receivable for securities sold	264,946	—
	<u>206,978,228</u>	<u>232,810,242</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	490,352	547,189
Withdrawals payable	361,367	252,994
Payable for securities purchased	—	454,653
	<u>851,719</u>	<u>1,254,836</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>206,126,509</u>	<u>231,555,406</u>
NET ASSETS PER UNIT		
Series 3	<u>6.35</u>	6.97
Series 5	<u>6.88</u>	7.52
Series 6	<u>6.06</u>	6.62
Series 7	<u>6.25</u>	6.81
Series 8	<u>4.84</u>	5.28

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	1,081	1,805
Distributions from underlying funds	2,266,588	2,120,842
Changes in fair value:		
Net realized gain (loss) on investments	2,627,021	2,415,467
Net unrealized gain (loss) on investments	(21,044,596)	19,303,635
	<u>(16,149,906)</u>	<u>23,841,749</u>
EXPENSES		
Management fees and guarantee charge	2,530,101	2,652,356
Operating expenses	467,749	503,659
	<u>2,997,850</u>	<u>3,156,015</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(19,147,756)</u>	<u>20,685,734</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(162,454)	171,749
- per unit	(0.62)	0.59
Average Number of Units	<u>260,630</u>	<u>292,070</u>
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(12,130,816)	13,755,130
- per unit	(0.64)	0.68
Average Number of Units	<u>18,977,812</u>	<u>20,328,462</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(3,792,080)	3,860,176
- per unit	(0.54)	0.58
Average Number of Units	<u>7,055,325</u>	<u>6,700,616</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(654,688)	960,475
- per unit	(0.57)	0.65
Average Number of Units	<u>1,150,668</u>	<u>1,473,317</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(2,407,718)	1,938,204
- per unit	(0.44)	0.44
Average Number of Units	<u>5,466,352</u>	<u>4,409,960</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	231,555,406	205,772,143
Increase (Decrease) in Net Assets from operations attributable to contract owners	(19,147,756)	20,685,734
Premiums		
Series 3	114,029	313,147
Series 5	6,067,274	8,470,955
Series 6	4,481,365	9,226,617
Series 7	57,790	190,610
Series 8	3,965,763	8,240,965
	14,686,221	26,442,294
Withdrawals		
Series 3	(171,605)	(203,669)
Series 5	(11,707,356)	(13,696,770)
Series 6	(5,770,411)	(6,694,157)
Series 7	(680,260)	(1,248,085)
Series 8	(2,637,730)	(3,158,376)
	(20,967,362)	(25,001,057)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	206,126,509	227,899,114

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(19,147,756)	20,685,734
Adjustments for:		
Net realized (gain) loss	(2,627,021)	(2,415,467)
Net unrealized (gain) loss	21,044,596	(19,303,635)
Non-cash distribution from investments	(2,266,588)	(2,120,842)
Proceeds from sale/maturity of investments	11,420,927	9,440,096
Investments purchased	(2,245,676)	(8,647,177)
Receivable for securities sold	(264,946)	—
Accrued expenses	(56,837)	12,880
Payable for securities purchased	(454,653)	62,348
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	5,402,046	(2,286,063)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	14,822,808	27,295,639
Amounts paid on withdrawals	(20,858,989)	(25,006,331)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(6,036,181)	2,289,308
Increase (decrease) in cash/ bank overdraft	(634,135)	3,245
Cash (bank overdraft), beginning of period	806,520	429,028
CASH (BANK OVERDRAFT), END OF PERIOD	172,385	432,273
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	1,081	1,805

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GROWTH AND INCOME – NEI NORTHWEST (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
NEI Growth & Income Fund, Series I	27,612,419	164,582,091	206,540,897
Total Investments		164,582,091	206,540,897
Other Net Assets (-0.2%)			(414,388)
Net Assets (100%)			206,126,509

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
NEI Global Equity Fund	34.3%
NEI Canadian Bond Fund	28.0%
Toronto-Dominion Bank	3.5%
Scotiabank	3.2%
FirstService	2.7%
Telus	2.2%
Québecor	2.1%
Colliers International Group	2.1%
Manulife Financial	2.0%
Sun Life Financial	2.0%
Onex	1.9%
TMX Group	1.8%
NorthWest Healthcare Properties Real Estate Investment Trust	1.7%
Canadian Imperial Bank of Commerce	1.6%
Air Canada	1.5%
SmartCentres Real Estate Investment Trust	1.4%
Brookfield Property Partners	1.3%
Magna International	1.3%
Empire Company	1.2%
BCE	1.1%
First Quantum Minerals	1.0%
Equitable Group	0.9%
Pason Systems	0.5%
Husky Energy	0.3%
Precision Drilling	0.2%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide a consistent stream of income and capital appreciation by investing primarily in a mix of Canadian equities and fixed-income securities.

Strategy of the Fund

To invest in a diversified portfolio consisting primarily of a balance of large cap equity and investment grade fixed-income securities issued principally by Canadian issuers.

The principal risk factors of this Fund are interest rate, market, some minor foreign currency and credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	206,540,897	—	—	206,540,897
TOTAL	206,540,897	—	—	206,540,897

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	231,867,135	—	—	231,867,135
TOTAL	231,867,135	—	—	231,867,135

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – GROWTH AND INCOME – NEI NORTHWEST (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

Benchmarks	Change in Price %	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020 \$	December 31, 2019 \$
FTSE Canada Universe Bond (25%)	1.00	538,475	628,746
S&P/TSX (55%)	3.00	3,553,934	4,149,727
MSCI World Net (20%)	3.00	1,292,340	1,508,991

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL GROWTH – NEI SELECT*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	29,111	10,244
Investments at fair value through profit or loss (FVTPL)	127,414,684	140,989,638
Premiums receivable	5,353	115,156
Receivable for securities sold	34,155	35,101
	<u>127,483,303</u>	<u>141,150,139</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	321,629	354,727
Withdrawals payable	148,710	159,152
Payable for securities purchased	—	44,639
	<u>470,339</u>	<u>558,518</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>127,012,964</u>	<u>140,591,621</u>
NET ASSETS PER UNIT		
Series 3	<u>8.10</u>	8.65
Series 5	<u>8.84</u>	9.40
Series 6	<u>6.26</u>	6.65
Series 7	<u>6.45</u>	6.84
Series 8	<u>5.04</u>	5.34

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	165	210
Changes in fair value:		
Net realized gain (loss) on investments	491,738	281,347
Net unrealized gain (loss) on investments	(6,842,923)	12,652,885
	<u>(6,351,020)</u>	<u>12,934,442</u>
EXPENSES		
Management fees and guarantee charge	1,638,730	1,727,878
Operating expenses	298,816	322,775
	<u>1,937,546</u>	<u>2,050,653</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(8,288,566)</u>	<u>10,883,789</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(139,761)	206,485
- per unit	(0.54)	0.63
Average Number of Units	<u>258,632</u>	<u>327,548</u>
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(5,230,923)	6,939,450
- per unit	(0.58)	0.70
Average Number of Units	<u>8,959,242</u>	<u>9,884,671</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(1,819,343)	2,121,478
- per unit	(0.40)	0.49
Average Number of Units	<u>4,504,375</u>	<u>4,316,927</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(197,752)	537,660
- per unit	(0.28)	0.54
Average Number of Units	<u>701,494</u>	<u>996,420</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(900,787)	1,078,716
- per unit	(0.31)	0.40
Average Number of Units	<u>2,923,218</u>	<u>2,692,870</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL GROWTH – NEI SELECT (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	140,591,621	128,372,219
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(8,288,566)</u>	10,883,789
Premiums		
Series 3	63,448	50,278
Series 5	2,848,908	5,974,120
Series 6	2,287,939	2,720,136
Series 7	—	4,625
Series 8	1,778,946	2,027,371
	<u>6,979,241</u>	10,776,530
Withdrawals		
Series 3	(325,264)	(282,209)
Series 5	(6,095,070)	(8,595,287)
Series 6	(2,336,852)	(2,319,927)
Series 7	(2,057,753)	(496,543)
Series 8	(1,454,393)	(1,398,330)
	<u>(12,269,332)</u>	(13,092,296)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>127,012,964</u>	136,940,242

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(8,288,566)	10,883,789
Adjustments for:		
Net realized (gain) loss	(491,738)	(281,347)
Net unrealized (gain) loss	6,842,923	(12,652,885)
Proceeds from sale/maturity of investments	8,984,127	6,801,766
Investments purchased	(1,760,358)	(2,556,158)
Receivable for securities sold	946	(154,534)
Accrued expenses	(33,098)	(2,379)
Payable for securities purchased	(44,639)	(90,682)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>5,209,597</u>	1,947,570
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	7,089,044	10,924,042
Amounts paid on withdrawals	(12,279,774)	(12,888,997)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(5,190,730)</u>	(1,964,955)
Increase (decrease) in cash/bank overdraft	18,867	(17,385)
Cash (bank overdraft), beginning of period	10,244	83,346
CASH (BANK OVERDRAFT), END OF PERIOD	<u>29,111</u>	65,961
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	165	210

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
NEI Select Growth Portfolio, Series I	10,759,104	120,427,873	127,414,684
Total Investments		120,427,873	127,414,684
Other Net Assets (-0.3%)			(401,720)
Net Assets (100%)			127,012,964

The accompanying Notes are an integral part of these financial statements.

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
NEI Global Equity Fund	11.0%
NEI Global Value Fund	10.8%
NEI Emerging Markets Fund	10.5%
NEI Global Equity RS Fund	10.0%
NEI International Equity Fund	9.7%
NEI Canadian Dividend Fund	7.0%
NEI U.S. Equity Fund	6.9%
NEI Global Total Return Bond Fund	6.7%
NEI Canadian Small Cap Equity Fund	6.2%
NEI Canadian Equity Fund	6.1%
NEI Global High Yield Bond Fund	5.8%
NEI U.S. Dividend Fund	4.9%
NEI Canadian Bond Fund	2.8%
NEI Canadian Equity RS Fund	1.0%
Cash and Cash Equivalents	0.6%

DFS GIF – GLOBAL GROWTH – NEI SELECT (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide a balance of capital growth and interest income by investing primarily in units of individual underlying funds in order to gain the desired exposure to the equity and fixed-income markets.

Strategy of the Fund

To emphasize investments in equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests to a lesser extent, in fixed-income underlying funds in order to provide income and capital preservation.

The principal risk factors of this Fund are interest rate, credit, foreign currency, sovereign, market and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	127,414,684	—	—	127,414,684
TOTAL	127,414,684	—	—	127,414,684

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	140,989,638	—	—	140,989,638
TOTAL	140,989,638	—	—	140,989,638

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (20%)	1.00	278,234	283,148
S&P/TSX (16%)	3.00	667,761	679,556
MSCI World Net (64%)	3.00	2,671,043	2,718,222

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN ASSET ALLOCATION – CI CAMBRIDGE*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	30,897
Investments at fair value through profit or loss (FVTPL)	12,613,888	14,551,067
Premiums receivable	51	501
Receivable for securities sold	4,273	—
	12,618,212	14,582,465
LIABILITIES		
Current Liabilities		
Bank overdraft	9,583	—
Accrued expenses	27,450	31,373
Withdrawals payable	7,332	3,466
Payable for securities purchased	160	30,950
	44,525	65,789
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	12,573,687	14,516,676
NET ASSETS PER UNIT		
Series 5	7.45	7.76
Series 6	6.09	6.34
Series 7	6.28	6.52
Series 8	5.23	5.44

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Distributions from underlying funds	493,273	241,364
Changes in fair value:		
Net realized gain (loss) on investments	37,317	121,854
Net unrealized gain (loss) on investments	(960,933)	1,080,281
	(430,343)	1,443,499
EXPENSES		
Management fees and guarantee charge	155,341	179,172
Operating expenses	16,709	19,378
	172,050	198,550
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(602,393)	1,244,949
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(189,446)	372,173
- per unit	(0.34)	0.58
Average Number of Units	550,026	646,087
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(170,376)	361,418
- per unit	(0.25)	0.49
Average Number of Units	686,207	740,910
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(77,159)	246,793
- per unit	(0.23)	0.54
Average Number of Units	329,644	454,302
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(165,412)	264,565
- per unit	(0.30)	0.40
Average Number of Units	552,352	668,363

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	14,516,676	15,108,119
Increase (Decrease) in Net Assets from operations attributable to contract owners	(602,393)	1,244,949
Premiums		
Series 5	325,271	243,557
Series 6	353,984	655,832
Series 7	92,741	228,632
Series 8	342,651	673,293
	1,114,647	1,801,314
Withdrawals		
Series 5	(671,401)	(508,859)
Series 6	(784,848)	(1,266,038)
Series 7	(400,345)	(996,814)
Series 8	(598,649)	(375,007)
	(2,455,243)	(3,146,718)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	12,573,687	15,007,664

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(602,393)	1,244,949
Adjustments for:		
Net realized (gain) loss	(37,317)	(121,854)
Net unrealized (gain) loss	960,933	(1,080,281)
Non-cash distribution from investments	(493,273)	(241,364)
Proceeds from sale/maturity of investments	1,742,667	2,071,139
Investments purchased	(235,831)	(524,100)
Receivable for securities sold	(4,273)	12,834
Accrued expenses	(3,923)	(2,582)
Payable for securities purchased	(30,790)	(6,956)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	1,295,800	1,351,785
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,115,097	1,801,314
Amounts paid on withdrawals	(2,451,377)	(3,161,130)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(1,336,280)	(1,359,816)
Increase (decrease) in cash/ bank overdraft	(40,480)	(8,031)
Cash (bank overdraft), beginning of period	30,897	7,484
CASH (BANK OVERDRAFT), END OF PERIOD	(9,583)	(547)

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN ASSET ALLOCATION – CI CAMBRIDGE (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Cambridge Canadian Asset Allocation Corporate Class, I-Class	688,095	12,243,026	12,613,888
Total Investments		<u>12,243,026</u>	<u>12,613,888</u>
Other Net Assets (-0.3%)			(40,201)
Net Assets (100%)			<u>12,573,687</u>

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Cambridge Bond Fund	41.8%
Cambridge Canadian Short Term Bond Pool	9.3%
Cambridge Canadian Long-Term Bond Pool	6.0%
Franco-Nevada	2.7%
Fortis	2.0%
Alimentation Couche-Tard	1.9%
Fairfax Financial Holdings Limited	1.7%
Dollarama	1.7%
McKesson	1.7%
Microsoft	1.5%
SPDR Gold Shares	1.5%
Anthem	1.5%
Jacobs Engineering Group	1.4%
DuPont de Nemours	1.4%
Keyera	1.3%
Alphabet	1.3%
Cboe Global Markets	1.3%
Manulife Financial	1.3%
Tourmaline Oil	1.2%
Canadian Pacific Railway	1.1%
Emera	1.1%
Empire Company	1.1%
Cambridge Balanced Yield Pool	1.1%
Electronic Arts	1.0%
Baxter International	1.0%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

The objective of this Fund is to achieve a superior total investment return directly or indirectly, in a combination of primarily equity and fixed-income securities of Canadian companies. Indirect investments may include convertible securities, derivatives, equity-related securities and securities of other mutual funds.

Strategy of the Fund

The Fund is actively managed with a disciplined bottom-up selection process. The strategy uses exposure in equity, fixed-income instruments and cash and cash equivalents to achieve the Fund objective. The investments in each asset class will vary dependent on market conditions. The Canadian fixed-income securities portion of the portfolio will consist mainly of high quality government and corporate bonds while foreign securities can make up part of the equity portion of the portfolio.

The principal risk factors for this Fund are market risk, credit risk, currency risk, derivatives risk and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Investment Funds	12,613,888	—	—	12,613,888
TOTAL	12,613,888	—	—	12,613,888

December 31, 2019

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Investment Funds	14,551,067	—	—	14,551,067
TOTAL	14,551,067	—	—	14,551,067

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – CANADIAN ASSET ALLOCATION – CI CAMBRIDGE (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	42,665	43,611
S&P/TSX (60%)	3.00	191,991	196,250

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GROWTH – FRANKLIN QUOTENTIAL*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Investments at fair value through profit or loss (FVTPL)	45,986,962	49,517,022
Premiums receivable	233	40,057
Receivable for securities sold	299,268	160,964
	<u>46,286,463</u>	<u>49,718,043</u>
LIABILITIES		
Current Liabilities		
Bank overdraft	298,778	50,528
Accrued expenses	120,867	130,373
Withdrawals payable	49,666	186,107
	<u>469,311</u>	<u>367,008</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>45,817,152</u>	<u>49,351,035</u>
NET ASSETS PER UNIT		
Series 3	<u>6.41</u>	6.57
Series 5	<u>6.74</u>	6.90
Series 6	<u>6.17</u>	6.30
Series 7	<u>6.35</u>	6.47
Series 8	<u>5.21</u>	5.31

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	14	(5)
Changes in fair value:		
Net realized gain (loss) on investments	1,183,225	1,385,626
Net unrealized gain (loss) on investments	<u>(1,568,081)</u>	<u>3,813,133</u>
	<u>(384,842)</u>	<u>5,198,754</u>
EXPENSES		
Management fees and guarantee charge	614,851	671,872
Operating expenses	119,260	130,679
	<u>734,111</u>	<u>802,551</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(1,118,953)</u>	<u>4,396,203</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	<u>(46,363)</u>	164,370
- per unit	<u>(0.16)</u>	0.53
Average Number of Units	<u>284,191</u>	313,024
SERIES 5		
Increase (Decrease) in Net Assets from Operations	<u>(980,606)</u>	3,847,470
- per unit	<u>(0.16)</u>	0.57
Average Number of Units	<u>6,030,510</u>	6,773,840
SERIES 6		
Increase (Decrease) in Net Assets from Operations	<u>(59,127)</u>	256,453
- per unit	<u>(0.13)</u>	0.50
Average Number of Units	<u>444,502</u>	512,064
SERIES 7		
Increase (Decrease) in Net Assets from Operations	<u>(2,121)</u>	23,348
- per unit	<u>(0.12)</u>	0.55
Average Number of Units	<u>17,588</u>	42,240
SERIES 8		
Increase (Decrease) in Net Assets from Operations	<u>(30,736)</u>	104,562
- per unit	<u>(0.10)</u>	0.43
Average Number of Units	<u>302,866</u>	242,104

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GROWTH – FRANKLIN QUOTENTIAL (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	49,351,035	48,804,531
Increase (Decrease) in Net Assets from operations attributable to contract owners	(1,118,953)	4,396,203
Premiums		
Series 3	121,010	49,366
Series 5	596,665	1,757,201
Series 6	101,413	436,841
Series 8	130,256	244,545
	949,344	2,487,953
Withdrawals		
Series 3	(185,473)	(111,914)
Series 5	(3,024,252)	(4,745,430)
Series 6	(95,280)	(435,465)
Series 7	(190)	(47,189)
Series 8	(59,079)	(103,990)
	(3,364,274)	(5,443,988)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	45,817,152	50,244,699

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(1,118,953)	4,396,203
Adjustments for:		
Net realized (gain) loss	(1,183,225)	(1,385,626)
Net unrealized (gain) loss	1,568,081	(3,813,133)
Proceeds from sale/maturity of investments	3,382,429	4,047,597
Investments purchased	(237,225)	(562,683)
Receivable for securities sold	(138,304)	(7,720)
Accrued expenses	(9,506)	(5,473)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2,263,297	2,669,165
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	989,168	2,487,483
Amounts paid on withdrawals	(3,500,715)	(5,161,793)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(2,511,547)	(2,674,310)
Increase (decrease) in cash/ bank overdraft	(248,250)	(5,145)
Cash (bank overdraft), beginning of period	(50,528)	(9,581)
CASH (BANK OVERDRAFT), END OF PERIOD	(298,778)	(14,726)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	14	—
Interest paid	—	5

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Franklin Quotential Growth Portfolio, Series O	3,854,765	29,548,850	45,986,962
Total Investments		29,548,850	45,986,962
Other Net Assets (-0.4%)			(169,810)
Net Assets (100%)			45,817,152

The accompanying Notes are an integral part of these financial statements.

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Franklin U.S. Core Equity Fund	11.2%
Franklin FTSE U.S. Index ETF	8.5%
Franklin FTSE Canada All Cap Index ETF	7.6%
Franklin Bissett Canadian Equity Fund	7.4%
Franklin U.S. Rising Dividends Fund	6.8%
Franklin U.S. Opportunities Fund	6.6%
Franklin Bissett Core Plus Bond Fund	6.5%
Franklin International Core Equity Fund	6.4%
iShares Core MSCI EAFE ETF	6.2%
Franklin Canadian Core Equity Fund	5.5%
Franklin LibertyQT U.S. Equity Index ETF	4.8%
Franklin Bissett Canadian Government Bond Fund	4.4%
iShares Core MSCI Emerging Markets ETF	2.9%
Franklin Emerging Market Core Equity Fund	2.9%
Franklin Liberty Global Aggregate Bond ETF	2.8%
Franklin FTSE Europe Ex U.K. Index ETF	2.6%
Templeton Emerging Markets Fund	2.6%
Franklin Bissett Short Duration Bond Fund	1.7%
Templeton Global Bond Fund	1.3%
Cash and Cash Equivalents	1.3%

DFS GIF – GROWTH – FRANKLIN QUOTENTIAL (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide a balance of capital growth and interest income by investing primarily in units of an individual underlying fund in order to gain the desired exposure to the equity and fixed-income markets.

Strategy of the Fund

To emphasize investments in a diversified mix of equity underlying funds in order to increase the potential for capital appreciation over a longer investment horizon. The Fund also invests, to a lesser extent, in fixed-income underlying funds in order to provide income and capital preservation.

The principal risk factors of this Fund are interest rate, foreign currency, credit, sovereign, market, special equities and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	45,986,962	—	—	45,986,962
TOTAL	45,986,962	—	—	45,986,962

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	49,517,022	—	—	49,517,022
TOTAL	49,517,022	—	—	49,517,022

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (14%)	1.00	63,615	73,911
Bloomberg Barclays Multiverse Bond (6%)	1.00	27,264	24,637
S&P/TSX (20%)	3.00	272,635	369,553
MSCI All Country World Net (60%)	3.00	817,906	813,016

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – DIVIDEND INCOME – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	453,621
Investments at fair value through profit or loss (FVTPL)	126,166,792	148,695,799
Premiums receivable	—	203,359
Receivable for securities sold	72,317	69,824
Interest, dividends and other receivables	68,937	—
	126,308,046	149,422,603
LIABILITIES		
Current Liabilities		
Bank overdraft	18,850	—
Accrued expenses	286,274	350,803
Withdrawals payable	165,876	352,377
	471,000	703,180
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	125,837,046	148,719,423
NET ASSETS PER UNIT		
Series 3	4.51	5.02
Series 5	4.54	5.03
Series 6	4.54	5.03
Series 7	4.56	5.04
Series 8	4.55	5.04

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	Period ended June 30 2020**
	\$
INCOME	
Distributions from underlying funds	1,440,903
Changes in fair value:	
Net realized gain (loss) on investments	(488,530)
Net unrealized gain (loss) on investments	<u>(13,482,887)</u>
	<u>(12,530,514)</u>
EXPENSES	
Management fees and guarantee charge	1,655,755
Operating expenses	<u>147,849</u>
	<u>1,803,604</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(14,334,118)</u>
DATA PER SERIES	
SERIES 3	
Increase (Decrease) in Net Assets from Operations	<u>(2,366,281)</u>
- per unit	<u>(0.51)</u>
Average Number of Units	<u>4,650,799</u>
SERIES 5	
Increase (Decrease) in Net Assets from Operations	<u>(10,492,451)</u>
- per unit	<u>(0.50)</u>
Average Number of Units	<u>20,976,338</u>
SERIES 6	
Increase (Decrease) in Net Assets from Operations	<u>(832,652)</u>
- per unit	<u>(0.50)</u>
Average Number of Units	<u>1,657,818</u>
SERIES 7	
Increase (Decrease) in Net Assets from Operations	<u>(73,111)</u>
- per unit	<u>(0.51)</u>
Average Number of Units	<u>142,837</u>
SERIES 8	
Increase (Decrease) in Net Assets from Operations	<u>(569,623)</u>
- per unit	<u>(0.49)</u>
Average Number of Units	<u>1,159,620</u>

* This Fund is composed of units of the corresponding underlying investment funds.

** Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Period ended June 30

	2020*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>148,719,423</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(14,334,118)</u>
Premiums	
Series 3	182,031
Series 5	2,049,080
Series 6	512,281
Series 8	540,509
	<u>3,283,901</u>
Withdrawals	
Series 3	(1,692,232)
Series 5	(8,653,861)
Series 6	(974,145)
Series 7	(180,569)
Series 8	(331,353)
	<u>(11,832,160)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>125,837,046</u>

STATEMENT OF CASH FLOWS – unaudited

Period ended June 30

	2020*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	(14,334,118)
Adjustments for:	
Net realized (gain) loss	488,530
Net unrealized (gain) loss	13,482,887
Non-cash distribution from investments	(1,440,903)
Proceeds from sale/maturity of investments	10,697,638
Investments purchased	(699,145)
Receivable for securities sold	(2,493)
Interest, dividends and other receivables	(68,937)
Accrued expenses	(64,529)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>8,058,930</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	3,487,260
Amounts paid on withdrawals	(12,018,661)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(8,531,401)</u>
Increase (decrease) in cash/ bank overdraft	(472,471)
Cash (bank overdraft), beginning of period	<u>453,621</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(18,850)</u>

* Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – DIVIDEND INCOME – DESJARDINS (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Desjardins Dividend Income Fund, I-Class	13,578,002	136,971,192	126,166,792
Total Investments		136,971,192	126,166,792
Other Net Assets (-0.3%)			(329,746)
Net Assets (100%)			125,837,046

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Royal Bank of Canada	6.5%
Toronto-Dominion Bank	5.4%
Enbridge	3.8%
Canadian National Railway Company	3.5%
Brookfield Asset Management	3.1%
Scotiabank	2.9%
Waste Connections	2.5%
TC Energy	2.4%
Canadian Pacific Railway	2.3%
BCE	2.1%
Agnico Eagle Mines	2.1%
Cash and Cash Equivalents	2.1%
iShares S&P/TSX Global Gold Index ETF	2.0%
Canadian Natural Resources	1.9%
Constellation Software	1.8%
Alimentation Couche-Tard	1.8%
Suncor Energy	1.8%
Newmont Goldcorp	1.6%
Sun Life Financial	1.4%
Telus	1.4%
George Weston	1.4%
Manulife Financial	1.2%
Restaurant Brands International	1.1%
Canada Housing Trust, 2.900%, 2024-06-15	1.0%
Microsoft	1.0%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

The objective of this Fund is to provide a high level of income, mostly in the form of dividends, and, to a lesser degree, long-term capital appreciation by investing primarily in Canadian, and to a lesser extent, foreign income-producing securities.

Strategy of the Fund

The Fund invests in income-producing securities which may include, but are not limited to, dividend paying equity securities, government and corporate bonds, income trusts and other securities primarily of Canadian issuers.

The principal risk factors of this Fund are market risk, interest rate risk, currency risk, and derivatives risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following table categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	126,166,792	—	—	126,166,792
TOTAL	126,166,792	—	—	126,166,792

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	148,695,799	—	—	148,695,799
TOTAL	148,695,799	—	—	148,695,799

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – DIVIDEND INCOME – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (17.5%)	1.00	220,215	260,259
S&P/TSX Preferred Share (10%)	3.00	377,511	446,158
S&P/TSX Dividend (72.5%)	3.00	2,736,956	3,234,647

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN DIVIDEND – NEI NORTHWEST*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	57,921	55,066
Investments at fair value through profit or loss (FVTPL)	17,867,943	23,224,478
Premiums receivable	50,743	1,471
Receivable for securities sold	993	3,678
Interest, dividends and other receivables	—	6
	<u>17,977,600</u>	<u>23,284,699</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	44,024	55,893
Withdrawals payable	53,813	6,391
Payable for securities purchased	877	1,470
	<u>98,714</u>	<u>63,754</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>17,878,886</u>	<u>23,220,945</u>
NET ASSETS PER UNIT		
Series 5	<u>7.08</u>	8.73
Series 6	<u>5.45</u>	6.71
Series 7	<u>5.59</u>	6.87
Series 8	<u>4.46</u>	5.49

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	163	283
Distributions from underlying funds	390,156	470,603
Changes in fair value:		
Net realized gain (loss) on investments	(336,831)	53,317
Net unrealized gain (loss) on investments	(4,096,064)	2,002,900
	<u>(4,042,576)</u>	<u>2,527,103</u>
EXPENSES		
Management fees and guarantee charge	250,006	297,274
Operating expenses	30,996	38,094
	<u>281,002</u>	<u>335,368</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(4,323,578)</u>	<u>2,191,735</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(2,417,020)	1,421,214
- per unit	(1.70)	0.81
Average Number of Units	<u>1,421,013</u>	<u>1,751,767</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(894,127)	425,139
- per unit	(1.25)	0.58
Average Number of Units	<u>717,997</u>	<u>729,727</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(62,278)	65,236
- per unit	(1.24)	0.78
Average Number of Units	<u>50,055</u>	<u>84,020</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(950,153)	280,146
- per unit	(1.01)	0.41
Average Number of Units	<u>939,717</u>	<u>683,053</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN DIVIDEND – NEI NORTHWEST (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	23,220,945	21,593,707
Increase (Decrease) in Net Assets from operations attributable to contract owners	(4,323,578)	2,191,735
Premiums		
Series 5	296,490	515,828
Series 6	831,641	1,160,524
Series 7	6,411	2,402
Series 8	922,475	1,607,439
	2,057,017	3,286,193
Withdrawals		
Series 5	(1,880,654)	(2,566,586)
Series 6	(666,267)	(1,036,064)
Series 7	(23,057)	(229,858)
Series 8	(505,520)	(423,919)
	(3,075,498)	(4,256,427)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	17,878,886	22,815,208

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(4,323,578)	2,191,735
Adjustments for:		
Net realized (gain) loss	336,831	(53,317)
Net unrealized (gain) loss	4,096,064	(2,002,900)
Non-cash distribution from investments	(390,156)	(470,603)
Proceeds from sale/maturity of investments	2,108,243	2,611,923
Investments purchased	(794,447)	(1,314,065)
Receivable for securities sold	2,685	—
Interest, dividends and other receivables	6	—
Accrued expenses	(11,869)	(1,913)
Payable for securities purchased	(593)	19,325
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	1,023,186	980,185
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,007,745	3,279,913
Amounts paid on withdrawals	(3,028,076)	(4,254,900)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(1,020,331)	(974,987)
Increase (decrease) in cash/ bank overdraft	2,855	5,198
Cash (bank overdraft), beginning of period	55,066	58,655
CASH (BANK OVERDRAFT), END OF PERIOD	57,921	63,853
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	163	283

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (99.9%)			
NEI Canadian Dividend Fund, Series I	1,326,135	21,071,336	17,867,943
Total Investments		21,071,336	17,867,943
Other Net Assets (0.1%)			10,943
Net Assets (100%)			17,878,886

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Cash and Cash Equivalents	6.0%
Toronto-Dominion Bank	5.0%
Royal Bank of Canada	4.9%
Scotiabank	3.3%
Power Corporation of Canada	3.3%
BCE	3.2%
Metro	3.1%
Enbridge	3.1%
Hydro One	3.1%
Rogers Communications	2.5%
Nutrien	2.4%
Canadian Natural Resources	2.3%
North West Company	2.2%
Canadian Imperial Bank of Commerce	2.1%
Magna International	2.1%
Canadian Tire Corporation	2.0%
Inter Pipeline	2.0%
Intact Financial Corporation	1.9%
Canadian National Railway Company	1.9%
Superior Plus	1.8%
Telus	1.8%
Brookfield Property Partners	1.8%
Shaw Communications	1.8%
Bank of Montreal	1.7%
Cenovus Energy	1.5%

DFS GIF – CANADIAN DIVIDEND – NEI NORTHWEST (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve a balance between high dividend income and capital growth by investing mainly in a diversified portfolio of blue chip Canadian common stocks and, to a lesser extent, in high-yield preferred stocks and interest bearing securities.

Strategy of the Fund

The Fund focuses primarily on high quality, undervalued common stocks. The Fund's selections seek to give preference to capital preservation and capital growth, while providing a high, regular level of income over a full market cycle.

The principal risk factors of this Fund are foreign currency risk, market risk, and interest rate risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	17,867,943	—	—	17,867,943
TOTAL	17,867,943	—	—	17,867,943

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	23,224,478	—	—	23,224,478
TOTAL	23,224,478	—	—	23,224,478

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI World Net (20%)	3.00	100,483	N/A
S&P/TSX (80%)	3.00	401,934	590,094

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN EQUITY – JARISLOWSKY FRASER*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Investments at fair value through profit or loss (FVTPL)	97,114,416	116,905,841
Premiums receivable	19,779	277
Interest, dividends and other receivables	—	43,049
	<u>97,134,195</u>	<u>116,949,167</u>
LIABILITIES		
Current Liabilities		
Bank overdraft	31,981	50,043
Accrued expenses	237,765	284,426
Withdrawals payable	205,610	182,295
	<u>475,356</u>	<u>516,764</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>96,658,839</u>	<u>116,432,403</u>
NET ASSETS PER UNIT		
Series 3	<u>7.06</u>	8.04
Series 5	<u>7.66</u>	8.70
Series 6	<u>5.50</u>	6.24
Series 7	<u>5.63</u>	6.37
Series 8	<u>4.97</u>	5.63

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	(4,541)
Distributions from underlying funds	1,351,164	1,723,011
Changes in fair value:		
Net realized gain (loss) on investments	48,177	430,213
Net unrealized gain (loss) on investments	<u>(13,461,842)</u>	<u>14,587,216</u>
	<u>(12,062,501)</u>	<u>16,735,899</u>
EXPENSES		
Management fees and guarantee charge	1,094,335	1,292,116
Operating expenses	398,693	469,597
	<u>1,493,028</u>	<u>1,761,713</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(13,555,529)</u>	<u>14,974,186</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	<u>(273,817)</u>	339,498
- per unit	<u>(1.01)</u>	0.95
Average Number of Units	<u>272,021</u>	356,266
SERIES 5		
Increase (Decrease) in Net Assets from Operations	<u>(12,927,139)</u>	14,262,889
- per unit	<u>(1.05)</u>	1.02
Average Number of Units	<u>12,353,353</u>	14,045,645
SERIES 6		
Increase (Decrease) in Net Assets from Operations	<u>(175,908)</u>	181,977
- per unit	<u>(0.77)</u>	0.74
Average Number of Units	<u>227,171</u>	245,205
SERIES 7		
Increase (Decrease) in Net Assets from Operations	<u>(68,855)</u>	115,717
- per unit	<u>(0.74)</u>	0.80
Average Number of Units	<u>93,414</u>	143,994
SERIES 8		
Increase (Decrease) in Net Assets from Operations	<u>(109,810)</u>	74,105
- per unit	<u>(0.91)</u>	0.63
Average Number of Units	<u>120,475</u>	117,864

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	116,432,403	113,602,425
Increase (Decrease) in Net Assets from operations attributable to contract owners	(13,555,529)	14,974,186
Premiums		
Series 3	11,278	61,874
Series 5	2,707,249	4,535,413
Series 6	155,911	220,202
Series 7	—	35,374
Series 8	178,718	139,032
	3,053,156	4,991,895
Withdrawals		
Series 3	(218,671)	(579,264)
Series 5	(8,724,282)	(12,289,442)
Series 6	(154,193)	(375,016)
Series 7	(39,730)	(222,828)
Series 8	(134,315)	(125,290)
	(9,271,191)	(13,591,840)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	96,658,839	119,976,666

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(13,555,529)	14,974,186
Adjustments for:		
Net realized (gain) loss	(48,177)	(430,213)
Net unrealized (gain) loss	13,461,842	(14,587,216)
Non-cash distribution from investments	(1,351,164)	(1,723,011)
Proceeds from sale/maturity of investments	7,995,412	10,216,695
Investments purchased	(266,488)	(51,047)
Interest, dividends and other receivables	43,049	—
Accrued expenses	(46,661)	(2,599)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	6,232,284	8,396,795
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	3,033,654	5,109,007
Amounts paid on withdrawals	(9,247,876)	(13,461,474)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(6,214,222)	(8,352,467)
Increase (decrease) in cash/ bank overdraft	18,062	44,328
Cash (bank overdraft), beginning of period	(50,043)	(38,274)
CASH (BANK OVERDRAFT), END OF PERIOD	(31,981)	6,054
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	30

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN EQUITY – JARISLOWSKY FRASER (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.5%)			
Jarislowsky Fraser Canadian Equity Fund	3,360,069	103,041,928	97,114,416
Total Investments		103,041,928	97,114,416
Other Net Assets (-0.5%)			(455,577)
Net Assets (100%)			96,658,839

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Jarislowsky Special Equity Fund	8.3%
Toronto-Dominion Bank	6.6%
Canadian National Railway Company	6.4%
Brookfield Asset Management	5.9%
Alimentation Couche-Tard	5.2%
Enbridge	5.1%
Open Text	4.5%
Scotiabank	4.4%
Shopify	4.4%
Manulife Financial	4.1%
Restaurant Brands International	3.9%
Thomson Reuters	3.6%
CGI	3.5%
CCL Industries	3.0%
Nutrien	2.9%
Intact Financial Corporation	2.9%
SNC-Lavalin Group	2.6%
Stantec	2.6%
Metro	2.4%
Saputo Group	2.0%
Pembina Pipeline	2.0%
Gildan Activewear	1.9%
Royal Bank of Canada	1.8%
CAE	1.7%
WSP Global	1.7%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To achieve long-term capital appreciation while continuing to emphasize the preservation of capital by investing primarily in large cap Canadian equity securities.

Strategy of the Fund

To invest primarily in Canadian equity securities in areas of the Canadian economy where superior rates of growth are expected.

The principal risk factor of this Fund is market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	97,114,416	—	97,114,416
TOTAL	—	97,114,416	—	97,114,416

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	116,905,841	—	116,905,841
TOTAL	—	116,905,841	—	116,905,841

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – CANADIAN EQUITY – JARISLOWSKY FRASER (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX	3.00	2,718,766	3,294,369

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH®*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	—	31,664
Investments at fair value through profit or loss (FVTPL)	35,547,347	36,726,625
Premiums receivable	61,673	94,810
Receivable for securities sold	6,619	—
	35,615,639	36,853,099
LIABILITIES		
Current Liabilities		
Bank overdraft	549	—
Accrued expenses	89,159	93,212
Withdrawals payable	75,509	101,572
Payable for securities purchased	—	33,609
	165,217	228,393
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	35,450,422	36,624,706
NET ASSETS PER UNIT		
Series 3	11.49	11.86
Series 5	11.98	12.34
Series 6	6.42	6.61
Series 7	6.64	6.82
Series 8	5.52	5.68

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	14	—
Changes in fair value:		
Net realized gain (loss) on investments	374,705	401,603
Net unrealized gain (loss) on investments	(793,421)	3,819,918
	(418,702)	4,221,521
EXPENSES		
Management fees and guarantee charge	453,672	455,117
Operating expenses	74,982	78,452
	528,654	533,569
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(947,356)	3,687,952
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(31,792)	114,665
- per unit	(0.35)	1.18
Average Number of Units	91,714	96,796
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(428,988)	1,847,714
- per unit	(0.32)	1.22
Average Number of Units	1,340,428	1,519,246
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(269,257)	1,036,158
- per unit	(0.17)	0.65
Average Number of Units	1,595,835	1,600,494
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(21,379)	109,475
- per unit	(0.16)	0.73
Average Number of Units	130,900	150,436
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(195,940)	579,940
- per unit	(0.16)	0.54
Average Number of Units	1,250,726	1,070,200

* This Fund is composed of units of the corresponding underlying investment funds.

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The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH® (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	36,624,706	32,601,952
Increase (Decrease) in Net Assets from operations attributable to contract owners	(947,356)	3,687,952
Premiums		
Series 3	114,408	35,966
Series 5	819,052	761,854
Series 6	1,531,669	1,256,032
Series 7	32,151	—
Series 8	1,539,089	1,657,900
	4,036,369	3,711,752
Withdrawals		
Series 3	(56,474)	(195,048)
Series 5	(1,812,557)	(1,711,442)
Series 6	(1,324,584)	(1,080,020)
Series 7	(19,452)	(187,520)
Series 8	(1,050,230)	(932,327)
	(4,263,297)	(4,106,357)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	35,450,422	35,895,299

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(947,356)	3,687,952
Adjustments for:		
Net realized (gain) loss	(374,705)	(401,603)
Net unrealized (gain) loss	793,421	(3,819,918)
Proceeds from sale/maturity of investments	2,280,903	2,305,119
Investments purchased	(1,520,341)	(1,376,117)
Receivable for securities sold	(6,619)	17,462
Accrued expenses	(4,053)	968
Payable for securities purchased	(33,609)	143,012
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	187,641	556,875
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	4,069,506	3,704,719
Amounts paid on withdrawals	(4,289,360)	(4,111,086)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(219,854)	(406,367)
Increase (decrease) in cash/ bank overdraft	(32,213)	150,508
Cash (bank overdraft), beginning of period	31,664	(17,207)
CASH (BANK OVERDRAFT), END OF PERIOD	(549)	133,301
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	14	—

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Fidelity True North® Fund, Series O	687,099	29,489,063	35,547,347
Total Investments		29,489,063	35,547,347
Other Net Assets (-0.3%)			(96,925)
Net Assets (100%)			35,450,422

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Royal Bank of Canada	6.5%
Toronto-Dominion Bank	5.3%
Barrick Gold Corporation	4.5%
Alimentation Couche-Tard	4.0%
Shopify	3.7%
Suncor Energy	3.5%
Canadian National Railway Company	3.4%
BCE	3.4%
Constellation Software	2.9%
TC Energy	2.7%
Metro	2.6%
Franco-Nevada	2.6%
Brookfield Asset Management	2.5%
Dollarama	2.5%
CGI	2.3%
Canadian Natural Resources	2.3%
Power Corporation of Canada	2.2%
TMX Group	2.0%
Hydro One	1.9%
SNC-Lavalin Group	1.9%
Restaurant Brands International	1.6%
Intact Financial Corporation	1.6%
Fortis	1.6%
Thomson Reuters	1.5%
Microsoft	1.4%

DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH® (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve strong long-term capital growth by investing primarily in equity securities of Canadian companies that have a history of strong capital growth over the long-term. The fundamental investment of this Fund is to achieve long-term capital appreciation while still emphasizing the preservation of capital by investing primarily in Canadian equity securities.

Strategy of the Fund

To invest primarily in small, medium and large Canadian companies. The Fund may also invest in a limited portion of foreign securities. The Fund may also use, to a lesser degree, derivatives such as options, futures, forward contracts and swaps to protect against losses caused by changes in stock prices or exchange rates.

The principal risk factors of this Fund are special equities risk, derivatives risk, market risk, interest rate risk, foreign currency risk and credit risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	35,547,347	—	—	35,547,347
TOTAL	35,547,347	—	—	35,547,347

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	36,726,625	—	—	36,726,625
TOTAL	36,726,625	—	—	36,726,625

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX Capped	3.00	773,531	758,276

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – CANADIAN EQUITY – FRANKLIN BISSETT*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	115,361	85,318
Investments at fair value through profit or loss (FVTPL)	38,259,263	46,742,876
Premiums receivable	44,599	35,151
Receivable for securities sold	56,340	31,299
	38,475,563	46,894,644
LIABILITIES		
Current Liabilities		
Accrued expenses	108,273	130,777
Withdrawals payable	108,876	31,167
Payable for securities purchased	—	6,137
	217,149	168,081
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	38,258,414	46,726,563
NET ASSETS PER UNIT		
Series 1	4.62	5.29
Series 3	11.73	13.40
Series 5	12.66	14.42
Series 6	5.46	6.22
Series 7	5.63	6.39
Series 8	4.91	5.58
Series IGP	9.78	11.11

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	2020	2019
	\$	\$
Six-month Periods Ended June 30		
INCOME		
Interest for attribution purposes	322	1,649
Changes in fair value:		
Net realized gain (loss) on investments	712,617	1,034,715
Net unrealized gain (loss) on investments	(5,598,630)	5,418,158
	(4,885,691)	6,454,522
EXPENSES		
Management fees and guarantee charge	599,705	727,701
Operating expenses	91,583	112,707
	691,288	840,408
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	(5,576,979)	5,614,114
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	(1,267,451)	1,198,188
- per unit	(0.67)	0.54
Average Number of Units	1,900,981	2,227,196
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(2,132,205)	2,196,677
- per unit	(1.66)	1.41
Average Number of Units	1,281,122	1,555,777
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(1,316,221)	1,419,696
- per unit	(1.78)	1.55
Average Number of Units	741,452	915,522
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(359,266)	327,743
- per unit	(0.75)	0.64
Average Number of Units	481,083	512,559
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(14,065)	12,453
- per unit	(0.76)	0.52
Average Number of Units	18,442	23,885
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(205,889)	185,041
- per unit	(0.69)	0.58
Average Number of Units	297,534	318,016
SERIES IGP		
Increase (Decrease) in Net Assets from Operations	(281,882)	274,316
- per unit	(1.34)	1.19
Average Number of Units	209,768	229,983

The accompanying Notes are an integral part of these financial statements.

* This Fund is composed of units of the corresponding underlying investment funds.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	46,726,563	46,812,619
Increase (Decrease) in Net Assets from operations attributable to contract owners	(5,576,979)	5,614,114
Premiums		
Series 1	59,880	126,582
Series 3	259,183	265,207
Series 5	617,190	660,244
Series 6	135,900	396,782
Series 7	—	116,813
Series 8	120,937	257,775
Series IGP	6,581	6,489
	1,199,671	1,829,892
Withdrawals		
Series 1	(388,198)	(652,455)
Series 3	(1,662,218)	(2,385,946)
Series 5	(1,377,293)	(2,112,294)
Series 6	(351,495)	(354,794)
Series 7	(19)	(14,247)
Series 8	(230,943)	(294,451)
Series IGP	(80,675)	(82,153)
	(4,090,841)	(5,896,340)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	38,258,414	48,360,285

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(5,576,979)	5,614,114
Adjustments for:		
Net realized (gain) loss	(712,617)	(1,034,715)
Net unrealized (gain) loss	5,598,630	(5,418,158)
Proceeds from sale/maturity of investments	4,062,804	5,254,816
Investments purchased	(465,204)	(359,652)
Receivable for securities sold	(25,041)	(10,707)
Accrued expenses	(22,504)	(5,968)
Payable for securities purchased	(6,137)	(2,754)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2,852,952	4,036,976
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,190,223	1,825,177
Amounts paid on withdrawals	(4,013,132)	(5,861,083)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(2,822,909)	(4,035,906)
Increase (decrease) in cash/ bank overdraft	30,043	1,070
Cash (bank overdraft), beginning of period	85,318	113,151
CASH (BANK OVERDRAFT), END OF PERIOD	115,361	114,221
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	322	542

The accompanying Notes are an integral part of these financial statements.

DFS GIF – CANADIAN EQUITY – FRANKLIN BISSETT (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.0%)			
Franklin Bissett Canadian Equity Fund, Series O	264,161	33,381,211	38,259,263
Total Investments		33,381,211	38,259,263
Other Net Assets (0.0%)			(849)
Net Assets (100%)			38,258,414

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Royal Bank of Canada	5.2%
Brookfield Asset Management	4.4%
Alimentation Couche-Tard	4.0%
Toronto-Dominion Bank	4.0%
Canadian National Railway Company	3.9%
Wheaton Precious Metals Corp.	3.9%
Canadian Pacific Railway	3.8%
Open Text	3.7%
Loblaw Companies	3.7%
Metro	3.6%
Fortis	3.4%
Scotiabank	2.9%
Telus	2.8%
Waste Connections	2.7%
Bank of Montreal	2.7%
Enbridge	2.6%
Dollarama	2.4%
ATCO	2.4%
BCE	2.3%
Saputo	2.3%
CGI	2.2%
First Capital Real Estate Investment Trust	2.1%
Franco-Nevada	2.0%
Manulife Financial	2.0%
Nutrien	1.8%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

The fundamental investment objective of this Fund is to achieve long-term capital appreciation while continuing to emphasize the preservation of capital by investing primarily in Canadian equity securities.

Strategy of the Fund

To invest primarily in mid to large cap Canadian equity securities of growth-oriented companies. The Fund may also have a foreign equity component.

The principal risk factors of this Fund are market and minor foreign currency risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	38,259,263	—	—	38,259,263
TOTAL	38,259,263	—	—	38,259,263

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	46,742,876	—	—	46,742,876
TOTAL	46,742,876	—	—	46,742,876

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – CANADIAN EQUITY – FRANKLIN BISSETT (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX	3.00	963,499	1,302,984

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – SPECIALTY EQUITY – NEI NORTHWEST*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	23,434	25,610
Investments at fair value through profit or loss (FVTPL)	9,450,645	11,180,434
Premiums receivable	3,284	19,855
Receivable for securities sold	4,018	5,987
Interest, dividends and other receivables	418	418
	<u>9,481,799</u>	<u>11,232,304</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	26,679	30,912
Withdrawals payable	4,832	26,166
	<u>31,511</u>	<u>57,078</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>9,450,288</u>	<u>11,175,226</u>
NET ASSETS PER UNIT		
Series 3	<u>5.62</u>	6.16
Series 5	<u>6.08</u>	6.64
Series 6	<u>4.34</u>	4.74
Series 7	<u>4.46</u>	4.86
Series 8	<u>4.33</u>	4.73

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	76	94
Changes in fair value:		
Net realized gain (loss) on investments	(12,036)	(9,950)
Net unrealized gain (loss) on investments	(753,701)	1,339,177
	<u>(765,661)</u>	<u>1,329,321</u>
EXPENSES		
Management fees and guarantee charge	140,698	167,072
Operating expenses	18,218	21,904
	<u>158,916</u>	<u>188,976</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(924,577)</u>	<u>1,140,345</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(151,122)	187,267
- per unit	(0.53)	0.58
Average Number of Units	<u>285,561</u>	<u>324,939</u>
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(608,282)	794,237
- per unit	(0.58)	0.64
Average Number of Units	<u>1,050,251</u>	<u>1,239,468</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(84,152)	96,887
- per unit	(0.41)	0.44
Average Number of Units	<u>207,299</u>	<u>222,625</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(2,203)	2,588
- per unit	(0.40)	0.47
Average Number of Units	<u>5,522</u>	<u>5,522</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(78,818)	59,366
- per unit	(0.39)	0.34
Average Number of Units	<u>201,640</u>	<u>176,813</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – SPECIALTY EQUITY – NEI NORTHWEST (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	11,175,226	10,756,600
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(924,577)</u>	1,140,345
Premiums		
Series 3	38,563	28,832
Series 5	202,907	216,815
Series 6	91,906	590,608
Series 8	57,144	481,436
	<u>390,520</u>	1,317,691
Withdrawals		
Series 3	(160,226)	(117,531)
Series 5	(816,433)	(915,581)
Series 6	(114,945)	(523,034)
Series 8	(99,277)	(74,724)
	<u>(1,190,881)</u>	(1,630,870)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>9,450,288</u>	11,583,766

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(924,577)	1,140,345
Adjustments for:		
Net realized (gain) loss	12,036	9,950
Net unrealized (gain) loss	753,701	(1,339,177)
Proceeds from sale/maturity of investments	1,065,515	1,116,285
Investments purchased	(101,463)	(575,041)
Receivable for securities sold	1,969	(1,168)
Accrued expenses	(4,233)	(363)
Payable for securities purchased	—	105
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>802,948</u>	350,936
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	407,091	1,317,032
Amounts paid on withdrawals	(1,212,215)	(1,669,631)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(805,124)</u>	(352,599)
Increase (decrease) in cash/bank overdraft	(2,176)	(1,663)
Cash (bank overdraft), beginning of period	25,610	27,083
CASH (BANK OVERDRAFT), END OF PERIOD	<u>23,434</u>	25,420
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	76	126

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.0%)			
NEI Canadian Small Cap Equity Fund, Series I	570,781	9,578,548	9,450,645
Total Investments		9,578,548	9,450,645
Other Net Assets (-0.0%)			(357)
Net Assets (100%)			9,450,288

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Premium Brands Holdings	5.2%
Kinaxis	4.8%
Descartes Systems Group	4.7%
Enghouse Systems	4.6%
Spin Master	4.6%
Cash and Cash Equivalents	4.5%
Morneau Shepell	4.4%
Canadian Western Bank	4.3%
ATS Automation Tooling Systems	4.2%
Winpak	4.1%
Equitable Group	3.9%
Guardian Capital Group	3.5%
Richelieu Hardware	3.4%
Real Matters	3.4%
Altus Group	3.3%
Intertape Polymer Group	3.3%
Jamieson Wellness	3.2%
E-L Financial	3.1%
Badger Daylighting	3.1%
Stella-Jones	3.0%
NFI Group	2.6%
Slate Retail REIT	2.4%
First National Financial	2.1%
Ag Growth International	2.0%
HLS Therapeutics	2.0%

DFS GIF – SPECIALTY EQUITY – NEI NORTHWEST (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve long-term capital appreciation by investing primarily in the equity of smaller, fast growing Canadian companies with small market capitalizations.

Strategy of the Fund

To invest primarily in common shares and other equity securities issued by companies that are financially strong and have distinct competitive advantages at relative valuations.

The principal risk factors of this Fund are special equities and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	9,450,645	—	—	9,450,645
TOTAL	9,450,645	—	—	9,450,645

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	11,180,434	—	—	11,180,434
TOTAL	11,180,434	—	—	11,180,434

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX Small Cap (100%)	3.00	237,720	139,619
S&P/TSX Completion (0%)	3.00	N/A	139,619

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – SMALL CAP – FRANKLIN BISSETT*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	1,131	1,618
Investments at fair value through profit or loss (FVTPL)	6,563,418	8,416,110
Premiums receivable	13,895	3,912
Receivable for securities sold	—	2,675
	<u>6,578,444</u>	<u>8,424,315</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	17,962	22,695
Withdrawals payable	20,917	7,214
Payable for securities purchased	488	631
	<u>39,367</u>	<u>30,540</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>6,539,077</u>	<u>8,393,775</u>
NET ASSETS PER UNIT		
Series 3	<u>9.13</u>	11.38
Series 5	<u>9.87</u>	12.28
Series 6	<u>2.62</u>	3.25
Series 7	<u>2.67</u>	3.31
Series 8	<u>2.95</u>	3.66

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	5	113
Distributions from underlying funds	—	124,694
Changes in fair value:		
Net realized gain (loss) on investments	(334,449)	(344,467)
Net unrealized gain (loss) on investments	(1,092,552)	(196,479)
	<u>(1,426,996)</u>	<u>(416,139)</u>
EXPENSES		
Management fees and guarantee charge	98,260	150,096
Operating expenses	14,030	21,985
	<u>112,290</u>	<u>172,081</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(1,539,286)</u>	<u>(588,220)</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(555,865)	(200,641)
- per unit	(2.30)	(0.67)
Average Number of Units	241,387	298,917
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(624,030)	(259,970)
- per unit	(2.25)	(0.71)
Average Number of Units	277,385	366,091
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(299,569)	(99,871)
- per unit	(0.60)	(0.19)
Average Number of Units	495,747	517,490
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(9,349)	(3,281)
- per unit	(0.64)	(0.19)
Average Number of Units	14,507	17,488
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(50,473)	(24,457)
- per unit	(0.55)	(0.22)
Average Number of Units	91,058	113,575

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	8,393,775	10,642,632
Increase (Decrease) in Net Assets from operations attributable to contract owners	(1,539,286)	(588,220)
Premiums		
Series 3	26,996	46,410
Series 5	257,393	544,244
Series 6	153,847	216,829
Series 7	—	—
Series 8	122,751	39,014
	560,987	846,497
Withdrawals		
Series 3	(137,545)	(549,675)
Series 5	(449,436)	(866,635)
Series 6	(159,027)	(190,289)
Series 7	(80)	(143)
Series 8	(130,311)	(31,457)
	(876,399)	(1,638,199)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	6,539,077	9,262,710

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(1,539,286)	(588,220)
Adjustments for:		
Net realized (gain) loss	334,449	344,467
Net unrealized (gain) loss	1,092,552	196,479
Non-cash distribution from investments	—	(124,694)
Proceeds from sale/maturity of investments	780,744	1,264,028
Investments purchased	(355,053)	(303,583)
Receivable for securities sold	2,675	(2,828)
Accrued expenses	(4,733)	(5,318)
Payable for securities purchased	(143)	36
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	311,205	780,367
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	551,004	846,701
Amounts paid on withdrawals	(862,696)	(1,630,261)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(311,692)	(783,560)
Increase (decrease) in cash/ bank overdraft	(487)	(3,193)
Cash (bank overdraft), beginning of period	1,618	712
CASH (BANK OVERDRAFT), END OF PERIOD	1,131	(2,481)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	5	6

The accompanying Notes are an integral part of these financial statements.

DFS GIF – SMALL CAP – FRANKLIN BISSETT (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
Franklin Bissett Small Cap Fund, Series O	141,792	10,011,062	6,563,418
Total Investments		10,011,062	6,563,418
Other Net Assets (-0.4%)			(24,341)
Net Assets (100%)			6,539,077

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Kinaxis	3.8%
ATCO	3.3%
Sandstorm Gold	3.0%
Killam Apartment Real Estate Investment Trust	2.9%
Blackline Safety	2.8%
Calian Group	2.8%
The Descartes Systems Group	2.8%
Boyd Group Services	2.7%
InterRent Real Estate Investment Trust	2.7%
Jamieson Wellness	2.6%
FirstService	2.6%
Sylogist	2.6%
Photon Control	2.6%
Corby Spirit and Wine	2.5%
Canadian Western Bank	2.5%
Richelieu Hardware	2.3%
Transcontinental	2.3%
Granite Real Estate Investment Trust	2.3%
Equitable Group	2.2%
Bird Construction	2.2%
GDI Integrated Facility Services	2.0%
Intertape Polymer Group	2.0%
Celestica	1.9%
Trican Well Service	1.9%
Empire Company	1.9%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide investors with long-term capital appreciation. The Fund invests mainly in shares of Canadian companies with small to medium market capitalizations which are expected to provide above-average returns.

Strategy of the Fund

To be fully diversified at all times to compensate for the volatility inherent in investing in small capitalization equities.

The principal risk factors of this Fund are market, special equities and foreign currency risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	6,563,418	—	—	6,563,418
TOTAL	6,563,418	—	—	6,563,418

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	8,416,110	—	—	8,416,110
TOTAL	8,416,110	—	—	8,416,110

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – SMALL CAP – FRANKLIN BISSETT (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX Small Cap	3.00	162,267	196,226

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – AMERICAN EQUITY – MFS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	7,639	8,744
Investments at fair value through profit or loss (FVTPL)	47,422,977	44,998,719
Premiums receivable	79,340	18,095
	<u>47,509,956</u>	<u>45,025,558</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	111,792	105,930
Withdrawals payable	75,753	14,821
Payable for securities purchased	1,356	2,491
	<u>188,901</u>	<u>123,242</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>47,321,055</u>	<u>44,902,316</u>
NET ASSETS PER UNIT		
Series 3	<u>9.20</u>	9.41
Series 5	<u>10.10</u>	10.29
Series 6	<u>9.26</u>	9.44
Series 7	<u>9.52</u>	9.68
Series 8	<u>6.03</u>	6.13

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	29
Distributions from underlying funds	313,082	124,352
Changes in fair value:		
Net realized gain (loss) on investments	104,667	267,348
Net unrealized gain (loss) on investments	(601,090)	4,918,383
	<u>(183,341)</u>	<u>5,310,112</u>
EXPENSES		
Management fees and guarantee charge	564,560	461,410
Operating expenses	86,413	76,100
	<u>650,973</u>	<u>537,510</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(834,314)</u>	<u>4,772,602</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(89,857)	490,807
- per unit	(0.20)	1.06
Average Number of Units	<u>448,221</u>	<u>463,455</u>
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(239,347)	1,668,772
- per unit	(0.18)	1.19
Average Number of Units	<u>1,329,524</u>	<u>1,397,696</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(266,643)	1,517,451
- per unit	(0.16)	1.07
Average Number of Units	<u>1,651,955</u>	<u>1,415,833</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(14,299)	187,880
- per unit	(0.15)	1.21
Average Number of Units	<u>96,728</u>	<u>154,667</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(224,168)	907,692
- per unit	(0.11)	0.69
Average Number of Units	<u>2,083,598</u>	<u>1,315,861</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – AMERICAN EQUITY – MFS (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	44,902,316	34,012,025
Increase (Decrease) in Net Assets from operations attributable to contract owners	(834,314)	4,772,602
Premiums		
Series 3	374,979	373,699
Series 5	1,290,609	1,382,497
Series 6	3,527,904	3,066,257
Series 7	136,859	56,474
Series 8	3,548,740	2,530,329
	8,879,091	7,409,256
Withdrawals		
Series 3	(405,199)	(503,779)
Series 5	(1,856,308)	(2,091,282)
Series 6	(1,772,712)	(2,600,898)
Series 7	(31,493)	(354,940)
Series 8	(1,560,326)	(1,542,283)
	(5,626,038)	(7,093,182)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	47,321,055	39,100,701

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(834,314)	4,772,602
Adjustments for:		
Net realized (gain) loss	(104,667)	(267,348)
Net unrealized (gain) loss	601,090	(4,918,383)
Non-cash distribution from investments	(313,082)	(124,352)
Proceeds from sale/maturity of investments	1,793,757	3,198,351
Investments purchased	(4,401,356)	(3,179,179)
Accrued expenses	5,862	158,079
Payable for securities purchased	(1,135)	(2,800)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(3,253,845)	(363,030)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	8,817,846	7,438,307
Amounts paid on withdrawals	(5,565,106)	(7,077,424)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	3,252,740	360,883
Increase (decrease) in cash/bank overdraft	(1,105)	(2,147)
Cash (bank overdraft), beginning of period	8,744	9,535
CASH (BANK OVERDRAFT), END OF PERIOD	7,639	7,388
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	29

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
MFS U.S. Equity Core Fund	2,798,394	44,103,258	47,422,977
Total Investments		44,103,258	47,422,977
Other Net Assets (-0.2%)			(101,922)
Net Assets (100%)			47,321,055

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Microsoft	5.6%
Alphabet, Class A	3.9%
Johnson & Johnson	2.9%
Visa	2.5%
Mastercard	2.5%
American Tower	2.4%
Medtronic	2.3%
JPMorgan Chase & Co.	2.2%
Fidelity National Information Services	2.2%
Apple	2.1%
Becton Dickinson	2.1%
Thermo Fisher Scientific	2.0%
Adobe	2.0%
Facebook	2.0%
Comcast	1.9%
Bank of America	1.9%
Eli Lilly and Company	1.8%
Honeywell International	1.8%
Nasdaq	1.7%
Accenture	1.7%
Electronic Arts	1.7%
Danaher	1.7%
Tractor Supply	1.7%
Texas Instruments	1.6%
Alphabet, Class C	1.4%

DFS GIF – AMERICAN EQUITY – MFS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To outperform the S&P 500.

Strategy of the Fund

To invest mainly in large cap equity securities of corporations located in the United States.

The principal risk factors of this Fund are special equity, foreign currency and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	47,422,977	—	47,422,977
TOTAL	—	47,422,977	—	47,422,977

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	44,998,719	—	44,998,719
TOTAL	—	44,998,719	—	44,998,719

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P 500	3.00	1,375,345	1,261,368

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – AMERICAN EQUITY VALUE – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	65,865	96,948
Investments at fair value through profit or loss (FVTPL)	22,960,131	26,390,524
Premiums receivable	42,676	1,256
Receivable for securities sold	567	—
	<u>23,069,239</u>	<u>26,488,728</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	57,666	65,102
Withdrawals payable	51,060	6,148
Payable for securities purchased	784	32,187
	<u>109,510</u>	<u>103,437</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>22,959,729</u>	<u>26,385,291</u>
NET ASSETS PER UNIT		
Series 1	<u>8.88</u>	10.08
Series 3	<u>9.94</u>	11.26
Series 5	<u>10.13</u>	11.46
Series 6	<u>7.70</u>	8.70
Series 7	<u>7.97</u>	8.98
Series 8	<u>5.17</u>	5.83

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	171	938
Distributions from underlying funds	341,207	324,635
Changes in fair value:		
Net realized gain (loss) on investments	439,839	719,216
Net unrealized gain (loss) on investments	<u>(3,366,621)</u>	<u>2,010,031</u>
	<u>(2,585,404)</u>	<u>3,054,820</u>
EXPENSES		
Management fees and guarantee charge	303,787	320,859
Operating expenses	48,879	53,251
	<u>352,666</u>	<u>374,110</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(2,938,070)</u>	<u>2,680,710</u>
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	<u>(263,801)</u>	228,867
- per unit	<u>(1.20)</u>	0.93
Average Number of Units	<u>219,934</u>	245,989
SERIES 3		
Increase (Decrease) in Net Assets from Operations	<u>(305,345)</u>	286,024
- per unit	<u>(1.31)</u>	1.10
Average Number of Units	<u>233,035</u>	260,062
SERIES 5		
Increase (Decrease) in Net Assets from Operations	<u>(1,084,451)</u>	1,109,316
- per unit	<u>(1.29)</u>	1.12
Average Number of Units	<u>843,135</u>	993,572
SERIES 6		
Increase (Decrease) in Net Assets from Operations	<u>(736,965)</u>	657,049
- per unit	<u>(0.98)</u>	0.85
Average Number of Units	<u>754,950</u>	770,604
SERIES 7		
Increase (Decrease) in Net Assets from Operations	<u>(17,106)</u>	29,830
- per unit	<u>(1.02)</u>	1.08
Average Number of Units	<u>16,798</u>	27,632
SERIES 8		
Increase (Decrease) in Net Assets from Operations	<u>(530,402)</u>	369,624
- per unit	<u>(0.65)</u>	0.53
Average Number of Units	<u>816,463</u>	693,596

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	26,385,291	24,175,698
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(2,938,070)</u>	2,680,710
Premiums		
Series 1	43,313	16,771
Series 3	63,548	82,734
Series 5	598,021	515,089
Series 6	1,001,233	659,715
Series 7	2,358	—
Series 8	832,543	979,289
	<u>2,541,016</u>	2,253,598
Withdrawals		
Series 1	(54,892)	(637,204)
Series 3	(274,706)	(357,223)
Series 5	(1,282,700)	(1,442,216)
Series 6	(767,926)	(860,099)
Series 7	(13,992)	(134,505)
Series 8	(634,292)	(467,961)
	<u>(3,028,508)</u>	(3,899,208)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	22,959,729	25,210,798

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(2,938,070)	2,680,710
Adjustments for:		
Net realized (gain) loss	(439,839)	(719,216)
Net unrealized (gain) loss	3,366,621	(2,010,031)
Non-cash distribution from investments	(341,207)	(324,635)
Proceeds from sale/maturity of investments	1,721,662	2,764,832
Investments purchased	(877,144)	(765,285)
Receivable for securities sold	(567)	1,044
Accrued expenses	(7,436)	(3,043)
Payable for securities purchased	(31,403)	11,660
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	452,617	1,636,036
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,499,596	2,251,252
Amounts paid on withdrawals	(2,983,596)	(3,883,255)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(484,000)	(1,632,003)
Effect of exchange rate changes on foreign cash	300	(271)
Increase (decrease) in cash/ bank overdraft	(31,083)	3,762
Cash (bank overdraft), beginning of period	96,948	65,972
CASH (BANK OVERDRAFT), END OF PERIOD	65,865	69,734
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	171	311

The accompanying Notes are an integral part of these financial statements.

DFS GIF – AMERICAN EQUITY VALUE – DESJARDINS (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.0%)			
Desjardins American Equity Value Fund, I-Class	812,374	18,322,213	22,960,131
Total Investments		18,322,213	22,960,131
Other Net Assets (-0.0%)			(402)
Net Assets (100%)			22,959,729

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
JPMorgan Chase & Co.	4.1%
Bank of America	3.7%
Verizon Communications	3.6%
Intel	3.1%
Pfizer	2.7%
Chevron	2.6%
Cash and Cash Equivalents	2.4%
Citigroup	2.2%
Medtronic	2.2%
Comcast	2.1%
Cisco Systems	1.9%
Raytheon Technologies	1.9%
PNC Financial Services Group	1.9%
Lowe's Companies	1.8%
Philip Morris International	1.8%
Broadcom	1.7%
Chubb	1.6%
AstraZeneca	1.6%
Johnson Controls International	1.6%
McDonald's	1.5%
UnitedHealth Group	1.5%
Target	1.5%
Deere & Company	1.5%
Merck & Co.	1.5%
Accenture	1.4%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide investors with long-term capital growth by investing primarily in U.S. equities.

Strategy of the Fund

To invest primarily in the common shares of high quality, publicly traded mid to large United States companies across a wide range of market sectors.

The principal risk factors of this Fund are foreign currency, derivatives and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Investment Funds	22,960,131	—	—	22,960,131
TOTAL	22,960,131	—	—	22,960,131

December 31, 2019

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Investment Funds	26,390,524	—	—	26,390,524
TOTAL	26,390,524	—	—	26,390,524

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – AMERICAN EQUITY VALUE – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P 500	3.00	637,817	713,309

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL DIVIDEND – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	1,247	268
Investments at fair value through profit or loss (FVTPL)	26,163,376	30,922,637
Premiums receivable	3,306	17,372
Receivable for securities sold	—	766
	<u>26,167,929</u>	<u>30,941,043</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	60,199	70,170
Withdrawals payable	11,850	37,722
Payable for securities purchased	962	7,071
	<u>73,011</u>	<u>114,963</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>26,094,918</u>	<u>30,826,080</u>
NET ASSETS PER UNIT		
Series 5	<u>8.45</u>	9.65
Series 6	<u>6.19</u>	7.07
Series 7	<u>6.39</u>	7.28
Series 8	<u>4.90</u>	5.58

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	14	1
Changes in fair value:		
Net realized gain (loss) on investments	14,568	148,656
Net unrealized gain (loss) on investments	(3,474,967)	1,980,838
	<u>(3,460,385)</u>	<u>2,129,495</u>
EXPENSES		
Management fees and guarantee charge	345,040	355,232
Operating expenses	30,481	31,302
	<u>375,521</u>	<u>386,534</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(3,835,906)</u>	<u>1,742,961</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(986,442)	534,063
- per unit	(1.24)	0.56
Average Number of Units	<u>797,854</u>	<u>952,036</u>
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(1,394,351)	612,738
- per unit	(0.87)	0.40
Average Number of Units	<u>1,606,205</u>	<u>1,535,596</u>
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(299,709)	154,291
- per unit	(0.91)	0.43
Average Number of Units	<u>329,001</u>	<u>354,999</u>
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(1,155,404)	441,869
- per unit	(0.73)	0.31
Average Number of Units	<u>1,583,146</u>	<u>1,405,121</u>

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL DIVIDEND – DESJARDINS (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>30,826,080</u>	26,819,104
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(3,835,906)</u>	1,742,961
Premiums		
Series 5	515,550	828,700
Series 6	1,113,865	1,880,855
Series 7	61,219	—
Series 8	<u>1,216,700</u>	<u>1,068,096</u>
	<u>2,907,334</u>	<u>3,777,651</u>
Withdrawals		
Series 5	(1,152,115)	(1,661,757)
Series 6	(1,483,647)	(1,442,420)
Series 7	(213,859)	(98,453)
Series 8	<u>(952,969)</u>	<u>(346,739)</u>
	<u>(3,802,590)</u>	<u>(3,549,369)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>26,094,918</u>	28,790,347

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(3,835,906)	1,742,961
Adjustments for:		
Net realized (gain) loss	(14,568)	(148,656)
Net unrealized (gain) loss	3,474,967	(1,980,838)
Proceeds from sale/maturity of investments	2,136,648	1,641,191
Investments purchased	(837,786)	(1,492,561)
Receivable for securities sold	766	(9,332)
Accrued expenses	(9,971)	359
Payable for securities purchased	(6,109)	(39,826)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>908,041</u>	(286,702)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,921,400	3,904,724
Amounts paid on withdrawals	(3,828,462)	(3,629,470)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(907,062)</u>	275,254
Increase (decrease) in cash/ bank overdraft	979	(11,448)
Cash (bank overdraft), beginning of period	268	3,120
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,247</u>	(8,328)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	<u>14</u>	1

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Desjardins Global Dividend Fund, I-Class	1,364,611	26,144,891	26,162,315
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,061
Total Investments		26,146,002	26,163,376
Other Net Assets (-0.3%)			(68,458)
Net Assets (100%)			26,094,918

The accompanying Notes are an integral part of these financial statements.

TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
DESJARDINS GLOBAL DIVIDEND FUND 100.3%	
Microsoft	2.2%
Verizon Communications	2.0%
KLA	1.8%
Takeda Pharmaceutical Company	1.6%
AbbVie	1.6%
DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%	
Ping An Insurance	6.1%
NetEase	5.4%
Samsung Electronics	5.2%
Taiwan Semiconductor Manufacturing Company	5.2%
Alibaba Group Holding	4.6%

DFS GIF – GLOBAL DIVIDEND – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To provide dividend income and long term capital appreciation through the investment in equity and equity related securities of companies around the world, including, when deemed appropriate, emerging markets.

Strategy of the Fund

To invest in companies with high dividend yields and whose management teams optimize their balance sheets through the redemption of shares or reducing debt or by opting to increase cash flows sufficiently to allow for the opportunity for dividend growth. Companies are selected which show stable or high profit growth, a lower than average debt in comparison to their industry average and whose securities are traded at a reasonable price in relation to other companies with similar characteristics. Equity related securities such as American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs) may be used to gain exposure to a particular stock or sector.

The principal risk factors of this Fund are foreign currency risk, derivatives risk, sovereign risk and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	26,163,376	—	—	26,163,376
TOTAL	26,163,376	—	—	26,163,376

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	30,922,637	—	—	30,922,637
TOTAL	30,922,637	—	—	30,922,637

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Funds Risk Management**

Monthly, the investment strategy team compares the underlying funds' performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying funds' performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Funds' investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Funds' managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying funds. Detailed disclosure about the currency risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying funds. Detailed disclosure about the interest rate risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying funds. Detailed disclosure about the concentration risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying funds. Detailed disclosure about the price risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI World Net	3.00	650,815	683,372

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying funds. Detailed disclosure about the credit risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in underlying funds which are exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying funds. Detailed disclosure about the liquidity risk on the underlying funds can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL EQUITY – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	1,035	1,001
Investments at fair value through profit or loss (FVTPL)	711,579	630,439
	<u>712,614</u>	<u>631,440</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	1,577	1,400
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>711,037</u>	<u>630,040</u>
NET ASSETS PER UNIT		
Series 5	<u>5.05</u>	5.16
Series 6	<u>5.06</u>	5.16
Series 7	<u>5.08</u>	5.16
Series 8	<u>5.07</u>	5.16

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

	Period ended June 30 2020**
	\$
INCOME	
Interest for attribution purposes	4
Changes in fair value:	
Net realized gain (loss) on investments	(146)
Net unrealized gain (loss) on investments	4,167
	<u>4,025</u>
EXPENSES	
Management fees and guarantee charge	7,950
Operating expenses	746
	<u>8,696</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(4,671)</u>
DATA PER SERIES	
SERIES 5	
Increase (Decrease) in Net Assets from Operations	3,187
- per unit	0.09
Average Number of Units	<u>35,432</u>
SERIES 6	
Increase (Decrease) in Net Assets from Operations	(3,064)
- per unit	(0.10)
Average Number of Units	<u>31,696</u>
SERIES 7	
Increase (Decrease) in Net Assets from Operations	(2,723)
- per unit	(0.09)
Average Number of Units	<u>30,525</u>
SERIES 8	
Increase (Decrease) in Net Assets from Operations	(2,071)
- per unit	(0.06)
Average Number of Units	<u>32,377</u>

* This Fund is composed of units of the corresponding underlying investment funds.

** Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Period ended June 30

	<u>2020*</u>
	<u>\$</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>630,040</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(4,671)</u>
Premiums	
Series 5	41,000
Series 6	13,689
Series 7	—
Series 8	<u>31,030</u>
	<u>85,719</u>
Withdrawals	
Series 5	—
Series 6	(20)
Series 7	—
Series 8	<u>(31)</u>
	<u>(51)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>711,037</u>

STATEMENT OF CASH FLOWS – unaudited

Period ended June 30

	<u>2020*</u>
	<u>\$</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	(4,671)
Adjustments for:	
Net realized (gain) loss	146
Net unrealized (gain) loss	(4,167)
Proceeds from sale/maturity of investments	4,081
Investments purchased	(81,200)
Accrued expenses	<u>177</u>
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(85,634)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	85,719
Amounts paid on withdrawals	<u>(51)</u>
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>85,668</u>
Increase (decrease) in cash/ bank overdraft	34
Cash (bank overdraft), beginning of period	<u>1,001</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,035</u>
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Interest received	<u>4</u>

* Beginning of operations in October 2019.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL EQUITY – DESJARDINS (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.1%)			
Desjardins Global Equity Fund, I-Class	66,360	694,924	711,579
Total Investments		694,924	711,579
Other Net Assets (-0.1%)			(542)
Net Assets (100%)			711,037

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Thermo Fisher Scientific	3.6%
Microsoft	3.5%
Cash and Cash Equivalents	3.1%
Zoetis	2.9%
Wolters Kluwer	2.9%
Alphabet	2.8%
Aon	2.6%
Unilever	2.5%
Tencent Holdings	2.5%
Visa	2.4%
IQVIA Holdings	2.4%
Johnson & Johnson	2.3%
Accenture	2.3%
Coca-Cola Consolidated	2.1%
Intercontinental Exchange Group	2.0%
RELX	1.9%
S&P Global	1.9%
Tesco	1.9%
PTC	1.9%
Diageo	1.8%
Procter & Gamble	1.7%
AIA Group	1.7%
Motorola Solutions	1.6%
AmerisourceBergen	1.6%
Dollar General	1.6%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

The objective of this Fund is to provide long-term capital appreciation by investing primarily in equity and equity-related securities of companies located throughout the world, including emerging markets.

Strategy of the Fund

The Fund favours a bottom-up investment strategy that focuses on the financial profitability of corporations, as well as on sustainability and its impact on the corporations' valuation. Relying on a rigorous fundamental analysis, the Fund searches for quality corporations that can maintain strong financial profitability over the long term, as well as corporations that significantly improve their financial profitability.

The principal risk factors of this Fund are market risk, derivatives risk, foreign currency risk, and sovereign risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	711,579	—	—	711,579
TOTAL	711,579	—	—	711,579

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	630,439	—	—	630,439
TOTAL	630,439	—	—	630,439

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – GLOBAL EQUITY – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's best estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

Benchmarks	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
	%	\$	\$
MSCI All Country World Net	3.00	21,331	18,901

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – GLOBAL EQUITY – MFS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	67,729	26,568
Investments at fair value through profit or loss (FVTPL)	58,437,080	61,406,750
Premiums receivable	3,255	8,785
	<u>58,508,064</u>	<u>61,442,103</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	138,670	145,530
Withdrawals payable	107,198	19,212
Payable for securities purchased	31,455	498
	<u>277,323</u>	<u>165,240</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>58,230,741</u>	<u>61,276,863</u>
NET ASSETS PER UNIT		
Series 3	<u>5.91</u>	5.96
Series 5	<u>6.24</u>	6.27
Series 6	<u>8.25</u>	8.29
Series 7	<u>8.49</u>	8.51
Series 8	<u>5.87</u>	5.89

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	156
Distributions from underlying funds	510,036	1,065,650
Changes in fair value:		
Net realized gain (loss) on investments	263,888	368,743
Net unrealized gain (loss) on investments	(337,117)	7,402,757
	<u>436,807</u>	<u>8,837,306</u>
EXPENSES		
Management fees and guarantee charge	648,265	668,108
Operating expenses	180,653	188,815
	<u>828,918</u>	<u>856,923</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(392,111)</u>	<u>7,980,383</u>
DATA PER SERIES		
SERIES 3		
Increase (Decrease) in Net Assets from Operations	(20,954)	430,174
- per unit	(0.04)	0.71
Average Number of Units	552,098	607,499
SERIES 5		
Increase (Decrease) in Net Assets from Operations	(306,801)	6,644,241
- per unit	(0.04)	0.74
Average Number of Units	7,762,531	8,944,018
SERIES 6		
Increase (Decrease) in Net Assets from Operations	(41,823)	448,007
- per unit	(0.09)	0.99
Average Number of Units	461,755	452,798
SERIES 7		
Increase (Decrease) in Net Assets from Operations	(736)	135,434
- per unit	(0.01)	0.91
Average Number of Units	86,260	149,268
SERIES 8		
Increase (Decrease) in Net Assets from Operations	(21,797)	322,527
- per unit	(0.04)	0.66
Average Number of Units	558,231	485,703

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – GLOBAL EQUITY – MFS (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	61,276,863	56,384,069
Increase (Decrease) in Net Assets from operations attributable to contract owners	(392,111)	7,980,383
Premiums		
Series 3	55,572	94,513
Series 5	889,024	1,241,912
Series 6	710,935	440,454
Series 7	2,369	357,508
Series 8	483,901	538,522
	2,141,801	2,672,909
Withdrawals		
Series 3	(199,199)	(600,582)
Series 5	(3,673,167)	(5,739,804)
Series 6	(540,850)	(628,954)
Series 7	(69,017)	(12,917)
Series 8	(313,579)	(183,359)
	(4,795,812)	(7,165,616)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	58,230,741	59,871,745

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(392,111)	7,980,383
Adjustments for:		
Net realized (gain) loss	(263,888)	(368,743)
Net unrealized (gain) loss	337,117	(7,402,757)
Non-cash distribution from investments	(510,036)	(1,065,650)
Proceeds from sale/maturity of investments	4,287,898	5,853,526
Investments purchased	(881,421)	(548,875)
Receivable for securities sold	—	(6,680)
Accrued expenses	(6,860)	(1,386)
Payable for securities purchased	30,957	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2,601,656	4,439,818
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,147,331	2,651,657
Amounts paid on withdrawals	(4,707,826)	(7,098,036)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(2,560,495)	(4,446,379)
Increase (decrease) in cash/bank overdraft	41,161	(6,561)
Cash (bank overdraft), beginning of period	26,568	13,144
CASH (BANK OVERDRAFT), END OF PERIOD	67,729	6,583
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	56

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.4%)			
MFS Global Research Fund	3,060,639	53,399,157	58,437,080
Total Investments		53,399,157	58,437,080
Other Net Assets (-0.4%)			(206,339)
Net Assets (100%)			58,230,741

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Microsoft	4.5%
Amazon	3.2%
Tencent Holdings	2.0%
Facebook	1.7%
salesforce.com	1.7%
Visa	1.6%
Roche Holding	1.6%
Adobe	1.5%
AIA Group	1.4%
Apple	1.4%
Danaher	1.3%
Aon	1.3%
Alphabet	1.3%
Fidelity National Information Services	1.2%
LEG Immobilien AG	1.2%
Intel	1.2%
Goldman Sachs Group	1.2%
BNP Paribas	1.2%
Schneider Electric	1.2%
Julius Baer	1.2%
Johnson & Johnson	1.1%
Nestlé	1.1%
Euronext	1.1%
Truist Financial	1.1%
Honeywell International	1.1%

DFS GIF – GLOBAL EQUITY – MFS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve long-term capital growth by investing primarily in equity securities.

Strategy of the Fund

To control the level of volatility of return relative to the overall stock markets by maintaining strong geographic diversification and by investing in attractively-valued securities.

The principal risk factors of this Fund are foreign currency, derivatives, sovereign and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	58,437,080	—	58,437,080
TOTAL	—	58,437,080	—	58,437,080

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	61,406,750	—	61,406,750
TOTAL	—	61,406,750	—	61,406,750

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI All Country World Net	3.00	1,683,292	1,824,156

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – INTERNATIONAL EQUITY – MFS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	3,532	3,772
Investments at fair value through profit or loss (FVTPL)	11,476,764	12,526,764
Premiums receivable	25,683	1,043
	<u>11,505,979</u>	<u>12,531,579</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	29,677	32,501
Withdrawals payable	27,292	1,614
Payable for securities purchased	524	778
	<u>57,493</u>	<u>34,893</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>11,448,486</u>	<u>12,496,686</u>
NET ASSETS PER UNIT		
Series 1	<u>7.40</u>	7.84
Series 3	<u>7.72</u>	8.17
Series 5	<u>8.65</u>	9.12
Series 6	<u>6.81</u>	7.19
Series 7	<u>7.02</u>	7.39
Series 8	<u>5.34</u>	5.62

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	14	21
Changes in fair value:		
Net realized gain (loss) on investments	94,251	167,437
Net unrealized gain (loss) on investments	<u>(579,864)</u>	<u>1,505,930</u>
	<u>(485,599)</u>	<u>1,673,388</u>
EXPENSES		
Management fees and guarantee charge	148,768	161,709
Operating expenses	31,119	34,830
	<u>179,887</u>	<u>196,539</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>(665,486)</u>	<u>1,476,849</u>
DATA PER SERIES		
SERIES 1		
Increase (Decrease) in Net Assets from Operations	<u>(81,320)</u>	171,013
- per unit	<u>(0.47)</u>	0.81
Average Number of Units	<u>174,063</u>	212,249
SERIES 3		
Increase (Decrease) in Net Assets from Operations	<u>(212,226)</u>	462,388
- per unit	<u>(0.45)</u>	0.85
Average Number of Units	<u>469,032</u>	542,631
SERIES 5		
Increase (Decrease) in Net Assets from Operations	<u>(179,603)</u>	426,927
- per unit	<u>(0.50)</u>	0.98
Average Number of Units	<u>358,561</u>	436,943
SERIES 6		
Increase (Decrease) in Net Assets from Operations	<u>(109,967)</u>	234,768
- per unit	<u>(0.39)</u>	0.77
Average Number of Units	<u>280,824</u>	303,970
SERIES 7		
Increase (Decrease) in Net Assets from Operations	<u>(7,822)</u>	47,212
- per unit	<u>(0.30)</u>	0.84
Average Number of Units	<u>26,513</u>	56,385
SERIES 8		
Increase (Decrease) in Net Assets from Operations	<u>(74,548)</u>	134,541
- per unit	<u>(0.26)</u>	0.59
Average Number of Units	<u>288,171</u>	227,102

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	12,496,686	12,373,317
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(665,486)</u>	1,476,849
Premiums		
Series 1	600	21,878
Series 3	172,020	159,091
Series 5	84,152	386,530
Series 6	300,405	105,682
Series 7	8,619	129,873
Series 8	172,608	202,549
	<u>738,404</u>	1,005,603
Withdrawals		
Series 1	(58,506)	(150,422)
Series 3	(398,990)	(481,680)
Series 5	(376,060)	(978,195)
Series 6	(195,443)	(318,611)
Series 7	(65,571)	(259,569)
Series 8	(26,548)	(88,747)
	<u>(1,121,118)</u>	(2,277,224)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	11,448,486	12,578,545

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(665,486)	1,476,849
Adjustments for:		
Net realized (gain) loss	(94,251)	(167,437)
Net unrealized (gain) loss	579,864	(1,505,930)
Proceeds from sale/maturity of investments	924,702	1,652,685
Investments purchased	(360,315)	(202,341)
Receivable for securities sold	—	(407)
Accrued expenses	(2,824)	(1,279)
Payable for securities purchased	(254)	(431)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	381,436	1,251,709
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	713,764	1,005,298
Amounts paid on withdrawals	(1,095,440)	(2,257,831)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(381,676)	(1,252,533)
Increase (decrease) in cash/ bank overdraft	(240)	(824)
Cash (bank overdraft), beginning of period	3,772	3,384
CASH (BANK OVERDRAFT), END OF PERIOD	3,532	2,560
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	14	21

The accompanying Notes are an integral part of these financial statements.

DFS GIF – INTERNATIONAL EQUITY – MFS (continued)

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.2%)			
MFS International Equity Fund	872,413	10,194,840	11,476,764
Total Investments		10,194,840	11,476,764
Other Net Assets (-0.2%)			(28,278)
Net Assets (100%)			11,448,486

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Nestlé	4.3%
Roche Holding	3.8%
Schneider Electric	3.5%
Air Liquide	3.0%
SAP	3.0%
AIA Group	2.8%
Hoya	2.5%
Experian	2.3%
Olympus	2.2%
Novo Nordisk	2.2%
Daikin Industries	2.1%
Beiersdorf	2.1%
Bayer AG	2.0%
Terumo	2.0%
LVMH Moët Hennessy Louis Vuitton	2.0%
Canadian National Railway Company	2.0%
Novartis	1.8%
Pernod Ricard	1.7%
Danone	1.6%
Amadeus	1.6%
Diageo	1.6%
UBS Group AG	1.5%
AkzoNobel	1.5%
Reckitt Benckiser Group	1.5%
Taiwan Semiconductor Manufacturing Company	1.5%

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS

Objective of the Fund

To provide investors with long-term capital growth based on an internationally diversified equity portfolio by investing primarily in Europe and the Far East.

Strategy of the Fund

To invest its assets primarily in the common shares of large corporations with attractive relative valuations located in many countries.

The principal risk factors of this Fund are foreign currency, derivatives, sovereign and market risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	11,476,764	—	11,476,764
TOTAL	—	11,476,764	—	11,476,764

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	—	12,526,764	—	12,526,764
TOTAL	—	12,526,764	—	12,526,764

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)

Underlying Fund Risk Management

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

DFS GIF – INTERNATIONAL EQUITY – MFS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	315,080	382,144

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

DFS GIF – INTERNATIONAL EQUITY GROWTH – DESJARDINS*

STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2020	December 31 2019
	\$	\$
ASSETS		
Current Assets		
Cash	27,893	1,668
Investments at fair value through profit or loss (FVTPL)	22,080,578	15,468,928
Premiums receivable	58,438	1,581
	<u>22,166,909</u>	<u>15,472,177</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	49,881	35,940
Withdrawals payable	73,283	7,146
Payable for securities purchased	28,990	1,899
	<u>152,154</u>	<u>44,985</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	<u>22,014,755</u>	<u>15,427,192</u>
NET ASSETS PER UNIT		
Series 5	<u>14.68</u>	11.54
Series 6	<u>10.12</u>	7.95
Series 7	<u>10.39</u>	8.14
Series 8	<u>6.88</u>	5.40

STATEMENT OF COMPREHENSIVE INCOME

– unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
INCOME		
Interest for attribution purposes	—	2
Distributions from underlying funds	93,482	160,994
Changes in fair value:		
Net realized gain (loss) on investments	95,282	(38,176)
Net unrealized gain (loss) on investments	4,741,693	1,940,205
	<u>4,930,457</u>	<u>2,063,025</u>
EXPENSES		
Management fees and guarantee charge	222,277	179,834
Operating expenses	22,180	18,358
	<u>244,457</u>	<u>198,192</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS	<u>4,686,000</u>	<u>1,864,833</u>
DATA PER SERIES		
SERIES 5		
Increase (Decrease) in Net Assets from Operations	1,065,125	498,876
- per unit	3.46	1.38
Average Number of Units	307,939	361,046
SERIES 6		
Increase (Decrease) in Net Assets from Operations	1,877,857	744,191
- per unit	2.29	0.94
Average Number of Units	820,108	794,529
SERIES 7		
Increase (Decrease) in Net Assets from Operations	106,921	60,452
- per unit	2.25	1.05
Average Number of Units	47,443	57,422
SERIES 8		
Increase (Decrease) in Net Assets from Operations	1,636,097	561,314
- per unit	1.57	0.62
Average Number of Units	1,043,455	899,222

* This Fund is composed of units of the corresponding underlying investment funds.

The accompanying Notes are an integral part of these financial statements.

DFS GIF – INTERNATIONAL EQUITY GROWTH – DESJARDINS (continued)

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO CONTRACT OWNERS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	15,427,192	12,089,752
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,686,000	1,864,833
Premiums		
Series 5	699,201	558,083
Series 6	1,644,320	1,286,585
Series 7	—	98,141
Series 8	1,520,655	1,206,693
	3,864,176	3,149,502
Withdrawals		
Series 5	(387,072)	(693,356)
Series 6	(953,395)	(875,618)
Series 7	(35,151)	(56,620)
Series 8	(586,995)	(696,592)
	(1,962,613)	(2,322,186)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	22,014,755	14,781,901

STATEMENT OF CASH FLOWS – unaudited

Six-month Periods Ended June 30

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,686,000	1,864,833
Adjustments for:		
Net realized (gain) loss	(95,282)	38,176
Net unrealized (gain) loss	(4,741,693)	(1,940,205)
Non-cash distribution from investments	(93,482)	(160,994)
Proceeds from sale/maturity of investments	773,612	1,136,511
Investments purchased	(2,454,805)	(1,778,743)
Receivable for securities sold	—	11,404
Accrued expenses	13,941	2,947
Payable for securities purchased	27,091	14,004
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(1,884,618)	(812,067)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	3,807,319	3,145,757
Amounts paid on withdrawals	(1,896,476)	(2,329,702)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	1,910,843	816,055
Increase (decrease) in cash/bank overdraft	26,225	3,988
Cash (bank overdraft), beginning of period	1,668	1,473
CASH (BANK OVERDRAFT), END OF PERIOD	27,893	5,461
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	2

The accompanying Notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2020

	NUMBER OF UNITS	COST	FAIR VALUE
		\$	\$
Investment Funds (100.3%)			
Desjardins Overseas Equity Growth Fund, I-Class	654,142	15,781,533	22,080,578
Total Investments		15,781,533	22,080,578
Other Net Assets (-0.3%)			(65,823)
Net Assets (100%)			22,014,755

The accompanying Notes are an integral part of these financial statements.

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
ASML Holding	7.1%
Tesla	5.3%
Tencent Holdings	4.7%
Alibaba Group Holding	4.3%
Spotify Technology	4.2%
M3	4.1%
MercadoLibre	3.7%
Zalando	3.4%
Ferrari	3.3%
Kering	3.1%
Cash and Cash Equivalents	2.9%
Meituan-Dianping	2.7%
Wix.com	2.7%
Genmab	2.5%
Delivery Hero	2.4%
TAL Education Group	2.4%
Softbank	2.2%
Adyen	2.1%
Amazon	2.1%
Illumina	1.9%
AIA Group	1.8%
Inditex	1.8%
L'Oréal	1.8%
SMC	1.8%
HelloFresh	1.8%

DFS GIF – INTERNATIONAL EQUITY GROWTH – DESJARDINS (continued)

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

STRATEGY IN USING FINANCIAL INSTRUMENTS**Objective of the Fund**

To achieve long-term capital growth by investing in equity and equity related securities of companies located or operating outside of North America, while when appropriate, also investing in equity and equity related securities of companies located or operating in emerging markets.

Strategy of the Fund

Investment decisions are backed by extensive research and analysis with preference given to those companies that can sustain above average growth in earnings and cash flow and whose securities are traded at a reasonable price. The investment approach involves a bottom-up, stock driven approach to country and sector allocation and more specifically, those companies with sustainable competitive advantages and strong management teams operating in a favourable market background and display solid financial characteristics.

The principal risk factors of this Fund are market risk, derivatives risk, foreign currency risk, and sovereign risk.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)**Hierarchy of Financial Instruments Measured at Fair Value**

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Significant Accounting Policies" section of Note 2.

Fair Value Hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	22,080,578	—	—	22,080,578
TOTAL	22,080,578	—	—	22,080,578

December 31, 2019

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Investment Funds	15,468,928	—	—	15,468,928
TOTAL	15,468,928	—	—	15,468,928

Transfers between Levels 1 and 2

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of securities between Levels 1 and 2.

FINANCIAL INSTRUMENTS RISKS (Note 7)**Underlying Fund Risk Management**

Monthly, the investment strategy team compares the underlying fund's performance to similar funds as well as to the related benchmarks.

Quarterly, this team makes an analysis of the underlying fund's performance. This analysis includes among others a review of the securities having obtained a greater or lower performance than forecasts, an evaluation of the strategies used as well as a complete analysis of the sector. It also ensures the compliance with the Fund's investment policies. Furthermore, it examines thoughtfully any change within the organization, such as the recruitment, the departure of key staff or any structure modification.

Annually, this team reviews the practices and processes used by the Fund's managers through an exhaustive questionnaire and periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2020

Currency Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to currency risk. As a result, the Fund may be exposed to currency risk related to the current underlying fund. Detailed disclosure about the currency risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Interest Rate Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to interest rate risk. As a result, the Fund may be exposed to interest rate risk related to the current underlying fund. Detailed disclosure about the interest rate risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Concentration Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to concentration risk. As a result, the Fund is exposed to concentration risk related to the current underlying fund. Detailed disclosure about the concentration risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Price Risk

The majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to price risk. As a result, the Fund is exposed to price risk related to the current underlying fund. Detailed disclosure about the price risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

The Manager's estimate of the impact on Net Assets Attributable to Contract Owners as a result of a reasonably possible change in benchmarks, using a historical beta coefficient (a measure of the sensitivity of a security in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmarks, with all other variables held constant, is included in the following table. A 36-month regression analysis has been utilized to estimate the historical beta coefficient. The regression analysis uses data based on the monthly returns of the Fund.

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		June 30, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	733,199	642,514

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

Liquidity Risk

As at June 30, 2020 and December 31, 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which is exposed to liquidity risk. As a result, the Fund is exposed to liquidity risk related to the current underlying fund. Detailed disclosure about the liquidity risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

For further information on maturities of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

NOTES TO THE FINANCIAL STATEMENTS – unaudited

Six-months Periods Ended June 30, 2020 and 2019

1. ESTABLISHMENT OF THE FUNDS

The Desjardins Financial Security Guaranteed Investment Funds (the Funds) consist of forty Funds established by Desjardins Financial Security Life Assurance Company (Desjardins Financial Security or the Company) in respect of individual variable insurance contracts issued under the Desjardins Financial Security Guaranteed Investment Funds Plan – Helios and Helios2, the Millennia III Plan and the Imperial Growth Plan. The assets of each Fund are segregated from the Company's other assets and are owned by Desjardins Financial Security. The Funds are not separate legal entities. The Company's head office is located at 200, rue des Commandeurs, Lévis, Québec, Canada G6V 6R2.

The Funds were established on the following dates:

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
INVESTMENT SOLUTIONS							
Conservative	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Moderate	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Maximum Growth	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
RESPONSIBLE INVESTMENT PORTFOLIOS							
Conservative – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
Balanced – Desjardins SocieTerra	—	—	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Growth – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
Maximum Growth – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
INDIVIDUAL FUNDS							
Income							
Money Market	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	Nov. 7, 2014
Income – Fiera Capital	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Bond	—	—	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Global Tactical Bond – Desjardins	—	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
Balanced and Asset Allocation							
Diversified Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Balanced – Fidelity	—	Dec. 1, 2008	Dec. 1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
U.S. Monthly Income – Fidelity	—	—	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Global Balanced – Jarislowsky Fraser	—	Nov. 17, 2003	Oct. 29, 2007	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Canadian Balanced – Fiera Capital	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced Growth – Franklin Quotential	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Balanced – CI Signature	—	—	May 3, 2010	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Income and Growth – CI Signature	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth and Income – NEI Northwest	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Global Growth – NEI Select	—	Jan. 14, 2002	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Asset Allocation – CI Cambridge	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Equity							
Dividend Income – Desjardins	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
Canadian Dividend – NEI Northwest	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Equity – Jarislowsky Fraser	—	Dec. 5, 2005	Oct. 29, 2007	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Canadian Equity – Fidelity True North®	—	Dec. 1, 2008	Dec. 1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Equity – Franklin Bissett	Nov. 25, 2016	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	Nov. 25, 2016
Specialty Equity – NEI Northwest	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Small Cap – Franklin Bissett	—	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
Foreign Equity							
American Equity – MFS	—	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
American Equity Value – Desjardins	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Global Dividend – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Global Equity – Desjardins	—	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
Global Equity – MFS	—	Dec. 1, 2008	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
International Equity – MFS	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
International Equity Growth – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—

The information provided in these financial statements and notes thereto is as at June 30, 2020 and 2019, as well as December 31, 2019, as applicable, and for the six-month periods ended on those dates. For Funds established in either period, the "period" represents the period from the establishment date to June 30 of that period. The establishment date of the Fund is the earliest date presented for the series listed above.

The Company opened the following Funds, which are available under Series 5, 6, 7 and 8 exclusively:

On October 7, 2019

NAMES OF THE FUNDS

DFS GIF – Global Tactical Bond – Desjardins

DFS GIF – Global Equity – Desjardins

The Company opened the following Fund, which is available under Series 3, 5, 6, 7 and 8 exclusively:

On October 7, 2019

NAMES OF THE FUNDS

DFS GIF – Dividend Income – Desjardins

On October 4, 2019, the Company closed the following Funds:

NAMES OF THE FUNDS

DFS GIF – Dividend Income – Franklin Bissett

DFS GIF – Canadian Balanced – Franklin Bissett

The main activities of the Funds are disclosed in the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

Statement of Compliance

The policies applied in the preparation of these financial statements are in accordance with International Financial Reporting Standards (IFRS). The financial statements have been authorized for issue by the Audit and Risk Management Committee of the Company on September 11, 2020.

SIGNIFICANT ACCOUNTING POLICIES

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial Assets and Liabilities

Upon initial recognition, financial assets and liabilities are recorded at fair value. The Funds' financial assets consist primarily of investments in non-derivative financial instruments and derivative financial instruments presented in the Schedule of Investment Portfolio. Financial liabilities consist primarily of derivative financial instruments.

Financial assets and liabilities are recognized on the date that the Funds become a party to the contractual provisions of the instrument, namely the trade date of the financial instrument.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all the risks and rewards of ownership.

Classification and Measurement

The Funds classify and measure financial instruments in accordance with IFRS 9, *Financial Instruments*. Financial assets are measured at amortized cost, at FVTPL or at fair value through other comprehensive income depending on the contractual cash flow characteristics and the business model for managing the financial assets.

The portfolios of financial assets are managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The contractual cash flows of the Funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

The Funds' obligation concerning net assets attributable to Contract Owners is recorded at the redemption amount which approximates fair value. The accounting policies used to measure the fair value of investments and derivative financial instruments are identical to those used in measuring the net asset value for transactions with Contract Owners, except when the closing price for financial assets and liabilities is not within the bid-ask spread.

As at June 30, 2020 and December 31, 2019, there are no differences between the Funds' net asset value per unit for transactions and their net assets attributable to Contract Owners per unit.

Impairment

As for the impairment model, it is applicable to financial assets, loan commitments and financial collateral contracts, except for financial instruments at FVTPL or designated at fair value through other comprehensive income.

With respect to other financial assets measured at amortized cost, the Funds consider both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statement date, all financial assets measured at amortized cost are due to be settled within the short term. The Funds consider the probability of default to be close to zero as these financial instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Funds to credit risk from financial assets recorded at amortized cost, no loss allowance has been recognized as any such impairment will not have a significant impact on the financial statements.

Determination of the Fair Value of Financial Instruments

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the valuation date and there is little subjectivity in its determination. The Funds use the closing price for both financial assets and financial liabilities when this price falls within the bid-ask spread. In circumstances when the closing price is not within the bid-ask spread, the Company determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivative financial instruments, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each valuation date.

Valuation techniques include the use of comparable recent arm's length transactions, the fair value of other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 7 "Financial Instruments Disclosures" for further information about the Funds' fair value measurements.

Cash

Cash (bank overdraft) is measured at cost, which approximates fair value.

Money Market Securities

Money market securities are recorded at cost including accrued interest, which closely approximates fair value.

Equities, Index-Based Investments and Exchange Traded Funds

Equity, index-based investment and exchange traded funds are recorded at the closing price of the stock exchange on which the corresponding security is principally traded. Unlisted warrants are valued with a recognized valuation model, including Black & Scholes.

Bonds, Mortgage-Backed Securities and Asset-Backed Securities

Bonds, mortgage-backed securities and asset-backed securities are valued based on prices obtained from recognized securities dealers.

Investment Funds

The underlying funds' units are generally valued based on the net asset value per unit provided by the underlying fund's manager on each valuation day.

Derivative Financial Instruments

Certain Funds may use an array of derivative financial instruments such as foreign currency forward contracts, forward contracts and standardized futures contracts for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements, if applicable. Refer to the section "Offsetting Financial Assets and Financial Liabilities" for further information about the Funds' offsetting.

Foreign Currency Forward Contracts and Forward Contracts

The fair value of these instruments corresponds to the gains or losses that would result from the contract close-out on the valuation date; this value is recorded in "Unrealized appreciation (depreciation) on derivatives" in the Statement of Financial Position.

Standardized Futures Contracts

Standardized futures contracts are valued at fair value and are settled daily through brokers acting as intermediaries. Any amounts receivable (payable) from the settlement of standardized futures contracts are recorded in "Receivable (Payable) on standardized futures contracts" in the Statement of Financial Position.

Valuation of Unlisted Securities and Other Investments

When the valuation principles of the aforementioned investments are not appropriate, fair value is determined according to the Company's best estimates, based on established valuation procedures and on prevailing market conditions on each valuation date. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. For further information, refer to Note 3 "Critical Accounting Judgments, Estimates and Assumptions".

Investment Transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which the cost is determined using the First In First Out method. The average cost does not include amortization of premiums or discounts on fixed-income securities with the exception of stripped bonds. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Funds, are recognized in the Statement of Comprehensive Income. The difference between the unrealized appreciation (depreciation) of investments at the beginning and at the end of the period is included in "Net unrealized gain (loss) on investments" in the Statement of Comprehensive Income. On disposal of an investment, the difference between the fair value and the cost of the investment is included in "Net realized gain (loss) on investments" in the Statement of Comprehensive Income.

Securities Lending Activities

Certain Funds may enter into securities lending, repurchase transactions and reverse repurchase transactions through the securities lending program of the Funds' custodian, Desjardins Trust Inc. (Trust).

The securities loaned and repurchased are not derecognized in the Statement of Financial Position as substantially all the risks and rewards of ownership of these securities are retained.

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day's securities loaned or repurchase transactions. The collateral for reverse repurchase transactions is at least 100%. Securities received as collateral in securities lending transactions are not recognized in the Statement of Financial Position as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds. Cash guarantees received for securities lending and repurchase transactions are recognized as financial assets in the Statement of Financial Position, in "Cash guarantee received for securities lending" or "Cash guarantee received for repurchase transactions", as appropriate. A liability representing the obligation to return the securities is recognized in "Commitments related to securities lending" or "Commitments related to repurchase transactions", as appropriate.

Trust, as the Funds' custodian, may use those amounts to buy investments. Revenue generated through Trust's securities lending program is shared by the Fund and the Trust at the rate presented in the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund. This revenue is included in "Revenue from securities lending activities" in the Statement of Comprehensive Income.

Offsetting Financial Assets and Financial Liabilities

A financial asset and a financial liability must be offset in the Fund's Statement of financial position when, and only when, the Fund has a legally enforceable and unconditional right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. The Fund has a legally enforceable and unconditional right to set off a financial asset and a financial liability when such right is enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

Over-the-counter derivative financial instruments, securities lending and repurchase agreements, receivable for investments sold and payable for investments purchased are subject to master netting or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position as they give a right to an offset that is enforceable only in the event of default, insolvency or bankruptcy.

Other Assets and Liabilities

Premiums receivable, receivable for investments sold, cash guarantee received for securities lending and repurchase transactions as well as interest, dividends and other receivables are measured at amortized cost.

Similarly, accrued expenses, withdrawals payable, payable for investments purchased, commitments related to securities lending and repurchase transactions, as well as interest, dividends and other payables are measured at amortized cost.

Given the short-term nature of other assets and liabilities, their carrying amount approximates their fair value.

Income

Interest for attribution purposes from investments in debt securities presented in the Statement of Comprehensive Income is recognized as it is earned. The Funds do not amortize premiums paid or discounts received on the purchase of debt securities except for stripped bonds. Dividends are recognized as income on the ex-dividend date. Income received from exchange traded funds and income trusts are presented in "Dividends". Amounts from investments that are treated as a return of capital for income tax purposes reduce the average cost of those investments. Foreign interest and dividend income are accounted for on a gross basis and are included in the income section of the Statement of Comprehensive Income.

Distributions received from underlying funds are recorded at the date of distribution. They are included in "Distributions from underlying funds" and are presented as a separate line item in the Statement of Comprehensive Income.

Distributions received in the form of units from underlying funds are presented as a separate line item called "Non-cash distributions from investments" in the Statement of Cash Flows.

On derivative financial instruments contract close-out, the gains and losses from derivative financial instruments held for hedging purposes are included in "Net realized gain (loss) on derivatives" of the Statement of Comprehensive Income. Gains and losses from derivative financial instruments held for purposes other than hedging are included in "Net income (loss) from derivatives" of the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

Foreign Currency Translation

The Funds' financial statements, premiums and withdrawals are denominated in Canadian dollars, the Funds' functional and presentation currency. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies, are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are presented within "Net realized gain (loss) on investments" and "Net unrealized gain (loss) on investments" in the Statement of Comprehensive Income.

Increase (Decrease) in Net Assets per Unit from Operations Attributable to Contract Owners

The increase (decrease) in net assets per unit from operations attributable to Contract Owners, presented in the Statement of Comprehensive Income, is calculated by dividing the increase (decrease) in net assets from operations attributable to Contract Owners by the average number of units outstanding during the period.

Income Taxes

Under the *Income Tax Act* (Canada), each Fund is treated as a segregated fund trust. The Fund's income, as well as gains or losses realized, if any, are allocated to Contract Owners on a regular basis. In the case of interest that accumulates in a registered account, Contract Owners will not receive annual tax slips. However, any amount paid to Contract Owners or former Contract Owners may be subject to be taxed in their hands. On the other hand, for interest that accumulates in a non-registered account, Contract Owners will receive an annual tax slip for any income, gains or losses allocated. Under current tax laws, Funds do not pay income taxes, except for any foreign tax withholdings that may apply.

Investments in Entities

The Funds meet the definition in IFRS 10, *Consolidated Financial Statements*, of investment entities and account for their investments in underlying funds at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Funds must disclose specific information on their investments in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without, however, exercising control.

Structured Entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Company has determined that its investments in underlying funds (including limited partnerships), index-based investments (including exchange traded funds), mortgage-backed securities, asset-backed securities and master asset vehicles (included in bonds), are structured entities, unless the specified relationship is different. Total values of those investments in the table "Fair Value Hierarchy" also represent the fair value of investments in structured entities.

Refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund for more information on entities.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Management of the Company to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements.

Fair Value Measurement of Derivative Financial Instruments and Securities not Quoted in an Active Market

The Funds may hold financial instruments that are not quoted in active markets, including derivative financial instruments. Fair value is determined based on models that make maximum use of observable inputs and rely as little as possible on unobservable inputs. The Funds consider the data observable if that market data is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Company.

When no quoted prices are available, the fair value is estimated using present value or other valuation methods, which are influenced by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates, which reflect varying degrees of risk, including liquidity risk, credit risk, risks related to interest rates, exchange rates, and price and rate volatility.

The calculation of the fair values may differ given the role that judgment plays in applying the valuation techniques and the acceptable estimation. Fair value reflects market conditions at a given date and, for this reason, it may not be representative of future fair values. Refer to Note 7 "Financial Instruments Disclosures" for further information on fair value measurement of financial instruments.

Classification and Measurement of Investments

In classifying and measuring financial instruments held by the Funds, the Company is required to make significant judgments about the business model in which the portfolio of investments and derivatives is held. The Company has determined that the Funds' business model is one on which the portfolios are managed and performance is evaluated on a fair value basis. For further information on financial instruments, refer to Note 2 "Basis of Presentation and Significant Accounting Policies".

4. NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS

Structure of the Funds and the Units Attributed

The Funds are wholly owned assets of Desjardins Financial Security, which have been segregated from the Company's other assets. The Funds' assets may only be used to pay benefits under the Contracts.

Each Fund has a series of units, which are attributed to Contracts for the purpose of determining the value of benefits to the units attributable to those Contracts. A Contract Owner acquires no direct claim on the units or assets of a Fund by purchasing a Contract but only the benefits that are provided under the Contract.

Units within the same series of Funds have the same net asset value per unit. Subject to the Company's administrative rules, Contract Owners have the right to make transactions under their Contracts such as premiums, withdrawals and switches between units of Funds. Because of these transactions, units are attributed to and withdrawn from the Contract based on each Contract's terms and conditions or as provided by law. Since the Contract Owner does not own units of a Fund, ownership of units cannot be sold or transferred to another party. There are no voting rights associated with the units of the Fund.

Classification of Units Attributable to Contract Owners

The Funds' outstanding units qualify as "puttable instruments" as required by the IAS 32, *Financial Instruments: Presentation* (IAS 32). IAS 32 states that units that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities. The Funds issue different series of notional units attributable to Contract Owners that are equally subordinated but have different features.

In addition, the Funds have a contractual obligation to attribute annually any taxable income that allows the Contract Owners to request cash payment for any attributions. These features breach the requirements for the units to be presented as equity under IAS 32. Consequently, the Funds' outstanding units are classified as financial liabilities in these financial statements.

Valuation of the Units

The units of a Fund are valued according to the administrative rules established by the Company and in accordance with the Contract and all laws and regulations applicable to the Funds.

These units differ with respect to redemption charges and management fees charged to each series (See Note 5). The net asset value per unit is determined on each market day by dividing the net assets attributable to Contract Owners by its outstanding units.

Series of Units Available

The Desjardins Financial Security Guaranteed Investment Funds Plan, the Millennia III Plan, and the Imperial Growth Plan, as well as the various Contract versions offered under each of these Plans, offers different Series providing different guarantees and provisions as well as varying Management Expense Ratios (MERs).

Series IGP: This Series was offered under the Imperial Growth Plan through the three remaining Contracts (C71, C81, and C88). The Imperial Growth Plan was offered pre-1995.

Series 1: This Series was offered under the Millennia III Plan through two different Contracts: the Millennia III and Millennia III – New Era Contracts. The Millennia III Plan was offered from November 15, 1995 to October 28, 2007.

Series 3: This Series was offered under the Millennia III Plan through two different Contracts: the Millennia III – Classic and Millennia III – New Era Contracts. The Millennia III Plan was offered from November 15, 1995 to October 28, 2007.

Series 5: This Series was offered under the Desjardins Financial Security Guaranteed Investment Funds Plan through the Helios Contract. The Desjardins Financial Security Guaranteed Investment Funds Plan was first offered starting on October 29, 2007 and currently, the only Contract available is the Helios2 Contract.

Series 6: This Series is offered under the Desjardins Financial Security Guaranteed Investment Funds Plan through the Helios2 Contract. The Desjardins Financial Security Guaranteed Investment Funds Plan was first offered starting on October 29, 2007 and currently, the only Contract available is the Helios2 Contract.

Series 7: This Series was offered under the Desjardins Financial Security Guaranteed Investment Funds Plan through the Helios2 Contract. The Desjardins Financial Security Guaranteed Investment Funds Plan was first offered starting on October 29, 2007 and currently, the only Contract available is the Helios2 Contract.

Series 8: This Series is offered under the Desjardins Financial Security Guaranteed Investment Funds Plan through the Helios2 Contract. The Desjardins Financial Security Guaranteed Investment Funds Plan was first offered starting on April 30, 2018 and currently, the only Contract available is the Helios2 Contract.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

Number of Units

The number of units outstanding in each Fund as at June 30, 2020 and 2019, and the number of units attributed to and withdrawn from Contracts during the period are as follows:

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
INVESTMENT SOLUTIONS						
Conservative						
Series 5	2,111,273	1,195,186	1,042,198	330,968	(320,336)	(72,343)
Series 6	3,061,738	2,747,457	579,507	767,318	(582,571)	(310,509)
Series 7	345,925	362,429	79,415	55,646	(25,031)	(13,964)
Series 8	1,458,115	953,989	470,654	469,533	(176,748)	(200,607)
Moderate						
Series 5	1,024,823	597,047	344,074	222,950	(236,410)	(116,551)
Series 6	5,490,294	5,268,840	662,910	1,202,479	(599,796)	(587,348)
Series 7	1,224,120	1,441,651	76,087	24,433	(103,194)	(136,542)
Series 8	2,934,513	2,113,316	306,444	592,809	(225,630)	(257,368)
Balanced						
Series 5	19,424,057	1,177,253	1,227,511	337,327	(2,333,434)	(159,329)
Series 6	14,199,593	9,444,055	1,098,357	1,278,495	(1,069,379)	(873,804)
Series 7	2,482,267	1,911,248	471,437	66,656	(401,789)	(146,215)
Series 8	9,068,167	5,564,220	724,969	1,061,626	(494,742)	(380,554)
Growth						
Series 5	3,782,569	3,011,584	729,863	640,642	(456,657)	(405,933)
Series 6	7,560,187	6,913,304	839,292	890,319	(676,131)	(502,797)
Series 7	1,107,005	1,123,677	11,476	18,726	(13,964)	(84,651)
Series 8	4,849,086	4,006,405	570,782	597,143	(309,308)	(123,168)
Maximum Growth						
Series 5	156,818	139,128	73,359	64,690	(40,018)	(2,401)
Series 6	849,023	753,355	217,108	155,386	(118,548)	(50,914)
Series 7	314,939	284,277	391	1,134	(840)	(929)
Series 8	590,157	309,090	262,478	58,774	(39,563)	(13,039)
RESPONSIBLE INVESTMENT PORTFOLIOS						
Conservative – Desjardins SocieTerra						
Series 5	211,180	109,670	67,017	78,361	(235,392)	(6,908)
Series 6	591,272	327,401	228,207	182,108	(108,036)	(22,311)
Series 7	56,135	41,320	27,051	13,320	(900)	—
Series 8	553,943	236,379	194,192	95,133	(104,755)	(71,951)
Balanced – Desjardins SocieTerra						
Series 5	1,491,079	1,371,416	174,607	188,109	(164,294)	(151,645)
Series 6	2,213,216	1,752,767	610,379	362,028	(252,582)	(253,242)
Series 7	692,573	901,865	2,031	58,007	(138,900)	(38,820)
Series 8	1,303,192	1,015,174	374,528	387,905	(148,306)	(162,032)
Growth – Desjardins SocieTerra						
Series 5	399,461	278,215	112,572	248,604	(28,395)	(91,370)
Series 6	1,296,820	489,890	543,305	268,552	(167,556)	(37,920)
Series 7	28,000	28,000	—	—	—	—
Series 8	1,108,792	366,344	378,100	82,810	(19,524)	(11,477)
Maximum Growth – Desjardins SocieTerra						
Series 5	47,841	41,248	9,635	4,880	(96)	(14)
Series 6	341,855	235,705	96,001	132,754	(3,938)	(8,028)
Series 7	28,000	28,000	—	—	—	—
Series 8	49,960	49,207	4,043	5,022	(3,213)	(5,449)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
INDIVIDUAL FUNDS						
Income						
Money Market						
Series 1	50,880	45,801	31,012	92	(32,070)	(10,246)
Series 3	370,856	335,484	363,929	76,066	(264,910)	(23,758)
Series 5	2,224,906	1,816,652	2,104,762	610,280	(2,851,948)	(783,899)
Series 6	2,714,684	1,918,673	1,980,179	698,183	(1,229,041)	(809,915)
Series 7	303,610	172,719	106,957	39,403	(9,865)	(195,975)
Series 8	1,737,347	814,000	1,786,375	752,062	(1,345,703)	(568,446)
Series IGP	106,672	123,912	1,724	583	(3,256)	(10,532)
Income – Fiera Capital						
Series 1	86,299	95,807	85	3,970	(5,926)	(11,888)
Series 3	487,381	556,163	47,909	8,696	(52,928)	(53,349)
Series 5	3,802,927	4,347,614	197,606	384,437	(478,361)	(547,630)
Series 6	1,691,068	1,558,558	264,912	336,898	(243,141)	(110,823)
Series 7	645,540	540,295	88,368	354,684	(45,816)	(88,116)
Series 8	732,479	569,334	172,899	162,244	(105,901)	(23,960)
Canadian Bond						
Series 5	3,724,141	4,142,308	354,924	90,155	(489,522)	(703,084)
Series 6	1,050,670	942,196	221,849	56,849	(155,736)	(102,109)
Series 7	224,685	59,919	74,001	—	(13,218)	(5,986)
Series 8	397,490	218,803	217,492	6,711	(79,844)	(10,814)
Global Tactical Bond – Desjardins						
Series 5	103,600	—	125,214	—	(46,010)	—
Series 6	178,411	—	178,919	—	(38,853)	—
Series 7	62,030	—	35,348	—	(848)	—
Series 8	60,544	—	36,930	—	(15,644)	—
Balanced and Asset Allocation						
Diversified Income – Franklin Quotential						
Series 3	368,477	546,464	1,919	6,282	(134,833)	(75,076)
Series 5	12,947,645	14,478,031	463,318	651,155	(1,177,182)	(2,029,055)
Series 6	3,573,984	3,727,008	205,838	240,854	(320,397)	(474,472)
Series 7	804,339	911,160	7,928	—	(36,545)	(65,793)
Series 8	1,990,984	2,093,920	246,934	203,345	(268,073)	(128,329)
Balanced Income – Franklin Quotential						
Series 3	736,628	837,512	8,289	6,104	(50,491)	(138,649)
Series 5	22,306,037	24,865,133	644,371	1,220,306	(2,092,731)	(2,709,622)
Series 6	3,191,723	3,323,982	160,757	170,308	(201,441)	(234,006)
Series 7	607,722	605,590	439	461	(9,888)	(13,780)
Series 8	1,112,822	1,237,882	52,829	140,855	(68,814)	(227,292)
Canadian Balanced – Fidelity						
Series 3	753,530	807,691	29,866	35,173	(66,870)	(134,560)
Series 5	59,198,011	64,611,428	2,688,367	3,502,410	(5,334,842)	(6,900,829)
Series 6	4,827,669	4,960,196	377,582	504,040	(540,554)	(610,492)
Series 7	742,460	776,824	696	1,313	(33,172)	(12,628)
Series 8	2,556,721	2,317,814	251,459	436,312	(241,005)	(330,405)
U.S. Monthly Income – Fidelity						
Series 5	351,629	390,212	21,894	66,127	(118,799)	(75,886)
Series 6	1,285,108	1,148,288	222,999	196,120	(193,592)	(119,639)
Series 7	461,520	553,885	11,410	112,064	(9,123)	(8,019)
Series 8	1,300,713	1,175,150	148,293	318,002	(174,476)	(109,425)
Global Balanced – Jarislowsky Fraser						
Series 3	797,283	875,728	11,405	45,614	(49,777)	(107,727)
Series 5	16,617,687	18,334,453	689,569	1,329,081	(1,649,045)	(2,462,120)
Series 6	7,176,038	7,068,776	607,167	848,457	(663,990)	(639,671)
Series 7	1,414,978	1,615,073	4,659	33,743	(101,493)	(71,916)
Series 8	4,990,719	4,682,913	436,335	846,325	(339,566)	(359,296)

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
Canadian Balanced – Fiera Capital						
Series 1	461,456	503,062	1,516	1,664	(17,571)	(33,123)
Series 3	931,799	846,456	12,856	12,981	(68,994)	(142,324)
Series 5	9,930,489	10,087,608	531,547	500,197	(825,132)	(972,671)
Series 6	3,180,487	2,182,418	774,572	405,664	(497,416)	(204,103)
Series 7	239,763	227,470	436	3,110	(8,729)	(19,030)
Series 8	3,102,153	1,549,960	862,637	311,060	(194,489)	(177,849)
Balanced Growth – Franklin Quotential						
Series 3	1,139,940	1,241,154	3,497	9,787	(40,965)	(216,794)
Series 5	53,657,833	58,647,869	1,722,054	2,741,558	(4,138,148)	(5,384,404)
Series 6	4,838,710	5,080,928	175,860	290,346	(321,474)	(414,928)
Series 7	461,012	535,585	4,312	793	(5,233)	(68,561)
Series 8	2,029,324	2,021,233	129,604	295,689	(115,165)	(206,199)
Canadian Balanced – CI Signature						
Series 5	9,188,363	10,945,309	133,089	447,296	(954,453)	(1,098,709)
Series 6	3,884,310	4,096,128	186,400	256,637	(323,467)	(410,986)
Series 7	793,603	901,452	—	1,118	(77,374)	(28,735)
Series 8	2,235,584	2,214,716	150,575	259,810	(136,151)	(203,595)
Income and Growth – CI Signature						
Series 5	7,195,446	6,845,983	1,293,796	926,080	(701,528)	(950,793)
Series 6	5,185,877	5,627,257	232,571	589,732	(400,604)	(580,855)
Series 7	1,070,911	1,192,654	6,391	12,209	(30,848)	(50,118)
Series 8	4,350,779	4,410,678	239,299	652,267	(393,344)	(502,928)
Growth and Income – NEI Northwest						
Series 3	255,282	305,014	16,888	46,160	(25,989)	(30,465)
Series 5	18,637,400	19,999,258	868,828	1,173,447	(1,646,145)	(1,901,657)
Series 6	7,000,696	6,849,570	755,696	1,448,993	(931,397)	(1,049,708)
Series 7	1,079,384	1,371,993	9,757	29,144	(108,325)	(187,412)
Series 8	5,603,664	4,991,003	809,254	1,623,140	(548,017)	(630,542)
Global Growth – NEI Select						
Series 3	253,951	310,217	7,338	6,171	(37,751)	(34,507)
Series 5	8,809,010	9,697,540	316,066	677,919	(690,576)	(971,735)
Series 6	4,483,687	4,323,768	362,475	434,113	(378,079)	(369,281)
Series 7	635,152	957,494	—	715	(293,919)	(77,406)
Series 8	2,962,240	2,780,767	345,559	406,121	(282,470)	(281,444)
Canadian Asset Allocation – CI Cambridge						
Series 5	534,957	621,233	43,286	32,958	(90,723)	(68,777)
Series 6	630,836	679,810	61,518	108,213	(131,472)	(208,674)
Series 7	283,350	391,682	14,751	36,516	(63,248)	(159,889)
Series 8	567,082	698,091	66,068	128,956	(122,172)	(72,388)
Growth – Franklin Quotential						
Series 3	277,892	304,995	19,398	7,896	(29,470)	(17,726)
Series 5	5,867,111	6,549,010	86,202	269,313	(447,613)	(727,357)
Series 6	445,918	510,196	16,560	72,243	(15,596)	(73,413)
Series 7	17,571	35,171	—	—	(30)	(7,573)
Series 8	310,746	262,860	25,006	48,440	(11,379)	(20,966)
Canadian Equity						
Dividend Income – Desjardins						
Series 3	4,480,102	—	38,729	—	(361,948)	—
Series 5	20,375,729	—	432,689	—	(1,827,246)	—
Series 6	1,619,191	—	108,487	—	(207,226)	—
Series 7	113,199	—	—	—	(39,502)	—
Series 8	1,164,080	—	111,968	—	(71,198)	—
Canadian Dividend – NEI Northwest						
Series 5	1,278,624	1,620,953	40,353	62,676	(257,193)	(308,321)
Series 6	741,333	734,932	151,660	183,303	(120,752)	(162,824)
Series 7	47,386	63,724	1,344	386	(4,015)	(34,529)
Series 8	1,014,694	817,725	207,565	306,711	(115,071)	(80,745)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
Canadian Equity – Jarislowsky Fraser						
Series 3	259,934	313,945	1,571	8,139	(29,646)	(74,677)
Series 5	12,067,213	13,618,661	336,865	553,400	(1,074,231)	(1,499,734)
Series 6	226,479	228,029	26,284	36,902	(27,240)	(62,403)
Series 7	89,070	125,785	—	5,789	(6,625)	(36,240)
Series 8	118,772	114,688	32,560	25,645	(30,247)	(22,919)
Canadian Equity – Fidelity True North®						
Series 3	94,607	90,558	10,234	3,288	(5,085)	(17,651)
Series 5	1,308,451	1,473,196	71,391	66,331	(148,196)	(147,938)
Series 6	1,633,036	1,630,676	245,327	202,883	(208,118)	(175,123)
Series 7	133,027	139,859	5,144	—	(2,947)	(29,700)
Series 8	1,324,273	1,144,258	284,282	310,531	(196,877)	(174,354)
Canadian Equity – Franklin Bissett						
Series 1	1,873,032	2,172,673	12,390	24,979	(77,836)	(130,149)
Series 3	1,229,609	1,453,853	20,458	20,921	(131,104)	(187,212)
Series 5	717,075	843,319	45,471	48,798	(102,110)	(154,614)
Series 6	468,999	506,886	23,562	68,348	(59,249)	(60,468)
Series 7	18,440	34,176	—	19,423	(3)	(2,347)
Series 8	292,288	316,565	21,587	49,117	(43,251)	(57,122)
Series IGP	203,802	226,277	650	633	(8,395)	(7,815)
Specialty Equity – NEI Northwest						
Series 3	282,660	317,571	6,365	4,985	(26,067)	(20,119)
Series 5	998,568	1,184,584	35,106	34,540	(134,908)	(145,775)
Series 6	209,094	232,942	22,215	130,372	(27,261)	(115,902)
Series 7	5,522	5,522	—	—	—	—
Series 8	198,721	206,813	13,466	107,227	(22,628)	(16,982)
Small Cap – Franklin Bissett						
Series 3	237,158	268,868	2,944	3,855	(14,414)	(47,163)
Series 5	275,119	345,407	28,620	42,152	(41,176)	(68,342)
Series 6	504,140	527,953	60,997	65,064	(55,788)	(56,823)
Series 7	14,490	17,464	—	—	(30)	(42)
Series 8	101,845	111,512	42,938	10,106	(38,990)	(8,398)
Foreign Equity						
American Equity – MFS						
Series 3	447,281	458,985	40,865	44,397	(43,698)	(60,121)
Series 5	1,311,868	1,378,396	129,514	150,906	(183,638)	(229,744)
Series 6	1,716,390	1,443,790	382,201	361,988	(193,071)	(307,141)
Series 7	107,473	133,417	14,552	6,488	(3,433)	(39,612)
Series 8	2,163,467	1,398,417	588,050	459,570	(263,924)	(278,183)
American Equity Value – Desjardins						
Series 1	219,478	234,677	4,717	1,802	(5,790)	(73,728)
Series 3	225,537	250,040	6,144	8,203	(25,686)	(35,274)
Series 5	821,035	943,611	61,622	49,884	(120,619)	(138,367)
Series 6	770,117	757,491	129,092	84,068	(98,213)	(108,321)
Series 7	15,683	19,419	298	—	(1,730)	(16,342)
Series 8	851,358	744,791	160,882	181,854	(120,890)	(87,003)
Global Dividend – Desjardins						
Series 5	771,893	901,787	59,177	92,020	(131,513)	(184,702)
Series 6	1,578,564	1,568,913	177,256	285,239	(230,005)	(217,934)
Series 7	311,200	344,914	9,536	—	(33,616)	(14,197)
Series 8	1,596,052	1,465,160	241,035	205,313	(204,205)	(65,970)
Global Equity – Desjardins						
Series 5	39,897	—	9,372	—	—	—
Series 6	33,239	—	2,718	—	(4)	—
Series 7	30,525	—	—	—	—	—
Series 8	36,800	—	6,281	—	(6)	—

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
Global Equity – MFS						
Series 3	536,233	571,792	9,677	17,850	(33,578)	(113,963)
Series 5	7,557,856	8,418,661	142,971	224,666	(600,158)	(1,012,306)
Series 6	470,060	443,414	87,401	59,046	(69,581)	(84,022)
Series 7	79,467	175,304	300	45,813	(8,012)	(1,721)
Series 8	566,283	511,869	85,444	101,654	(58,301)	(34,099)
International Equity – MFS						
Series 1	171,058	197,232	82	3,241	(8,185)	(20,710)
Series 3	462,461	522,909	22,624	21,458	(50,792)	(65,091)
Series 5	339,415	409,627	9,825	47,958	(44,168)	(121,523)
Series 6	286,821	290,537	43,818	16,550	(29,466)	(49,378)
Series 7	20,415	47,321	1,355	18,862	(9,095)	(38,278)
Series 8	296,347	230,815	33,036	40,571	(5,189)	(17,218)
International Equity Growth – Desjardins						
Series 5	322,936	351,624	64,148	55,497	(32,665)	(68,805)
Series 6	883,709	817,679	196,563	184,113	(114,537)	(124,786)
Series 7	46,511	65,927	—	13,505	(4,022)	(7,817)
Series 8	1,141,405	942,362	264,709	252,266	(102,333)	(145,734)

Management of Risks Associated with Units Attributable to Contract Owners

Units attributed and outstanding are considered as the Funds' capital. The Funds are not subject to specific capital requirements on the premiums and withdrawals, other than certain minimum deposit requirements. Contract Owners are entitled to require payment of the net asset value per unit for all or any of the notional units they hold by giving an official notice to the Company at any time. Units attributable to Contract Owners are redeemable for cash equal to a pro rata share of the Funds' net asset value.

5. MANAGEMENT FEES AND OTHER EXPENSES

Management Fees

In return for investment management, Desjardins Financial Security is paid a management fee from the Funds based on the net asset value of the units attributed to each series of each Fund and calculated daily.

The management fees, as a percentage of the daily average net assets, are as follows:

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
INVESTMENT SOLUTIONS							
Conservative	—	—	2.05	1.95	1.50	1.65	—
Moderate	—	—	2.05	2.00	1.55	1.70	—
Balanced	—	—	2.10	2.00	1.55	1.70	—
Growth	—	—	2.15	2.05	1.60	1.75	—
Maximum Growth	—	—	2.15	2.05	1.60	1.75	—
RESPONSIBLE INVESTMENT PORTFOLIOS							
Conservative –							
Desjardins SocieTerra	—	—	2.20	2.10	1.65	1.80	—
Balanced – Desjardins SocieTerra	—	—	1.88	2.15	1.70	1.85	—
Growth – Desjardins SocieTerra	—	—	2.30	2.20	1.75	1.90	—
Maximum Growth –							
Desjardins SocieTerra	—	—	2.40	2.30	1.85	2.00	—
INDIVIDUAL FUNDS							
Income							
Money Market	0.75	0.75	0.75	0.80	0.35	0.50	1.30
Income – Fiera Capital	1.50	1.38	1.09	1.35	0.90	1.05	—
Canadian Bond	—	—	1.09	1.35	0.90	1.05	—
Global Tactical Bond – Desjardins	—	—	1.85	1.70	1.25	1.40	—

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
Balanced and Asset Allocation							
Diversified Income –							
Franklin Quotential	—	1.90	1.96	2.20	1.75	1.90	—
Balanced Income –							
Franklin Quotential	—	1.90	1.96	2.15	1.70	1.85	—
Canadian Balanced – Fidelity	—	2.02	2.02	2.20	1.75	1.90	—
U.S. Monthly Income – Fidelity	—	—	2.40	2.30	1.85	2.00	—
Global Balanced –							
Jarislowsky Fraser	—	2.10	1.69	2.10	1.65	1.80	—
Canadian Balanced –							
Fiera Capital	2.00	1.65	1.68	2.00	1.55	1.70	—
Balanced Growth –							
Franklin Quotential	—	1.90	1.96	2.15	1.70	1.85	—
Canadian Balanced –							
CI Signature	—	—	1.89	2.15	1.70	1.85	—
Income and Growth –							
CI Signature	—	—	2.20	2.20	1.75	1.90	—
Growth and Income –							
NEI Northwest	—	2.22	2.03	2.20	1.75	1.90	—
Global Growth – NEI Select	—	2.33	2.10	2.30	1.85	2.00	—
Canadian Asset Allocation –							
CI Cambridge	—	—	2.20	2.05	1.60	1.75	—
Growth – Franklin Quotential	—	2.15	2.21	2.20	1.75	1.90	—
Canadian Equity							
Dividend Income – Desjardins	—	2.05	2.05	2.00	1.55	1.70	—
Canadian Dividend –							
NEI Northwest	—	—	2.20	2.15	1.70	1.85	—
Canadian Equity –							
Jarislowsky Fraser	—	2.15	1.69	2.10	1.65	1.80	—
Canadian Equity – Fidelity							
True North®	—	2.02	2.02	2.25	1.80	1.95	—
Canadian Equity – Franklin Bissett	2.75	2.18	1.75	2.10	1.65	1.80	1.95
Specialty Equity – NEI Northwest	—	2.35	2.16	2.40	1.95	2.10	—
Small Cap – Franklin Bissett	—	2.25	2.01	2.40	1.95	2.10	—
Foreign Equity							
American Equity – MFS	—	2.25	1.71	2.15	1.70	1.85	—
American Equity Value –							
Desjardins	2.00	1.69	2.06	2.10	1.65	1.80	—
Global Dividend – Desjardins	—	—	2.20	2.20	1.75	1.90	—
Global Equity – Desjardins	—	—	2.15	2.10	1.65	1.80	—
Global Equity – MFS	—	1.78	1.78	2.25	1.80	1.95	—
International Equity – MFS	2.00	1.95	1.69	2.25	1.80	1.95	—
International Equity Growth –							
Desjardins	—	—	2.20	2.20	1.75	1.90	—

Operating Expenses

In addition to management fees, a charge is applied to each Fund for operating and administrative expenses relating to the Fund. Each Fund is also responsible for all applicable taxes, including Goods and Services Tax (GST) and Harmonized Sales Tax (HST) if any, and all brokerage commissions incurred by a Fund in buying and selling investments on behalf of a Fund.

Management Expense Ratios

Some expenses (audit fees, legal fees, custodial fees, marketing costs, information technology costs, etc.) have been absorbed by the Company. Management expense ratios for all the Funds would be 45 basis points higher if these expenses had been charged to the Funds. The Company does not intend to change its method of allocating costs.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

The management expense ratios for the period ended June 30, 2020 and the past five years, which includes management, guarantee, operating expenses and taxes are as follows:

	June 30 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
	%	%	%	%	%	%
INVESTMENT SOLUTIONS						
Conservative**						
Series 5	2.60	2.61	2.61	2.59	2.59	2.59*
Series 6	2.47	2.47	2.46	2.47	2.47	2.49
Series 7	1.90	1.87	1.90	1.91	1.88	2.01
Series 8	2.10	2.11	2.14*	—	—	—
Moderate**						
Series 5	2.60	2.61	2.68	2.67	2.70	2.64*
Series 6	2.52	2.51	2.50	2.50	2.49	2.51
Series 7	1.95	1.96	1.95	1.95	1.90	1.90
Series 8	2.17	2.16	2.19*	—	—	—
Balanced**						
Series 5	2.67	2.73	2.73	2.73	2.76	2.70*
Series 6	2.56	2.56	2.56	2.56	2.54	2.57
Series 7	2.04	2.04	2.05	2.07	2.08	2.13
Series 8	2.23	2.23	2.25*	—	—	—
Growth**						
Series 5	2.77	2.78	2.79	2.78	2.82	2.76*
Series 6	2.59	2.58	2.58	2.58	2.59	2.68
Series 7	2.09	2.06	2.05	2.07	2.10	2.18
Series 8	2.25	2.25	2.31*	—	—	—
Maximum Growth**						
Series 5	2.71	2.75	2.76	2.76	2.87	2.81*
Series 6	2.68	2.69	2.70	2.70	2.67	2.71
Series 7	2.10	2.11	2.06	2.24	2.24	2.24
Series 8	2.35	2.35	2.36*	—	—	—
RESPONSIBLE INVESTMENT PORTFOLIOS						
Conservative – Desjardins SocieTerra						
Series 5	2.77	2.82	2.76*	—	—	—
Series 6	2.67	2.70	2.64*	—	—	—
Series 7	2.17	2.18	2.14*	—	—	—
Series 8	2.30	2.36	2.31*	—	—	—
Balanced – Desjardins SocieTerra						
Series 5	2.82	2.82	2.81	2.81	2.81	2.81*
Series 6	2.71	2.70	2.68	2.70	2.76	2.74*
Series 7	2.13	2.12	2.13	2.11	2.30	2.30*
Series 8	2.38	2.38	2.42*	—	—	—
Growth – Desjardins SocieTerra						
Series 5	2.84	2.83	2.93*	—	—	—
Series 6	2.83	2.85	2.81*	—	—	—
Series 7	2.36	2.36	2.31*	—	—	—
Series 8	2.42	2.42	2.48*	—	—	—
Maximum Growth – Desjardins SocieTerra						
Series 5	3.14	3.16	3.09*	—	—	—
Series 6	3.02	3.02	2.98*	—	—	—
Series 7	2.53	2.53	2.48*	—	—	—
Series 8	2.70	2.70	2.64*	—	—	—

	June 30 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
	%	%	%	%	%	%
INDIVIDUAL FUNDS						
Income						
Money Market**						
Series 1	1.71	1.72	1.73	1.72	1.72	1.72
Series 3	1.74	1.73	1.73	1.73	1.71	1.72
Series 5	1.40	1.39	1.39	1.38	1.38	1.39
Series 6	1.13	1.13	1.13	1.13	1.12	1.10
Series 7	0.58	0.59	0.59	0.58	0.61	0.63
Series 8	0.79	0.80	0.79*	—	—	—
Series IGP	1.65	1.66	1.66	1.65	1.66	1.66
Income – Fiera Capital						
Series 1	2.98	2.98	2.97	2.95	2.93	2.93
Series 3	2.59	2.60	2.61	2.61	2.61	2.61
Series 5	1.96	1.96	1.96	1.96	1.96	1.96
Series 6	1.79	1.79	1.77	1.78	1.77	1.79
Series 7	1.29	1.28	1.29	1.20	1.22	1.31
Series 8	1.45	1.44	1.46*	—	—	—
Canadian Bond**						
Series 5	1.97	1.97	1.96	1.96	1.96	1.96*
Series 6	1.80	1.80	1.80	1.78	1.77	1.75*
Series 7	1.27	1.23	1.22	1.22	1.22	1.32*
Series 8	1.48	1.48	1.46*	—	—	—
Global Tactical Bond – Desjardins						
Series 5	2.47	2.47*	—	—	—	—
Series 6	2.30	2.30*	—	—	—	—
Series 7	1.78	1.78*	—	—	—	—
Series 8	1.95	1.95*	—	—	—	—
Balanced and Asset Allocation						
Diversified Income – Franklin Quotential						
Series 3	3.15	3.14	3.15	3.14	3.14	3.13
Series 5	2.93	2.92	2.92	2.91	2.91	2.92
Series 6	2.72	2.72	2.71	2.70	2.71	2.68
Series 7	2.21	2.22	2.22	2.18	2.20	2.27
Series 8	2.38	2.38	2.42*	—	—	—
Balanced Income – Franklin Quotential						
Series 3	3.20	3.20	3.20	3.20	3.20	3.20
Series 5	2.95	2.95	2.95	2.95	2.95	2.95
Series 6	2.75	2.75	2.75	2.75	2.76	2.75
Series 7	2.27	2.27	2.27	2.28	2.30	2.30
Series 8	2.38	2.40	2.42*	—	—	—
Canadian Balanced – Fidelity						
Series 3	3.37	3.38	3.38	3.38	3.39	3.41
Series 5	2.96	2.96	2.96	2.96	2.96	2.96
Series 6	2.81	2.81	2.81	2.81	2.81	2.82
Series 7	2.26	2.27	2.27	2.28	2.28	2.34
Series 8	2.47	2.48	2.48*	—	—	—
U.S. Monthly Income – Fidelity						
Series 5	3.01	3.01	3.00	2.97	3.10	3.04*
Series 6	2.90	2.89	2.88	2.89	2.99	2.93*
Series 7	2.38	2.38	2.37	2.39	2.47	2.42*
Series 8	2.56	2.57	2.59*	—	—	—
Global Balanced – Jarislowsky Fraser						
Series 3	3.37	3.37	3.37	3.37	3.39	3.40
Series 5	2.85	2.85	2.85	2.85	2.85	2.85
Series 6	2.67	2.67	2.68	2.68	2.63	2.59*
Series 7	2.15	2.16	2.15	2.18	2.24	2.24*
Series 8	2.33	2.33	2.36*	—	—	—

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	June 30 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
	%	%	%	%	%	%
Canadian Balanced – Fiera Capital**						
Series 1	3.83	3.83	3.83	3.83	3.83	3.83
Series 3	3.19	3.19	3.19	3.18	3.19	3.20
Series 5	2.55	2.55	2.55	2.55	2.55	2.55
Series 6	2.57	2.57	2.57	2.57	2.57	2.59
Series 7	2.03	2.04	2.03	2.08	2.08	2.12
Series 8	2.25	2.25	2.25*	—	—	—
Balanced Growth – Franklin Quotential						
Series 3	3.28	3.28	3.27	3.26	3.26	3.27
Series 5	2.98	2.98	2.97	2.97	2.97	2.97
Series 6	2.78	2.78	2.78	2.79	2.80	2.79
Series 7	2.26	2.27	2.27	2.29	2.34	2.36
Series 8	2.43	2.44	2.48*	—	—	—
Canadian Balanced – CI Signature						
Series 5	3.00	3.00	3.00	2.99	2.99	2.99
Series 6	2.80	2.79	2.78	2.78	2.79	2.78
Series 7	2.25	2.24	2.25	2.28	2.29	2.34
Series 8	2.45	2.44	2.48*	—	—	—
Income and Growth – CI Signature						
Series 5	3.05	3.04	3.04	3.04	3.05	3.05
Series 6	2.90	2.90	2.90	2.89	2.90	2.85
Series 7	2.35	2.35	2.34	2.36	2.36	2.32
Series 8	2.57	2.57	2.59*	—	—	—
Growth and Income – NEI Northwest						
Series 3	3.59	3.59	3.62	3.63	3.64	3.64
Series 5	2.94	2.94	2.94	2.94	2.94	2.94
Series 6	2.84	2.84	2.83	2.84	2.85	2.87
Series 7	2.34	2.34	2.28	2.29	2.30	2.41
Series 8	2.52	2.50	2.53*	—	—	—
Global Growth – NEI Select						
Series 3	3.82	3.82	3.82	3.83	3.85	3.85
Series 5	3.13	3.13	3.13	3.13	3.13	3.12
Series 6	2.99	2.99	3.00	2.99	2.98	2.98
Series 7	2.42	2.42	2.37	2.46	2.40	2.59
Series 8	2.68	2.67	2.70*	—	—	—
Canadian Asset Allocation – CI Cambridge						
Series 5	2.88	2.89	2.90	2.89	2.90	2.89
Series 6	2.71	2.71	2.71	2.70	2.70	2.68
Series 7	2.20	2.21	2.20	2.21	2.19	2.30
Series 8	2.37	2.37	2.42*	—	—	—
Growth – Franklin Quotential						
Series 3	3.60	3.60	3.60	3.60	3.61	3.61
Series 5	3.22	3.22	3.22	3.22	3.22	3.22
Series 6	2.90	2.89	2.89	2.89	2.89	2.92
Series 7	2.40	2.40	2.46	2.45	2.45	2.47
Series 8	2.56	2.55	2.59*	—	—	—
Canadian Equity						
Dividend Income – Desjardins						
Series 3	3.11	3.11*	—	—	—	—
Series 5	2.65	2.66*	—	—	—	—
Series 6	2.56	2.55*	—	—	—	—
Series 7	2.04	2.04*	—	—	—	—
Series 8	2.26	2.24*	—	—	—	—

	June 30 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
	%	%	%	%	%	%
Canadian Dividend – NEI Northwest						
Series 5	3.06	3.07	3.07	3.07	3.08	3.08
Series 6	2.88	2.87	2.87	2.88	2.87	2.85
Series 7	2.35	2.36	2.39	2.39	2.41	2.41
Series 8	2.56	2.56	2.53*	—	—	—
Canadian Equity – Jarislowsky Fraser						
Series 3	3.59	3.60	3.60	3.60	3.59	3.58
Series 5	2.92	2.92	2.92	2.92	2.92	2.91
Series 6	2.85	2.84	2.82	2.82	2.93	2.87*
Series 7	2.38	2.37	2.33	2.41	2.41	2.36*
Series 8	2.50	2.50	2.53*	—	—	—
Canadian Equity – Fidelity True North®						
Series 3	3.57	3.57	3.58	3.57	3.56	3.59
Series 5	3.21	3.21	3.21	3.20	3.20	3.20
Series 6	3.04	3.03	3.04	3.03	3.04	3.05
Series 7	2.52	2.53	2.55	2.48	2.46	2.58
Series 8	2.72	2.72	2.70*	—	—	—
Canadian Equity – Franklin Bissett						
Series 1	3.96	3.97	3.97	3.97	3.98*	—
Series 3	3.58	3.58	3.59	3.58	3.59	3.59
Series 5	2.97	2.97	2.97	2.97	2.97	2.97
Series 6	2.80	2.80	2.80	2.80	2.80	2.79
Series 7	2.41	2.39	2.27	2.41	2.41	2.41
Series 8	2.49	2.49	2.53*	—	—	—
Series IGP	2.38	2.39	2.38	2.39	2.38*	—
Specialty Equity – NEI Northwest						
Series 3	3.81	3.81	3.83	3.82	3.82	3.83
Series 5	3.27	3.27	3.28	3.28	3.28	3.27
Series 6	3.20	3.20	3.23	3.24	3.21	3.21
Series 7	2.76	2.76	2.76	2.76	2.76	2.76
Series 8	2.89	2.91	2.87*	—	—	—
Small Cap – Franklin Bissett						
Series 3	3.77	3.77	3.76	3.76	3.76	3.74
Series 5	3.14	3.14	3.14	3.14	3.14	3.13
Series 6	3.17	3.14	3.14	3.14	3.14	3.12
Series 7	2.73	2.73	2.45	2.74	2.74	2.56
Series 8	2.83	2.82	2.87*	—	—	—
Foreign Equity						
American Equity – MFS**						
Series 3	3.69	3.70	3.73	3.74	3.75	3.76
Series 5	2.92	2.93	2.94	2.93	2.93	2.93
Series 6	2.90	2.90	2.90	2.88	2.87	2.88
Series 7	2.41	2.42	2.43	2.44	2.44	2.47
Series 8	2.58	2.57	2.59*	—	—	—
American Equity Value – Desjardins						
Series 1	3.82	3.83	3.82	3.82	3.82	3.81
Series 3	3.19	3.20	3.20	3.21	3.22	3.23
Series 5	3.06	3.06	3.06	3.06	3.05	3.06
Series 6	2.84	2.84	2.84	2.84	2.83	2.79
Series 7	2.29	2.33	2.22	2.38	2.27	2.25
Series 8	2.54	2.54	2.53*	—	—	—
Global Dividend – Desjardins						
Series 5	2.81	2.82	2.81	2.80	2.80	2.79
Series 6	2.89	2.89	2.89	2.89	2.87	2.83
Series 7	2.39	2.39	2.37	2.37	2.34	2.47
Series 8	2.56	2.56	2.59*	—	—	—

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	June 30 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
	%	%	%	%	%	%
Global Equity – Desjardins						
Series 5	2.93	2.93*	—	—	—	—
Series 6	2.87	2.87*	—	—	—	—
Series 7	2.36	2.36*	—	—	—	—
Series 8	2.53	2.53*	—	—	—	—
Global Equity – MFS**						
Series 3	3.34	3.36	3.37	3.37	3.36	3.39
Series 5	2.90	2.90	2.90	2.90	2.92	2.92
Series 6	2.95	2.95	2.94	2.94	2.93	2.95
Series 7	2.46	2.46	2.43	2.46	2.53	2.53
Series 8	2.63	2.63	2.64*	—	—	—
International Equity – MFS**						
Series 1	3.85	3.84	3.84	3.83	3.82	3.83
Series 3	3.61	3.62	3.64	3.65	3.65	3.64
Series 5	2.73	2.73	2.75	2.75	2.75	2.76
Series 6	3.02	3.03	3.00	3.02	3.01	3.05
Series 7	2.51	2.52	2.50	2.55	2.55	2.59
Series 8	2.71	2.72	2.70*	—	—	—
International Equity Growth – Desjardins						
Series 5	3.09	3.08	3.11	3.10	3.10	3.11
Series 6	2.95	2.94	2.94	2.94	2.93	2.92
Series 7	2.48	2.47	2.44	2.53	2.53	2.53
Series 8	2.63	2.62	2.64*	—	—	—

* Annualized.

** The management expense ratios for these Funds include underlying fund managers' fees, ranging from 0.01 to 0.06%.

6. RELATED PARTY TRANSACTIONS

The Funds pay management fees and operating expenses to the Company, which are presented in the Statement of Comprehensive Income. Those fees are calculated daily using the net asset value of the Fund. The management fees are paid monthly at the annual rate specified in Note 5. Accrued expenses, presented in the Statement of Financial Position, are to be paid to the Company.

Some Funds have investments in underlying funds from related parties.

As at June 30, 2020 and December 31, 2019, the Company had the following seed capital investments:

	June 30, 2020	December 31, 2019
	\$	\$
Conservative	25,258	24,152
Moderate	26,260	25,285
Balanced	27,190	26,460
Growth	28,321	27,758
Maximum Growth	334,731	331,322
Conservative – Desjardins SocieTerra	628,690	612,630
Balanced – Desjardins SocieTerra	27,311	26,564
Growth – Desjardins SocieTerra	632,637	623,337
Maximum Growth – Desjardins SocieTerra	637,983	635,443
Money Market	87,636	86,817
Income – Fiera Capital	26,676	24,714
Canadian Bond	25,873	24,234
Global Tactical Bond – Desjardins	358,020	366,120
Diversified Income – Franklin Quotential	25,508	24,820
Balanced Income – Franklin Quotential	26,105	25,768
Canadian Balanced – Fidelity	28,303	28,097
U.S. Monthly Income – Fidelity	514,922	525,304
Global Balanced – Jarislowsky Fraser	26,307	26,755
Canadian Balanced – Fiera Capital	29,072	29,410
Balanced Growth – Franklin Quotential	26,621	26,707

	June 30, 2020	December 31, 2019
	\$	\$
Canadian Balanced – CI Signature	25,720	26,554
Income and Growth – CI Signature	25,387	26,972
Growth and Income – NEI Northwest	26,533	28,915
Global Growth – NEI Select	27,627	29,298
Canadian Asset Allocation – CI Cambridge	26,422	27,437
Growth – Franklin Quotential	27,019	27,532
Dividend Income – Desjardins	4,540	5,032
Canadian Dividend – NEI Northwest	22,517	27,677
Canadian Equity – Jarislowsky Fraser	24,614	27,854
Canadian Equity – Fidelity True North®	27,520	28,271
Canadian Equity – Franklin Bissett	66,126	75,063
Specialty Equity – NEI Northwest	253,607	277,852
Small Cap – Franklin Bissett	11,654	14,448
American Equity – MFS	40,016	40,693
American Equity Value – Desjardins	910,882	1,033,706
Global Dividend – Desjardins	26,889	30,637
Global Equity – Desjardins	618,433	630,032
Global Equity – MFS	36,276	36,367
International Equity – MFS	30,834	32,463
International Equity Growth – Desjardins	486,920	382,652

The related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. FINANCIAL INSTRUMENTS DISCLOSURES

DFS Preliminary Information

The net assets of the DFS Guaranteed Investment Funds are held by the Company. These Funds are not separate legal entities. The Contract Owners do not own any of the assets of the Funds nor own an interest in the Funds. However, the financial instrument risks resulting from the Funds are assumed by the Contract Owners. The value of the segregated funds may increase or decrease according to market fluctuations.

Moreover, the Funds are offered with a deposit guarantee of 75 to 100% that protects the deposits until specific maturity dates.

For the Funds of funds, details regarding the top holdings of the underlying fund(s) are shown in the appendix of the Schedule of Investment Portfolio.

Hierarchy of Financial Instruments at Fair Value

The fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1 – Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques based primarily on observable market data;
- Level 3 – Valuation techniques not based primarily on observable market data.

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

Measurement Monitoring

The Company is responsible for establishing the fair value measurements included in the Funds' financial statements, including Level 3 measurements. The Company obtains prices from a pricing agency, monitors and analyzes these prices daily. A Measurement Monitoring Committee established by the Company ensures that appropriate operating procedures and a proper monitoring structure are in place and followed. This Committee meets on a quarterly basis to review fair value situations. Reports are produced monthly and given quarterly to the Committee members. It also examines specific processes carried out by the Portfolio Pricing and Controls department. Moreover, the Measurement Monitoring Committee establishes Measurement Policy orientation. On a quarterly basis, this Committee examines and approves the Level 3 measurements after obtaining confirmation of the measurements from each portfolio manager, as needed. The Committee signs off on any adjustments made to prices or estimates provided by the pricing agency.

Establishment of Levels

A change in the fair value measurement method could result in a transfer between levels. The Funds' policy is to record the implications of the transfers between levels on the date of the event or change in circumstances behind the transfer.

The following types of investments may be classified as Level 3 if their prices are no longer based on observable inputs.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

a) Money Market Securities

Money market securities primarily include public sector and corporate securities. The inputs that are significant to valuation are generally observable. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1. Other money market securities have been classified as Level 2.

b) Equities

Equities are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data and the fair value is classified as Level 2. If the determination of fair value uses significant unobservable data, then the fair value is classified as Level 3. Unlisted warrants are generally classified as Level 2.

c) Index-Based Investments and Exchange Traded Funds

Index-based investments and exchange traded funds are classified as Level 1 when the security is actively traded and a reliable price is observable.

d) Bonds

Public sector bonds guaranteed by the federal or provincial government are classified as Level 1. Corporate bonds, which are valued using models with inputs including interest rate curves, credit spreads and volatilities are usually classified as Level 2.

e) Mortgage-Backed Securities and Asset-Backed Securities

Mortgage-backed securities and asset-backed securities consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation are generally observable, mortgage-backed securities and asset-backed securities are usually classified as Level 2.

f) Investment Funds

Public investment funds are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some investment funds are not public, their price is determined using observable market data and their fair value is classified as Level 2. If the measurement of fair value requires the use of significant unobservable inputs, it is classified as Level 3.

g) Derivative Financial Instruments

Derivative financial instruments consist of foreign currency forward contracts for which counterparty credit spreads are observable and reliable or for which the credit-related inputs are determined to be significant to fair value, are classified as Level 2.

Detailed information concerning the fair value hierarchy of each Fund is available in their respective "Notes to the Financial Statements – Specific Information". For securities classified as Level 3, the valuation techniques and assumptions are also presented in their respective notes.

Management of Risks Arising from Financial Instruments

Throughout their activities, the Funds are exposed to a variety of risks associated with financial instruments such as market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The overall strategy of the Funds' risk management focuses on the unpredictability of financial markets and optimizes the Funds' financial performance. Most investments involve a risk of loss.

For the purpose of these financial statements, certain risks detailed in the Contract and Information Folder are associated with other risks. The market risk, the special equities risk and the sovereign risk are presented under price risk. The credit risk and the derivatives risk are presented under credit risk.

The Company monitors the Funds' risks on a quarterly basis and the Committee Performance of Manager and Investment Solutions of Desjardins Wealth Management and Life and Health Insurance reviews these risks on a quarterly basis.

The COVID-19 pandemic has increased volatility in financial markets and has led to disruptions in people's lives such as travel and border restrictions, quarantines, supply chain issues, lower consumer demand and general market impacts. Uncertainty still exists as to the long-term implications. Such disruptions can affect the management of risks arising from financial instruments.

Market Risk

Market risk is the risk that the fair value or future cash flows associated with a financial instrument will fluctuate because of a change in the relevant risk variables, such as interest rates, exchange rates and equity prices. The Funds' market risk is managed through diversification of the investment portfolios' exposure ratios. The return on investments held by the Funds is monitored by the Company monthly and reviewed by the Committee Performance of Manager and Investment Solutions of Desjardins Wealth Management and Life and Health Insurance on a quarterly basis.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed-income and money market securities) and non-monetary items (usually including investments in equities and investment funds). The non-monetary assets are classified according to the trading currency of the security.

The Funds are exposed to currency risk by holding assets and liabilities denominated in currencies other than the Canadian dollar, the Funds' functional currency, as the value of the securities denominated in other currencies will fluctuate according to the prevailing exchange rates. The Funds may enter into foreign currency forward contracts to reduce their exposure to currency risk.

The Funds' exposure to currency risk is shown based on the carrying value of financial assets and financial liabilities (including the notional amount of foreign currency forward contracts and foreign currency futures, if any).

When the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. Conversely, when the value of the Canadian dollar increases, the value of foreign investments decreases.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk occurs when an investment fund invests in interest-bearing financial instruments. Generally, the value of these securities increases if interest rates decrease and decreases if interest rates increase. The Company manages this risk by calculating and monitoring the average portfolio duration on these securities. The Funds also hold a limited amount of cash subject to variable interest rates, which expose them to cash flow interest rate risk.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price, other than those arising from currency risk or interest rate risk.

The Company manages this risk by carefully selecting securities and other financial instruments, in accordance with defined limits. The maximum risk resulting from financial instruments is determined by the fair value or contract value of the financial instruments. The Funds' overall market positions are monitored monthly by the Company and reviewed on a quarterly basis by the Committee Performance of Manager and Investment Solutions of Desjardins Wealth Management and Life and Health Insurance. The Funds' financial instruments are exposed to price risk arising from uncertainties about the future prices of instruments.

Concentration Risk

Concentration risk arises because of the concentration of exposure within the same category, whether it is geographical location or industry sector. For Funds with an international investment strategy, the concentration by geographic location is presented according to, among other things, the country of incorporation or region. For Funds with a domestic investment strategy, the concentration by industry sector is presented according to their investments in the different sectors. The concentration risk is managed through portfolio diversification within the framework of the Funds' objective and strategy.

Credit Risk

Credit risk is the risk that the financial instrument counterparty will be unable to pay the full amount at maturity. The Funds' credit risk is managed through an independent credit analysis from the Manager/sub-advisor, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Funds are exposed to credit risk. The Funds' and the counterparty's respective credit risk are considered when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment.

Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Funds' rights to their assets in the case of an insolvency of any such party.

The investment grade for fixed-income securities and money market securities is rated by credit rating agencies, which generally includes the *Dominion Bond Rating Service* (DBRS), *Standard & Poor's* and *Moody's*. In cases where the credit rating agencies do not agree on a credit rating for fixed-income securities and money market securities, they will be classified following these rules:

- If two credit ratings are available, but the ratings are different, the lowest rating is used;
- If three credit ratings are available, the most common credit rating is used;
- If all three credit rating agencies have different ratings, the middle credit rating is used.

The credit rating is then converted to DBRS format. Generally, the greater the credit rating of a security, the lower the probability of it defaulting on its obligations.

Derivative financial instruments are financial contracts whose value depends on underlying assets. The vast majority of derivative financial instruments are negotiated by mutual agreement between the Funds and their counterparties, and include, among others, foreign currency forward contracts. Other transactions are carried out as part of trades and mainly consist of standardized futures contracts.

Securities Lending, Repurchase Transactions and Reverse Repurchase Transactions

Securities lending, repurchase transactions and reverse repurchase transactions expose the Funds to credit risk. These transactions are governed by Investment Industry Regulatory Organization of Canada participation agreements. The Funds also use netting agreements with counterparties to mitigate credit risk and require a percentage of collateralization (a pledge) on these transactions. The Funds only accept pledges from counterparties that comply with the eligibility criteria defined in their policies. These criteria promote quick realization, if necessary, of collateral in case of default. The collateral received and given by the Funds are mainly cash and government securities. Further information on assets pledged and received as collateral is presented in the "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of units. Most of their assets are therefore invested in liquid investments (i.e., investments that can be readily disposed of).

Some Funds may invest in derivative financial instruments, debt securities and unlisted equity investments that are not traded in an active market. As a result, some Funds may not be able to quickly liquidate their investments at amounts approximating their fair values or be able to respond to specific effects such as deterioration in the creditworthiness of any particular issuer.

Units attributable to Contract Owners are redeemable upon request at the owner's option. However, the Company does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as Contract Owners of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Additional Information

For further information on the risks associated with financial instruments to which each Fund is exposed, refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund. Details on risks and various documents on underlying funds (detailed description of each Fund's investment policy and, where applicable, the investment policy and/or prospectus and financial statements of the underlying fund(s)) are available upon request by writing to the Company at the following address:

1 Complexe Desjardins
P.O. Box 9000
Montréal, Québec
H5B 1H5



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Thank you.

Thank you for choosing the strength and stability of a company specialized in providing individual insurance and retirement savings products to over five million Canadians, every day, to ensure their financial security.

Thank you for also choosing Desjardins Group, the largest cooperative financial group in Canada, whose financial stability is recognized by the following credit ratings which are comparable, if not superior to those of the five largest Canadian banks and insurance companies:

- Standard and Poor's A+
- Moody's Aa2
- Dominion Bond Rating Service AA
- Fitch AA-

The Contract and Information Folder contains important information on the DFS Guaranteed Investment Funds. Please read it carefully before investing.

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