

# 2021 Semi-Annual Report

DFS GUARANTEED INVESTMENT FUNDS

Financial Information as of **June 30, 2021**

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

Desjardins Insurance refers to Desjardins Financial Security Life Assurance Company.



**NOTICE**

The following DFS Guaranteed Investment Funds' Semi-Annual Report has not been subject to a review by the Funds' external auditors.

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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](https://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  
1150 rue de Claire-Fontaine  
Québec, Québec, G1R 5G4

Or send an email to: [gifclientservice@dfs.ca](mailto: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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	81,431
Investments at fair value through profit or loss (FVTPL)	<b>46,248,728</b>	47,675,248
Premiums receivable	—	72,892
Receivable for securities sold	<b>152,511</b>	—
	<b>46,401,239</b>	47,829,571
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>24,627</b>	—
Accrued expenses	<b>79,458</b>	86,694
Withdrawals payable	<b>174,329</b>	35,447
Payable for securities purchased	—	60,739
	<b>278,414</b>	182,880
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>46,122,825</b>	47,646,691
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>5.81</b>	5.90
Series 6	<b>6.07</b>	6.16
Series 7	<b>6.30</b>	6.38
Series 8	<b>5.73</b>	5.80

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	176
Distributions from underlying funds	<b>473,339</b>	422,883
Changes in fair value:		
Net realized gain (loss) on investments	<b>247,376</b>	190,876
Net unrealized gain (loss) on investments	<b>(933,420)</b>	1,380,790
	<b>(212,705)</b>	1,994,725
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>462,736</b>	390,908
Operating expenses	<b>51,938</b>	40,693
	<b>514,674</b>	431,601
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>(727,379)</b>	1,563,124
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>(243,395)</b>	399,155
- per unit	<b>(0.09)</b>	0.24
Average Number of Units	<b>2,597,139</b>	1,666,725
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>(303,676)</b>	749,365
- per unit	<b>(0.09)</b>	0.25
Average Number of Units	<b>3,229,391</b>	3,051,244
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>(47,034)</b>	80,963
- per unit	<b>(0.16)</b>	0.25
Average Number of Units	<b>287,270</b>	321,263
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>(133,274)</b>	333,641
- per unit	<b>(0.07)</b>	0.24
Average Number of Units	<b>1,832,359</b>	1,384,315

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>47,646,691</u>	33,080,250
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(727,379)</u>	1,563,124
Premiums		
Series 5	1,155,829	5,820,200
Series 6	3,275,485	3,370,291
Series 7	98,211	483,170
Series 8	2,080,956	2,550,266
	<u>6,610,481</u>	<u>12,223,927</u>
Withdrawals		
Series 5	(1,384,555)	(1,764,575)
Series 6	(3,494,912)	(3,373,089)
Series 7	(974,979)	(149,338)
Series 8	(1,552,522)	(951,039)
	<u>(7,406,968)</u>	<u>(6,238,041)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>46,122,825</u>	40,629,260

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(727,379)	1,563,124
Adjustments for:		
Net realized (gain) loss	(247,376)	(190,876)
Net unrealized (gain) loss	933,420	(1,380,790)
Non-cash distribution from investments	(473,339)	(422,883)
Proceeds from sale/maturity of investments	13,348,664	4,725,115
Investments purchased	(12,134,849)	(10,372,361)
Receivable for securities sold	(152,511)	1,805
Accrued expenses	(7,236)	12,904
Payable for securities purchased	(60,739)	502,196
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>478,655</u>	<u>(5,561,766)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,683,373	12,010,621
Amounts paid on withdrawals	(7,268,086)	(6,212,241)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(584,713)</u>	<u>5,798,380</u>
Increase (decrease) in cash/ bank overdraft	(106,058)	236,614
Cash (bank overdraft), beginning of period	81,431	178,025
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(24,627)</u>	<u>414,639</u>
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	176

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

# DFS GIF – CONSERVATIVE (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Beutel Goodman Fundamental Canadian Equity Fund, Class I	92,706	973,763	1,322,317		
BlackRock CDN US Equity Index Fund, Class D	101,413	2,778,857	3,776,391		
Desjardins Canadian Equity Fund, I-Class	114,550	1,139,506	1,324,312		
Desjardins Enhanced Bond Fund, I-Class	527,330	5,908,782	5,889,751		
Desjardins Global Dividend Fund, I-Class	59,680	1,313,518	1,335,993		
Desjardins Global Managed Bond Fund, I-Class	737,873	7,380,598	7,457,680		
Desjardins Overseas Equity Fund, I-Class	36,219	624,340	847,017		
Desjardins Overseas Equity Growth Fund, I-Class	17,349	468,460	835,434		
DGIA Canadian Bond Fund	2,266,035	23,802,621	23,459,833		
<b>Total Investments</b>		<b>44,390,445</b>	<b>46,248,728</b>		
<b>Other Net Assets</b>			(125,903)		(0.3)
<b>Net Assets</b>			<b>46,122,825</b>		100

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

## TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
<b>DGIA CANADIAN BOND FUND 50.8%</b>	
Canada Housing Trust, 2.550%, 2023-12-15	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
<b>DESJARDINS GLOBAL MANAGED BOND FUND 16.2%</b>	
iShares Global Government Bond ETF	43.5%
Desjardins Global Total Return Bond Fund	22.6%
Desjardins Emerging Markets Bond Fund	18.8%
Desjardins Global Corporate Bond Fund	11.1%
Desjardins Global High Yield Bond Fund	3.6%
<b>DESJARDINS ENHANCED BOND FUND 12.8%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.0%
Province of Ontario, 2.050%, 2030-06-02	4.9%
Province of Ontario, 2.600%, 2027-06-02	3.2%
Province of British Columbia, 1.550%, 2031-06-18	2.4%
Province of Alberta, 1.650%, 2031-06-01	2.0%
<b>BLACKROCK CDN US EQUITY INDEX FUND 8.2%</b>	
Apple	5.9%
Microsoft Corporation	5.6%
Amazon.com	4.0%
Facebook	2.3%
Alphabet	2.0%

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

<b>DESJARDINS GLOBAL DIVIDEND FUND 2.9%</b>	
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
<b>DESJARDINS CANADIAN EQUITY FUND 2.9%</b>	
Royal Bank of Canada	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 2.9%</b>	
Toronto-Dominion Bank	9.2%
Royal Bank of Canada	5.7%
Rogers Communications	5.6%
Brookfield Asset Management	5.1%
TC Energy	4.5%
<b>DESJARDINS OVERSEAS EQUITY FUND 1.8%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Nestlé	5.7%
Keyence Corporation	4.7%
Roche Holding	4.6%
IHS Markit	4.5%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 1.8%</b>	
ASML Holding	7.1%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%

## DFS GIF – CONSERVATIVE (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	19,013	27,236	—	46,249
<b>TOTAL</b>	<b>19,013</b>	<b>27,236</b>	<b>—</b>	<b>46,249</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	13,460	34,215	—	47,675
<b>TOTAL</b>	<b>13,460</b>	<b>34,215</b>	<b>—</b>	<b>47,675</b>

##### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (64%)	1.00	292	372
Bloomberg Barclays Multiverse Hedged (16%)	1.00	73	N/A
S&P/TSX (6%)	3.00	82	84
MSCI World Net (14%)	3.00	191	195

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	568	—
Investments at fair value through profit or loss (FVTPL)	73,406,150	67,721,394
Premiums receivable	19,820	104,950
Receivable for securities sold	889	153,846
	<u>73,427,427</u>	<u>67,980,190</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	185,688
Accrued expenses	124,002	121,282
Withdrawals payable	95,706	39,347
Payable for securities purchased	12,098	85,558
	<u>231,806</u>	<u>431,875</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>73,195,621</u>	<u>67,548,315</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.24</u>	6.21
Series 6	<u>6.60</u>	6.56
Series 7	<u>6.88</u>	6.82
Series 8	<u>6.00</u>	5.95

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(347)	610
Distributions from underlying funds	627,167	630,757
Changes in fair value:		
Net realized gain (loss) on investments	741,109	440,601
Net unrealized gain (loss) on investments	(86,439)	1,823,363
	<u>1,281,490</u>	<u>2,895,331</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	678,915	663,813
Operating expenses	77,935	69,557
	<u>756,850</u>	<u>733,370</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>524,640</u>	<u>2,161,961</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	47,297	183,562
- per unit	0.04	0.18
Average Number of Units	1,308,497	1,018,792
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	247,086	1,147,192
- per unit	0.04	0.21
Average Number of Units	5,599,489	5,471,870
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	25,354	293,751
- per unit	0.03	0.24
Average Number of Units	860,041	1,227,444
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	204,903	537,456
- per unit	0.06	0.18
Average Number of Units	3,354,247	2,925,545

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>67,548,315</b>	61,146,338
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>524,640</b>	2,161,961
Premiums		
Series 5	<b>1,632,876</b>	1,983,964
Series 6	<b>7,118,277</b>	4,002,215
Series 7	<b>391,112</b>	474,255
Series 8	<b>5,470,448</b>	1,693,555
	<b>14,612,713</b>	8,153,989
Withdrawals		
Series 5	<b>(617,590)</b>	(1,352,023)
Series 6	<b>(6,101,195)</b>	(3,610,600)
Series 7	<b>(1,148,571)</b>	(646,667)
Series 8	<b>(1,622,691)</b>	(1,202,859)
	<b>(9,490,047)</b>	(6,812,149)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>73,195,621</b>	64,650,139

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>524,640</b>	2,161,961
Adjustments for:		
Net realized (gain) loss	<b>(741,109)</b>	(440,601)
Net unrealized (gain) loss	<b>86,439</b>	(1,823,363)
Non-cash distribution from investments	<b>(627,167)</b>	(630,757)
Proceeds from sale/maturity of investments	<b>16,105,828</b>	9,451,881
Investments purchased	<b>(20,508,747)</b>	(10,579,782)
Receivable for securities sold	<b>152,957</b>	(186)
Accrued expenses	<b>2,720</b>	7,423
Payable for securities purchased	<b>(73,460)</b>	—
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(5,077,899)</b>	(1,853,424)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>14,697,843</b>	8,239,840
Amounts paid on withdrawals	<b>(9,433,688)</b>	(6,792,283)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>5,264,155</b>	1,447,557
Increase (decrease) in cash/ bank overdraft	<b>186,256</b>	(405,867)
Cash (bank overdraft), beginning of period	<b>(185,688)</b>	401,754
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>568</b>	(4,113)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	610
Interest paid	<b>347</b>	—

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

## DFS GIF – MODERATE (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	FAIR VALUE	
		COST	
		\$	\$ %
<b>Investment Funds</b>			100.3
Beutel Goodman Fundamental Canadian Equity Fund, Class I	256,766	2,707,279	3,662,409
BlackRock CDN US Equity Index Fund, Class D	279,585	7,579,534	10,411,135
Desjardins Canadian Equity Fund, I-Class	317,394	3,188,521	3,669,392
Desjardins Enhanced Bond Fund, I-Class	678,997	7,569,120	7,583,716
Desjardins Global Dividend Fund, I-Class	165,608	3,645,301	3,707,308
Desjardins Global Managed Bond Fund, I-Class	940,100	9,404,729	9,501,586
Desjardins Overseas Equity Fund, I-Class	100,314	1,689,995	2,345,953
Desjardins Overseas Equity Growth Fund, I-Class	48,082	1,249,531	2,315,405
DGIA Canadian Bond Fund	2,917,975	30,354,744	30,209,246
<b>Total Investments</b>		<b>67,388,754</b>	<b>73,406,150</b>
<b>Other Net Assets</b>			(210,529) (0.3)
<b>Net Assets</b>			<b>73,195,621</b> 100

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

### TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
<b>DGIA CANADIAN BOND FUND 41.2%</b>	
Canada Housing Trust, 2.550%, 2023-12-15	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
<b>BLACKROCK CDN US EQUITY INDEX FUND 14.2%</b>	
Apple	5.9%
Microsoft Corporation	5.6%
Amazon.com	4.0%
Facebook	2.3%
Alphabet	2.0%
<b>DESJARDINS GLOBAL MANAGED BOND FUND 13.0%</b>	
iShares Global Government Bond ETF	43.5%
Desjardins Global Total Return Bond Fund	22.6%
Desjardins Emerging Markets Bond Fund	18.8%
Desjardins Global Corporate Bond Fund	11.1%
Desjardins Global High Yield Bond Fund	3.6%
<b>DESJARDINS ENHANCED BOND FUND 10.4%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.0%
Province of Ontario, 2.050%, 2030-06-02	4.9%
Province of Ontario, 2.600%, 2027-06-02	3.2%
Province of British Columbia, 1.550%, 2031-06-18	2.4%
Province of Alberta, 1.650%, 2031-06-01	2.0%

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

<b>DESJARDINS GLOBAL DIVIDEND FUND 5.1%</b>	
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
<b>DESJARDINS CANADIAN EQUITY FUND 5.0%</b>	
Royal Bank of Canada	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 5.0%</b>	
Toronto-Dominion Bank	9.2%
Royal Bank of Canada	5.7%
Rogers Communications	5.6%
Brookfield Asset Management	5.1%
TC Energy	4.5%
<b>DESJARDINS OVERSEAS EQUITY FUND 3.2%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Nestlé	5.7%
Keyence Corporation	4.7%
Roche Holding	4.6%
IHS Markit	4.5%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 3.2%</b>	
ASML Holding	7.1%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%

## DFS GIF – MODERATE (continued)

Notes to the financial statements – specific information – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	32,786	40,620	—	73,406
<b>TOTAL</b>	<b>32,786</b>	<b>40,620</b>	<b>—</b>	<b>73,406</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	23,230	44,491	—	67,721
<b>TOTAL</b>	<b>23,230</b>	<b>44,491</b>	<b>—</b>	<b>67,721</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (52%)	1.00	365	417
Bloomberg Barclays Multiverse Hedged (13%)	1.00	91	N/A
S&P/TSX (10.5%)	3.00	221	202
MSCI World Net (24.5%)	3.00	515	472

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	368,340
Investments at fair value through profit or loss (FVTPL)	<b>312,851,784</b>	303,055,657
Premiums receivable	<b>200,874</b>	33,458
Receivable for securities sold	<b>48,475</b>	2,514
Interest, dividends and other receivables	<b>65,073</b>	65,073
	<b>313,166,206</b>	303,525,042
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>48,120</b>	—
Accrued expenses	<b>586,387</b>	590,320
Withdrawals payable	<b>521,656</b>	233,260
Payable for securities purchased	<b>48,783</b>	34,634
	<b>1,204,946</b>	858,214
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>311,961,260</b>	302,666,828
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>6.74</b>	6.57
Series 6	<b>7.17</b>	6.99
Series 7	<b>7.45</b>	7.24
Series 8	<b>6.28</b>	6.10

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(870)	—
Distributions from underlying funds	<b>2,258,641</b>	2,036,344
Changes in fair value:		
Net realized gain (loss) on investments	<b>3,127,824</b>	911,558
Net unrealized gain (loss) on investments	<b>6,266,172</b>	7,112,929
	<b>11,651,767</b>	10,060,831
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>3,247,999</b>	3,082,223
Operating expenses	<b>337,930</b>	301,731
	<b>3,585,929</b>	3,383,954
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>8,065,838</b>	6,676,877
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>3,144,080</b>	2,826,421
- per unit	<b>0.16</b>	0.14
Average Number of Units	<b>19,268,688</b>	19,812,194
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>2,642,897</b>	2,318,075
- per unit	<b>0.19</b>	0.16
Average Number of Units	<b>14,216,467</b>	14,132,539
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>462,137</b>	213,510
- per unit	<b>0.20</b>	0.09
Average Number of Units	<b>2,305,976</b>	2,405,036
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,816,724</b>	1,318,871
- per unit	<b>0.18</b>	0.15
Average Number of Units	<b>9,971,153</b>	8,977,842

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>302,666,828</b>	276,353,317
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>8,065,838</b>	6,676,877
Premiums		
Series 5	<b>8,198,127</b>	7,343,296
Series 6	<b>11,084,188</b>	6,908,684
Series 7	<b>259,086</b>	3,120,105
Series 8	<b>11,599,212</b>	4,011,646
	<b>31,140,613</b>	21,383,731
Withdrawals		
Series 5	<b>(11,186,709)</b>	(13,908,160)
Series 6	<b>(12,725,198)</b>	(6,783,467)
Series 7	<b>(2,038,557)</b>	(2,431,263)
Series 8	<b>(3,961,555)</b>	(2,717,275)
	<b>(29,912,019)</b>	(25,840,165)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>311,961,260</b>	278,573,760

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>8,065,838</b>	6,676,877
Adjustments for:		
Net realized (gain) loss	<b>(3,127,824)</b>	(911,558)
Net unrealized (gain) loss	<b>(6,266,172)</b>	(7,112,929)
Non-cash distribution from investments	<b>(2,258,641)</b>	(2,036,344)
Proceeds from sale/maturity of investments	<b>64,340,803</b>	51,639,054
Investments purchased	<b>(62,484,293)</b>	(44,597,631)
Receivable for securities sold	<b>(45,961)</b>	141,793
Interest, dividends and other receivables	<b>—</b>	(65,073)
Accrued expenses	<b>(3,933)</b>	(7,652)
Payable for securities purchased	<b>14,149</b>	60,772
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(1,766,034)</b>	3,787,309
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>30,973,197</b>	21,529,141
Amounts paid on withdrawals	<b>(29,623,623)</b>	(25,934,698)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>1,349,574</b>	(4,405,557)
Increase (decrease) in cash/ bank overdraft	<b>(416,460)</b>	(618,248)
Cash (bank overdraft), beginning of period	<b>368,340</b>	663,907
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(48,120)</b>	45,659
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest paid	<b>870</b>	—

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

## DFS GIF – BALANCED (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Beutel Goodman Fundamental Canadian Equity Fund, Class I	1,557,123	16,046,033	22,210,186		
BlackRock CDN US Equity Index Fund, Class D	1,697,972	46,959,717	63,228,816		
Desjardins Canadian Equity Fund, I-Class	1,925,372	19,392,724	22,259,228		
Desjardins Enhanced Bond Fund, I-Class	2,215,081	24,995,912	24,740,240		
Desjardins Global Dividend Fund, I-Class	1,003,860	22,094,828	22,472,404		
Desjardins Global Managed Bond Fund, I-Class	3,079,899	30,807,638	31,128,541		
Desjardins Overseas Equity Fund, I-Class	608,415	10,244,336	14,228,382		
Desjardins Overseas Equity Growth Fund, I-Class	291,482	6,961,236	14,036,320		
DGIA Canadian Bond Fund	9,518,929	100,158,555	98,547,667		
<b>Total Investments</b>		<b>277,660,979</b>	<b>312,851,784</b>		
<b>Other Net Assets</b>			(890,524)		(0.3)
<b>Net Assets</b>			<b>311,961,260</b>		100

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

### TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
<b>DGIA CANADIAN BOND FUND 31.6%</b>	
Canada Housing Trust, 2.550%, 2023-12-15	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
<b>BLACKROCK CDN US EQUITY INDEX FUND 20.3%</b>	
Apple	5.9%
Microsoft Corporation	5.6%
Amazon.com	4.0%
Facebook	2.3%
Alphabet	2.0%
<b>DESJARDINS GLOBAL MANAGED BOND FUND 10.0%</b>	
iShares Global Government Bond ETF	43.5%
Desjardins Global Total Return Bond Fund	22.6%
Desjardins Emerging Markets Bond Fund	18.8%
Desjardins Global Corporate Bond Fund	11.1%
Desjardins Global High Yield Bond Fund	3.6%
<b>DESJARDINS ENHANCED BOND FUND 7.9%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.0%
Province of Ontario, 2.050%, 2030-06-02	4.9%
Province of Ontario, 2.600%, 2027-06-02	3.2%
Province of British Columbia, 1.550%, 2031-06-18	2.4%
Province of Alberta, 1.650%, 2031-06-01	2.0%

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

<b>DESJARDINS GLOBAL DIVIDEND FUND 7.2%</b>	
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
<b>DESJARDINS CANADIAN EQUITY FUND 7.1%</b>	
Royal Bank of Canada	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 7.1%</b>	
Toronto-Dominion Bank	9.2%
Royal Bank of Canada	5.7%
Rogers Communications	5.6%
Brookfield Asset Management	5.1%
TC Energy	4.5%
<b>DESJARDINS OVERSEAS EQUITY FUND 4.6%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Nestlé	5.7%
Keyence Corporation	4.7%
Roche Holding	4.6%
IHS Markit	4.5%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 4.5%</b>	
ASML Holding	7.1%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%

## DFS GIF – BALANCED (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	151,075	161,777	—	312,852
<b>TOTAL</b>	<b>151,075</b>	<b>161,777</b>	<b>—</b>	<b>312,852</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	122,152	180,904	—	303,056
<b>TOTAL</b>	<b>122,152</b>	<b>180,904</b>	<b>—</b>	<b>303,056</b>

##### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (40%)	1.00	1,134	1,371
Bloomberg Barclays Multiverse Hedged (10%)	1.00	284	N/A
S&P/TSX (15%)	3.00	1,276	1,234
MSCI World Net (35%)	3.00	2,977	2,879

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	4,211	304,682
Investments at fair value through profit or loss (FVTPL)	141,921,367	128,753,995
Premiums receivable	267,386	97,131
Receivable for securities sold	—	240
	<u>142,192,964</u>	<u>129,156,048</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	267,301	246,523
Withdrawals payable	386,361	108,922
Payable for securities purchased	37,195	214,498
	<u>690,857</u>	<u>569,943</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>141,502,107</u>	<u>128,586,105</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.26</u>	6.94
Series 6	<u>7.85</u>	7.50
Series 7	<u>8.14</u>	7.75
Series 8	<u>6.58</u>	6.27

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(372)	358
Distributions from underlying funds	822,369	820,453
Changes in fair value:		
Net realized gain (loss) on investments	2,027,690	1,274,128
Net unrealized gain (loss) on investments	5,078,465	1,311,307
	<u>7,928,152</u>	<u>3,406,246</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,423,200	1,202,934
Operating expenses	148,956	117,040
	<u>1,572,156</u>	<u>1,319,974</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>6,355,996</u>	<u>2,086,272</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	1,549,694	401,658
- per unit	0.32	0.11
Average Number of Units	4,815,815	3,663,262
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,665,424	1,030,927
- per unit	0.36	0.14
Average Number of Units	7,498,786	7,434,412
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	438,782	162,472
- per unit	0.39	0.15
Average Number of Units	1,134,521	1,105,934
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,702,096	491,215
- per unit	0.32	0.10
Average Number of Units	5,402,612	4,790,934

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>128,586,105</b>	104,733,253
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,355,996</b>	2,086,272
Premiums		
Series 5	<b>8,351,830</b>	4,570,089
Series 6	<b>4,365,679</b>	5,525,347
Series 7	<b>841,055</b>	77,606
Series 8	<b>5,010,631</b>	3,202,073
	<b>18,569,195</b>	13,375,115
Withdrawals		
Series 5	<b>(3,553,421)</b>	(2,857,221)
Series 6	<b>(5,084,095)</b>	(4,521,480)
Series 7	<b>(430,438)</b>	(95,985)
Series 8	<b>(2,941,235)</b>	(1,681,915)
	<b>(12,009,189)</b>	(9,156,601)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>141,502,107</b>	111,038,039

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,355,996</b>	2,086,272
Adjustments for:		
Net realized (gain) loss	<b>(2,027,690)</b>	(1,274,128)
Net unrealized (gain) loss	<b>(5,078,465)</b>	(1,311,307)
Non-cash distribution from investments	<b>(822,369)</b>	(820,453)
Proceeds from sale/maturity of investments	<b>27,638,683</b>	21,107,581
Investments purchased	<b>(32,877,531)</b>	(24,157,224)
Receivable for securities sold	<b>240</b>	—
Accrued expenses	<b>20,778</b>	16,011
Payable for securities purchased	<b>(177,303)</b>	(166,097)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>(6,967,661)</b>	(4,519,345)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>18,398,940</b>	13,407,037
Amounts paid on withdrawals	<b>(11,731,750)</b>	(9,121,001)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>6,667,190</b>	4,286,036
Increase (decrease) in cash/ bank overdraft	<b>(300,471)</b>	(233,309)
Cash (bank overdraft), beginning of period	<b>304,682</b>	318,943
CASH (BANK OVERDRAFT), END OF PERIOD	<b>4,211</b>	85,634
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	358
Interest paid	<b>372</b>	—

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

## DFS GIF – GROWTH (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	FAIR VALUE	
		COST	
		\$	\$ %
<b>Investment Funds</b>			100.3
Beutel Goodman Fundamental Canadian Equity Fund, Class I	914,356	9,564,761	13,042,009
BlackRock CDN US Equity Index Fund, Class D	997,993	26,992,287	37,163,121
Desjardins Canadian Equity Fund, I-Class	1,130,929	11,367,256	13,074,671
Desjardins Enhanced Bond Fund, I-Class	701,261	7,828,328	7,832,390
Desjardins Global Dividend Fund, I-Class	589,611	12,977,994	13,199,033
Desjardins Global Managed Bond Fund, I-Class	970,723	9,710,731	9,811,097
Desjardins Overseas Equity Fund, I-Class	357,269	5,993,604	8,355,100
Desjardins Overseas Equity Growth Fund, I-Class	171,202	4,321,374	8,244,256
DGIA Canadian Bond Fund	3,013,645	31,393,233	31,199,690
<b>Total Investments</b>		<b>120,149,568</b>	<b>141,921,367</b>
<b>Other Net Assets</b>			(419,260) (0.3)
<b>Net Assets</b>			<b>141,502,107</b> 100

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

### TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
<b>BLACKROCK CDN US EQUITY INDEX FUND 26.4%</b>	
Apple	5.9%
Microsoft Corporation	5.6%
Amazon.com	4.0%
Facebook	2.3%
Alphabet	2.0%
<b>DGIA CANADIAN BOND FUND 22.1%</b>	
Canada Housing Trust, 2.550%, 2023-12-15	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
<b>DESJARDINS GLOBAL DIVIDEND FUND 9.3%</b>	
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
<b>DESJARDINS CANADIAN EQUITY FUND 9.2%</b>	
Royal Bank of Canada	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%

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

<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 9.2%</b>	
Toronto-Dominion Bank	9.2%
Royal Bank of Canada	5.7%
Rogers Communications	5.6%
Brookfield Asset Management	5.1%
TC Energy	4.5%
<b>DESJARDINS GLOBAL MANAGED BOND FUND 6.9%</b>	
iShares Global Government Bond ETF	43.5%
Desjardins Global Total Return Bond Fund	22.6%
Desjardins Emerging Markets Bond Fund	18.8%
Desjardins Global Corporate Bond Fund	11.1%
Desjardins Global High Yield Bond Fund	3.6%
<b>DESJARDINS OVERSEAS EQUITY FUND 5.9%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Nestlé	5.7%
Keyence Corporation	4.7%
Roche Holding	4.6%
IHS Markit	4.5%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 5.8%</b>	
ASML Holding	7.1%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%
<b>DESJARDINS ENHANCED BOND FUND 5.5%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.0%
Province of Ontario, 2.050%, 2030-06-02	4.9%
Province of Ontario, 2.600%, 2027-06-02	3.2%
Province of British Columbia, 1.550%, 2031-06-18	2.4%
Province of Alberta, 1.650%, 2031-06-01	2.0%

## DFS GIF – GROWTH (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	73,558	68,363	—	141,921
<b>TOTAL</b>	<b>73,558</b>	<b>68,363</b>	<b>—</b>	<b>141,921</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	59,571	69,183	—	128,754
<b>TOTAL</b>	<b>59,571</b>	<b>69,183</b>	<b>—</b>	<b>128,754</b>

##### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (28%)	1.00	353	400
Bloomberg Barclays Multiverse Hedged (7%)	1.00	88	N/A
S&P/TSX (19.5%)	3.00	738	669
MSCI World Net (45.5%)	3.00	1,722	1,562

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	7,765	13,654
Investments at fair value through profit or loss (FVTPL)	17,027,231	14,686,816
Premiums receivable	28,851	116,401
Receivable for securities sold	—	2,200
	<u>17,063,847</u>	<u>14,819,071</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	30,964	27,378
Withdrawals payable	32,232	2,228
Payable for securities purchased	1,198	57,872
	<u>64,394</u>	<u>87,478</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>16,999,453</b></u>	<u>14,731,593</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.88</u>	7.39
Series 6	<u>8.48</u>	7.95
Series 7	<u>8.82</u>	8.24
Series 8	<u>6.86</u>	6.41

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	75,662	77,816
Changes in fair value:		
Net realized gain (loss) on investments	237,586	141,239
Net unrealized gain (loss) on investments	927,940	109,587
	<u>1,241,188</u>	<u>328,642</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	161,092	127,757
Operating expenses	17,387	12,529
	<u>178,479</u>	<u>140,286</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,062,709</b></u>	<u>188,356</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	81,785	63,735
- per unit	0.49	0.46
Average Number of Units	167,895	137,104
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	490,503	70,125
- per unit	0.55	0.09
Average Number of Units	890,240	808,440
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	180,983	30,804
- per unit	0.58	0.10
Average Number of Units	310,581	315,113
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	309,438	23,692
- per unit	0.45	0.05
Average Number of Units	685,337	484,635

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>14,731,593</u>	10,438,963
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>1,062,709</u>	188,356
Premiums		
Series 5	136,708	422,260
Series 6	1,528,404	1,510,797
Series 7	2,750	2,750
Series 8	1,120,517	1,499,676
	<u>2,788,379</u>	3,435,483
Withdrawals		
Series 5	(98,664)	(257,050)
Series 6	(1,214,134)	(825,190)
Series 7	(5,769)	(5,969)
Series 8	(264,661)	(222,603)
	<u>(1,583,228)</u>	(1,310,812)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>16,999,453</u>	12,751,990

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,062,709	188,356
Adjustments for:		
Net realized (gain) loss	(237,586)	(141,239)
Net unrealized (gain) loss	(927,940)	(109,587)
Non-cash distribution from investments	(75,662)	(77,816)
Proceeds from sale/maturity of investments	3,281,987	3,130,119
Investments purchased	(4,381,214)	(5,072,073)
Receivable for securities sold	2,200	—
Accrued expenses	3,586	4,290
Payable for securities purchased	(56,674)	11,498
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(1,328,594)</u>	(2,066,452)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,875,929	3,358,371
Amounts paid on withdrawals	(1,553,224)	(1,310,399)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>1,322,705</u>	2,047,972
Increase (decrease) in cash/ bank overdraft	(5,889)	(18,480)
Cash (bank overdraft), beginning of period	13,654	28,677
CASH (BANK OVERDRAFT), END OF PERIOD	<u>7,765</u>	10,197

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	FAIR VALUE	
		COST	
		\$	\$ %
<b>Investment Funds</b>			100.2
Beutel Goodman Fundamental Canadian Equity Fund, Class I	134,458	1,417,447	1,917,855
BlackRock CDN US Equity Index Fund, Class D	146,933	4,097,381	5,471,468
Desjardins Canadian Equity Fund, I-Class	166,337	1,663,917	1,923,023
Desjardins Enhanced Bond Fund, I-Class	47,919	535,655	535,209
Desjardins Global Dividend Fund, I-Class	86,490	1,903,716	1,936,169
Desjardins Global Managed Bond Fund, I-Class	66,192	662,167	668,998
Desjardins Overseas Equity Fund, I-Class	52,551	941,356	1,228,960
Desjardins Overseas Equity Growth Fund, I-Class	25,196	683,597	1,213,291
DGIA Canadian Bond Fund	205,959	2,154,279	2,132,258
<b>Total Investments</b>		<b>14,059,515</b>	<b>17,027,231</b>
<b>Other Net Assets</b>			(0.2)
<b>Net Assets</b>			<b>16,999,453</b>

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

### TOP FIVE HOLDINGS OF THE UNDERLYING FUNDS – unaudited

Security Name	Percentage
<b>BLACKROCK CDN US EQUITY INDEX FUND 32.3%</b>	
Apple	5.9%
Microsoft Corporation	5.6%
Amazon.com	4.0%
Facebook	2.3%
Alphabet	2.0%
<b>DGIA CANADIAN BOND FUND 12.6%</b>	
Canada Housing Trust, 2.550%, 2023-12-15	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
<b>DESJARDINS GLOBAL DIVIDEND FUND 11.4%</b>	
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
<b>DESJARDINS CANADIAN EQUITY FUND 11.3%</b>	
Royal Bank of Canada	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%

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

<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 11.3%</b>	
Toronto-Dominion Bank	9.2%
Royal Bank of Canada	5.7%
Rogers Communications	5.6%
Brookfield Asset Management	5.1%
TC Energy	4.5%
<b>DESJARDINS OVERSEAS EQUITY FUND 7.2%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Nestlé	5.7%
Keyence Corporation	4.7%
Roche Holding	4.6%
IHS Markit	4.5%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 7.1%</b>	
ASML Holding	7.1%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%
<b>DESJARDINS GLOBAL MANAGED BOND FUND 3.9%</b>	
iShares Global Government Bond ETF	43.5%
Desjardins Global Total Return Bond Fund	22.6%
Desjardins Emerging Markets Bond Fund	18.8%
Desjardins Global Corporate Bond Fund	11.1%
Desjardins Global High Yield Bond Fund	3.6%
<b>DESJARDINS ENHANCED BOND FUND 3.1%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.0%
Province of Ontario, 2.050%, 2030-06-02	4.9%
Province of Ontario, 2.600%, 2027-06-02	3.2%
Province of British Columbia, 1.550%, 2031-06-18	2.4%
Province of Alberta, 1.650%, 2031-06-01	2.0%

## DFS GIF – MAXIMUM GROWTH (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	9,423	7,604	—	17,027
<b>TOTAL</b>	<b>9,423</b>	<b>7,604</b>	<b>—</b>	<b>17,027</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	7,685	7,002	—	14,687
<b>TOTAL</b>	<b>7,685</b>	<b>7,002</b>	<b>—</b>	<b>14,687</b>

##### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (16%)	1.00	24	26
Bloomberg Barclays Multiverse Hedged (4%)	1.00	6	N/A
S&P/TSX (24%)	3.00	107	93
MSCI World Net (56%)	3.00	251	217

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	19,929	76,782
Investments at fair value through profit or loss (FVTPL)	17,037,201	11,990,862
Premiums receivable	98,234	140,583
	<u>17,155,364</u>	<u>12,208,227</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	30,484	20,705
Withdrawals payable	36,685	5,934
Payable for securities purchased	84,687	154,723
	<u>151,856</u>	<u>181,362</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>17,003,508</b></u>	<u>12,026,865</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.78</u>	5.86
Series 6	<u>5.82</u>	5.88
Series 7	<u>5.91</u>	5.96
Series 8	<u>5.88</u>	5.93

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	6
Changes in fair value:		
Net realized gain (loss) on investments	25,421	(49,680)
Net unrealized gain (loss) on investments	31,513	248,486
	<u>56,934</u>	<u>198,812</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	149,074	87,269
Operating expenses	16,681	8,521
	<u>165,755</u>	<u>95,790</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(108,821)</b></u>	<u>103,022</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>(31,577)</u>	(54,566)
- per unit	<u>(0.07)</u>	(0.19)
Average Number of Units	<u>481,273</u>	291,862
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>(25,295)</u>	93,625
- per unit	<u>(0.03)</u>	0.17
Average Number of Units	<u>957,123</u>	552,674
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>(4,311)</u>	18,637
- per unit	<u>(0.09)</u>	0.42
Average Number of Units	<u>50,685</u>	43,891
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>(47,638)</u>	45,326
- per unit	<u>(0.04)</u>	0.09
Average Number of Units	<u>1,068,477</u>	499,863

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>12,026,865</u>	7,298,668
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(108,821)</u>	103,022
Premiums		
Series 5	1,031,231	369,113
Series 6	3,616,238	1,213,435
Series 7	—	137,902
Series 8	3,101,778	1,072,403
	<u>7,749,247</u>	<u>2,792,853</u>
Withdrawals		
Series 5	(167,501)	(1,196,625)
Series 6	(1,339,221)	(574,400)
Series 7	(103,870)	(4,895)
Series 8	(1,053,191)	(547,825)
	<u>(2,663,783)</u>	<u>(2,323,745)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>17,003,508</u>	7,870,798

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(108,821)	103,022
Adjustments for:		
Net realized (gain) loss	(25,421)	49,680
Net unrealized (gain) loss	(31,513)	(248,486)
Proceeds from sale/maturity of investments	842,880	1,860,099
Investments purchased	(5,832,285)	(2,224,802)
Receivable for securities sold	—	2,016
Accrued expenses	9,779	405
Payable for securities purchased	(70,036)	(101,703)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(5,215,417)</u>	<u>(559,769)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	7,791,596	2,783,440
Amounts paid on withdrawals	(2,633,032)	(2,325,679)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>5,158,564</u>	<u>457,761</u>
Increase (decrease) in cash/ bank overdraft	(56,853)	(102,008)
Cash (bank overdraft), beginning of period	76,782	102,714
CASH (BANK OVERDRAFT), END OF PERIOD	<u>19,929</u>	706
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	6

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
SocieTerra Conservative Portfolio, I-Class	1,474,189	16,395,840	17,037,201		
<b>Total Investments</b>		<b>16,395,840</b>	<b>17,037,201</b>		
<b>Other Net Assets</b>			(33,693)		(0.2)
<b>Net Assets</b>			<b>17,003,508</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra Canadian Bond Fund	62.8%
Desjardins SocieTerra Canadian Equity Fund	9.3%
Desjardins SocieTerra American Equity Fund	5.2%
Desjardins SocieTerra Environmental Bond Fund	4.8%
Desjardins SocieTerra Global Bond Fund	4.3%
Desjardins SocieTerra Emerging Markets Equity Fund	3.7%
Desjardins SocieTerra Cleantech Fund	2.5%
Desjardins SocieTerra International Equity Fund	2.5%
iShares Global Government Bond ETF	1.6%
Desjardins SocieTerra Positive Change Fund	1.1%
Desjardins SocieTerra Diversity Fund	1.1%
Desjardins SocieTerra Environment Fund	0.8%
Cash and Cash Equivalents	0.3%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (75%) and Growth (25%).

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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	17,037	—	—	17,037
<b>TOTAL</b>	<b>17,037</b>	<b>—</b>	<b>—</b>	<b>17,037</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	11,991	—	—	11,991
<b>TOTAL</b>	<b>11,991</b>	<b>—</b>	<b>—</b>	<b>11,991</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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).

As at June 30, 2021, 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, 2021
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (60%)	1.00	105
Bloomberg Barclays Multiverse Hedged (15%)	1.00	26
MSCI Canada (7.5%)	3.00	39
MSCI All Country World ex Canada IMI (17.5%)	3.00	92

As at December 31, 2020, 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (60%)	1.00	72
Bloomberg Barclays Multiverse Hedged (15%)	1.00	18
MSCI Canada (7.5%)	3.00	27
MSCI All Country World ex Canada IMI (17.5%)	3.00	63

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – MODERATE – DESJARDINS SOCIETERRA\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	101	—
Investments at fair value through profit or loss (FVTPL)	4,063,364	330,962
Premiums receivable	330,563	—
	<u>4,394,028</u>	<u>330,962</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	7,486	625
Withdrawals payable	1,753	—
Payable for securities purchased	100	—
	<u>9,339</u>	<u>625</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>4,384,689</b></u>	<u>330,337</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.07</u>	5.09
Series 6	<u>5.08</u>	5.09
Series 7	<u>5.10</u>	5.10
Series 8	<u>5.10</u>	5.09

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Changes in fair value:	
Net realized gain (loss) on investments	(804)
Net unrealized gain (loss) on investments	89,013
	<u>88,209</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	16,921
Operating expenses	1,891
	<u>18,812</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>69,397</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	4,379
- per unit	0.11
Average Number of Units	40,205
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	24,262
- per unit	0.19
Average Number of Units	127,407
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	31
- per unit	—
Average Number of Units	16,000
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	40,725
- per unit	0.27
Average Number of Units	148,120

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>330,337</b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>69,397</u>
Premiums	
Series 5	302,562
Series 6	2,133,008
Series 7	—
Series 8	2,229,095
	<u>4,664,665</u>
Withdrawals	
Series 5	(39,967)
Series 6	(621,596)
Series 7	—
Series 8	(18,147)
	<u>(679,710)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>4,384,689</u></b>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	69,397
Adjustments for:	
Net realized (gain) loss	804
Net unrealized (gain) loss	(89,013)
Proceeds from sale/maturity of investments	58,995
Investments purchased	(3,703,188)
Accrued expenses	6,861
Payable for securities purchased	<u>100</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(3,656,044)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	4,334,102
Amounts paid on withdrawals	<u>(677,957)</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>3,656,145</u></b>
Increase (decrease) in cash/ bank overdraft	101
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>101</u></b>

\* Beginning of operations in November 2020.

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

# DFS GIF – MODERATE – DESJARDINS SOCIETERRA (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					92.7
SocieTerra Moderate Portfolio, I-Class	359,018	3,975,650	4,063,364		
<b>Total Investments</b>		<b>3,975,650</b>	<b>4,063,364</b>		
<b>Other Net Assets</b>			321,325		7.3
<b>Net Assets</b>			<b>4,384,689</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra Canadian Bond Fund	54.3%
Desjardins SocieTerra Canadian Equity Fund	11.9%
Desjardins SocieTerra American Equity Fund	7.9%
Desjardins SocieTerra Emerging Markets Equity Fund	5.0%
Desjardins SocieTerra Environmental Bond Fund	4.1%
Desjardins SocieTerra Global Bond Fund	3.7%
Desjardins SocieTerra Cleantech Fund	3.6%
Desjardins SocieTerra International Equity Fund	3.0%
Desjardins SocieTerra Positive Change Fund	1.5%
Desjardins SocieTerra Diversity Fund	1.5%
iShares Global Government Bond ETF	1.4%
Desjardins SocieTerra Environment Fund	1.2%
Cash and Cash Equivalents	0.9%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide income and a moderate long-term capital appreciation by investing primarily in Canadian and 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 (65%) and Growth (35%). The principal risk factors of this Fund are credit risk, foreign currency risk, market risk, sovereign 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	4,063	—	—	4,063
<b>TOTAL</b>	<b>4,063</b>	<b>—</b>	<b>—</b>	<b>4,063</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	331	—	—	331
<b>TOTAL</b>	<b>331</b>	<b>—</b>	<b>—</b>	<b>331</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (52%)	1.00	23	2
Bloomberg Barclays Multiverse Hedged (13%)	1.00	6	—
MSCI Canada (10.5%)	3.00	14	1
MSCI All Country World ex Canada IMI (24.5%)	3.00	32	2

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS SOCIETERRA\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	<b>163,561</b>	59,495
Investments at fair value through profit or loss (FVTPL)	<b>79,275,019</b>	46,542,480
Premiums receivable	<b>281,624</b>	436,635
	<b>79,720,204</b>	47,038,610
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	<b>149,479</b>	85,472
Withdrawals payable	<b>182,535</b>	93,448
Payable for securities purchased	<b>247,568</b>	107,569
	<b>579,582</b>	286,489
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>79,140,622</b>	46,752,121
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>6.68</b>	6.59
Series 6	<b>6.74</b>	6.62
Series 7	<b>6.95</b>	6.81
Series 8	<b>6.40</b>	6.28

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	17
Changes in fair value:		
Net realized gain (loss) on investments	<b>27,985</b>	29,713
Net unrealized gain (loss) on investments	<b>2,131,341</b>	1,169,195
	<b>2,159,326</b>	1,198,925
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>635,933</b>	348,348
Operating expenses	<b>102,533</b>	51,535
	<b>738,466</b>	399,883
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>1,420,860</b>	799,042
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>307,679</b>	240,976
- per unit	<b>0.12</b>	0.16
Average Number of Units	<b>2,464,693</b>	1,479,944
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>519,501</b>	304,676
- per unit	<b>0.15</b>	0.15
Average Number of Units	<b>3,580,014</b>	1,997,380
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>211,948</b>	45,983
- per unit	<b>0.22</b>	0.06
Average Number of Units	<b>965,983</b>	742,467
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>381,732</b>	207,407
- per unit	<b>0.15</b>	0.18
Average Number of Units	<b>2,632,027</b>	1,128,589

\* 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

	Periods Ended June 30	
	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>46,752,121</b>	30,455,446
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,420,860</b>	799,042
Premiums		
Series 5	<b>8,470,689</b>	987,774
Series 6	<b>14,306,262</b>	3,554,837
Series 7	<b>4,064,675</b>	12,000
Series 8	<b>11,126,688</b>	2,034,726
	<b>37,968,314</b>	6,589,337
Withdrawals		
Series 5	<b>(1,634,223)</b>	(959,247)
Series 6	<b>(3,286,316)</b>	(1,443,675)
Series 7	<b>(154,940)</b>	(763,784)
Series 8	<b>(1,925,194)</b>	(799,372)
	<b>(7,000,673)</b>	(3,966,078)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>79,140,622</b>	33,877,747

## STATEMENT OF CASH FLOWS – unaudited

	Periods Ended June 30	
	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,420,860</b>	799,042
Adjustments for:		
Net realized (gain) loss	<b>(27,985)</b>	(29,713)
Net unrealized (gain) loss	<b>(2,131,341)</b>	(1,169,195)
Proceeds from sale/maturity of investments	<b>309,170</b>	1,728,067
Investments purchased	<b>(30,882,383)</b>	(4,105,101)
Receivable for securities sold	<b>—</b>	(14,361)
Accrued expenses	<b>64,007</b>	6,907
Payable for securities purchased	<b>139,999</b>	160,208
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(31,107,673)</b>	(2,624,146)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>38,123,325</b>	6,584,188
Amounts paid on withdrawals	<b>(6,911,586)</b>	(3,982,531)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>31,211,739</b>	2,601,657
Increase (decrease) in cash/bank overdraft	<b>104,066</b>	(22,489)
Cash (bank overdraft), beginning of period	<b>59,495</b>	9,172
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>163,561</b>	(13,317)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>—</b>	17

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
SocieTerra Balanced Portfolio, I-Class	6,492,630	70,894,578	79,275,019		
<b>Total Investments</b>		<b>70,894,578</b>	<b>79,275,019</b>		
<b>Other Net Assets</b>			(134,397)		(0.2)
<b>Net Assets</b>			<b>79,140,622</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra Canadian Bond Fund	41.8%
Desjardins SocieTerra Canadian Equity Fund	15.8%
Desjardins SocieTerra American Equity Fund	12.3%
Desjardins SocieTerra Emerging Markets Equity Fund	6.9%
Desjardins SocieTerra Cleantech Fund	5.1%
Desjardins SocieTerra International Equity Fund	4.4%
Desjardins SocieTerra Environmental Bond Fund	3.2%
Desjardins SocieTerra Global Bond Fund	2.8%
Desjardins SocieTerra Positive Change Fund	2.2%
Desjardins SocieTerra Diversity Fund	2.2%
Desjardins SocieTerra Environment Fund	1.8%
iShares Global Government Bond ETF	1.1%
Cash and Cash Equivalents	0.4%

# DFS GIF – BALANCED – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (50%) and Growth (50%). 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	79,275	—	—	79,275
<b>TOTAL</b>	<b>79,275</b>	<b>—</b>	<b>—</b>	<b>79,275</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	46,542	—	—	46,542
<b>TOTAL</b>	<b>46,542</b>	<b>—</b>	<b>—</b>	<b>46,542</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (40%)	1.00	312	185
Bloomberg Barclays Multiverse Hedged (10%)	1.00	78	46
MSCI Canada (15%)	3.00	351	208
MSCI All Country World ex Canada IMI (35%)	3.00	819	485

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS SOCIETERRA\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021 \$	December 31 2020 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	3,125	25,170
Investments at fair value through profit or loss (FVTPL)	46,360,703	25,432,179
Premiums receivable	285,201	168,469
	<u>46,649,029</u>	<u>25,625,818</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	91,077	45,910
Withdrawals payable	224,782	—
Payable for securities purchased	97,627	149,948
	<u>413,486</u>	<u>195,858</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>46,235,543</u>	<u>25,429,960</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.42</u>	6.25
Series 6	<u>6.44</u>	6.26
Series 7	<u>6.54</u>	6.34
Series 8	<u>6.52</u>	6.32

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021 \$	2020 \$
<b>INCOME</b>		
Interest for attribution purposes	—	2
Changes in fair value:		
Net realized gain (loss) on investments	88,684	9,583
Net unrealized gain (loss) on investments	1,548,073	474,294
	<u>1,636,757</u>	<u>483,879</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	408,067	162,030
Operating expenses	40,576	14,765
	<u>448,643</u>	<u>176,795</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,188,114</u>	<u>307,084</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	299,100	72,786
- per unit	0.18	0.20
Average Number of Units	1,630,790	357,693
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	453,052	120,587
- per unit	0.20	0.11
Average Number of Units	2,269,507	1,118,672
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	27,144	2,525
- per unit	0.27	0.09
Average Number of Units	101,600	28,000
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	408,818	111,186
- per unit	0.22	0.12
Average Number of Units	1,819,966	938,323

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>25,429,960</u>	11,131,427
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>1,188,114</u>	307,084
Premiums		
Series 5	8,480,823	570,865
Series 6	8,433,918	2,943,188
Series 7	553,848	—
Series 8	6,833,406	2,085,853
	<u>24,301,995</u>	5,599,906
Withdrawals		
Series 5	(1,513,699)	(149,451)
Series 6	(1,902,680)	(894,442)
Series 7	(7,506)	—
Series 8	(1,260,641)	(109,324)
	<u>(4,684,526)</u>	(1,153,217)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>46,235,543</u>	15,885,200

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,188,114	307,084
Adjustments for:		
Net realized (gain) loss	(88,684)	(9,583)
Net unrealized (gain) loss	(1,548,073)	(474,294)
Proceeds from sale/maturity of investments	1,162,391	358,082
Investments purchased	(20,454,158)	(4,668,490)
Receivable for securities sold	—	(810)
Accrued expenses	45,167	10,974
Payable for securities purchased	(52,321)	(138,733)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(19,747,564)</u>	(4,615,770)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	24,185,263	5,765,108
Amounts paid on withdrawals	(4,459,744)	(1,150,143)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>19,725,519</u>	4,614,965
Increase (decrease) in cash/ bank overdraft	(22,045)	(805)
Cash (bank overdraft), beginning of period	25,170	12
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,125</u>	(793)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	2

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
SocieTerra Growth Portfolio, I-Class	3,561,277	41,716,554	46,360,703		
<b>Total Investments</b>		<b>41,716,554</b>	<b>46,360,703</b>		
<b>Other Net Assets</b>			(125,160)		(0.3)
<b>Net Assets</b>			<b>46,235,543</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra Canadian Bond Fund	33.6%
Desjardins SocieTerra Canadian Equity Fund	18.5%
Desjardins SocieTerra American Equity Fund	15.2%
Desjardins SocieTerra Emerging Markets Equity Fund	7.9%
Desjardins SocieTerra Cleantech Fund	6.1%
Desjardins SocieTerra International Equity Fund	5.4%
Desjardins SocieTerra Positive Change Fund	2.7%
Desjardins SocieTerra Diversity Fund	2.6%
Desjardins SocieTerra Environmental Bond Fund	2.5%
Desjardins SocieTerra Global Bond Fund	2.2%
Desjardins SocieTerra Environment Fund	2.2%
iShares Global Government Bond ETF	0.8%
Cash and Cash Equivalents	0.3%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	46,361	—	—	46,361
<b>TOTAL</b>	<b>46,361</b>	<b>—</b>	<b>—</b>	<b>46,361</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	25,432	—	—	25,432
<b>TOTAL</b>	<b>25,432</b>	<b>—</b>	<b>—</b>	<b>25,432</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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).

As at June 30, 2021, 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, 2021
	%	\$
FTSE Canada Universe Bond (32%)	1.00	140
Bloomberg Barclays Multiverse Hedged (8%)	1.00	35
MSCI Canada (18%)	3.00	237
MSCI All Country World ex Canada IMI (42%)	3.00	552

As at December 31, 2020, 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
		December 31, 2020
	%	\$
FTSE Canada Universe Bond (32%)	1.00	81
Bloomberg Barclays Multiverse Hedged (8%)	1.00	20
MSCI Canada (18%)	3.00	137
MSCI All Country World ex Canada IMI (42%)	3.00	320

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – MAXIMUM GROWTH – DESJARDINS SOCIETERRA\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	58,636	1,010
Investments at fair value through profit or loss (FVTPL)	9,501,908	3,527,223
Premiums receivable	98,548	204,106
	<u>9,659,092</u>	<u>3,732,339</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	18,815	6,961
Withdrawals payable	86,352	475
Payable for securities purchased	67,800	202,930
	<u>172,967</u>	<u>210,366</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>9,486,125</u>	<u>3,521,973</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.79</u>	6.49
Series 6	<u>6.84</u>	6.51
Series 7	<u>6.94</u>	6.60
Series 8	<u>6.90</u>	6.57

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	9
Changes in fair value:		
Net realized gain (loss) on investments	9,504	2,520
Net unrealized gain (loss) on investments	391,989	57,271
	<u>401,493</u>	<u>59,800</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	61,720	32,233
Operating expenses	6,057	2,691
	<u>67,777</u>	<u>34,924</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>333,716</u>	<u>24,876</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	22,175	554
- per unit	0.30	0.01
Average Number of Units	73,866	43,766
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	168,242	22,103
- per unit	0.35	0.07
Average Number of Units	478,252	309,754
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	9,587	845
- per unit	0.34	0.03
Average Number of Units	28,000	28,000
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	133,712	1,374
- per unit	0.58	0.03
Average Number of Units	230,619	50,097

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>3,521,973</u>	2,057,044
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>333,716</u>	24,876
Premiums		
Series 5	266,243	54,121
Series 6	2,438,368	522,953
Series 8	3,934,819	22,587
	<u>6,639,430</u>	599,661
Withdrawals		
Series 5	(85,055)	(528)
Series 6	(291,671)	(21,711)
Series 8	(632,268)	(18,007)
	<u>(1,008,994)</u>	(40,246)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>9,486,125</u>	2,641,335

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	333,716	24,876
Adjustments for:		
Net realized (gain) loss	(9,504)	(2,520)
Net unrealized (gain) loss	(391,989)	(57,271)
Proceeds from sale/maturity of investments	65,532	41,323
Investments purchased	(5,638,724)	(567,338)
Receivable for securities sold	—	(75)
Accrued expenses	11,854	1,408
Payable for securities purchased	(135,130)	(75)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(5,764,245)</u>	(559,672)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,744,988	599,661
Amounts paid on withdrawals	(923,117)	(40,137)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>5,821,871</u>	559,524
Increase (decrease) in cash/ bank overdraft	57,626	(148)
Cash (bank overdraft), beginning of period	1,010	1,085
CASH (BANK OVERDRAFT), END OF PERIOD	<u>58,636</u>	937
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	9

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

## DFS GIF – MAXIMUM GROWTH – DESJARDINS SOCIETERRA (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
SocieTerra Maximum Growth Portfolio, I-Class	695,601	8,488,973	9,501,908		
<b>Total Investments</b>		<b>8,488,973</b>	<b>9,501,908</b>		
<b>Other Net Assets</b>			(15,783)		(0.2)
<b>Net Assets</b>			<b>9,486,125</b>		100

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

### TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra Canadian Equity Fund	23.8%
Desjardins SocieTerra American Equity Fund	21.1%
Desjardins SocieTerra Canadian Bond Fund	16.4%
Desjardins SocieTerra Emerging Markets Equity Fund	9.7%
Desjardins SocieTerra Cleantech Fund	8.1%
Desjardins SocieTerra International Equity Fund	7.7%
Desjardins SocieTerra Positive Change Fund	3.7%
Desjardins SocieTerra Diversity Fund	3.5%
Desjardins SocieTerra Environment Fund	3.0%
Desjardins SocieTerra Environmental Bond Fund	1.2%
Desjardins SocieTerra Global Bond Fund	1.1%
iShares Global Government Bond ETF	0.4%
Cash and Cash Equivalents	0.3%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	9,502	—	—	9,502
<b>TOTAL</b>	<b>9,502</b>	<b>—</b>	<b>—</b>	<b>9,502</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	3,527	—	—	3,527
<b>TOTAL</b>	<b>3,527</b>	<b>—</b>	<b>—</b>	<b>3,527</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – MAXIMUM GROWTH – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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).

As at June 30, 2021, 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, 2021
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (16%)	1.00	14
Bloomberg Barclays Multiverse Hedged (4%)	1.00	3
MSCI Canada (24%)	3.00	62
MSCI All Country World ex Canada IMI (56%)	3.00	145

As at December 31, 2020, 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 December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (16%)	1.00	6
Bloomberg Barclays Multiverse Hedged (4%)	1.00	1
MSCI Canada (24%)	3.00	25
MSCI All Country World ex Canada IMI (56%)	3.00	59

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – 100% EQUITY – DESJARDINS SOCIETERRA\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	336	—
Investments at fair value through profit or loss (FVTPL)	1,273,630	634,707
Premiums receivable	—	41,700
	<u>1,273,966</u>	<u>676,407</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	2
Accrued expenses	2,757	977
Withdrawals payable	555	170
Payable for securities purchased	335	41,700
	<u>3,647</u>	<u>42,849</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,270,319</u>	633,558
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.49</u>	5.15
Series 6	<u>5.51</u>	5.16
Series 7	<u>5.53</u>	5.16
Series 8	<u>5.53</u>	5.16

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Changes in fair value:	
Net realized gain (loss) on investments	564
Net unrealized gain (loss) on investments	<u>79,426</u>
	<u>79,990</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	12,654
Operating expenses	<u>1,178</u>
	<u>13,832</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>66,158</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>11,543</u>
- per unit	<u>0.29</u>
Average Number of Units	<u>39,396</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>24,503</u>
- per unit	<u>0.32</u>
Average Number of Units	<u>76,873</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>5,836</u>
- per unit	<u>0.36</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>24,276</u>
- per unit	<u>0.40</u>
Average Number of Units	<u>61,179</u>

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>633,558</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>66,158</u>
Premiums	
Series 5	83,609
Series 6	235,974
Series 7	—
Series 8	<u>288,828</u>
	<u>608,411</u>
Withdrawals	
Series 5	(266)
Series 6	(7,350)
Series 7	—
Series 8	<u>(30,192)</u>
	<u>(37,808)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>1,270,319</u>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	66,158
Adjustments for:	
Net realized (gain) loss	(564)
Net unrealized (gain) loss	(79,426)
Proceeds from sale/maturity of investments	44,627
Investments purchased	(603,560)
Accrued expenses	1,780
Payable for securities purchased	<u>(41,365)</u>
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(612,350)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	650,111
Amounts paid on withdrawals	<u>(37,423)</u>
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>612,688</u>
Increase (decrease) in cash/ bank overdraft	338
Cash (bank overdraft), beginning of period	<u>(2)</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>336</u>

\* Beginning of operations in November 2020.

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

# DFS GIF – 100% EQUITY – DESJARDINS SOCIETERRA (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
SocieTerra 100% Equity Portfolio, I-Class	94,764	1,190,775	1,273,630		
<b>Total Investments</b>		<b>1,190,775</b>	<b>1,273,630</b>		
<b>Other Net Assets</b>			(3,311)		(0.3)
<b>Net Assets</b>			<b>1,270,319</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins SocieTerra American Equity Fund	28.2%
Desjardins SocieTerra Canadian Equity Fund	27.9%
Desjardins SocieTerra International Equity Fund	11.0%
Desjardins SocieTerra Emerging Markets Equity Fund	10.2%
Desjardins SocieTerra Cleantech Fund	8.9%
Desjardins SocieTerra Positive Change Fund	4.6%
Desjardins SocieTerra Diversity Fund	4.5%
Desjardins SocieTerra Environment Fund	4.2%
Cash and Cash Equivalents	0.5%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide long-term capital appreciation by investing in Canadian and foreign equity and/or in units of mutual funds, which themselves invest in Canadian or foreign equity. The Fund follows a responsible approach to investing.

#### Strategy of the Fund

The 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 management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are foreign currency 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	1,274	—	—	1,274
<b>TOTAL</b>	<b>1,274</b>	<b>—</b>	<b>—</b>	<b>1,274</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	635	—	—	635
<b>TOTAL</b>	<b>635</b>	<b>—</b>	<b>—</b>	<b>635</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – 100% EQUITY – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
MSCI Canada (30%)	3.00	11	6
MSCI All Country World ex Canada IMI (70%)	3.00	27	13

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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".



# Wise ETF Portfolios

DFS GUARANTEED INVESTMENT FUNDS

# DFS GIF – FIXED INCOME – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	341,307	293,585
Premiums receivable	—	25,000
	<u>341,307</u>	<u>318,585</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	443	347
Withdrawals payable	5,161	—
	<u>5,604</u>	<u>347</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>335,703</b></u>	<u>318,238</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>4.86</u>	5.08
Series 6	<u>4.89</u>	5.09
Series 7	<u>4.90</u>	5.09
Series 8	<u>4.90</u>	5.09

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Distributions from underlying funds	3,858
Changes in fair value:	
Net realized gain (loss) on investments	(1,279)
Net unrealized gain (loss) on investments	(11,872)
	<u>(9,293)</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	2,299
Operating expenses	382
	<u>2,681</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(11,974)</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	(2,182)
- per unit	(0.22)
Average Number of Units	<u>10,001</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	(1,779)
- per unit	(0.10)
Average Number of Units	<u>17,768</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	(1,850)
- per unit	(0.18)
Average Number of Units	<u>10,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	(6,163)
- per unit	(0.20)
Average Number of Units	<u>30,303</u>

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>318,238</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(11,974)</u>
Premiums	
Series 5	—
Series 6	70,264
Series 7	—
Series 8	—
	<u>70,264</u>
Withdrawals	
Series 5	—
Series 6	(14,724)
Series 7	—
Series 8	(26,101)
	<u>(40,825)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>335,703</u>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	(11,974)
Adjustments for:	
Net realized (gain) loss	1,279
Net unrealized (gain) loss	11,872
Non-cash distribution from investments	(3,858)
Proceeds from sale/maturity of investments	38,290
Investments purchased	(95,305)
Accrued expenses	96
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(59,600)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	95,264
Amounts paid on withdrawals	(35,664)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>59,600</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	<u>—</u>

\* Beginning of operations in November 2020.

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

## DFS GIF – FIXED INCOME – DESJARDINS WISE ETF (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					101.7
Wise Fixed Income ETF Portfolio, I-Class	34,213	353,465	341,307		
<b>Total Investments</b>		<b>353,465</b>	<b>341,307</b>		
<b>Other Net Assets</b>			(5,604)		(1.7)
<b>Net Assets</b>			<b>335,703</b>		100

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

### TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	72.7%
iShares JPMorgan USD Emerging Markets Bond Index ETF	7.6%
Desjardins Global Tactical Bond Fund	5.4%
Desjardins Global Total Return Bond Fund	4.9%
iShares Global Government Bond ETF	3.8%
Cash and Cash Equivalents	1.6%
Vanguard FTSE Canada All Cap Index ETF	1.2%
iShares Core MSCI Emerging Markets ETF	0.9%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	0.7%
Vanguard U.S. Aggregate Bond Index ETF	0.6%
iShares Core S&P Small-Cap ETF	0.3%
iShares MSCI EAFE Small-Cap ETF	0.2%
iShares Core MSCI EAFE IMI Index ETF	0.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide a regular income return. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in fixed-income securities in Canada and throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on positioning on the interest-rate curve, management style diversification, geographical diversification and credit risk diversification.

The principal risk factors of this Fund are credit risk, interest rate 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	341	—	—	341
<b>TOTAL</b>	<b>341</b>	<b>—</b>	<b>—</b>	<b>341</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	294	—	—	294
<b>TOTAL</b>	<b>294</b>	<b>—</b>	<b>—</b>	<b>294</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – FIXED INCOME – DESJARDINS WISE ETF (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (70%)	1.00	2	2
Bloomberg Barclays Multiverse Hedged (30%)	1.00	1	1

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – CONSERVATIVE – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<u>990,714</u>	567,335
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	1,746	801
Withdrawals payable	<u>615</u>	168
	<u>2,361</u>	969
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>988,353</b></u>	566,366
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>4.97</u>	5.05
Series 6	<u>4.98</u>	5.05
Series 7	<u>5.00</u>	5.06
Series 8	<u>4.99</u>	5.06

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30

	2021**
	\$
<b>INCOME</b>	
Distributions from underlying funds	10,071
Changes in fair value:	
Net realized gain (loss) on investments	(681)
Net unrealized gain (loss) on investments	<u>(10,926)</u>
	<u>(1,536)</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	8,867
Operating expenses	<u>1,033</u>
	<u>9,900</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(11,436)</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>(2,882)</u>
- per unit	<u>(0.08)</u>
Average Number of Units	<u>34,348</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>(4,212)</u>
- per unit	<u>(0.05)</u>
Average Number of Units	<u>79,100</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>(984)</u>
- per unit	<u>(0.06)</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>(3,358)</u>
- per unit	<u>(0.06)</u>
Average Number of Units	<u>51,901</u>

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

\*\* Beginning of operations in November 2020.

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

# DFS GIF – CONSERVATIVE – DESJARDINS WISE ETF (continued)

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

Period Ended June 30

	<u>2021*</u>
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b><u>566,366</u></b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b><u>(11,436)</u></b>
Premiums	
Series 5	<b>154,213</b>
Series 6	<b>337,395</b>
Series 7	—
Series 8	<b>12,613</b>
	<b><u>504,221</u></b>
Withdrawals	
Series 5	<b>(67,933)</b>
Series 6	<b>(2,865)</b>
Series 7	—
Series 8	—
	<b><u>(70,798)</u></b>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>988,353</u></b>

## STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	<u>2021*</u>
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(11,436)</b>
Adjustments for:	
Net realized (gain) loss	<b>681</b>
Net unrealized (gain) loss	<b>10,926</b>
Non-cash distribution from investments	<b>(10,071)</b>
Proceeds from sale/maturity of investments	<b>45,623</b>
Investments purchased	<b>(470,538)</b>
Accrued expenses	<b>945</b>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(433,870)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	<b>504,221</b>
Amounts paid on withdrawals	<b>(70,351)</b>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>433,870</u></b>
Increase (decrease) in cash/bank overdraft	<b>—</b>
Cash (bank overdraft), beginning of period	<b>—</b>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>—</u></b>

\* Beginning of operations in November 2020.

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Wise Conservative ETF Portfolio, I-Class	94,615	999,272	990,714		
<b>Total Investments</b>		<b>999,272</b>	<b>990,714</b>		
<b>Other Net Assets</b>			(2,361)		(0.2)
<b>Net Assets</b>			<b>988,353</b>		100

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

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	57.4%
Vanguard FTSE Canada All Cap Index ETF	7.6%
iShares JPMorgan USD Emerging Markets Bond Index ETF	5.7%
Desjardins Global Tactical Bond Fund	4.6%
Desjardins Global Total Return Bond Fund	3.8%
Vanguard S&P 500 Index ETF	3.5%
iShares Core MSCI Emerging Markets ETF	3.1%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	2.5%
Vanguard U.S. Aggregate Bond Index ETF	2.1%
Cash and Cash Equivalents	2.0%
iShares Core S&P Small-Cap ETF	1.9%
iShares Core MSCI EAFE IMI Index ETF	1.8%
Desjardins Global Equity Growth Fund	1.7%
Desjardins Global Dividend Fund	1.1%
iShares MSCI EAFE Small-Cap ETF	0.9%
iShares U.S. IG Corporate Bond Index ETF	0.3%

# DFS GIF – CONSERVATIVE – DESJARDINS WISE ETF (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide a regular income return and low medium-term capital appreciation. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in fixed-income and equity securities throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on positioning on the interest-rate curve, management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are credit risk, interest rate 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	991	—	—	991
<b>TOTAL</b>	<b>991</b>	<b>—</b>	<b>—</b>	<b>991</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	567	—	—	567
<b>TOTAL</b>	<b>567</b>	<b>—</b>	<b>—</b>	<b>567</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (56%)	1.00	6	3
Bloomberg Barclays Multiverse Hedged (24%)	1.00	2	1
MSCI Canada (6%)	3.00	2	1
MSCI All Country World ex Canada IMI (14%)	3.00	4	2

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<u>794,845</u>	408,005
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	<u>1,272</u>	674
Withdrawals payable	<u>214</u>	146
	<u>1,486</u>	820
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>793,359</u>	407,185
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.14</u>	5.07
Series 6	<u>5.15</u>	5.07
Series 7	<u>5.16</u>	5.07
Series 8	<u>5.16</u>	5.07

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Distributions from underlying funds	6,063
Changes in fair value:	
Net realized gain (loss) on investments	2
Net unrealized gain (loss) on investments	<u>10,037</u>
	<u>16,102</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	5,604
Operating expenses	<u>638</u>
	<u>6,242</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>9,860</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,829</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>25,801</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>3,090</u>
- per unit	<u>0.08</u>
Average Number of Units	<u>36,829</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,440</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>3,501</u>
- per unit	<u>0.11</u>
Average Number of Units	<u>30,904</u>

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>407,185</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>9,860</u>
Premiums	
Series 5	53,314
Series 6	241,309
Series 7	—
Series 8	<u>137,224</u>
	<u>431,847</u>
Withdrawals	
Series 5	(1,745)
Series 6	(50,197)
Series 7	—
Series 8	<u>(3,591)</u>
	<u>(55,533)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>793,359</u>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	9,860
Adjustments for:	
Net realized (gain) loss	(2)
Net unrealized (gain) loss	(10,037)
Non-cash distribution from investments	(6,063)
Proceeds from sale/maturity of investments	11,743
Investments purchased	(382,481)
Accrued expenses	598
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(376,382)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	431,847
Amounts paid on withdrawals	(55,465)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>376,382</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	<u>—</u>

\* Beginning of operations in November 2020.

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

## DFS GIF – BALANCED – DESJARDINS WISE ETF (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Wise Balanced ETF Portfolio, I-Class	72,602	783,773	794,845		
<b>Total Investments</b>		<b>783,773</b>	<b>794,845</b>		
<b>Other Net Assets</b>			(1,486)		(0.2)
<b>Net Assets</b>			<b>793,359</b>		100

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

### TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	43.8%
Vanguard FTSE Canada All Cap Index ETF	12.9%
Vanguard S&P 500 Index ETF	7.2%
iShares Core MSCI Emerging Markets ETF	5.9%
iShares JPMorgan USD Emerging Markets Bond Index ETF	4.3%
iShares Core S&P Small-Cap ETF	3.8%
Desjardins Global Tactical Bond Fund	3.3%
Desjardins Global Equity Growth Fund	3.2%
Desjardins Global Total Return Bond Fund	2.9%
iShares Core MSCI EAFE IMI Index ETF	2.7%
Desjardins Global Dividend Fund	2.1%
Cash and Cash Equivalents	2.0%
iShares MSCI EAFE Small-Cap ETF	2.0%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	1.9%
Vanguard U.S. Aggregate Bond Index ETF	1.7%
iShares U.S. IG Corporate Bond Index ETF	0.3%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide a regular income return and long-term capital appreciation. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in fixed-income and equity securities throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on positioning on the interest-rate curve, management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are credit risk, interest rate 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	795	—	—	795
<b>TOTAL</b>	<b>795</b>	<b>—</b>	<b>—</b>	<b>795</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	408	—	—	408
<b>TOTAL</b>	<b>408</b>	<b>—</b>	<b>—</b>	<b>408</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – DESJARDINS WISE ETF (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (42%)	1.00	3	2
Bloomberg Barclays Multiverse Hedged (18%)	1.00	1	1
MSCI Canada (12%)	3.00	3	1
MSCI All Country World ex Canada IMI (28%)	3.00	7	3

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,949	—
Investments at fair value through profit or loss (FVTPL)	1,793,231	878,145
Premiums receivable	75	125,000
	<u>1,795,255</u>	<u>1,003,145</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	3,323	1,082
Withdrawals payable	7,556	284
Payable for securities purchased	1,949	—
	<u>12,828</u>	<u>1,366</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,782,427</b></u>	<u>1,001,779</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.28</u>	5.07
Series 6	<u>5.30</u>	5.07
Series 7	<u>5.31</u>	5.08
Series 8	<u>5.31</u>	5.08

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30

	2021**
	\$
<b>INCOME</b>	
Changes in fair value:	
Net realized gain (loss) on investments	1,201
Net unrealized gain (loss) on investments	<u>78,338</u>
	<u>79,539</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	15,870
Operating expenses	<u>1,694</u>
	<u>17,564</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>61,975</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>18,387</u>
- per unit	<u>0.21</u>
Average Number of Units	<u>86,145</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>21,315</u>
- per unit	<u>0.20</u>
Average Number of Units	<u>106,705</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>3,769</u>
- per unit	<u>0.24</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>18,504</u>
- per unit	<u>0.24</u>
Average Number of Units	<u>77,667</u>

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

\*\* Beginning of operations in November 2020.

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

## DFS GIF – GROWTH – DESJARDINS WISE ETF (continued)

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

Period Ended June 30

	<u>2021*</u>
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b><u>1,001,779</u></b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>61,975</u>
Premiums	
Series 5	451,701
Series 6	297,467
Series 7	—
Series 8	<u>115,168</u>
	<u>864,336</u>
Withdrawals	
Series 5	(81,798)
Series 6	(58,695)
Series 7	—
Series 8	<u>(5,170)</u>
	<u>(145,663)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>1,782,427</u></b>

### STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	<u>2021*</u>
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	61,975
Adjustments for:	
Net realized (gain) loss	(1,201)
Net unrealized (gain) loss	(78,338)
Proceeds from sale/maturity of investments	61,276
Investments purchased	(896,823)
Accrued expenses	2,241
Payable for securities purchased	<u>1,949</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(848,921)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	989,261
Amounts paid on withdrawals	<u>(138,391)</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>850,870</u></b>
Increase (decrease) in cash/ bank overdraft	1,949
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>1,949</u></b>

\* Beginning of operations in November 2020.

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.6
Wise Growth ETF Portfolio, I-Class	155,204	1,712,719	1,793,231		
<b>Total Investments</b>		<b>1,712,719</b>	<b>1,793,231</b>		
<b>Other Net Assets</b>			(10,804)		(0.6)
<b>Net Assets</b>			<b>1,782,427</b>		100

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

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	29.0%
Vanguard FTSE Canada All Cap Index ETF	18.0%
Vanguard S&P 500 Index ETF	11.9%
iShares Core MSCI Emerging Markets ETF	8.1%
iShares Core S&P Small-Cap ETF	5.6%
Desjardins Global Equity Growth Fund	4.9%
iShares Core MSCI EAFE IMI Index ETF	4.4%
Desjardins Global Dividend Fund	3.3%
iShares MSCI EAFE Small-Cap ETF	2.9%
iShares JPMorgan USD Emerging Markets Bond Index ETF	2.8%
Cash and Cash Equivalents	2.5%
Desjardins Global Tactical Bond Fund	2.1%
Desjardins Global Total Return Bond Fund	1.9%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	1.3%
Vanguard U.S. Aggregate Bond Index ETF	1.1%
iShares U.S. IG Corporate Bond Index ETF	0.2%

# DFS GIF – GROWTH – DESJARDINS WISE ETF (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide a long-term capital appreciation and, to a lesser extent, generate an income return. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in equity and fixed-income securities throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on positioning on the interest-rate curve, management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are credit risk, interest rate 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	1,793	—	—	1,793
<b>TOTAL</b>	<b>1,793</b>	<b>—</b>	<b>—</b>	<b>1,793</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	878	—	—	878
<b>TOTAL</b>	<b>878</b>	<b>—</b>	<b>—</b>	<b>878</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (28%)	1.00	5	3
Bloomberg Barclays Multiverse Hedged (12%)	1.00	2	1
MSCI Canada (18%)	3.00	10	5
MSCI All Country World ex Canada IMI (42%)	3.00	22	13

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – MAXIMUM GROWTH – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	920,900	452,941
Premiums receivable	78,909	—
	<u>999,809</u>	<u>452,941</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	1,521	766
Withdrawals payable	56	—
Payable for securities purchased	78,909	—
	<u>80,486</u>	<u>766</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>919,323</u>	452,175
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.46</u>	5.09
Series 6	<u>5.47</u>	5.09
Series 7	<u>5.49</u>	5.09
Series 8	<u>5.49</u>	5.09

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Changes in fair value:	
Net realized gain (loss) on investments	256
Net unrealized gain (loss) on investments	55,536
	<u>55,792</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	7,012
Operating expenses	786
	<u>7,798</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>47,994</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	6,936
- per unit	<u>0.37</u>
Average Number of Units	<u>18,846</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	13,013
- per unit	<u>0.36</u>
Average Number of Units	<u>36,496</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	8,004
- per unit	<u>0.37</u>
Average Number of Units	<u>21,610</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	20,041
- per unit	<u>0.38</u>
Average Number of Units	<u>52,627</u>

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>452,175</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>47,994</u>
Premiums	
Series 5	22,511
Series 6	315,775
Series 7	63,109
Series 8	<u>105,759</u>
	<u>507,154</u>
Withdrawals	
Series 5	—
Series 6	(87,836)
Series 7	—
Series 8	<u>(164)</u>
	<u>(88,000)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>919,323</u>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	47,994
Adjustments for:	
Net realized (gain) loss	(256)
Net unrealized (gain) loss	(55,536)
Proceeds from sale/maturity of investments	6,101
Investments purchased	(418,268)
Accrued expenses	755
Payable for securities purchased	<u>78,909</u>
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(340,301)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	428,245
Amounts paid on withdrawals	<u>(87,944)</u>
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>340,301</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	<u>—</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>—</u>

\* Beginning of operations in November 2020.

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

## DFS GIF – MAXIMUM GROWTH – DESJARDINS WISE ETF (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Wise Maximum Growth ETF Portfolio, I-Class	80,894	861,348	920,900		
<b>Total Investments</b>		<b>861,348</b>	<b>920,900</b>		
<b>Other Net Assets</b>			(1,577)		(0.2)
<b>Net Assets</b>			<b>919,323</b>		100

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

### TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Vanguard FTSE Canada All Cap Index ETF	23.2%
Vanguard S&P 500 Index ETF	16.8%
Desjardins Canadian Universe Bond Index ETF	14.2%
iShares Core MSCI Emerging Markets ETF	10.2%
iShares Core S&P Small-Cap ETF	7.5%
Desjardins Global Equity Growth Fund	6.7%
iShares Core MSCI EAFE IMI Index ETF	6.4%
Desjardins Global Dividend Fund	4.4%
iShares MSCI EAFE Small-Cap ETF	3.8%
Cash and Cash Equivalents	2.2%
iShares JPMorgan USD Emerging Markets Bond Index ETF	1.4%
Desjardins Global Tactical Bond Fund	1.0%
Desjardins Global Total Return Bond Fund	0.9%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	0.6%
Vanguard U.S. Aggregate Bond Index ETF	0.6%
iShares U.S. IG Corporate Bond Index ETF	0.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide long-term capital appreciation. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in equity and fixed-income securities throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on positioning on the interest-rate curve, management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are foreign currency risk, market 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	921	—	—	921
<b>TOTAL</b>	<b>921</b>	<b>—</b>	<b>—</b>	<b>921</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	453	—	—	453
<b>TOTAL</b>	<b>453</b>	<b>—</b>	<b>—</b>	<b>453</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – MAXIMUM GROWTH – DESJARDINS WISE ETF (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

#### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (14%)	1.00	1	1
Bloomberg Barclays Multiverse Hedged (6%)	1.00	1	—
MSCI Canada (24%)	3.00	7	3
MSCI All Country World ex Canada IMI (56%)	3.00	15	8

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – 100% EQUITY – DESJARDINS WISE ETF\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<u>455,855</u>	209,603
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	<u>828</u>	408
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>455,027</b></u>	<u>209,195</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.61</u>	5.10
Series 6	<u>5.63</u>	5.10
Series 7	<u>5.64</u>	5.11
Series 8	<u>5.64</u>	5.10

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30

	2021**
	\$
<b>INCOME</b>	
Changes in fair value:	
Net realized gain (loss) on investments	152
Net unrealized gain (loss) on investments	<u>33,741</u>
	<u>33,893</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	3,359
Operating expenses	<u>364</u>
	<u>3,723</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>30,170</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>5,285</u>
- per unit	<u>0.51</u>
Average Number of Units	<u>10,289</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>8,629</u>
- per unit	<u>0.51</u>
Average Number of Units	<u>16,891</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>5,642</u>
- per unit	<u>0.52</u>
Average Number of Units	<u>10,813</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>10,614</u>
- per unit	<u>0.51</u>
Average Number of Units	<u>20,805</u>

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

\*\* Beginning of operations in November 2020.

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

# DFS GIF – 100% EQUITY – DESJARDINS WISE ETF (continued)

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

Period Ended June 30

	<u>2021*</u>
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b><u>209,195</u></b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>30,170</u>
Premiums	
Series 5	3,013
Series 6	95,265
Series 7	11,000
Series 8	<u>136,878</u>
	<u>246,156</u>
Withdrawals	
Series 5	—
Series 6	(30,494)
Series 7	—
Series 8	—
	<u>(30,494)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>455,027</u></b>

## STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	<u>2021*</u>
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	30,170
Adjustments for:	
Net realized (gain) loss	(152)
Net unrealized (gain) loss	(33,741)
Proceeds from sale/maturity of investments	2,869
Investments purchased	(215,228)
Accrued expenses	420
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(215,662)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	246,156
Amounts paid on withdrawals	(30,494)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>215,662</u></b>
Increase (decrease) in cash/bank overdraft	—
Cash (bank overdraft), beginning of period	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>—</u></b>

\* Beginning of operations in November 2020.

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
Wise 100% Equity ETF Portfolio, I-Class	37,553	419,744	455,855		
Total Investments		<b>419,744</b>	<b>455,855</b>		
Other Net Assets			(828)		(0.2)
Net Assets			<b>455,027</b>		100

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

TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Vanguard FTSE Canada All Cap Index ETF	27.5%
Vanguard S&P 500 Index ETF	23.8%
iShares Core MSCI Emerging Markets ETF	10.7%
iShares Core MSCI EAFE IMI Index ETF	9.7%
Desjardins Global Equity Growth Fund	8.4%
iShares Core S&P Small-Cap ETF	8.2%
Desjardins Global Dividend Fund	5.6%
iShares MSCI EAFE Small-Cap ETF	3.8%
Cash and Cash Equivalents	2.3%

# DFS GIF – 100% EQUITY – DESJARDINS WISE ETF (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide long-term capital appreciation. Consequently, the Fund invests mainly in exchange traded funds, which themselves invest in equity securities of companies located throughout the world.

#### Strategy of the Fund

The selection of the securities as well as the percentage of the assets that will be invested in each of these securities will be based on management style diversification, geographical diversification and market capitalization diversification.

The principal risk factors of this Fund are foreign currency 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	456	—	—	456
<b>TOTAL</b>	<b>456</b>	<b>—</b>	<b>—</b>	<b>456</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	210	—	—	210
<b>TOTAL</b>	<b>210</b>	<b>—</b>	<b>—</b>	<b>210</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
MSCI Canada (30%)	3.00	4	2
MSCI All Country World ex Canada IMI (70%)	3.00	10	4

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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".



# Individual Funds

DFS GUARANTEED INVESTMENT FUNDS



## DFS GIF – MONEY MARKET\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	89,056	30,156
Investments at fair value through profit or loss (FVTPL)	42,408,759	40,724,447
Premiums receivable	356,582	416,247
Interest, dividends and other receivables	—	78
	<u>42,854,397</u>	<u>41,170,928</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	37,348	40,042
Withdrawals payable	37,280	78,325
	<u>74,628</u>	<u>118,367</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>42,779,769</u>	<u>41,052,561</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>6.53</u>	6.57
Series 3	<u>6.53</u>	6.58
Series 5	<u>6.83</u>	6.87
Series 6	<u>5.12</u>	5.13
Series 7	<u>5.32</u>	5.33
Series 8	<u>5.13</u>	5.14
Series IGP	<u>9.87</u>	9.93

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	142,825	368,144
Changes in fair value:		
Net realized gain (loss) on investments	16,415	115,850
Net unrealized gain (loss) on investments	(85,538)	31,601
	<u>73,702</u>	<u>515,595</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	162,058	176,760
Operating expenses	76,945	82,388
	<u>239,003</u>	<u>259,148</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>(165,301)</u>	<u>256,447</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	(2,453)	1,109
- per unit	(0.04)	0.02
Average Number of Units	56,568	49,226
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	(13,398)	6,948
- per unit	(0.04)	0.02
Average Number of Units	302,541	306,896
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	(84,809)	96,322
- per unit	(0.03)	0.03
Average Number of Units	2,451,380	2,804,936
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	(42,504)	77,304
- per unit	(0.02)	0.03
Average Number of Units	2,379,392	2,342,137
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	(885)	12,501
- per unit	(0.01)	0.05
Average Number of Units	154,748	263,614
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	(15,016)	58,317
- per unit	(0.01)	0.04
Average Number of Units	1,707,235	1,453,269
<b>SERIES IGP</b>		
Increase (Decrease) in Net Assets from Operations	(6,236)	3,946
- per unit	(0.06)	0.04
Average Number of Units	99,049	107,074

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>41,052,561</b>	41,321,471
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(165,301)</u>	256,447
Premiums		
Series 1	133,634	204,253
Series 3	760,310	2,400,200
Series 5	16,240,410	14,455,733
Series 6	6,166,532	10,150,057
Series 7	956,809	566,818
Series 8	11,070,458	9,146,260
Series IGP	7,560	17,143
	<u>35,335,713</u>	36,940,464
Withdrawals		
Series 1	(158,246)	(211,173)
Series 3	(1,054,201)	(1,746,579)
Series 5	(14,705,284)	(19,601,070)
Series 6	(6,898,519)	(6,300,102)
Series 7	(1,875,543)	(52,134)
Series 8	(8,716,920)	(6,886,029)
Series IGP	(34,491)	(32,364)
	<u>(33,443,204)</u>	(34,829,451)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>42,779,769</b>	43,688,931

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(165,301)	256,447
Adjustments for:		
Net realized (gain) loss	(16,415)	(115,850)
Net unrealized (gain) loss	85,538	(31,601)
Non-cash distribution from investments	(142,825)	(368,144)
Proceeds from sale/maturity of investments	19,716,989	19,218,447
Investments purchased	(21,327,599)	(21,145,548)
Interest, dividends and other receivables	78	(78)
Accrued expenses	(2,694)	710
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(1,852,229)</b>	(2,185,617)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	35,395,378	37,065,703
Amounts paid on withdrawals	(33,484,249)	(34,653,238)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>1,911,129</b>	2,412,465
Increase (decrease) in cash/ bank overdraft	58,900	226,848
Cash (bank overdraft), beginning of period	30,156	(159,638)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>89,056</b>	67,210

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					99.1
DGIA Money Market Fund	4,439,559	42,436,259	42,408,759		
Total Investments		<b>42,436,259</b>	<b>42,408,759</b>		
Other Net Assets			371,010		0.9
Net Assets			<b>42,779,769</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Ontario Hydro, 0.000%, 2021-10-15	14.2%
Bank of Montreal, 0.350%, 2022-02-16	9.8%
Province of Newfoundland, Floating Rate, 2021-09-21	6.7%
BCI QuadReal Realty, Commercial Paper, 2021-09-02	6.0%
Royal Bank of Canada, 0.350%, 2022-02-10	5.0%
Greater Toronto Airports Authority, Commercial Paper, 2021-09-14	4.9%
National Bank of Canada, 1.957%, 2022-06-30	4.3%
Canadian Imperial Bank of Commerce, 2.300%, 2022-07-11	3.6%
Honda Canada Finance, 2.268%, 2022-07-15	3.6%
Greater Toronto Airports Authority, Commercial Paper, 2021-09-13	3.2%
BMW Canada, 2.150%, 2021-11-26	3.0%
BCI QuadReal Realty, Commercial Paper, 2021-07-21	3.0%
Énergir, Commercial Paper, 2021-09-09	2.8%
Altalink, Commercial Paper, 2021-07-29	2.7%
Toyota Credit Canada, 2.350%, 2022-07-18	2.7%
John Deere Canada Funding, 2.630%, 2022-09-21	2.5%
OPB Finance Trust, 1.880%, 2022-02-24	2.5%
BMW Canada, 2.570%, 2021-08-06	2.0%
Greater Toronto Airports Authority, Commercial Paper, 2021-07-05	1.8%
Canadian Imperial Bank of Commerce, Floating Rate, 2022-02-16	1.8%
John Deere Canada Funding, 2.050%, 2022-05-13	1.7%
Royal Bank of Canada, Floating Rate, 2021-07-22	1.4%
John Deere Canada Funding, 3.070%, 2021-07-23	1.4%
Royal Bank of Canada, Floating Rate, 2021-07-29	1.1%
Province of Manitoba, Floating Rate, 2021-08-18	1.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	42,409	—	42,409
<b>TOTAL</b>	<b>—</b>	<b>42,409</b>	<b>—</b>	<b>42,409</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	40,724	—	40,724
<b>TOTAL</b>	<b>—</b>	<b>40,724</b>	<b>—</b>	<b>40,724</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada 60 Day Treasury Bill (100%)	0.25	55	N/A
FTSE Canada 91 Day Treasury Bill (0%)	0.25	N/A	25

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 BOND\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021 \$	December 31 2020 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	51,250	199,717
Investments at fair value through profit or loss (FVTPL)	78,304,732	99,508,097
Premiums receivable	115	6,693
Receivable for securities sold	78,694	10,203
	<u>78,434,791</u>	<u>99,724,710</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	119,150	153,616
Withdrawals payable	276,159	192,474
Payable for securities purchased	—	8,961
	<u>395,309</u>	<u>355,051</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>78,039,482</u>	<u>99,369,659</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>4.76</u>	5.02
Series 3	<u>4.80</u>	5.05
Series 5	<u>5.39</u>	5.65
Series 6	<u>5.45</u>	5.70
Series 7	<u>5.63</u>	5.87
Series 8	<u>5.49</u>	5.74

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

\*\* Beginning of operations in November 2020.

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021 \$	2020 \$
<b>INCOME</b>		
Interest for attribution purposes	(121,719)	—
Distributions from underlying funds	919,151	365,642
Changes in fair value:		
Net realized gain (loss) on investments	(639,648)	127,758
Net unrealized gain (loss) on investments	(3,813,036)	1,675,243
	<u>(3,655,252)</u>	<u>2,168,643</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	549,787	188,714
Operating expenses	249,652	80,971
	<u>799,439</u>	<u>269,685</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>(4,454,691)</u>	<u>1,898,958</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1**</b>		
Increase (Decrease) in Net Assets from Operations	(43,981)	—
- per unit	(0.26)	—
Average Number of Units	170,439	—
<b>SERIES 3**</b>		
Increase (Decrease) in Net Assets from Operations	(252,797)	—
- per unit	(0.25)	—
Average Number of Units	1,002,404	—
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	(2,928,491)	1,327,359
- per unit	(0.27)	0.35
Average Number of Units	10,829,673	3,804,729
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	(679,862)	371,175
- per unit	(0.28)	0.36
Average Number of Units	2,409,223	1,019,088
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	(254,557)	84,158
- per unit	(0.60)	0.42
Average Number of Units	423,191	199,847
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	(295,003)	116,266
- per unit	(0.28)	0.33
Average Number of Units	1,053,456	351,185

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>99,369,659</u>	<u>27,953,674</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(4,454,691)</u>	<u>1,898,958</u>
Premiums		
Series 1*	900	—
Series 3*	147,070	—
Series 5	1,104,361	1,907,860
Series 6	578,481	1,206,333
Series 7	32,473	407,002
Series 8	651,872	1,207,019
	<u>2,515,157</u>	<u>4,728,214</u>
Withdrawals		
Series 1*	(43,578)	—
Series 3*	(431,445)	—
Series 5	(8,637,094)	(2,660,985)
Series 6	(3,467,647)	(854,309)
Series 7	(4,311,279)	(74,954)
Series 8	(2,499,600)	(442,226)
	<u>(19,390,643)</u>	<u>(4,032,474)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>78,039,482</u>	<u>30,548,372</u>

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(4,454,691)</u>	1,898,958
Adjustments for:		
Net realized (gain) loss	639,648	(127,758)
Net unrealized (gain) loss	3,813,036	(1,675,243)
Non-cash distribution from investments	(919,151)	(365,642)
Proceeds from sale/maturity of investments	17,818,408	3,035,646
Investments purchased	(148,576)	(3,472,799)
Receivable for securities sold	(68,491)	(5,823)
Accrued expenses	(34,466)	2,778
Payable for securities purchased	(8,961)	16,596
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>16,636,756</u>	<u>(693,287)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,521,735	4,678,923
Amounts paid on withdrawals	(19,306,958)	(4,002,446)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(16,785,223)</u>	<u>676,477</u>
Increase (decrease) in cash/ bank overdraft	<u>(148,467)</u>	<u>(16,810)</u>
Cash (bank overdraft), beginning of period	<u>199,717</u>	<u>19,655</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>51,250</u>	<u>2,845</u>
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	<u>1,190</u>	<u>—</u>

\* Beginning of operations in November 2020.

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
DGIA Canadian Bond Fund	7,563,621	81,628,554	78,304,732		
<b>Total Investments</b>		<b>81,628,554</b>	<b>78,304,732</b>		
<b>Other Net Assets</b>			(265,250)		(0.3)
<b>Net Assets</b>			<b>78,039,482</b>		100

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	5.6%
Government of Canada, 0.250%, 2026-03-01	5.1%
Canada Housing Trust, 2.900%, 2024-06-15	3.7%
Canada Housing Trust, 2.400%, 2022-12-15	3.4%
Government of Canada, 0.500%, 2030-12-01	3.1%
Canada Housing Trust, 1.800%, 2024-12-15	2.6%
Province of Ontario, 1.750%, 2025-09-08	1.8%
Province of Québec, 3.500%, 2048-12-01	1.5%
Government of Canada, 1.500%, 2031-06-01	1.5%
Province of Ontario, 2.650%, 2050-12-02	1.5%
Province of Ontario, 2.900%, 2028-06-02	1.4%
Government of Canada, 2.000%, 2051-12-01	1.3%
Government of Canada, 0.250%, 2022-08-01	1.3%
Canada Housing Trust, 2.350%, 2023-06-15	1.3%
Province of Ontario, 2.900%, 2046-12-02	1.3%
Province of Alberta, 3.100%, 2050-06-01	1.2%
Government of Canada, 3.500%, 2045-12-01	1.2%
Province of British Columbia, 2.950%, 2050-06-18	1.2%
Province of Québec, 3.500%, 2045-12-01	1.1%
Province of Ontario, 2.600%, 2025-06-02	0.9%
Province of Ontario, 4.600%, 2039-06-02	0.9%
Government of Canada, 2.750%, 2048-12-01	0.9%
Province of Alberta, 2.050%, 2030-06-01	0.9%
Province of Ontario, 3.450%, 2045-06-02	0.8%
CPPIB Capital, 3.000%, 2028-06-15	0.8%

## DFS GIF – CANADIAN BOND (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	78,305	—	78,305
<b>TOTAL</b>	<b>—</b>	<b>78,305</b>	<b>—</b>	<b>78,305</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	99,508	—	99,508
<b>TOTAL</b>	<b>—</b>	<b>99,508</b>	<b>—</b>	<b>99,508</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
FTSE Canada Universe Bond	1.00	803	1,020

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	2,309	204
Investments at fair value through profit or loss (FVTPL)	7,131,978	2,665,938
Premiums receivable	6,214	875
	<u>7,140,501</u>	<u>2,667,017</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	10,486	4,420
Withdrawals payable	2,431	2,014
Payable for securities purchased	2,028	—
	<u>14,945</u>	<u>6,434</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>7,125,556</b></u>	<u>2,660,583</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.33</u>	5.33
Series 6	<u>5.34</u>	5.33
Series 7	<u>5.40</u>	5.38
Series 8	<u>5.38</u>	5.36

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	51,571	28,923
Changes in fair value:		
Net realized gain (loss) on investments	47	(35,464)
Net unrealized gain (loss) on investments	93,137	(8,912)
	<u>144,755</u>	<u>(15,453)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	39,794	14,150
Operating expenses	5,488	1,630
	<u>45,282</u>	<u>15,780</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>99,473</b></u>	<u>(31,233)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	(685)	(5,918)
- per unit	<u>(0.01)</u>	(0.08)
Average Number of Units	<u>105,185</u>	72,567
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	25,909	(20,545)
- per unit	<u>0.08</u>	(0.15)
Average Number of Units	<u>306,271</u>	137,425
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	67,283	(2,877)
- per unit	<u>0.17</u>	(0.09)
Average Number of Units	<u>395,175</u>	31,354
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	6,966	(1,893)
- per unit	<u>0.05</u>	(0.04)
Average Number of Units	<u>134,197</u>	48,068

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>2,660,583</u>	658,297
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>99,473</u>	(31,233)
Premiums		
Series 5	900	604,617
Series 6	1,429,869	897,410
Series 7	2,950,014	176,394
Series 8	379,949	180,638
	<u>4,760,732</u>	1,859,059
Withdrawals		
Series 5	(81,022)	(208,568)
Series 6	(98,419)	(186,388)
Series 7	(105,677)	(4,190)
Series 8	(110,114)	(76,914)
	<u>(395,232)</u>	(476,060)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>7,125,556</u>	2,010,063

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	99,473	(31,233)
Adjustments for:		
Net realized (gain) loss	(47)	35,464
Net unrealized (gain) loss	(93,137)	8,912
Non-cash distribution from investments	(51,571)	(28,923)
Proceeds from sale/maturity of investments	240,964	332,784
Investments purchased	(4,562,249)	(1,703,644)
Accrued expenses	6,066	2,437
Payable for securities purchased	2,028	(4,193)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(4,358,473)</u>	(1,388,396)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	4,755,393	1,859,059
Amounts paid on withdrawals	(394,815)	(474,933)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>4,360,578</u>	1,384,126
Increase (decrease) in cash/ bank overdraft	2,105	(4,270)
Cash (bank overdraft), beginning of period	204	4,477
CASH (BANK OVERDRAFT), END OF PERIOD	<u>2,309</u>	207

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
Desjardins Global Tactical Bond Fund, I-Class	701,897	7,009,098	7,131,978		
<b>Total Investments</b>		<b>7,009,098</b>	<b>7,131,978</b>		
<b>Other Net Assets</b>			(6,422)		(0.1)
<b>Net Assets</b>			<b>7,125,556</b>		100

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	17.9%
Derivative Financial Instruments	-2.3%
Sequa, Floating Rate, 2023-07-31	1.6%
Envision Healthcare, Floating Rate, 2025-10-11	1.4%
Pacific Gas and Electric Company, 4.500%, 2040-07-01	1.2%
PAREXEL, Floating Rate, 2024-09-27	1.1%
Syniverse Holdings, Floating Rate, 2023-03-09	1.1%
Nationwide Building Society, Floating Rate, Perpetual	1.1%
Republic of Turkey, 5.750%, 2047-05-11	1.1%
Royal Bank of Scotland, 8.625%, Perpetual	1.0%
Uniti Group, 7.875%, 2025-02-15	1.0%
Sands China, 5.400%, 2028-08-08	1.0%
JPMorgan Chase, Floating Rate, 2051-02-01	0.9%
Gazprom, 8.625%, 2034-04-28	0.9%
CCO Holdings, 4.250%, 2031-02-01	0.8%
Republic of Panama, 4.500%, 2056-04-01	0.8%
Topaz Solar Farms, 5.750%, 2039-09-30	0.8%
MGM Growth Properties, 3.875%, 2029-02-15	0.7%
Banca Monte dei Paschi di Siena, 3.625%, 2024-09-24	0.7%
Arab Republic of Egypt, 6.375%, 2031-04-11	0.7%
Unique Pub Finance Company, 7.395%, 2024-03-28	0.7%
Wynn Macau, 5.625%, 2028-08-26	0.7%
Sprint Corporation, 7.125%, 2024-06-15	0.7%
Eskom Holdings, 6.750%, 2023-08-06	0.7%
Petróleos Mexicanos, 6.490%, 2027-01-23	0.7%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	7,132	—	—	7,132
<b>TOTAL</b>	<b>7,132</b>	<b>—</b>	<b>—</b>	<b>7,132</b>
December 31, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	2,666	—	—	2,666
<b>TOTAL</b>	<b>2,666</b>	<b>—</b>	<b>—</b>	<b>2,666</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
Bloomberg Barclays Global Aggregate Corporate Bond Ex Emerging Markets Hedged (33.3%)	1.50	36	13
BofA Merrill Lynch Global High Yield, BB-B Rated Constrained Developed Markets Hedged (33.3%)	2.00	48	18
J.P. Morgan EMBI Global Diversified Hedged (33.3%)	2.00	48	18

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	122,030,908	134,943,863
Premiums receivable	95,557	477
Receivable for securities sold	178,275	195,178
	<u>122,304,740</u>	<u>135,139,518</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	35,290	67,463
Accrued expenses	280,982	317,364
Withdrawals payable	475,843	292,820
	<u>792,115</u>	<u>677,647</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>121,512,625</b></u>	<u>134,461,871</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>8.04</u>	8.06
Series 5	<u>8.28</u>	8.30
Series 6	<u>5.93</u>	5.94
Series 7	<u>6.16</u>	6.15
Series 8	<u>5.61</u>	5.60

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	51
Changes in fair value:		
Net realized gain (loss) on investments	2,923,001	1,648,570
Net unrealized gain (loss) on investments	<u>(1,440,653)</u>	<u>3,803,339</u>
	<u>1,482,348</u>	<u>5,451,960</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,444,492	1,652,698
Operating expenses	<u>316,992</u>	<u>360,437</u>
	<u>1,761,484</u>	<u>2,013,135</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(279,136)</b></u>	<u>3,438,825</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<u>(12,462)</u>	78,961
- per unit	<u>(0.04)</u>	0.20
Average Number of Units	<u>334,091</u>	396,473
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>(243,104)</u>	2,439,431
- per unit	<u>(0.02)</u>	0.18
Average Number of Units	<u>11,068,822</u>	13,235,105
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>(28,799)</u>	503,095
- per unit	<u>(0.01)</u>	0.14
Average Number of Units	<u>3,002,773</u>	3,612,614
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>6,156</u>	130,755
- per unit	<u>0.01</u>	0.16
Average Number of Units	<u>668,367</u>	823,137
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>(927)</u>	286,583
- per unit	<u>—</u>	0.14
Average Number of Units	<u>1,782,618</u>	2,007,710

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>134,461,871</b>	146,507,166
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(279,136)</u>	3,438,825
Premiums		
Series 3	16,098	14,762
Series 5	1,143,378	3,678,350
Series 6	421,656	1,147,770
Series 7	—	44,000
Series 8	502,793	1,290,285
	<u>2,083,925</u>	6,175,167
Withdrawals		
Series 3	(312,335)	(1,040,600)
Series 5	(9,487,381)	(9,249,547)
Series 6	(2,705,979)	(1,788,207)
Series 7	(806,881)	(210,710)
Series 8	(1,441,459)	(1,406,301)
	<u>(14,754,035)</u>	(13,695,365)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>121,512,625</b>	142,425,793

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(279,136)	3,438,825
Adjustments for:		
Net realized (gain) loss	(2,923,001)	(1,648,570)
Net unrealized (gain) loss	1,440,653	(3,803,339)
Proceeds from sale/maturity of investments	15,252,588	10,686,509
Investments purchased	(857,285)	(1,217,513)
Receivable for securities sold	16,903	(70,442)
Accrued expenses	(36,382)	(12,256)
Payable for securities purchased	—	(59,991)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>12,614,340</b>	7,313,223
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	1,988,845	6,260,597
Amounts paid on withdrawals	(14,571,012)	(13,647,308)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(12,582,167)</b>	(7,386,711)
Increase (decrease) in cash/bank overdraft	32,173	(73,488)
Cash (bank overdraft), beginning of period	(67,463)	29,610
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(35,290)</b>	(43,878)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	51

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
<b>Investment Funds</b>				100.4
Franklin Quotential Diversified Income Portfolio, Series O	14,840,013	97,118,087	122,030,908	
<b>Total Investments</b>		<b>97,118,087</b>	<b>122,030,908</b>	
<b>Other Net Assets</b>			(518,283)	(0.4)
<b>Net Assets</b>			<b>121,512,625</b>	100

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	25.8%
Franklin Bissett Canadian Government Bond Fund	17.8%
Franklin Liberty Global Aggregate Bond ETF	10.5%
Franklin Bissett Short Duration Bond Fund	9.6%
Franklin Brandywine Global Income Optimiser Fund	4.7%
Franklin U.S. Core Equity Fund	3.6%
Franklin FTSE U.S. Index ETF	3.4%
Franklin FTSE Canada All Cap Index ETF	3.2%
Franklin Bissett Canadian Equity Fund	2.7%
Franklin U.S. Rising Dividends Fund	2.4%
Templeton Global Bond Fund	2.2%
Franklin International Core Equity Fund	2.0%
Cash and Cash Equivalents	2.0%
iShares Core MSCI EAFE ETF	1.9%
Franklin Canadian Core Equity Fund	1.8%
Franklin U.S. Opportunities Fund	1.6%
SPDR Portfolio S&P 500 Value ETF	1.2%
Templeton Emerging Markets Fund	1.1%
Franklin FTSE Europe ex U.K. Index ETF	1.1%
Franklin Emerging Markets Core Equity Fund	0.9%
Franklin FTSE Japan Index ETF	0.4%

## DFS GIF – DIVERSIFIED INCOME – FRANKLIN QUOTENTIAL (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	122,031	—	—	122,031
<b>TOTAL</b>	<b>122,031</b>	<b>—</b>	<b>—</b>	<b>122,031</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	134,944	—	—	134,944
<b>TOTAL</b>	<b>134,944</b>	<b>—</b>	<b>—</b>	<b>134,944</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (55%)	1.00	735	823
Bloomberg Barclays Multiverse Hedged (25%)	1.00	334	N/A
S&P/TSX (5%)	3.00	201	224
MSCI All Country World Net (15%)	3.00	602	673
Bloomberg Barclays Multiverse Bond (0%)	1.00	N/A	374

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<b>188,012,043</b>	199,176,901
Premiums receivable	<b>5,776</b>	1,028
Receivable for securities sold	<b>201,061</b>	385,273
	<b>188,218,880</b>	199,563,202
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>63,566</b>	132,927
Accrued expenses	<b>449,424</b>	480,524
Withdrawals payable	<b>420,666</b>	396,727
	<b>933,656</b>	1,010,178
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>187,285,224</b>	198,553,024
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>7.74</b>	7.60
Series 5	<b>8.03</b>	7.87
Series 6	<b>6.41</b>	6.27
Series 7	<b>6.63</b>	6.47
Series 8	<b>5.78</b>	5.64

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	264
Changes in fair value:		
Net realized gain (loss) on investments	<b>5,161,259</b>	3,294,306
Net unrealized gain (loss) on investments	<b>1,434,936</b>	1,385,346
	<b>6,596,195</b>	4,679,916
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>2,242,980</b>	2,360,747
Operating expenses	<b>529,354</b>	555,896
	<b>2,772,334</b>	2,916,643
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>3,823,861</b>	1,763,273
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>94,989</b>	39,718
- per unit	<b>0.14</b>	0.05
Average Number of Units	<b>658,980</b>	759,137
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>3,128,071</b>	1,426,335
- per unit	<b>0.16</b>	0.06
Average Number of Units	<b>20,136,100</b>	22,941,821
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>379,726</b>	191,329
- per unit	<b>0.13</b>	0.06
Average Number of Units	<b>2,835,578</b>	3,200,128
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>91,219</b>	45,975
- per unit	<b>0.16</b>	0.08
Average Number of Units	<b>584,574</b>	610,737
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>129,856</b>	59,916
- per unit	<b>0.13</b>	0.05
Average Number of Units	<b>987,934</b>	1,126,913

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>198,553,024</u>	209,426,849
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>3,823,861</u>	1,763,273
Premiums		
Series 3	106,924	59,502
Series 5	2,236,429	4,719,167
Series 6	364,146	927,833
Series 7	2,500	2,600
Series 8	484,838	280,609
	<u>3,194,837</u>	5,989,711
Withdrawals		
Series 3	(310,411)	(359,049)
Series 5	(15,297,401)	(15,324,401)
Series 6	(2,050,865)	(1,167,087)
Series 7	(70,217)	(59,332)
Series 8	(557,604)	(354,195)
	<u>(18,286,498)</u>	(17,264,064)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>187,285,224</u>	199,915,769

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,823,861	1,763,273
Adjustments for:		
Net realized (gain) loss	(5,161,259)	(3,294,306)
Net unrealized (gain) loss	(1,434,936)	(1,385,346)
Proceeds from sale/maturity of investments	17,951,842	14,236,858
Investments purchased	(190,789)	(171,625)
Receivable for securities sold	184,212	65,253
Accrued expenses	(31,100)	(25,998)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>15,141,831</u>	11,188,109
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	3,190,089	6,010,744
Amounts paid on withdrawals	(18,262,559)	(17,207,345)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(15,072,470)</u>	(11,196,601)
Increase (decrease) in cash/ bank overdraft	69,361	(8,492)
Cash (bank overdraft), beginning of period	(132,927)	63,069
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(63,566)</u>	54,577
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	264

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.4
Franklin Quotential Balanced Income Portfolio, Series O	16,550,793	130,431,263	188,012,043		
<b>Total Investments</b>		<b>130,431,263</b>	<b>188,012,043</b>		
<b>Other Net Assets</b>			(726,819)		(0.4)
<b>Net Assets</b>			<b>187,285,224</b>		100

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	20.4%
Franklin Bissett Canadian Government Bond Fund	12.4%
Franklin Liberty Global Aggregate Bond ETF	9.9%
Franklin Bissett Short Duration Bond Fund	7.2%
Franklin FTSE U.S. Index ETF	5.5%
Franklin FTSE Canada All Cap Index ETF	5.3%
Franklin U.S. Core Equity Fund	5.0%
Franklin Bissett Canadian Equity Fund	4.5%
Franklin U.S. Rising Dividends Fund	3.9%
Franklin International Core Equity Fund	3.3%
iShares Core MSCI EAFE ETF	3.1%
Franklin Canadian Core Equity Fund	2.9%
Franklin U.S. Opportunities Fund	2.7%
Franklin Brandywine Global Income Optimiser Fund	2.0%
SPDR Portfolio S&P 500 Value ETF	2.0%
Franklin FTSE Europe ex U.K. Index ETF	1.7%
Templeton Global Bond Fund	1.7%
Templeton Emerging Markets Fund	1.7%
Cash and Cash Equivalents	1.6%
Franklin Emerging Markets Core Equity Fund	1.1%
Franklin LibertyQT U.S. Equity Index ETF	0.9%
Franklin FTSE Japan Index ETF	0.7%
iShares Core MSCI Emerging Markets ETF	0.4%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	188,012	—	—	188,012
<b>TOTAL</b>	<b>188,012</b>	<b>—</b>	<b>—</b>	<b>188,012</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	199,177	—	—	199,177
<b>TOTAL</b>	<b>199,177</b>	<b>—</b>	<b>—</b>	<b>199,177</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	790	836
Bloomberg Barclays Multiverse Hedged (20%)	1.00	395	N/A
S&P/TSX (10%)	3.00	592	627
MSCI All Country World Net (30%)	3.00	1,777	1,880
Bloomberg Barclays Multiverse Bond (0%)	1.00	N/A	418

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	98,502	322,218
Investments at fair value through profit or loss (FVTPL)	733,386,390	733,000,949
Premiums receivable	522,649	248,335
Receivable for securities sold	314,950	150,905
	<u>734,322,491</u>	<u>733,722,407</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	1,769,747	1,771,842
Withdrawals payable	1,799,477	1,253,064
Payable for securities purchased	—	50,215
	<u>3,569,224</u>	<u>3,075,121</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>730,753,267</b></u>	<u>730,647,286</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>11.72</u>	11.19
Series 5	<u>12.32</u>	11.74
Series 6	<u>7.39</u>	7.03
Series 7	<u>7.68</u>	7.29
Series 8	<u>6.33</u>	6.01

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	948
Distributions from underlying funds	9,243,520	10,041,494
Changes in fair value:		
Net realized gain (loss) on investments	9,987,549	6,388,652
Net unrealized gain (loss) on investments	26,517,985	(3,216,899)
	<u>45,749,054</u>	<u>13,214,195</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	8,553,159	8,300,587
Operating expenses	2,040,009	1,975,375
	<u>10,593,168</u>	<u>10,275,962</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>35,155,886</b></u>	<u>2,938,233</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	398,731	12,108
- per unit	0.53	0.02
Average Number of Units	748,977	766,009
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	32,038,553	2,684,718
- per unit	0.58	0.04
Average Number of Units	55,395,799	60,405,644
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,618,964	167,974
- per unit	0.36	0.03
Average Number of Units	4,492,445	4,875,264
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	263,587	37,461
- per unit	0.39	0.05
Average Number of Units	671,195	762,176
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	836,051	35,972
- per unit	0.32	0.01
Average Number of Units	2,641,310	2,576,189

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>730,647,286</u>	729,335,913
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>35,155,886</u>	2,938,233
Premiums		
Series 3	457,082	309,563
Series 5	19,420,770	28,692,987
Series 6	3,120,951	2,417,135
Series 7	62,852	4,750
Series 8	2,404,150	1,412,826
	<u>25,465,805</u>	32,837,261
Withdrawals		
Series 3	(587,227)	(682,117)
Series 5	(52,675,069)	(56,811,697)
Series 6	(4,568,921)	(3,460,276)
Series 7	(178,354)	(216,713)
Series 8	(2,506,139)	(1,286,346)
	<u>(60,515,710)</u>	(62,457,149)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>730,753,267</u>	702,654,258

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	35,155,886	2,938,233
Adjustments for:		
Net realized (gain) loss	(9,987,549)	(6,388,652)
Net unrealized (gain) loss	(26,517,985)	3,216,899
Non-cash distribution from investments	(9,243,520)	(10,041,494)
Proceeds from sale/maturity of investments	45,941,229	40,348,003
Investments purchased	(577,616)	(444,314)
Receivable for securities sold	(164,045)	(216,438)
Accrued expenses	(2,095)	(90,786)
Payable for securities purchased	(50,215)	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>34,554,090</u>	29,321,451
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	25,191,491	33,686,208
Amounts paid on withdrawals	(59,969,297)	(63,253,711)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(34,777,806)</u>	(29,567,503)
Increase (decrease) in cash/ bank overdraft	(223,716)	(246,052)
Cash (bank overdraft), beginning of period	322,218	190,254
CASH (BANK OVERDRAFT), END OF PERIOD	<u>98,502</u>	(55,798)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	948

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.4
Fidelity Canadian Balanced Fund, Series O	27,573,301	556,475,537	733,386,390		
<b>Total Investments</b>		<b>556,475,537</b>	<b>733,386,390</b>		
<b>Other Net Assets</b>			(2,633,123)		(0.4)
<b>Net Assets</b>			<b>730,753,267</b>		100

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%
Canadian Pacific Railway	3.9%
Shopify	3.3%
Scotiabank	2.9%
Toronto-Dominion Bank	2.6%
Nutrien	2.3%
Thomson Reuters Corporation	1.7%
Dollarama	1.6%
Canadian Natural Resources	1.6%
Sun Life Financial	1.5%
Brookfield Asset Management	1.5%
Waste Connections	1.4%
Constellation Software	1.3%
First Quantum Minerals	1.2%
Visa	1.1%
Gildan Activewear	1.1%
Colliers International Group	1.0%
Canada HSG, 1.250%, 2026-06-15	0.9%
Franco-Nevada Corporation	0.9%
Fidelity Canadian Money Market Fund	0.8%
Canadian Imperial Bank of Commerce	0.8%
TFI International	0.8%
Magna International	0.8%
Aritzia	0.8%
BRP	0.8%

## DFS GIF – CANADIAN BALANCED – FIDELITY (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	733,386	—	—	733,386
<b>TOTAL</b>	<b>733,386</b>	<b>—</b>	<b>—</b>	<b>733,386</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	733,001	—	—	733,001
<b>TOTAL</b>	<b>733,001</b>	<b>—</b>	<b>—</b>	<b>733,001</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (40%)	1.00	2,960	2,923
Merrill Lynch High Yield Master II (10%)	2.00	1,480	1,462
S&P/TSX Capped (50%)	3.00	11,099	10,962

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	43,195	2,358
Investments at fair value through profit or loss (FVTPL)	21,543,296	20,256,077
Premiums receivable	26,659	—
Receivable for securities sold	6,341	—
	<u>21,619,491</u>	<u>20,258,435</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	44,614	42,785
Withdrawals payable	45,689	69,337
Payable for securities purchased	42,168	1,636
	<u>132,471</u>	<u>113,758</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>21,487,020</u>	<u>20,144,677</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.69</u>	6.39
Series 6	<u>6.73</u>	6.42
Series 7	<u>6.94</u>	6.60
Series 8	<u>6.24</u>	5.93

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	255,063	185,958
Changes in fair value:		
Net realized gain (loss) on investments	138,138	79,859
Net unrealized gain (loss) on investments	880,366	(424,078)
	<u>1,273,567</u>	<u>(158,261)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	239,959	249,842
Operating expenses	22,959	22,325
	<u>262,918</u>	<u>272,167</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,010,649</u>	<u>(430,428)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	89,337	(46,593)
- per unit	0.30	(0.13)
Average Number of Units	294,536	369,424
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	358,863	(166,232)
- per unit	0.32	(0.13)
Average Number of Units	1,137,605	1,257,595
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	136,046	(48,917)
- per unit	0.34	(0.11)
Average Number of Units	401,783	463,426
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	426,403	(168,686)
- per unit	0.30	(0.13)
Average Number of Units	1,409,217	1,291,494

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>20,144,677</u>	21,058,018
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>1,010,649</u>	(430,428)
Premiums		
Series 5	112,642	134,428
Series 6	1,213,915	1,365,282
Series 7	10,655	67,691
Series 8	1,247,325	832,547
	<u>2,584,537</u>	2,399,948
Withdrawals		
Series 5	(325,449)	(733,239)
Series 6	(1,166,706)	(1,181,157)
Series 7	(235,599)	(57,307)
Series 8	(525,089)	(954,675)
	<u>(2,252,843)</u>	(2,926,378)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>21,487,020</u>	20,101,160

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	1,010,649	(430,428)
Adjustments for:		
Net realized (gain) loss	(138,138)	(79,859)
Net unrealized (gain) loss	(880,366)	424,078
Non-cash distribution from investments	(255,063)	(185,958)
Proceeds from sale/maturity of investments	1,423,385	1,888,032
Investments purchased	(1,437,037)	(1,085,833)
Receivable for securities sold	(6,341)	(6,272)
Accrued expenses	1,829	(1,710)
Payable for securities purchased	40,532	(15,682)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(240,550)</u>	506,368
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,557,878	2,456,837
Amounts paid on withdrawals	(2,276,491)	(2,954,634)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>281,387</u>	(497,797)
Increase (decrease) in cash/ bank overdraft	40,837	8,571
Cash (bank overdraft), beginning of period	2,358	1,924
CASH (BANK OVERDRAFT), END OF PERIOD	<u>43,195</u>	10,495

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$		%
<b>Investment Funds</b>					100.3
Fidelity U.S. Monthly Income Fund, Series O	800,500	19,079,906	21,543,296		
<b>Total Investments</b>		<b>19,079,906</b>	<b>21,543,296</b>		
<b>Other Net Assets</b>			(56,276)		(0.3)
<b>Net Assets</b>			<b>21,487,020</b>		100

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	3.9%
iShares TIPS Bond ETF	2.4%
U.S. Treasury Note, 1.250%, 2028-04-30	1.7%
JPMorgan Chase & Company	1.4%
iShares Comex Gold Trust ETF	1.2%
U.S. Treasury Note, 2.125%, 2024-07-31	1.1%
U.S. Treasury Bill, 2.375%, 2051-05-15	1.1%
Bank of America Corporation	1.0%
U.S. Treasury Note, 1.250%, 2028-05-31	1.0%
UnitedHealth Group	0.9%
Danaher Corporation	0.9%
Wells Fargo & Company	0.8%
Johnson & Johnson	0.8%
Exxon Mobil Corporation	0.7%
Prologis Real Estate Investment Trust	0.7%
Walt Disney Company	0.7%
U.S. Treasury Note, 2.250%, 2027-11-15	0.7%
Cisco Systems	0.7%
Comcast Corporation	0.7%
Procter & Gamble Company	0.7%
Bristol-Myers Squibb Company	0.7%
U.S. Treasury Note, 1.125%, 2031-02-15	0.6%
Walmart	0.6%
Capital One Financial Corporation	0.6%
Eli Lilly and Company	0.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To achieve a combination of a steady 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 (in \$'000)

June 30, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	21,543	—	—	21,543
<b>TOTAL</b>	<b>21,543</b>	<b>—</b>	<b>—</b>	<b>21,543</b>
December 31, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	20,256	—	—	20,256
<b>TOTAL</b>	<b>20,256</b>	<b>—</b>	<b>—</b>	<b>20,256</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
Bloomberg Barclays U.S. Aggregate Bond (31%)	1.50	93	90
Bank of America ML all US Convertibles (5%)	1.50	15	14
JP Morgan EMBI Global Diversified (5%)	2.00	20	19
Bank of America ML High Yield Master II Constrained (12%)	2.00	48	46
FTSE NAREIT Equity REITs (7%)	3.00	42	41
Russell 3000 Value (40%)	3.00	240	N/A
S&P 1500 (0%)	3.00	N/A	231

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	243,250,712	248,413,831
Premiums receivable	183,914	3,046
Receivable for securities sold	147,088	—
	<u>243,581,714</u>	<u>248,416,877</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	81,421	27,824
Accrued expenses	535,759	709,828
Withdrawals payable	820,682	537,231
	<u>1,437,862</u>	<u>1,274,883</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>242,143,852</b></u>	<u>247,141,994</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>9.97</u>	9.53
Series 5	<u>10.68</u>	10.18
Series 6	<u>6.62</u>	6.30
Series 7	<u>6.82</u>	6.47
Series 8	<u>6.14</u>	5.84

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	159,379	—
Distributions from underlying funds	2,355,982	2,087,723
Changes in fair value:		
Net realized gain (loss) on investments	4,428,592	2,026,050
Net unrealized gain (loss) on investments	8,180,074	(6,096,509)
	<u>15,124,027</u>	<u>(1,982,736)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	2,492,791	2,551,288
Operating expenses	771,841	777,626
	<u>3,264,632</u>	<u>3,328,914</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>11,859,395</b></u>	<u>(5,311,650)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	313,753	(178,128)
- per unit	0.44	(0.22)
Average Number of Units	710,091	812,450
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	7,514,839	(3,591,871)
- per unit	0.50	(0.21)
Average Number of Units	15,047,983	17,030,026
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,095,219	(825,985)
- per unit	0.32	(0.12)
Average Number of Units	6,499,336	7,141,897
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	469,248	(167,540)
- per unit	0.35	(0.12)
Average Number of Units	1,350,380	1,451,879
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,466,336	(548,126)
- per unit	0.31	(0.11)
Average Number of Units	4,769,355	4,975,018

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>247,141,994</u>	255,522,605
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>11,859,395</u>	(5,311,650)
Premiums		
Series 3	111,426	103,025
Series 5	5,264,014	6,495,203
Series 6	1,917,692	3,475,715
Series 7	163,026	27,582
Series 8	1,916,096	2,342,711
	<u>9,372,254</u>	12,444,236
Withdrawals		
Series 3	(816,202)	(443,143)
Series 5	(15,895,924)	(15,498,945)
Series 6	(5,069,508)	(3,849,187)
Series 7	(1,145,842)	(599,214)
Series 8	(3,302,315)	(1,776,322)
	<u>(26,229,791)</u>	(22,166,811)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>242,143,852</u>	240,488,380

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	11,859,395	(5,311,650)
Adjustments for:		
Net realized (gain) loss	(4,428,592)	(2,026,050)
Net unrealized (gain) loss	(8,180,074)	6,096,509
Non-cash distribution from investments	(2,355,982)	(2,087,723)
Proceeds from sale/maturity of investments	20,754,990	14,472,572
Investments purchased	(627,223)	(2,770,796)
Receivable for securities sold	(147,088)	—
Interest, dividends and other receivables	—	554,423
Accrued expenses	(174,069)	(34,432)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>16,701,357</u>	8,892,853
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	9,191,386	13,473,531
Amounts paid on withdrawals	(25,946,340)	(22,515,241)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(16,754,954)</u>	(9,041,710)
Increase (decrease) in cash/ bank overdraft	(53,597)	(148,857)
Cash (bank overdraft), beginning of period	(27,824)	144,339
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(81,421)</u>	(4,518)

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.5
Jarislowsky Fraser Global Balanced Fund	15,601,584	186,013,015	243,250,712		
<b>Total Investments</b>		<b>186,013,015</b>	<b>243,250,712</b>		
<b>Other Net Assets</b>			(1,106,860)		(0.5)
<b>Net Assets</b>			<b>242,143,852</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Jarislowsky Fraser International Fund	18.9%
Jarislowsky Fraser Emerging Market Equity Fund	3.2%
Canada Housing Trust, 1.950%, 2025-12-15	1.8%
Microsoft Corporation	1.7%
Jarislowsky Fraser Special Equity Fund	1.7%
Canadian National Railway Company	1.5%
Brookfield Asset Management	1.5%
Amazon.com	1.3%
Scotiabank	1.3%
Canada Housing Trust, 1.250%, 2026-06-15	1.3%
Facebook	1.2%
Shopify	1.2%
Alphabet	1.1%
Open Text Corporation	1.0%
Toronto-Dominion Bank, 1.909%, 2023-07-18	1.0%
Manulife Financial Corporation	1.0%
Magna International	1.0%
Province of Ontario, 4.700%, 2037-06-02	0.9%
Nutrien	0.9%
Alimentation Couche-Tard	0.9%
Thomson Reuters Corporation	0.9%
UnitedHealth Group	0.9%
Canadian Imperial Bank of Commerce, 2.300%, 2022-07-11	0.9%
CCL Industries	0.9%
CGI Group	0.9%

## DFS GIF – GLOBAL BALANCED – JARISLOWSKY FRASER (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 mainly of a balance of large cap equity and 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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	243,251	—	243,251
<b>TOTAL</b>	<b>—</b>	<b>243,251</b>	<b>—</b>	<b>243,251</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	248,414	—	248,414
<b>TOTAL</b>	<b>—</b>	<b>248,414</b>	<b>—</b>	<b>248,414</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada 91 Day Treasury Bill (5%)	0.25	30	30
FTSE Canada Universe Bond (38.5%)	1.00	915	935
S&P/TSX (22%)	3.00	1,569	1,602
S&P 500 (16%)	3.00	1,141	1,165
MSCI EAFE Net (16%)	3.00	1,141	1,165
MSCI Emerging Markets Net (2.5%)	3.00	178	182

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	199,955	—
Investments at fair value through profit or loss (FVTPL)	188,179,993	190,914,914
Investments at fair value through profit or loss (FVTPL) pledged as collateral	14,309,097	12,904,121
Premiums receivable	82,015	3,889
Cash guarantee received for repurchase transactions	14,268,972	12,388,562
Interest, dividends and other receivables	413,594	265,217
	<u>217,453,626</u>	<u>216,476,703</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	29,399
Accrued expenses	418,817	428,232
Withdrawals payable	270,094	330,137
Payable for securities purchased	141,000	—
Commitments related to repurchase transactions	14,268,972	12,388,562
	<u>15,098,883</u>	<u>13,176,330</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>202,354,743</u>	<u>203,300,373</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>12.81</u>	12.10
Series 3	<u>14.58</u>	13.73
Series 5	<u>15.84</u>	14.87
Series 6	<u>7.80</u>	7.32
Series 7	<u>8.10</u>	7.58
Series 8	<u>6.61</u>	6.19

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	379,721	512,585
Dividends	1,353,671	926,653
Distributions from underlying funds	380,412	409,887
Revenue from securities lending activities	6,286	26,462
Foreign exchange gain (loss) on cash	(1,947)	106
Changes in fair value:		
Net realized gain (loss) on investments	8,157,690	901,577
Net unrealized gain (loss) on investments	4,845,088	(2,972,748)
	<u>15,120,921</u>	<u>(195,478)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	2,003,084	1,965,942
Operating expenses	521,742	509,062
	<u>2,524,826</u>	<u>2,475,004</u>
Commissions and other portfolio transaction costs	9,226	13,358
	<u>2,534,052</u>	<u>2,488,362</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>12,586,869</u>	<u>(2,683,840)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	295,106	(107,094)
- per unit	0.70	(0.23)
Average Number of Units	420,122	467,372
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	736,886	(224,103)
- per unit	0.85	(0.23)
Average Number of Units	868,879	957,525
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	8,889,860	(1,925,328)
- per unit	0.97	(0.19)
Average Number of Units	9,210,130	10,088,338
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,452,360	(312,358)
- per unit	0.48	(0.10)
Average Number of Units	3,045,291	3,071,366
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	108,796	(17,655)
- per unit	0.52	(0.07)
Average Number of Units	208,051	242,386
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,103,861	(97,302)
- per unit	0.40	(0.04)
Average Number of Units	2,737,614	2,772,622

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>203,300,373</u>	195,444,321
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>12,586,869</u>	(2,683,840)
Premiums		
Series 1	18,751	16,943
Series 3	256,439	165,592
Series 5	3,617,720	7,268,586
Series 6	1,160,585	5,194,824
Series 7	150	3,150
Series 8	<u>1,060,367</u>	4,841,140
	<u>6,114,012</u>	17,490,235
Withdrawals		
Series 1	(289,327)	(197,231)
Series 3	(1,009,576)	(863,602)
Series 5	(11,926,491)	(11,258,955)
Series 6	(3,172,314)	(3,285,237)
Series 7	(38,347)	(62,014)
Series 8	<u>(3,210,456)</u>	(1,115,309)
	<u>(19,646,511)</u>	(16,782,348)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>202,354,743</u>	193,468,368

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	12,586,869	(2,683,840)
Adjustments for:		
Foreign exchange (gain) loss on cash	1,947	(106)
Net realized (gain) loss	(8,157,690)	(901,577)
Net unrealized (gain) loss	(4,845,088)	2,972,748
Non-cash distribution from investments	(380,412)	(409,887)
Proceeds from sale/maturity of investments	90,691,636	179,965,592
Investments purchased	(75,977,651)	(180,254,099)
Cash guarantee received for repurchase transactions	(1,880,410)	14,496,094
Interest, dividends and other receivables	(148,377)	(27,734)
Accrued expenses	(9,415)	(1,569)
Commitments related to repurchase transactions	1,880,410	(14,496,094)
Payable for securities purchased	141,000	(362,883)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>13,902,819</u>	(1,703,355)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	6,035,886	17,961,902
Amounts paid on withdrawals	(19,706,554)	(16,570,362)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(13,670,668)</u>	1,391,540
Effect of exchange rate changes on foreign cash	(2,797)	(1,563)
Increase (decrease) in cash/ bank overdraft	229,354	(313,378)
Cash (bank overdraft), beginning of period	(29,399)	409,174
CASH (BANK OVERDRAFT), END OF PERIOD	<u>199,955</u>	95,796
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	395,558	503,493
Dividends received, net of withholding taxes	1,189,243	914,493
Interest paid	7	2

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Equities</b>					49.6
<b>Canadian Equities</b>					49.6
<b>Materials</b>					2.8
CCL Industries, Class B	51,225	2,849,627	3,497,131		
Winpak	54,137	2,479,626	2,093,478		
		<u>5,329,253</u>	<u>5,590,609</u>		
<b>Industrials</b>					12.4
CAE	51,825	1,411,548	1,978,678		
Canadian National Railway Company	29,390	2,188,742	3,843,918		
Canadian Pacific Railway	44,925	1,784,867	4,282,251		
Richelieu Hardware	22,217	822,402	891,346		
Ritchie Bros. Auctioneers	20,655	1,118,369	1,517,936		
Stantec	17,665	848,858	977,051		
Thomson Reuters	33,003	2,369,820	4,063,659		
Toromont Industries	45,974	2,709,291	4,965,192		
Waste Connections	16,906	1,174,093	2,503,779		
		<u>14,427,990</u>	<u>25,023,810</u>		
<b>Consumer Discretionary</b>					2.8
Dollarama	55,940	1,849,763	3,174,036		
Restaurant Brands International	32,590	2,573,014	2,602,963		
		<u>4,422,777</u>	<u>5,776,999</u>		
<b>Consumer Staples</b>					5.1
Alimentation Couche-Tard, Class B	38,952	1,109,348	1,774,264		
Empire Company, Class A	72,300	2,348,589	2,826,930		
Loblaw Companies	23,633	1,352,644	1,802,962		
Metro	65,175	2,967,519	3,873,350		
		<u>7,778,100</u>	<u>10,277,506</u>		
<b>Financials</b>					15.1
Bank of Montreal	35,850	3,203,628	4,555,101		
Brookfield Asset Management, Class A	67,033	2,201,697	4,239,167		
Intact Financial Corporation	23,950	2,683,073	4,033,420		
National Bank of Canada	46,925	2,917,856	4,353,232		
Royal Bank of Canada	40,790	3,240,728	5,122,816		
TMX Group	24,800	2,152,691	3,247,312		
Toronto-Dominion Bank	57,527	3,233,696	4,997,370		
		<u>19,633,369</u>	<u>30,548,418</u>		
<b>Information Technology</b>					6.8
CGI, Class A	35,203	2,208,827	3,956,465		
Constellation Software	2,524	2,215,154	4,738,583		
Descartes Systems Group	9,591	683,885	822,236		
Open Text	63,156	2,788,622	3,975,670		
Topicus.com	4,066	150,442	366,143		
		<u>8,046,930</u>	<u>13,859,097</u>		

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Communication Services</b>					3.7
Québecor, Class B	97,506	2,403,663	3,223,548		
Rogers Communications, Class B	22,227	1,399,992	1,464,759		
TELUS	100,225	2,390,011	2,786,255		
		<u>6,193,666</u>	<u>7,474,562</u>		
<b>Utilities</b>					0.9
ATCO, Class I	41,154	1,855,578	1,809,130		
<b>Total Canadian Equities</b>		67,687,663	100,360,131		
<b>Foreign Equities</b>					—
<b>Bermuda</b>					
Brookfield Asset Management Reinsurance Partners	462	32,710	30,261		
<b>Total Equities</b>		<u>67,720,373</u>	<u>100,390,392</u>		
<b>Investment Funds</b>					25.8
Fiera Capital Active Short Term Canadian Municipal Bond Series A	1,336,952	13,436,861	13,715,920		
Fiera Capital Global Equity Fund, Series A	1,111,322	16,204,239	38,445,282		
<b>Total Investment Funds</b>		<u>29,641,100</u>	<u>52,161,202</u>		
<b>Bonds</b>					13.9
<b>Canadian Bonds</b>					13.8
<b>Government of Canada</b>					5.0
Canada Housing Trust					
Series 72, floating rate, 2021-09-15*	CAD 970,000	975,225	973,932		
Series 98, 1.250%, 2026-06-15	CAD 318,000	318,750	318,397		
Series 85, 2.650%, 2028-12-15*	CAD 22,000	23,606	23,710		
Series 92, 1.750%, 2030-06-15	CAD 97,000	96,748	97,348		
Series 100, 1.900%, 2031-03-15	CAD 723,000	722,199	731,482		
Government of Canada					
0.250%, 2026-03-01*	CAD 780,000	755,473	754,312		
1.000%, 2027-06-01*	CAD 581,000	577,487	578,165		
2.000%, 2028-06-01*	CAD 319,000	336,254	336,886		
2.250%, 2029-06-01	CAD 144,000	154,940	155,040		
1.250%, 2030-06-01	CAD 1,469,000	1,449,105	1,458,397		
0.500%, 2030-12-01*	CAD 483,000	439,675	445,338		
5.750%, 2033-06-01*	CAD 1,341,000	1,930,421	1,953,934		
5.000%, 2037-06-01*	CAD 89,000	128,696	131,198		
4.000%, 2041-06-01*	CAD 595,000	815,613	823,946		
2.750%, 2048-12-01*	CAD 17,000	21,559	20,404		
2.000%, 2051-12-01*	CAD 208,000	217,939	215,655		
Muskkrat Falls					
Series C, 3.860%, 2048-12-01	CAD 348,000	456,131	441,377		
Royal Office Finance					
Series A, 5.209%, 2032-11-12	CAD 514,230	541,540	637,187		
		<u>9,961,361</u>	<u>10,096,708</u>		

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, 2021

	PAR VALUE / NUMBER OF SECURITIES		COST	FAIR VALUE	
			\$	\$	%
<b>Provincial Governments and Crown Corporations</b>					4.9
Brock University					
Series B, 3.033%, 2060-05-17	CAD	170,000	170,000	153,125	
Hospital for Sick Children					
Series B, 3.416%, 2057-12-07	CAD	178,000	178,000	191,735	
Hydro-Québec					
stripped, 2032-02-15	CAD	39,000	28,652	30,803	
stripped, 2032-08-15	CAD	39,000	27,630	30,323	
stripped, 2034-02-15	CAD	108,000	77,886	80,154	
stripped, 2035-02-15	CAD	113,000	78,458	80,996	
stripped, 2036-08-15	CAD	29,000	19,082	19,870	
stripped, 2037-02-15	CAD	44,000	28,579	29,705	
stripped, 2037-08-15	CAD	199,000	126,504	132,026	
stripped, 2038-08-15	CAD	108,000	66,479	69,383	
stripped, 2039-02-15	CAD	65,000	39,160	41,180	
stripped, 2039-08-15	CAD	22,000	12,914	13,692	
stripped, 2041-02-15	CAD	22,000	12,400	13,121	
Ontario Infrastructure					
4.700%, 2037-06-01	CAD	70,000	70,093	88,937	
Ontario Power Generation					
3.215%, 2030-04-08*	CAD	118,000	118,000	126,671	
Ontario School Boards Financing, Private Placement					
Series 04A1, 5.483%, 2029-11-26	CAD	273,443	291,822	319,386	
Series 06A1, 5.070%, 2031-04-18	CAD	275,835	275,834	319,986	
Ornge Issuer Trust					
5.727%, 2034-06-11	CAD	100,167	112,498	120,389	
Province of Alberta					
2.050%, 2030-06-01*	CAD	513,000	493,968	517,172	
3.100%, 2050-06-01*	CAD	761,000	849,653	817,598	
2.950%, 2052-06-01*	CAD	84,000	85,842	87,875	
Province of Manitoba					
2.050%, 2030-06-02*	CAD	12,000	12,442	12,133	
3.400%, 2048-09-05	CAD	149,000	151,009	171,043	
3.200%, 2050-03-05*	CAD	114,000	140,533	126,354	
Province of Newfoundland and Labrador					
2.850%, 2029-06-02*	CAD	267,000	286,323	284,925	
1.750%, 2030-06-02*	CAD	93,000	92,625	90,567	
3.700%, 2048-10-17*	CAD	15,000	16,073	17,068	
2.650%, 2050-10-17	CAD	295,000	280,714	275,315	

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Provincial Governments and Crown Corporations (continued)</b>					
Province of Ontario					
5.850%, 2033-03-08*	CAD	179,000	243,061	246,484	
stripped, 2035-12-02	CAD	44,000	30,019	30,903	
stripped, 2036-12-02	CAD	78,000	51,499	53,142	
stripped, 2037-06-02	CAD	22,000	14,244	14,753	
stripped, 2037-12-02	CAD	109,000	69,522	71,869	
stripped, 2038-12-02	CAD	43,000	26,414	27,442	
stripped, 2039-06-02	CAD	65,000	39,405	40,821	
stripped, 2039-12-02	CAD	109,000	64,985	67,415	
stripped, 2040-06-02	CAD	174,000	99,415	105,978	
stripped, 2041-06-02	CAD	239,000	135,067	141,599	
4.650%, 2041-06-02*	CAD	1,480,000	2,127,532	1,981,617	
3.500%, 2043-06-02	CAD	162,000	205,983	188,428	
3.450%, 2045-06-02*	CAD	106,000	116,388	122,571	
2.800%, 2048-06-02*	CAD	52,000	51,038	53,926	
2.650%, 2050-12-02*	CAD	1,464,000	1,609,807	1,469,938	
Province of Québec					
2.100%, 2031-05-27	CAD	31,000	30,900	31,494	
Province of Saskatchewan					
2.200%, 2030-06-02	CAD	226,000	239,524	231,428	
3.100%, 2050-06-02*	CAD	139,000	159,346	152,273	
Ryerson University					
Series B, 3.542%, 2061-05-04	CAD	121,000	121,000	127,216	
TCHC Issuer Trust					
Series A, 4.877%, 2037-05-11	CAD	59,000	59,000	75,393	
Series B, 5.395%, 2040-02-22	CAD	110,000	112,200	151,387	
University of Ottawa					
Series C, 2.635%, 2060-02-13	CAD	129,000	129,000	112,247	
University of Western Ontario					
Series B, 3.388%, 2057-12-04	CAD	88,000	88,000	91,894	
			<u>9,966,522</u>	<u>9,851,750</u>	
<b>Municipalities and Semi-Public Institutions</b>					
City of Ottawa					
2.500%, 2051-05-11	CAD	138,000	137,262	130,247	0.1
<b>Corporations</b>					
407 International					
4.190%, 2042-04-25	CAD	80,000	87,400	92,442	
3.670%, 2049-03-08	CAD	11,000	13,130	12,009	
Aéroports de Montréal					
Series R, 3.030%, 2050-04-21	CAD	104,000	108,068	102,590	
Bell Canada					
Series M54, 3.000%, 2031-03-17	CAD	183,000	182,843	187,078	
Series M45, 4.450%, 2047-02-27	CAD	85,000	89,766	93,370	

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, 2021

	PAR VALUE / NUMBER OF SECURITIES		COST	FAIR VALUE	
			\$	\$	%
<b>Corporations (continued)</b>					
Canadian National Railway Company					
3.600%, 2049-02-08*	CAD	59,000	64,260	60,671	
3.050%, 2050-02-08*	CAD	47,000	46,689	43,701	
CHIP Mortgage Trust					
1.738%, 2025-12-15	CAD	129,000	129,000	128,140	
Choice Properties Real Estate Investment Trust					
Series P, 2.848%, 2027-05-21	CAD	1,000	1,000	1,036	
Series N, 2.981%, 2030-03-04*	CAD	123,000	123,000	125,623	
CU					
4.543%, 2041-10-24	CAD	78,000	88,448	94,210	
4.085%, 2044-09-02*	CAD	29,000	34,368	33,300	
3.964%, 2045-07-27	CAD	207,000	223,342	233,956	
2.963%, 2049-09-07	CAD	35,000	32,244	33,728	
Dollarama					
2.443%, 2029-07-09	CAD	141,000	141,000	141,621	
Enbridge					
3.200%, 2027-06-08	CAD	128,000	132,330	135,120	
2.990%, 2029-10-03	CAD	211,000	212,686	217,918	
4.330%, 2049-02-22	CAD	135,000	130,199	144,869	
Enbridge Gas					
3.650%, 2050-04-01	CAD	117,000	116,746	127,440	
Enbridge Pipelines					
4.550%, 2045-09-29*	CAD	349,000	341,987	384,543	
4.200%, 2051-05-12	CAD	64,000	63,925	67,398	
EPCOR Utilities					
3.949%, 2048-11-26	CAD	8,000	9,341	9,141	
Greater Toronto Airports Authority					
Series 1999-1, 6.450%, 2029-07-30	CAD	15	17	18	
Great-West Lifeco					
3.337%, 2028-02-28*	CAD	221,000	222,538	239,987	
5.998%, 2039-11-16	CAD	53,000	72,570	72,976	
H&R Real Estate Investment Trust					
Series R, 2.906%, 2026-06-02	CAD	114,000	114,000	115,351	
Health Montréal Collective, Private Placement					
Series 144A, 6.721%, 2049-09-30	CAD	89,068	109,575	123,403	
Honda Canada Finance					
1.646%, 2028-02-25	CAD	96,000	96,000	94,229	
Hydro One					
6.930%, 2032-06-01	CAD	30,000	42,932	42,140	
3.720%, 2047-11-18	CAD	1,000	1,010	1,106	
3.630%, 2049-06-25	CAD	60,000	60,749	65,597	
iA Financial Group					
3.072%, floating rate from 2026-09-24, 2031-09-24*	CAD	137,000	137,000	144,480	
IGM Financial					
4.115%, 2047-12-09	CAD	20,000	20,115	22,226	

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES		COST	FAIR VALUE	
			\$	\$	%
<b>Corporations (continued)</b>					
Independent Order of Foresters					
Series 2020-1, 2.885%, floating rate from 2030-10-15 2035-10-15	CAD	38,000	38,000	38,258	
Intact Financial Corporation					
2.850%, 2027-06-07*	CAD	16,000	16,063	16,826	
1.928%, 2030-12-16*	CAD	32,000	32,000	30,760	
2.954%, 2050-12-16	CAD	57,000	57,000	52,976	
3.765%, 2053-05-20	CAD	132,000	132,000	142,106	
Integrated Team Solutions SJHC					
5.946%, 2042-11-30	CAD	48,920	49,265	61,516	
Melancthon Wolfe Wind					
3.834%, 2028-12-31	CAD	61,366	61,373	65,401	
Newfoundland Power					
Series AQ, 3.608%, 2060-04-20	CAD	116,000	116,000	117,180	
North Battleford Power					
Series A, 4.958%, 2032-12-31	CAD	90,444	90,450	104,268	
North West Redwater Partnership					
Series E, 3.200%, 2026-04-24	CAD	44,000	43,906	46,645	
Series J, 2.800%, 2027-06-01*	CAD	39,000	41,429	40,549	
Series F, 4.250%, 2029-06-01	CAD	86,000	97,379	97,037	
Series B, 4.050%, 2044-07-22	CAD	26,000	28,045	27,584	
Series O, 3.750%, 2051-06-01	CAD	73,000	72,689	73,799	
Nova Scotia Power					
5.610%, 2040-06-15	CAD	20,000	28,389	26,584	
Series 2020, 3.307%, 2050-04-25	CAD	157,000	158,744	157,753	
Pembina Pipeline					
Series 12, 3.620%, 2029-04-03*	CAD	105,000	105,511	112,370	
Series 15, 3.310%, 2030-02-01*	CAD	77,000	81,646	80,096	
Series 3, 4.750%, 2043-04-30*	CAD	158,000	136,958	168,779	
Series 4, 4.810%, 2044-03-25	CAD	83,000	83,068	89,615	
Plenary Health Care Partnerships Humber					
4.895%, 2039-05-31	CAD	111,203	111,203	130,961	
Royal Bank of Canada					
2.328%, 2027-01-28	CAD	26,000	26,786	26,744	
SGTP Highway Bypass					
Series A, 4.105%, 2045-01-31	CAD	161,051	161,051	174,284	
Sinai Health System					
Series A, 3.527%, 2056-06-09	CAD	55,000	55,000	59,624	
SmartCentres Real Estate Investment Trust					
Series V, 3.192%, 2027-06-11*	CAD	147,000	147,000	153,304	
Series U, 3.526%, 2029-12-20	CAD	131,000	131,000	137,106	
Sun Life Financial					
2.580%, floating rate from 2027-05-10, 2032-05-10	CAD	465,000	464,823	480,084	
2.060%, floating rate from 2030-10-01, 2035-10-01*	CAD	27,000	26,978	26,067	

## DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Corporations (continued)</b>					
<b>TELUS</b>					
Series CAC, 2.350%, 2028-01-27	CAD	113,000	112,689	114,174	
Series CY, 3.300%, 2029-05-02	CAD	294,000	293,637	312,484	
2.850%, 2031-11-13	CAD	105,000	104,740	105,488	
Series CAB, 3.950%, 2050-02-16	CAD	94,000	93,205	94,424	
<b>Toronto-Dominion Bank</b>					
3.105%, floating rate from 2025-04-22, 2030-04-22	CAD	64,000	64,000	67,450	
3.060%, floating rate from 2027-01-26, 2032-01-26*	CAD	200,000	216,551	210,944	
<b>TransCanada PipeLines</b>					
3.800%, 2027-04-05	CAD	425,000	428,715	461,971	
4.340%, 2049-10-15*	CAD	18,000	20,241	18,984	
<b>TransCanada Trust</b>					
Series 2017-B, 4.650%, floating rate from 2027-05-18 2077-05-18*	CAD	161,000	160,922	167,128	
			7,336,734	7,682,740	
<b>Total Canadian Bonds</b>			27,401,879	27,761,445	
<b>U.S. Bonds</b>					
<b>Corporations</b>					
<b>Athene Global Funding</b>					
2.100%, 2025-09-24	CAD	62,000	61,924	62,645	
2.470%, 2028-06-09	CAD	41,000	41,000	41,087	
<b>Goldman Sachs Group</b>					
2.013%, floating rate from 2028-02-28, 2029-02-28	CAD	153,000	153,000	150,789	
<b>Total U.S. Bonds</b>			255,924	254,521	
<b>Total Bonds</b>			27,657,803	28,015,966	
<b>Money Market Securities</b>					
<b>Canada Treasury Bills</b>					
2021-08-05	CAD	8,000,000	7,999,289	7,999,289	
2021-09-02	CAD	8,900,000	8,897,995	8,897,995	
<b>Nova Scotia Treasury Bills</b>					
2021-07-09	CAD	2,000,000	1,999,929	1,999,929	
<b>Ontario Treasury Bills</b>					
2021-07-28	CAD	1,225,000	1,224,865	1,224,865	
<b>Province of Saskatchewan, notes</b>					
2021-09-08	CAD	1,800,000	1,799,452	1,799,452	
<b>Total Money Market Securities</b>			21,921,530	21,921,530	
<b>Total Investments</b>			<b>146,940,806</b>	<b>202,489,090</b>	100.1
<b>Other Net Assets</b>				(134,347)	(0.1)
<b>Net Assets</b>				<b>202,354,743</b>	100

\* 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
<b>FIERA CAPITAL GLOBAL EQUITY FUND 19.0%</b>	
Moody's Corporation	6.9%
Alphabet	5.9%
Microsoft Corporation	5.1%
Taiwan Semiconductor Manufacturing Company	5.0%
Mastercard	4.5%
<b>FIERA CAPITAL ACTIVE SHORT TERM CANADIAN MUNICIPAL BOND 6.8%</b>	
Province of Ontario, 2.050%, 2030-06-02	7.7%
Province of Québec, 3.750%, 2024-09-01	4.1%
Société de transport de Laval, 2.300%, 2022-11-15	1.4%
Province of Québec, 2.500%, 2026-09-01	1.3%
Government of Canada, 2021-09-02	1.2%

## DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 bonds 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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial Assets at FVTPL</b>				
Equities	100,390	—	—	100,390
Bonds	18,513	9,503	—	28,016
Non-Related Investment Funds	—	52,161	—	52,161
Money Market Securities	21,922	—	—	21,922
<b>TOTAL</b>	<b>140,825</b>	<b>61,664</b>	<b>—</b>	<b>202,489</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial Assets at FVTPL</b>				
Equities	95,948	—	—	95,948
Bonds	16,029	11,602	—	27,631
Non-Related Investment Funds	—	58,279	—	58,279
Money Market Securities	21,961	—	—	21,961
<b>TOTAL</b>	<b>133,938</b>	<b>69,881</b>	<b>—</b>	<b>203,819</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, there were no transfers of securities between Levels 1 and 2.

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	23,095	1,493	9,810	15,739	50,137	1,369
December 31, 2020	23,398	2,882	8,960	14,323	49,563	1,370

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, 2021		December 31, 2020	
Market Segment	%	Market Segment	%
Canadian Equities		Canadian Equities	
Financials	15.1	Financials	13.0
Industrials	12.4	Industrials	11.1
Information Technology	6.8	Consumer Staples	6.7
Consumer Staples	5.1	Information Technology	5.8
Communication Services	3.7	Communication Services	3.9
Consumer Discretionary	2.8	Materials	2.8
Materials	2.8	Consumer Discretionary	2.8
Utilities	0.9	Utilities	1.1
Investment Funds		Investment Funds	
Growth	19.0	Growth	21.9
Income	6.8	Income	6.8
Canadian Bonds	13.8	Canadian Bonds	13.6
U.S. Bonds	0.1	Money Market Securities	10.8
Money Market Securities	10.8	Other Net Assets	(0.3)
Other Net Assets	(0.1)	<b>TOTAL</b>	<b>100</b>
<b>TOTAL</b>	<b>100</b>		

## DFS GIF – CANADIAN BALANCED – FIERA CAPITAL (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Price Risk (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada 91 Day Treasury Bill (10%)	0.25	39	39
FTSE Canada Universe Bond (30%)	1.00	471	465
S&P/TSX Capped (40%)	3.00	1,885	1,860
MSCI World Net (20%)	3.00	942	930

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, 2021	December 31, 2020
	%	%
AAA	37	23
AA	29	33
A	18	23
BBB	16	21
<b>TOTAL</b>	<b>100</b>	<b>100</b>

**Portfolio's Money Market Securities by Credit Rating Category**

Credit Rating	Percentage of Money Market Securities	
	June 30, 2021	December 31, 2020
	%	%
R-1 (High)	85	65
R-1 (Middle)	15	35
<b>TOTAL</b>	<b>100</b>	<b>100</b>

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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, 2021	<b>13,433,132</b>
December 31, 2020	12,363,669

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, 2021	<b>6,899,833</b>
December 31, 2020	2,323,570

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

	\$
June 30, 2021	<b>834,171</b>
December 31, 2020	2,634

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, 2021	December 31, 2020
	\$	\$
Investments at FVTPL pledged as collateral	<b>14,309,097</b>	12,904,121
Value of Collateral received	<b>14,595,952</b>	13,162,203

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, 2021	December 31, 2020
	Fair Value*	Fair Value*
	\$	\$
Financial assets	<b>13,433,132</b>	12,363,669
Related liabilities	<b>13,435,156</b>	12,385,928

\* 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, 2021

**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, 2021		June 30, 2020	
	\$	%	\$	%
Total Income	<b>10,477</b>	<b>100</b>	44,103	100
Net Income received by the Fund	<b>6,286</b>	<b>60</b>	26,462	60
Net Income received by Desjardins Trust	<b>4,191</b>	<b>40</b>	17,641	40

## DFS GIF – BALANCED GROWTH – FRANKLIN QUOTENTIAL\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	429,780,353	440,790,040
Premiums receivable	604,284	133,424
Receivable for securities sold	233,443	439,076
	<u>430,618,080</u>	<u>441,362,540</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	63,629	377,380
Accrued expenses	1,037,640	1,076,923
Withdrawals payable	1,425,319	518,299
	<u>2,526,588</u>	<u>1,972,602</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>428,091,492</b></u>	<u>439,389,938</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.68</u>	7.34
Series 5	<u>8.02</u>	7.66
Series 6	<u>6.87</u>	6.55
Series 7	<u>7.13</u>	6.78
Series 8	<u>6.00</u>	5.71

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	147
Changes in fair value:		
Net realized gain (loss) on investments	13,914,914	7,682,227
Net unrealized gain (loss) on investments	12,345,572	(4,044,453)
	<u>26,260,486</u>	<u>3,637,921</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	5,099,426	5,113,591
Operating expenses	1,208,775	1,209,592
	<u>6,308,201</u>	<u>6,323,183</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>19,952,285</b></u>	<u>(2,685,262)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	342,011	(58,450)
- per unit	0.33	(0.05)
Average Number of Units	1,021,885	1,153,843
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	17,547,013	(2,427,270)
- per unit	0.36	(0.04)
Average Number of Units	48,564,675	54,596,531
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,364,568	(185,354)
- per unit	0.32	(0.04)
Average Number of Units	4,260,467	4,908,047
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	149,292	(5,332)
- per unit	0.35	(0.01)
Average Number of Units	425,488	460,390
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	549,401	(8,856)
- per unit	0.29	—
Average Number of Units	1,909,642	1,989,739

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>439,389,938</b>	452,040,753
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>19,952,285</b>	(2,685,262)
Premiums		
Series 3	<b>34,917</b>	23,124
Series 5	<b>8,380,360</b>	11,949,215
Series 6	<b>684,497</b>	1,055,489
Series 7	—	25,701
Series 8	<b>615,601</b>	653,078
	<b>9,715,375</b>	13,706,607
Withdrawals		
Series 3	<b>(352,895)</b>	(279,167)
Series 5	<b>(36,700,190)</b>	(28,991,974)
Series 6	<b>(3,029,985)</b>	(1,900,863)
Series 7	<b>(149,820)</b>	(32,665)
Series 8	<b>(733,216)</b>	(600,562)
	<b>(40,966,106)</b>	(31,805,231)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>428,091,492</b>	431,256,867

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>19,952,285</b>	(2,685,262)
Adjustments for:		
Net realized (gain) loss	<b>(13,914,914)</b>	(7,682,227)
Net unrealized (gain) loss	<b>(12,345,572)</b>	4,044,453
Proceeds from sale/maturity of investments	<b>37,271,410</b>	25,453,554
Investments purchased	<b>(1,237)</b>	(1,208,496)
Receivable for securities sold	<b>205,633</b>	166,815
Accrued expenses	<b>(39,283)</b>	(55,880)
Payable for securities purchased	—	(25,150)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>31,128,322</b>	18,007,807
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>9,244,515</b>	13,920,106
Amounts paid on withdrawals	<b>(40,059,086)</b>	(32,028,532)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>(30,814,571)</b>	(18,108,426)
Increase (decrease) in cash/ bank overdraft	<b>313,751</b>	(100,619)
Cash (bank overdraft), beginning of period	<b>(377,380)</b>	26,585
CASH (BANK OVERDRAFT), END OF PERIOD	<b>(63,629)</b>	(74,034)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	147

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.4
Franklin Quotential Balanced Growth Portfolio, Series O	30,618,333	258,584,978	429,780,353		
<b>Total Investments</b>		<b>258,584,978</b>	<b>429,780,353</b>		
<b>Other Net Assets</b>			(1,688,861)		(0.4)
<b>Net Assets</b>			<b>428,091,492</b>		100

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	12.8%
Franklin FTSE U.S. Index ETF	8.1%
Franklin Bissett Canadian Government Bond Fund	7.8%
Franklin FTSE Canada All Cap Index ETF	7.6%
Franklin U.S. Core Equity Fund	7.2%
Franklin Bissett Canadian Equity Fund	6.5%
Franklin Liberty Global Aggregate Bond ETF	6.2%
Franklin U.S. Rising Dividends Fund	5.7%
Franklin International Core Equity Fund	4.8%
Franklin Bissett Short Duration Bond Fund	4.5%
iShares Core MSCI EAFE ETF	4.5%
Franklin Canadian Core Equity Fund	4.2%
Franklin U.S. Opportunities Fund	3.9%
SPDR Portfolio S&P 500 Value ETF	2.9%
Franklin FTSE Europe ex U.K. Index ETF	2.5%
Templeton Emerging Markets Fund	2.4%
Franklin Emerging Markets Core Equity Fund	1.6%
Cash and Cash Equivalents	1.5%
Franklin LibertyQT U.S. Equity Index ETF	1.3%
Franklin Brandywine Global Income Optimiser Fund	1.3%
Templeton Global Bond Fund	1.1%
Franklin FTSE Japan Index ETF	1.0%
iShares Core MSCI Emerging Markets ETF	0.7%

## DFS GIF – BALANCED GROWTH – FRANKLIN QUOTENTIAL (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	429,780	—	—	429,780
<b>TOTAL</b>	<b>429,780</b>	<b>—</b>	<b>—</b>	<b>429,780</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	440,790	—	—	440,790
<b>TOTAL</b>	<b>440,790</b>	<b>—</b>	<b>—</b>	<b>440,790</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
	%	\$	\$
FTSE Canada Universe Bond (28%)	1.00	1,222	1,249
Bloomberg Barclays Multiverse Hedged (12%)	1.00	524	N/A
Bloomberg Barclays Multiverse Bond (0%)	1.00	N/A	535
S&P/TSX (15%)	3.00	1,964	2,008
MSCI All Country World Net (45%)	3.00	5,892	6,024

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	39,636	—
Investments at fair value through profit or loss (FVTPL)	118,728,237	113,747,241
Premiums receivable	68,818	6,143
Receivable for securities sold	24,925	27,880
	<u>118,861,616</u>	<u>113,781,264</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	21,159
Accrued expenses	274,987	263,901
Withdrawals payable	224,924	76,436
Payable for securities purchased	38,528	—
	<u>538,439</u>	<u>361,496</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>118,323,177</b></u>	<u>113,419,768</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>8.95</u>	8.20
Series 6	<u>7.28</u>	6.66
Series 7	<u>7.56</u>	6.90
Series 8	<u>6.17</u>	5.63

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	40
Changes in fair value:		
Net realized gain (loss) on investments	849,749	(316,561)
Net unrealized gain (loss) on investments	11,008,298	(2,349,178)
	<u>11,858,047</u>	<u>(2,665,699)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,320,617	1,278,223
Operating expenses	307,442	295,504
	<u>1,628,059</u>	<u>1,573,727</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>10,229,988</b></u>	<u>(4,239,426)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	6,348,204	(2,833,749)
- per unit	0.75	(0.30)
Average Number of Units	8,432,755	9,536,668
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,179,663	(830,863)
- per unit	0.62	(0.21)
Average Number of Units	3,498,243	3,921,591
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	509,969	(188,590)
- per unit	0.67	(0.23)
Average Number of Units	766,627	829,798
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,192,152	(386,224)
- per unit	0.53	(0.17)
Average Number of Units	2,229,444	2,210,287

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>113,419,768</b>	119,501,190
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>10,229,988</b>	(4,239,426)
Premiums		
Series 5	<b>3,175,635</b>	1,008,192
Series 6	<b>1,224,392</b>	1,127,633
Series 7	<b>159,545</b>	—
Series 8	<b>1,449,112</b>	774,293
	<b>6,008,684</b>	2,910,118
Withdrawals		
Series 5	<b>(6,516,175)</b>	(6,997,944)
Series 6	<b>(3,278,823)</b>	(1,986,719)
Series 7	<b>(227,267)</b>	(470,806)
Series 8	<b>(1,312,998)</b>	(696,824)
	<b>(11,335,263)</b>	(10,152,293)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>118,323,177</b>	108,019,589

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>10,229,988</b>	(4,239,426)
Adjustments for:		
Net realized (gain) loss	<b>(849,749)</b>	316,561
Net unrealized (gain) loss	<b>(11,008,298)</b>	2,349,178
Proceeds from sale/maturity of investments	<b>7,639,933</b>	9,143,473
Investments purchased	<b>(762,882)</b>	(330,735)
Receivable for securities sold	<b>2,955</b>	108,369
Accrued expenses	<b>11,086</b>	(28,838)
Payable for securities purchased	<b>38,528</b>	(134,728)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>5,301,561</b>	7,183,854
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>5,946,009</b>	2,862,066
Amounts paid on withdrawals	<b>(11,186,775)</b>	(10,205,544)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>(5,240,766)</b>	(7,343,478)
Increase (decrease) in cash/ bank overdraft	<b>60,795</b>	(159,624)
Cash (bank overdraft), beginning of period	<b>(21,159)</b>	135,847
CASH (BANK OVERDRAFT), END OF PERIOD	<b>39,636</b>	(23,777)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	40

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Signature Canadian Balanced Fund, Class I	10,604,523	99,639,636	118,728,237		
<b>Total Investments</b>		<b>99,639,636</b>	<b>118,728,237</b>		
<b>Other Net Assets</b>			(405,060)		(0.3)
<b>Net Assets</b>			<b>118,323,177</b>		100

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	4.7%
Cash and Cash Equivalents – Canada	4.5%
Manulife Financial Corporation	3.8%
Government of Canada, 0.250%, 2026-03-01	2.8%
Province of Ontario, 2.600%, 2025-06-02	2.6%
Scotiabank	2.5%
Shopify	2.2%
Royal Bank of Canada	2.0%
Canadian Natural Resources	2.0%
Canada Treasury Bills, 2022-04-08	1.8%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.6%
CI Global Financial Sector ETF	1.6%
Enbridge	1.5%
Microsoft Corporation	1.5%
Sony Corporation	1.5%
Silver Wheaton Corporation	1.3%
Power Corporation of Canada	1.2%
Advanced Micro Devices	1.2%
Canadian Pacific Railway	1.1%
Apple	1.1%
Amazon.com	1.1%
Canada Housing Trust, 1.250%, 2026-06-15	1.0%
Province of Québec, 2.500%, 2026-09-01	0.9%
Province of Québec, 3.100%, 2051-12-01	0.8%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	118,728	—	—	118,728
<b>TOTAL</b>	<b>118,728</b>	<b>—</b>	<b>—</b>	<b>118,728</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	113,747	—	—	113,747
<b>TOTAL</b>	<b>113,747</b>	<b>—</b>	<b>—</b>	<b>113,747</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	477	458
S&P/TSX (30%)	3.00	1,073	1,030
MSCI All Country World Net (30%)	3.00	1,073	1,030

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,289	7,880
Investments at fair value through profit or loss (FVTPL)	119,706,205	115,629,601
Premiums receivable	68,262	887
Receivable for securities sold	14,309	—
	<u>119,790,065</u>	<u>115,638,368</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	271,961	265,071
Withdrawals payable	188,977	93,496
Payable for securities purchased	—	373
	<u>460,938</u>	<u>358,940</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>119,329,127</b></u>	<u>115,279,428</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>8.43</u>	7.68
Series 6	<u>7.23</u>	6.58
Series 7	<u>7.51</u>	6.81
Series 8	<u>6.11</u>	5.55

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	4,353,491	4,408,303
Changes in fair value:		
Net realized gain (loss) on investments	1,188,905	(90,182)
Net unrealized gain (loss) on investments	7,133,142	(9,521,035)
	<u>12,675,538</u>	<u>(5,202,914)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,438,890	1,354,755
Operating expenses	189,865	170,492
	<u>1,628,755</u>	<u>1,525,247</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>11,046,783</b></u>	<u>(6,728,161)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	4,998,663	(2,746,946)
- per unit	0.75	(0.40)
Average Number of Units	6,681,337	6,800,009
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	3,060,804	(2,079,820)
- per unit	0.65	(0.40)
Average Number of Units	4,683,391	5,261,753
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	636,836	(417,680)
- per unit	0.70	(0.39)
Average Number of Units	914,047	1,077,887
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	2,350,480	(1,483,715)
- per unit	0.56	(0.34)
Average Number of Units	4,219,780	4,400,187

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>115,279,428</b>	113,377,230
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>11,046,783</b>	(6,728,161)
Premiums		
Series 5	<b>1,786,112</b>	8,659,708
Series 6	<b>904,752</b>	1,390,063
Series 7	<b>6,840</b>	38,923
Series 8	<b>2,058,558</b>	1,204,191
	<b>4,756,262</b>	11,292,885
Withdrawals		
Series 5	<b>(4,765,220)</b>	(4,872,858)
Series 6	<b>(4,310,233)</b>	(2,395,352)
Series 7	<b>(488,258)</b>	(193,080)
Series 8	<b>(2,189,635)</b>	(1,930,183)
	<b>(11,753,346)</b>	(9,391,473)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>119,329,127</b>	108,550,481

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>11,046,783</b>	(6,728,161)
Adjustments for:		
Net realized (gain) loss	<b>(1,188,905)</b>	90,182
Net unrealized (gain) loss	<b>(7,133,142)</b>	9,521,035
Non-cash distribution from investments	<b>(4,353,491)</b>	(4,408,303)
Proceeds from sale/maturity of investments	<b>9,088,026</b>	6,119,704
Investments purchased	<b>(489,092)</b>	(6,544,102)
Receivable for securities sold	<b>(14,309)</b>	(59,860)
Accrued expenses	<b>6,890</b>	(9,587)
Payable for securities purchased	<b>(373)</b>	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>6,962,387</b>	(2,019,092)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>4,688,887</b>	11,226,852
Amounts paid on withdrawals	<b>(11,657,865)</b>	(9,221,958)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>(6,968,978)</b>	2,004,894
Increase (decrease) in cash/ bank overdraft	<b>(6,591)</b>	(14,198)
Cash (bank overdraft), beginning of period	<b>7,880</b>	3,790
CASH (BANK OVERDRAFT), END OF PERIOD	<b>1,289</b>	(10,408)

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Signature Income & Growth Fund, Class I	11,969,902	102,040,738	119,706,205		
<b>Total Investments</b>		<b>102,040,738</b>	<b>119,706,205</b>		
<b>Other Net Assets</b>			(377,078)		(0.3)
<b>Net Assets</b>			<b>119,329,127</b>		100

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	4.8%
Manulife Financial Corporation	3.8%
Cash and Cash Equivalents – Canada	3.2%
Scotiabank	2.5%
Shopify	2.3%
Canadian Natural Resources	2.0%
Royal Bank of Canada	2.0%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.7%
CI Global Financial Sector ETF	1.6%
Microsoft Corporation	1.6%
Enbridge	1.6%
Sony Corporation	1.5%
Silver Wheaton Corporation	1.4%
Advanced Micro Devices	1.3%
Power Corporation of Canada	1.2%
Amazon.com	1.2%
Apple	1.2%
Canadian Pacific Railway	1.1%
Canada Treasury Bills, 2022-03-31	1.0%
Canada Housing Trust, 1.250%, 2026-06-15	1.0%
Cash and Cash Equivalents – U.S.	1.0%
Teck Resources	0.9%
Sun Life Financial	0.8%
Canadian National Railway Company	0.8%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

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

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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	119,706	—	—	119,706
<b>TOTAL</b>	<b>119,706</b>	<b>—</b>	<b>—</b>	<b>119,706</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	115,630	—	—	115,630
<b>TOTAL</b>	<b>115,630</b>	<b>—</b>	<b>—</b>	<b>115,630</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (20%)	1.00	212	204
Merrill Lynch High Yield Master II (20%)	2.00	424	407
S&P/TSX (35%)	3.00	1,112	1,069
MSCI All Country World Net (25%)	3.00	794	764

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	354,958	357,988
Investments at fair value through profit or loss (FVTPL)	233,904,683	224,521,653
Premiums receivable	64,205	7,444
Receivable for securities sold	43,955	66,125
	<u>234,367,801</u>	<u>224,953,210</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	543,367	520,642
Withdrawals payable	311,648	236,987
	<u>855,015</u>	<u>757,629</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>233,512,786</b></u>	<u>224,195,581</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.87</u>	7.30
Series 5	<u>8.58</u>	7.93
Series 6	<u>7.57</u>	6.99
Series 7	<u>7.85</u>	7.23
Series 8	<u>6.07</u>	5.59

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	1,081
Distributions from underlying funds	2,197,198	2,266,588
Changes in fair value:		
Net realized gain (loss) on investments	4,432,193	2,627,021
Net unrealized gain (loss) on investments	14,745,785	(21,044,596)
	<u>21,375,176</u>	<u>(16,149,906)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	2,713,912	2,530,101
Operating expenses	509,759	467,749
	<u>3,223,671</u>	<u>2,997,850</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>18,151,505</b></u>	<u>(19,147,756)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	142,193	(162,454)
- per unit	0.57	(0.62)
Average Number of Units	248,486	260,630
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	11,236,317	(12,130,816)
- per unit	0.65	(0.64)
Average Number of Units	17,226,699	18,977,812
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	3,651,392	(3,792,080)
- per unit	0.58	(0.54)
Average Number of Units	6,255,023	7,055,325
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	559,195	(654,688)
- per unit	0.62	(0.57)
Average Number of Units	900,571	1,150,668
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	2,562,408	(2,407,718)
- per unit	0.47	(0.44)
Average Number of Units	5,416,615	5,466,352

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>224,195,581</u>	231,555,406
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>18,151,505</u>	(19,147,756)
Premiums		
Series 3	131,485	114,029
Series 5	4,308,305	6,067,274
Series 6	2,043,089	4,481,365
Series 7	—	57,790
Series 8	2,798,469	3,965,763
	<u>9,281,348</u>	14,686,221
Withdrawals		
Series 3	(170,065)	(171,605)
Series 5	(10,645,131)	(11,707,356)
Series 6	(5,027,269)	(5,770,411)
Series 7	(121,167)	(680,260)
Series 8	(2,152,016)	(2,637,730)
	<u>(18,115,648)</u>	(20,967,362)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>233,512,786</u>	206,126,509

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	18,151,505	(19,147,756)
Adjustments for:		
Net realized (gain) loss	(4,432,193)	(2,627,021)
Net unrealized (gain) loss	(14,745,785)	21,044,596
Non-cash distribution from investments	(2,197,198)	(2,266,588)
Proceeds from sale/maturity of investments	13,304,272	11,420,927
Investments purchased	(1,312,126)	(2,245,676)
Receivable for securities sold	22,170	(264,946)
Accrued expenses	22,725	(56,837)
Payable for securities purchased	—	(454,653)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>8,813,370</u>	5,402,046
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	9,224,587	14,822,808
Amounts paid on withdrawals	(18,040,987)	(20,858,989)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(8,816,400)</u>	(6,036,181)
Increase (decrease) in cash/ bank overdraft	(3,030)	(634,135)
Cash (bank overdraft), beginning of period	357,988	806,520
CASH (BANK OVERDRAFT), END OF PERIOD	<u>354,958</u>	172,385
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	1,081

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

## DFS GIF – GROWTH AND INCOME – NEI (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
NEI Growth & Income Fund, Series I	24,924,842	150,753,004	233,904,683		
Total Investments		<u>150,753,004</u>	<u>233,904,683</u>		
Other Net Assets			(391,897)		(0.2)
Net Assets			<u>233,512,786</u>		100

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	35.3%
NEI Canadian Bond Fund	25.0%
Toronto-Dominion Bank	3.9%
Colliers International Group	2.9%
Magna International	2.8%
FirstService Corporation	2.3%
Scotiabank	2.1%
GFL Environmental	2.1%
Brookfield Asset Management	2.0%
Canadian Imperial Bank of Commerce	1.8%
Sun Life Financial	1.8%
Manulife Financial Corporation	1.7%
SmartCentres Real Estate Investment Trust	1.6%
TELUS	1.6%
Empire Company	1.5%
First Quantum Minerals	1.5%
Cash and Cash Equivalents	1.5%
Québecor	1.5%
TMX Group	1.4%
Air Canada	1.4%
Equitable Group	1.4%
NorthWest Healthcare Properties Real Estate Investment Trust	1.1%
BCE	0.9%
Cenovus Energy	0.5%
Pason Systems	0.2%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	233,905	—	—	233,905
<b>TOTAL</b>	<b>233,905</b>	<b>—</b>	<b>—</b>	<b>233,905</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	224,522	—	—	224,522
<b>TOTAL</b>	<b>224,522</b>	<b>—</b>	<b>—</b>	<b>224,522</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (25%)	1.00	602	571
S&P/TSX (55%)	3.00	3,976	3,770
MSCI World Net (20%)	3.00	1,446	1,371

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – NEI SELECT\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	49,112
Investments at fair value through profit or loss (FVTPL)	<b>146,401,978</b>	140,145,142
Premiums receivable	<b>36,486</b>	21,081
Receivable for securities sold	<b>153,789</b>	5,613
	<b>146,592,253</b>	140,220,948
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>61,445</b>	—
Accrued expenses	<b>337,734</b>	344,581
Withdrawals payable	<b>236,575</b>	129,537
Payable for securities purchased	—	3,658
	<b>635,754</b>	477,776
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>145,956,499</b>	139,743,172
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>10.00</b>	9.26
Series 5	<b>10.98</b>	10.14
Series 6	<b>7.79</b>	7.18
Series 7	<b>8.08</b>	7.43
Series 8	<b>6.29</b>	5.79

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	165
Distributions from underlying funds	<b>15,441,103</b>	—
Changes in fair value:		
Net realized gain (loss) on investments	<b>3,389,283</b>	491,738
Net unrealized gain (loss) on investments	<b>(5,146,058)</b>	(6,842,923)
	<b>13,684,328</b>	(6,351,020)
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>1,784,040</b>	1,638,730
Operating expenses	<b>332,932</b>	298,816
	<b>2,116,972</b>	1,937,546
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>11,567,356</b>	(8,288,566)
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>173,607</b>	(139,761)
- per unit	<b>0.74</b>	(0.54)
Average Number of Units	<b>234,295</b>	258,632
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>7,012,648</b>	(5,230,923)
- per unit	<b>0.85</b>	(0.58)
Average Number of Units	<b>8,249,016</b>	8,959,242
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>2,556,014</b>	(1,819,343)
- per unit	<b>0.61</b>	(0.40)
Average Number of Units	<b>4,159,999</b>	4,504,375
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>369,109</b>	(197,752)
- per unit	<b>0.66</b>	(0.28)
Average Number of Units	<b>557,385</b>	701,494
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,455,978</b>	(900,787)
- per unit	<b>0.50</b>	(0.31)
Average Number of Units	<b>2,937,620</b>	2,923,218

\* 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 – NEI SELECT (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>139,743,172</u>	140,591,621
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>11,567,356</u>	(8,288,566)
Premiums		
Series 3	42,329	63,448
Series 5	2,743,992	2,848,908
Series 6	846,205	2,287,939
Series 7	—	—
Series 8	<u>1,740,255</u>	<u>1,778,946</u>
	<u>5,372,781</u>	6,979,241
Withdrawals		
Series 3	(64,174)	(325,264)
Series 5	(6,346,301)	(6,095,070)
Series 6	(2,539,413)	(2,336,852)
Series 7	(462,926)	(2,057,753)
Series 8	<u>(1,313,996)</u>	<u>(1,454,393)</u>
	<u>(10,726,810)</u>	(12,269,332)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>145,956,499</u>	127,012,964

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	11,567,356	(8,288,566)
Adjustments for:		
Net realized (gain) loss	(3,389,283)	(491,738)
Net unrealized (gain) loss	5,146,058	6,842,923
Non-cash distribution from investments	(15,441,103)	—
Proceeds from sale/maturity of investments	137,977,652	8,984,127
Investments purchased	(130,550,160)	(1,760,358)
Receivable for securities sold	(148,176)	946
Accrued expenses	(6,847)	(33,098)
Payable for securities purchased	(3,658)	(44,639)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>5,151,839</u>	5,209,597
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	5,357,376	7,089,044
Amounts paid on withdrawals	(10,619,772)	(12,279,774)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(5,262,396)</u>	(5,190,730)
Increase (decrease) in cash/ bank overdraft	(110,557)	18,867
Cash (bank overdraft), beginning of period	49,112	10,244
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(61,445)</u>	29,111
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	165

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
NEI Select Growth RS Portfolio, Series I	6,828,005	128,128,675	146,401,978		
<b>Total Investments</b>		<b>128,128,675</b>	<b>146,401,978</b>		
<b>Other Net Assets</b>			(445,479)		(0.3)
<b>Net Assets</b>			<b>145,956,499</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
NEI U.S. Equity RS Fund	16.1%
NEI Global Equity RS Fund	14.8%
NEI Emerging Markets Fund	12.1%
NEI Canadian Equity RS Fund	9.1%
NEI International Equity RS Fund	8.8%
NEI Canadian Bond Fund	7.8%
NEI Global Value Fund	5.8%
NEI ESG Canadian Enhanced Index Fund	5.0%
NEI Canadian Small Cap Equity RS Fund	5.0%
NEI Global Dividend RS Fund	3.9%
NEI Global High Yield Bond Fund	3.9%
NEI Environmental Leaders Fund	3.9%
NEI Global Total Return Bond Fund	2.9%
Cash and Cash Equivalents	0.9%

## DFS GIF – GROWTH – NEI SELECT (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	146,402	—	—	146,402
<b>TOTAL</b>	<b>146,402</b>	<b>—</b>	<b>—</b>	<b>146,402</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	140,145	—	—	140,145
<b>TOTAL</b>	<b>140,145</b>	<b>—</b>	<b>—</b>	<b>140,145</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (20%)	1.00	312	299
S&P/TSX (16%)	3.00	748	717
MSCI World Net (64%)	3.00	2,992	2,868

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – ASSET ALLOCATION – CAMBRIDGE\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	<b>34,501</b>	—
Investments at fair value through profit or loss (FVTPL)	<b>11,688,706</b>	12,144,235
Premiums receivable	<b>16,190</b>	202
Receivable for securities sold	<b>1,822</b>	—
	<b>11,741,219</b>	12,144,437
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	41,246
Accrued expenses	<b>24,724</b>	25,744
Withdrawals payable	<b>20,172</b>	2,252
Payable for securities purchased	<b>22</b>	200
	<b>44,918</b>	69,442
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>11,696,301</b>	12,074,995
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>8.43</b>	7.91
Series 6	<b>6.91</b>	6.47
Series 7	<b>7.16</b>	6.69
Series 8	<b>5.95</b>	5.57

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(121)	—
Distributions from underlying funds	<b>157,098</b>	493,273
Changes in fair value:		
Net realized gain (loss) on investments	<b>147,270</b>	37,317
Net unrealized gain (loss) on investments	<b>605,128</b>	(960,933)
	<b>909,375</b>	(430,343)
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>134,410</b>	155,341
Operating expenses	<b>14,963</b>	16,709
	<b>149,373</b>	172,050
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>760,002</b>	(602,393)
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>253,444</b>	(189,446)
- per unit	<b>0.52</b>	(0.34)
Average Number of Units	<b>491,555</b>	550,026
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>252,697</b>	(170,376)
- per unit	<b>0.43</b>	(0.25)
Average Number of Units	<b>581,644</b>	686,207
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>92,632</b>	(77,159)
- per unit	<b>0.46</b>	(0.23)
Average Number of Units	<b>200,036</b>	329,644
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>161,229</b>	(165,412)
- per unit	<b>0.37</b>	(0.30)
Average Number of Units	<b>432,470</b>	552,352

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>12,074,995</u>	14,516,676
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>760,002</u>	(602,393)
Premiums		
Series 5	79,014	325,271
Series 6	121,567	353,984
Series 7	150	92,741
Series 8	105,755	342,651
	<u>306,486</u>	1,114,647
Withdrawals		
Series 5	(292,614)	(671,401)
Series 6	(278,281)	(784,848)
Series 7	(136,271)	(400,345)
Series 8	(738,016)	(598,649)
	<u>(1,445,182)</u>	(2,455,243)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>11,696,301</u>	12,573,687

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	760,002	(602,393)
Adjustments for:		
Net realized (gain) loss	(147,270)	(37,317)
Net unrealized (gain) loss	(605,128)	960,933
Non-cash distribution from investments	(157,098)	(493,273)
Proceeds from sale/maturity of investments	1,460,567	1,742,667
Investments purchased	(95,542)	(235,831)
Receivable for securities sold	(1,822)	(4,273)
Accrued expenses	(1,020)	(3,923)
Payable for securities purchased	(178)	(30,790)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>1,212,511</u>	1,295,800
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	290,498	1,115,097
Amounts paid on withdrawals	(1,427,262)	(2,451,377)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(1,136,764)</u>	(1,336,280)
Increase (decrease) in cash/ bank overdraft	75,747	(40,480)
Cash (bank overdraft), beginning of period	(41,246)	30,897
CASH (BANK OVERDRAFT), END OF PERIOD	<u>34,501</u>	(9,583)
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest paid	<u>121</u>	—

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

## DFS GIF – ASSET ALLOCATION – CAMBRIDGE (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					99.9
Cambridge Canadian Asset Allocation Corporate Class, I-Class	563,488	10,064,571	11,688,706		
<b>Total Investments</b>		<b>10,064,571</b>	<b>11,688,706</b>		
<b>Other Net Assets</b>			7,595		0.1
<b>Net Assets</b>			<b>11,696,301</b>		100

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	35.3%
Cash and Cash Equivalents – Canada	3.5%
Cambridge Canadian Long Term Bond Fund	3.1%
Cambridge Canadian Short Term Bond Fund	3.0%
Enbridge	1.7%
Fairfax Financial Holdings	1.7%
Power Corporation of Canada	1.6%
Microsoft Corporation	1.5%
Facebook	1.4%
Alphabet	1.4%
Anthem	1.4%
Alimentation Couche-Tard	1.3%
Fortis	1.2%
LKQ Corporation	1.2%
Ashtead Group PLC	1.2%
DuPont de Nemours	1.2%
Brookfield Asset Management	1.2%
Empire Company	1.2%
Canadian Natural Resources	1.2%
Philip Morris International	1.1%
Berry Global Group	1.1%
Ferguson	1.1%
CGI Group	1.1%
Franco-Nevada Corporation	1.1%
Canadian Imperial Bank of Commerce	1.0%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To achieve a superior total investment return, directly or indirectly, through 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 following a disciplined bottom-up selection process. The strategy invests in equity, fixed-income instruments and cash and cash equivalents to achieve the Fund's 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 a 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 (in \$'000)

June 30, 2021

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	11,689	—	—	11,689
<b>TOTAL</b>	<b>11,689</b>	<b>—</b>	<b>—</b>	<b>11,689</b>

December 31, 2020

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	12,144	—	—	12,144
<b>TOTAL</b>	<b>12,144</b>	<b>—</b>	<b>—</b>	<b>12,144</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – ASSET ALLOCATION – CAMBRIDGE (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	39	40
S&P/TSX (60%)	3.00	177	179

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	47,488,228	48,244,118
Premiums receivable	—	277
Receivable for securities sold	300,949	4,054
	<u>47,789,177</u>	<u>48,248,449</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	296,940	3,870
Accrued expenses	123,153	126,026
Withdrawals payable	153,716	34,598
	<u>573,809</u>	<u>164,494</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>47,215,368</b></u>	<u>48,083,955</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.56</u>	7.05
Series 5	<u>7.98</u>	7.42
Series 6	<u>7.32</u>	6.80
Series 7	<u>7.58</u>	7.02
Series 8	<u>6.21</u>	5.76

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	14
Changes in fair value:		
Net realized gain (loss) on investments	2,150,735	1,183,225
Net unrealized gain (loss) on investments	1,999,812	(1,568,081)
	<u>4,150,547</u>	<u>(384,842)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	631,252	614,851
Operating expenses	122,338	119,260
	<u>753,590</u>	<u>734,111</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>3,396,957</b></u>	<u>(1,118,953)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	130,670	(46,363)
- per unit	0.51	(0.16)
Average Number of Units	257,008	284,191
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	2,910,538	(980,606)
- per unit	0.55	(0.16)
Average Number of Units	5,312,209	6,030,510
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	201,475	(59,127)
- per unit	0.52	(0.13)
Average Number of Units	384,412	444,502
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	9,371	(2,121)
- per unit	0.57	(0.12)
Average Number of Units	16,544	17,588
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	144,903	(30,736)
- per unit	0.45	(0.10)
Average Number of Units	322,069	302,866

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>48,083,955</u>	49,351,035
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>3,396,957</u>	(1,118,953)
Premiums		
Series 3	16,317	121,010
Series 5	302,621	596,665
Series 6	71,480	101,413
Series 7	—	—
Series 8	114,563	130,256
	<u>504,981</u>	949,344
Withdrawals		
Series 3	(32,795)	(185,473)
Series 5	(4,267,804)	(3,024,252)
Series 6	(413,957)	(95,280)
Series 7	(18,158)	(190)
Series 8	(37,811)	(59,079)
	<u>(4,770,525)</u>	(3,364,274)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>47,215,368</u>	45,817,152

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,396,957	(1,118,953)
Adjustments for:		
Net realized (gain) loss	(2,150,735)	(1,183,225)
Net unrealized (gain) loss	(1,999,812)	1,568,081
Proceeds from sale/maturity of investments	4,979,688	3,382,429
Investments purchased	(73,251)	(237,225)
Receivable for securities sold	(296,895)	(138,304)
Accrued expenses	(2,873)	(9,506)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>3,853,079</u>	2,263,297
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	505,258	989,168
Amounts paid on withdrawals	(4,651,407)	(3,500,715)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(4,146,149)</u>	(2,511,547)
Increase (decrease) in cash/ bank overdraft	(293,070)	(248,250)
Cash (bank overdraft), beginning of period	(3,870)	(50,528)
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(296,940)</u>	(298,778)
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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	%	
Investment Funds					100.6
Franklin Quotential Growth Portfolio, Series O	3,302,794	25,630,791	47,488,228		
Total Investments		<b>25,630,791</b>	<b>47,488,228</b>		
Other Net Assets			(272,860)		(0.6)
Net Assets			<b>47,215,368</b>		100

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

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Franklin FTSE U.S. Index ETF	10.6%
Franklin FTSE Canada All Cap Index ETF	9.9%
Franklin U.S. Core Equity Fund	9.4%
Franklin Bissett Canadian Equity Fund	8.4%
Franklin U.S. Rising Dividends Fund	7.4%
Franklin International Core Equity Fund	6.2%
iShares Core MSCI EAFE ETF	5.8%
Franklin Canadian Core Equity Fund	5.4%
Franklin Bissett Core Plus Bond Fund	5.2%
Franklin U.S. Opportunities Fund	5.1%
SPDR Portfolio S&P 500 Value ETF	3.8%
Templeton Emerging Markets Fund	3.3%
Franklin FTSE Europe ex U.K. Index ETF	3.2%
Franklin Bissett Canadian Government Bond Fund	3.1%
Franklin Liberty Global Aggregate Bond ETF	2.5%
Franklin Emerging Markets Core Equity Fund	2.2%
Franklin Bissett Short Duration Bond Fund	1.8%
Franklin LibertyQT U.S. Equity Index ETF	1.7%
Cash and Cash Equivalents	1.5%
Franklin FTSE Japan Index ETF	1.3%
iShares Core MSCI Emerging Markets ETF	0.9%
Franklin Brandywine Global Income Optimiser Fund	0.5%
Templeton Global Bond Fund	0.4%

## DFS GIF – GROWTH – FRANKLIN QUOTENTIAL (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	47,488	—	—	47,488
<b>TOTAL</b>	<b>47,488</b>	<b>—</b>	<b>—</b>	<b>47,488</b>
December 31, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	48,244	—	—	48,244
<b>TOTAL</b>	<b>48,244</b>	<b>—</b>	<b>—</b>	<b>48,244</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (14%)	1.00	65	66
Bloomberg Barclays Multiverse Hedged (6%)	1.00	28	N/A
S&P/TSX (20%)	3.00	278	282
MSCI All Country World Net (60%)	3.00	835	847
Bloomberg Barclays Multiverse Bond (0%)	1.00	N/A	28

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	135,168,064	130,765,527
Premiums receivable	26	951
Receivable for securities sold	13,177	19,873
Interest, dividends and other receivables	68,937	68,937
	<u>135,250,204</u>	<u>130,855,288</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	10,233	16,825
Accrued expenses	301,832	294,119
Withdrawals payable	215,411	46,334
Payable for securities purchased	21,207	—
	<u>548,683</u>	<u>357,278</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>134,701,521</b></u>	<u>130,498,010</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>5.50</u>	4.97
Series 5	<u>5.55</u>	5.01
Series 6	<u>5.57</u>	5.02
Series 7	<u>5.62</u>	5.05
Series 8	<u>5.60</u>	5.04

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(108)	—
Distributions from underlying funds	1,712,714	1,440,903
Changes in fair value:		
Net realized gain (loss) on investments	632,944	(488,530)
Net unrealized gain (loss) on investments	13,011,361	(13,482,887)
	<u>15,356,911</u>	<u>(12,530,514)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,625,984	1,655,755
Operating expenses	146,210	147,849
	<u>1,772,194</u>	<u>1,803,604</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>13,584,717</b></u>	<u>(14,334,118)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	2,070,840	(2,366,281)
- per unit	0.53	(0.51)
Average Number of Units	3,924,651	4,650,799
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	10,013,691	(10,492,451)
- per unit	0.54	(0.50)
Average Number of Units	18,380,390	20,976,338
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	801,318	(832,652)
- per unit	0.55	(0.50)
Average Number of Units	1,447,643	1,657,818
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	42,298	(73,111)
- per unit	0.65	(0.51)
Average Number of Units	65,417	142,837
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	656,570	(569,623)
- per unit	0.56	(0.49)
Average Number of Units	1,169,610	1,159,620

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>130,498,010</b>	148,719,423
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,584,717</b>	(14,334,118)
Premiums		
Series 3	114,105	182,031
Series 5	1,661,706	2,049,080
Series 6	189,964	512,281
Series 7	—	—
Series 8	417,745	540,509
	<b>2,383,520</b>	3,283,901
Withdrawals		
Series 3	(1,387,262)	(1,692,232)
Series 5	(8,791,697)	(8,653,861)
Series 6	(1,132,059)	(974,145)
Series 7	(253,031)	(180,569)
Series 8	(200,677)	(331,353)
	<b>(11,764,726)</b>	(11,832,160)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>134,701,521</b>	125,837,046

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,584,717</b>	(14,334,118)
Adjustments for:		
Net realized (gain) loss	(632,944)	488,530
Net unrealized (gain) loss	(13,011,361)	13,482,887
Non-cash distribution from investments	(1,712,714)	(1,440,903)
Proceeds from sale/maturity of investments	<b>11,145,667</b>	10,697,638
Investments purchased	(191,185)	(699,145)
Receivable for securities sold	6,696	(2,493)
Interest, dividends and other receivables	—	(68,937)
Accrued expenses	7,713	(64,529)
Payable for securities purchased	21,207	—
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>9,217,796</b>	8,058,930
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	2,384,445	3,487,260
Amounts paid on withdrawals	(11,595,649)	(12,018,661)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(9,211,204)</b>	(8,531,401)
Increase (decrease) in cash/ bank overdraft	6,592	(472,471)
Cash (bank overdraft), beginning of period	(16,825)	453,621
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(10,233)</b>	(18,850)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest paid	108	—

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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Desjardins Dividend Income Fund, I-Class	11,963,893	120,820,374	135,168,064		
<b>Total Investments</b>		<b>120,820,374</b>	<b>135,168,064</b>		
<b>Other Net Assets</b>			(466,543)		(0.3)
<b>Net Assets</b>			<b>134,701,521</b>		100

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	6.7%
Toronto-Dominion Bank	5.8%
Canadian National Railway Company	3.8%
Enbridge	3.3%
Cash and Cash Equivalents	3.3%
Scotiabank	3.2%
Canadian Imperial Bank of Commerce	3.1%
Brookfield Asset Management	3.0%
TELUS	2.2%
Canadian Natural Resources	2.2%
TC Energy	1.7%
Alimentation Couche-Tard	1.7%
Nutrien	1.7%
Agnico-Eagle Mines	1.6%
Canadian Pacific Railway	1.6%
Suncor Energy	1.5%
Sun Life Financial	1.5%
Waste Connections	1.5%
Manulife Financial Corporation	1.5%
Magna International	1.3%
Dollarama	1.3%
Newmont Mining Corporation	1.3%
Brookfield Infrastructure Partners	1.3%
Rogers Communications	1.1%
WSP Global	1.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 underlying 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 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	135,168	—	—	135,168
<b>TOTAL</b>	<b>135,168</b>	<b>—</b>	<b>—</b>	<b>135,168</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	130,766	—	—	130,766
<b>TOTAL</b>	<b>130,766</b>	<b>—</b>	<b>—</b>	<b>130,766</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (17.5%)	1.00	236	228
S&P/TSX Preferred Share (10%)	3.00	404	391
S&P/TSX Dividend (72.5%)	3.00	2,930	2,838

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	63,138	60,747
Investments at fair value through profit or loss (FVTPL)	23,619,788	19,409,779
Premiums receivable	17,459	809
Receivable for securities sold	11,250	—
	<u>23,711,635</u>	<u>19,471,335</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	54,148	45,539
Withdrawals payable	45,355	17,512
Payable for securities purchased	4,234	2,437
	<u>103,737</u>	<u>65,488</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>23,607,898</b></u>	<u>19,405,847</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>9.65</u>	7.99
Series 6	<u>7.45</u>	6.15
Series 7	<u>7.69</u>	6.33
Series 8	<u>6.12</u>	5.05

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	163
Distributions from underlying funds	334,607	390,156
Changes in fair value:		
Net realized gain (loss) on investments	63,423	(336,831)
Net unrealized gain (loss) on investments	3,973,544	(4,096,064)
	<u>4,371,574</u>	<u>(4,042,576)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	269,324	250,006
Operating expenses	33,506	30,996
	<u>302,830</u>	<u>281,002</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>4,068,744</b></u>	<u>(4,323,578)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	1,941,146	(2,417,020)
- per unit	1.67	(1.70)
Average Number of Units	1,162,026	1,421,013
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	959,719	(894,127)
- per unit	1.29	(1.25)
Average Number of Units	741,174	717,997
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	54,175	(62,278)
- per unit	1.40	(1.24)
Average Number of Units	38,560	50,055
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,113,704	(950,153)
- per unit	1.06	(1.01)
Average Number of Units	1,051,629	939,717

\* 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 (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>19,405,847</u>	23,220,945
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>4,068,744</u>	(4,323,578)
Premiums		
Series 5	518,725	296,490
Series 6	938,595	831,641
Series 7	14,740	6,411
Series 8	<u>1,037,482</u>	<u>922,475</u>
	<u>2,509,542</u>	2,057,017
Withdrawals		
Series 5	(1,113,699)	(1,880,654)
Series 6	(885,355)	(666,267)
Series 7	(94,897)	(23,057)
Series 8	<u>(282,284)</u>	<u>(505,520)</u>
	<u>(2,376,235)</u>	<u>(3,075,498)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>23,607,898</u>	17,878,886

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,068,744	(4,323,578)
Adjustments for:		
Net realized (gain) loss	(63,423)	336,831
Net unrealized (gain) loss	(3,973,544)	4,096,064
Non-cash distribution from investments	(334,607)	(390,156)
Proceeds from sale/maturity of investments	1,177,617	2,108,243
Investments purchased	(1,016,052)	(794,447)
Receivable for securities sold	(11,250)	2,685
Interest, dividends and other receivables	—	6
Accrued expenses	8,609	(11,869)
Payable for securities purchased	1,797	(593)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(142,109)</u>	1,023,186
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,492,892	2,007,745
Amounts paid on withdrawals	(2,348,392)	(3,028,076)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>144,500</u>	<u>(1,020,331)</u>
Increase (decrease) in cash/ bank overdraft	2,391	2,855
Cash (bank overdraft), beginning of period	<u>60,747</u>	55,066
CASH (BANK OVERDRAFT), END OF PERIOD	<u>63,138</u>	57,921
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	163

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
NEI Canadian Dividend Fund, Series I	1,294,888	20,573,655	23,619,788		
<b>Total Investments</b>		<b>20,573,655</b>	<b>23,619,788</b>		
<b>Other Net Assets</b>			(11,890)		(0.1)
<b>Net Assets</b>			<b>23,607,898</b>		100

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	4.9%
Toronto-Dominion Bank	4.9%
Power Corporation of Canada	4.3%
Shaw Communications	3.3%
BCE	3.2%
Canadian Imperial Bank of Commerce	3.1%
Hydro One	3.0%
Scotiabank	2.7%
Rogers Communications	2.5%
TELUS	2.4%
Empire Company	2.3%
Magna International	2.3%
Alimentation Couche-Tard	2.3%
Inter Pipeline	2.2%
Canadian Tire Corporation	2.2%
Nutrien	2.1%
Intact Financial Corporation	2.1%
Cash and Cash Equivalents	2.1%
Enbridge	2.0%
Canadian Natural Resources	1.8%
Metro	1.8%
Chartwell Retirement Residences	1.7%
Suncor Energy	1.7%
Brookfield Asset Management	1.6%
Brookfield Property Partners	1.6%

## DFS GIF – CANADIAN DIVIDEND – NEI (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	23,620	—	—	23,620
<b>TOTAL</b>	<b>23,620</b>	<b>—</b>	<b>—</b>	<b>23,620</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	19,410	—	—	19,410
<b>TOTAL</b>	<b>19,410</b>	<b>—</b>	<b>—</b>	<b>19,410</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
MSCI World Net (20%)	3.00	137	110
S&P/TSX (80%)	3.00	548	440

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	80,337	80,338
Investments at fair value through profit or loss (FVTPL)	937,403	702,984
	<u>1,017,740</u>	<u>783,322</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	2,627	2,579
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,015,113</u>	<u>780,743</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	5.69	5.11
Series 3	5.70	5.11
Series 5	5.72	5.11
Series 6	5.73	5.11
Series 7	5.75	5.12
Series 8	5.75	5.11
Series IGP	5.81	5.14

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Period Ended June 30	2021**
	\$
<b>INCOME</b>	
Interest for attribution purposes	791
Changes in fair value:	
Net realized gain (loss) on investments	533
Net unrealized gain (loss) on investments	115,807
	<u>117,131</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	11,538
Operating expenses	1,215
	<u>12,753</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>104,378</u>
<b>DATA PER SERIES</b>	
<b>SERIES 1</b>	
Increase (Decrease) in Net Assets from Operations	13,703
- per unit	0.58
Average Number of Units	23,547
<b>SERIES 3</b>	
Increase (Decrease) in Net Assets from Operations	13,291
- per unit	0.59
Average Number of Units	22,346
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	13,334
- per unit	0.61
Average Number of Units	21,818
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	16,732
- per unit	0.62
Average Number of Units	27,087
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	13,885
- per unit	0.64
Average Number of Units	21,818
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	18,931
- per unit	0.61
Average Number of Units	31,194
<b>SERIES IGP</b>	
Increase (Decrease) in Net Assets from Operations	14,502
- per unit	0.67
Average Number of Units	21,543

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

\*\* Beginning of operations in November 2020.

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

	2021*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>780,743</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>104,378</u>
Premiums	
Series 1	12,959
Series 3	4,000
Series 5	—
Series 6	57,972
Series 7	—
Series 8	67,972
Series IGP	—
	<u>142,903</u>
Withdrawals	
Series 1	—
Series 3	—
Series 5	—
Series 6	(7,569)
Series 7	—
Series 8	(5,342)
Series IGP	—
	<u>(12,911)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>1,015,113</u>

STATEMENT OF CASH FLOWS – unaudited

Period Ended June 30

	2021*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	104,378
Adjustments for:	
Net realized (gain) loss	(533)
Net unrealized (gain) loss	(115,807)
Proceeds from sale/maturity of investments	11,922
Investments purchased	(130,001)
Accrued expenses	48
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(129,993)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	142,903
Amounts paid on withdrawals	(12,911)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>129,992</u>
Increase (decrease) in cash/ bank overdraft	(1)
Cash (bank overdraft), beginning of period	<u>80,338</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>80,337</u>

\* Beginning of operations in November 2020.

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

## DFS GIF – CANADIAN EQUITY – DESJARDINS (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					92.3
Desjardins Canadian Equity Fund, I-Class	81,083	839,120	937,403		
<b>Total Investments</b>		<b>839,120</b>	<b>937,403</b>		
<b>Other Net Assets</b>			77,710		7.7
<b>Net Assets</b>			<b>1,015,113</b>		100

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	7.3%
Shopify	6.7%
Toronto-Dominion Bank	5.6%
Cash and Cash Equivalents	4.6%
Canadian National Railway Company	4.3%
Bank of Montreal	3.6%
Enbridge	3.6%
Brookfield Asset Management	3.5%
Canadian Imperial Bank of Commerce	3.3%
Canadian Natural Resources	2.4%
Constellation Software	2.2%
Suncor Energy	2.0%
Rogers Communications	1.8%
Nutrien	1.7%
Alimentation Couche-Tard	1.7%
Intact Financial Corporation	1.6%
Dollarama	1.6%
National Bank of Canada	1.5%
TELUS	1.5%
Newmont Mining Corporation	1.5%
Waste Connections	1.5%
WSP Global	1.4%
RioCan Real Estate Investment Trust	1.3%
Agnico-Eagle Mines	1.3%
Silver Wheaton Corporation	1.2%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide long-term capital appreciation. The Fund invests primarily in equity securities of large-cap Canadian corporations.

#### Strategy of the Fund

The manager uses a disciplined investment process that relies on fundamental, quantitative and trend analyses of issuers. The manager will consider, among other things, the corporations' financial health, valuation and growth perspectives, as well as the quality of their management team.

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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	937	—	—	937
<b>TOTAL</b>	<b>937</b>	<b>—</b>	<b>—</b>	<b>937</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	703	—	—	703
<b>TOTAL</b>	<b>703</b>	<b>—</b>	<b>—</b>	<b>703</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
S&P/TSX	3.00	30	23

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	115,208,842	107,185,124
Premiums receivable	—	232
Receivable for securities sold	35,181	—
Interest, dividends and other receivables	—	17,907
	<u>115,244,023</u>	<u>107,203,263</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	28,597	54,686
Accrued expenses	270,180	260,639
Withdrawals payable	262,943	59,561
	<u>561,720</u>	<u>374,886</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>114,682,303</b></u>	<u>106,828,377</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>9.32</u>	8.13
Series 5	<u>10.19</u>	8.86
Series 6	<u>7.33</u>	6.36
Series 7	<u>7.53</u>	6.52
Series 8	<u>6.64</u>	5.75

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	1,119,585	1,351,164
Changes in fair value:		
Net realized gain (loss) on investments	1,154,342	48,177
Net unrealized gain (loss) on investments	14,851,564	(13,461,842)
	<u>17,125,491</u>	<u>(12,062,501)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,183,176	1,094,335
Operating expenses	434,330	398,693
	<u>1,617,506</u>	<u>1,493,028</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>15,507,985</b></u>	<u>(13,555,529)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	293,038	(273,817)
- per unit	1.19	(1.01)
Average Number of Units	245,582	272,021
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	14,843,374	(12,927,139)
- per unit	1.34	(1.05)
Average Number of Units	11,091,958	12,353,353
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	199,970	(175,908)
- per unit	0.96	(0.77)
Average Number of Units	207,281	227,171
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	71,421	(68,855)
- per unit	1.00	(0.74)
Average Number of Units	71,228	93,414
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	100,182	(109,810)
- per unit	0.89	(0.91)
Average Number of Units	112,239	120,475

\* 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 EQUITY – JARISLOWSKY FRASER (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>106,828,377</u>	116,432,403
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>15,507,985</u>	(13,555,529)
Premiums		
Series 3	125,770	11,278
Series 5	1,204,261	2,707,249
Series 6	160,720	155,911
Series 7	—	—
Series 8	94,767	178,718
	<u>1,585,518</u>	3,053,156
Withdrawals		
Series 3	(133,200)	(218,671)
Series 5	(8,825,391)	(8,724,282)
Series 6	(205,086)	(154,193)
Series 7	(49,741)	(39,730)
Series 8	(26,159)	(134,315)
	<u>(9,239,577)</u>	(9,271,191)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>114,682,303</u>	96,658,839

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	15,507,985	(13,555,529)
Adjustments for:		
Net realized (gain) loss	(1,154,342)	(48,177)
Net unrealized (gain) loss	(14,851,564)	13,461,842
Non-cash distribution from investments	(1,119,585)	(1,351,164)
Proceeds from sale/maturity of investments	9,327,580	7,995,412
Investments purchased	(225,807)	(266,488)
Receivable for securities sold	(35,181)	—
Interest, dividends and other receivables	17,907	43,049
Accrued expenses	9,541	(46,661)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>7,476,534</u>	6,232,284
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,585,750	3,033,654
Amounts paid on withdrawals	(9,036,195)	(9,247,876)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(7,450,445)</u>	(6,214,222)
Increase (decrease) in cash/ bank overdraft	26,089	18,062
Cash (bank overdraft), beginning of period	(54,686)	(50,043)
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(28,597)</u>	(31,981)

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
<b>Investment Funds</b>				100.5
Jarislowsky Fraser Canadian Equity Fund	3,048,145	93,846,879	115,208,842	
<b>Total Investments</b>		<b>93,846,879</b>	<b>115,208,842</b>	
<b>Other Net Assets</b>			(526,539)	(0.5)
<b>Net Assets</b>			<b>114,682,303</b>	100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Jarislowsky Fraser Special Equity Fund	6.8%
Canadian National Railway Company	6.0%
Brookfield Asset Management	6.0%
Scotiabank	5.2%
Shopify	4.7%
Open Text Corporation	4.1%
Manulife Financial Corporation	3.9%
Magna International	3.8%
Nutrien	3.7%
Alimentation Couche-Tard	3.6%
Thomson Reuters Corporation	3.5%
CCL Industries	3.4%
CGI Group	3.3%
Gildan Activewear	3.1%
SNC-Lavalin Group	3.0%
Restaurant Brands International	3.0%
Intact Financial Corporation	3.0%
Stantec	2.5%
WSP Global	2.5%
CAE	2.4%
Toronto-Dominion Bank	2.2%
Saputo Group	2.2%
Franco-Nevada Corporation	2.1%
Enbridge	2.0%
National Bank of Canada	2.0%

## DFS GIF – CANADIAN EQUITY – JARISLOWSKY FRASER (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	115,209	—	115,209
<b>TOTAL</b>	<b>—</b>	<b>115,209</b>	<b>—</b>	<b>115,209</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	107,185	—	107,185
<b>TOTAL</b>	<b>—</b>	<b>107,185</b>	<b>—</b>	<b>107,185</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
S&P/TSX	3.00	3,352	3,081

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	521,469	—
Investments at fair value through profit or loss (FVTPL)	44,832,815	38,414,561
Premiums receivable	497,643	14,827
Receivable for securities sold	18,416	17,265
	<u>45,870,343</u>	<u>38,446,653</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	16,974
Accrued expenses	108,586	93,943
Withdrawals payable	525,756	19,111
Payable for securities purchased	521,179	14,194
	<u>1,155,521</u>	<u>144,222</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>44,714,822</u>	<u>38,302,431</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>14.69</u>	12.88
Series 5	<u>15.37</u>	13.45
Series 6	<u>8.27</u>	7.22
Series 7	<u>8.59</u>	7.48
Series 8	<u>7.13</u>	6.22

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	14
Changes in fair value:		
Net realized gain (loss) on investments	670,768	374,705
Net unrealized gain (loss) on investments	5,489,940	(793,421)
	<u>6,160,708</u>	<u>(418,702)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	525,020	453,672
Operating expenses	85,851	74,982
	<u>610,871</u>	<u>528,654</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>5,549,837</u>	<u>(947,356)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	174,112	(31,792)
- per unit	1.81	(0.35)
Average Number of Units	96,263	91,714
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	2,281,237	(428,988)
- per unit	1.93	(0.32)
Average Number of Units	1,183,628	1,340,428
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,616,341	(269,257)
- per unit	1.05	(0.17)
Average Number of Units	1,537,873	1,595,835
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	132,635	(21,379)
- per unit	1.11	(0.16)
Average Number of Units	119,978	130,900
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,345,512	(195,940)
- per unit	0.91	(0.16)
Average Number of Units	1,482,190	1,250,726

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>38,302,431</b>	36,624,706
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,549,837</b>	(947,356)
Premiums		
Series 3	142,200	114,408
Series 5	955,205	819,052
Series 6	2,935,926	1,531,669
Series 7	2,482	32,151
Series 8	2,704,731	1,539,089
	<b>6,740,544</b>	4,036,369
Withdrawals		
Series 3	(47,563)	(56,474)
Series 5	(2,407,519)	(1,812,557)
Series 6	(2,567,611)	(1,324,584)
Series 7	(36,316)	(19,452)
Series 8	(818,981)	(1,050,230)
	<b>(5,877,990)</b>	(4,263,297)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>44,714,822</b>	35,450,422

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,549,837</b>	(947,356)
Adjustments for:		
Net realized (gain) loss	<b>(670,768)</b>	(374,705)
Net unrealized (gain) loss	<b>(5,489,940)</b>	793,421
Proceeds from sale/maturity of investments	<b>2,765,375</b>	2,280,903
Investments purchased	<b>(3,022,921)</b>	(1,520,341)
Receivable for securities sold	<b>(1,151)</b>	(6,619)
Accrued expenses	<b>14,643</b>	(4,053)
Payable for securities purchased	<b>506,985</b>	(33,609)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(347,940)</b>	187,641
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>6,257,728</b>	4,069,506
Amounts paid on withdrawals	<b>(5,371,345)</b>	(4,289,360)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>886,383</b>	(219,854)
Increase (decrease) in cash/ bank overdraft	<b>538,443</b>	(32,213)
Cash (bank overdraft), beginning of period	<b>(16,974)</b>	31,664
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>521,469</b>	(549)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	14

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

## DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH® (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Fidelity True North® Fund, Series O	708,986	32,094,592	44,832,815		
<b>Total Investments</b>		<b>32,094,592</b>	<b>44,832,815</b>		
<b>Other Net Assets</b>			(117,993)		(0.3)
<b>Net Assets</b>			<b>44,714,822</b>		100

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	8.6%
Toronto-Dominion Bank	5.3%
Dollarama	3.2%
Suncor Energy	3.2%
Shopify	3.2%
Fidelity Canadian Money Market Fund	3.1%
Brookfield Asset Management	3.0%
Thomson Reuters Corporation	3.0%
Scotiabank	2.8%
CGI Group	2.8%
Alimentation Couche-Tard	2.6%
Canadian Pacific Railway	2.5%
Power Corporation of Canada	2.5%
Canadian Natural Resources	2.3%
Constellation Software	2.2%
TFI International	2.1%
Intact Financial Corporation	2.0%
Rogers Communications	1.9%
TC Energy	1.8%
Canadian National Railway Company	1.7%
Metro	1.6%
TMX Group	1.5%
SNC-Lavalin Group	1.5%
Manulife Financial Corporation	1.5%
Microsoft Corporation	1.4%

# DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH® (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	44,833	—	—	44,833
<b>TOTAL</b>	<b>44,833</b>	<b>—</b>	<b>—</b>	<b>44,833</b>

December 31, 2020

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	38,415	—	—	38,415
<b>TOTAL</b>	<b>38,415</b>	<b>—</b>	<b>—</b>	<b>38,415</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – FIDELITY TRUE NORTH® (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
	%	\$	\$
S&P/TSX Capped	3.00	1,019	872

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	168,683	121,575
Investments at fair value through profit or loss (FVTPL)	40,756,484	38,891,917
Premiums receivable	—	240
Receivable for securities sold	881	46,240
	<u>40,926,048</u>	<u>39,059,972</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	113,755	110,250
Withdrawals payable	15,885	34,665
Payable for securities purchased	861	—
	<u>130,501</u>	<u>144,915</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>40,795,547</b></u>	<u>38,915,057</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>5.83</u>	5.06
Series 3	<u>14.87</u>	12.87
Series 5	<u>16.14</u>	13.93
Series 6	<u>6.98</u>	6.01
Series 7	<u>7.22</u>	6.21
Series 8	<u>6.29</u>	5.41
Series IGP	<u>12.55</u>	10.79

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	322
Changes in fair value:		
Net realized gain (loss) on investments	1,144,298	712,617
Net unrealized gain (loss) on investments	5,302,147	(5,598,630)
	<u>6,446,445</u>	<u>(4,885,691)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	580,869	599,705
Operating expenses	87,024	91,583
	<u>667,893</u>	<u>691,288</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>5,778,552</b></u>	<u>(5,576,979)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	<u>1,337,699</u>	(1,267,451)
- per unit	<u>0.78</u>	(0.67)
Average Number of Units	<u>1,724,893</u>	1,900,981
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<u>2,106,330</u>	(2,132,205)
- per unit	<u>2.00</u>	(1.66)
Average Number of Units	<u>1,053,162</u>	1,281,122
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>1,338,950</u>	(1,316,221)
- per unit	<u>2.21</u>	(1.78)
Average Number of Units	<u>606,892</u>	741,452
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>381,202</u>	(359,266)
- per unit	<u>0.96</u>	(0.75)
Average Number of Units	<u>398,220</u>	481,083
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>14,923</u>	(14,065)
- per unit	<u>1.01</u>	(0.76)
Average Number of Units	<u>14,775</u>	18,442
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>257,861</u>	(205,889)
- per unit	<u>0.88</u>	(0.69)
Average Number of Units	<u>292,575</u>	297,534
<b>SERIES IGP</b>		
Increase (Decrease) in Net Assets from Operations	<u>341,587</u>	(281,882)
- per unit	<u>1.75</u>	(1.34)
Average Number of Units	<u>194,831</u>	209,768

\* 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 EQUITY – FRANKLIN BISSETT (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>38,915,057</u>	46,726,563
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>5,778,552</u>	(5,576,979)
Premiums		
Series 1	35,461	59,880
Series 3	51,888	259,183
Series 5	127,620	617,190
Series 6	48,439	135,900
Series 7	—	—
Series 8	132,243	120,937
Series IGP	6,581	6,581
	<u>402,232</u>	1,199,671
Withdrawals		
Series 1	(451,282)	(388,198)
Series 3	(1,529,092)	(1,662,218)
Series 5	(1,633,923)	(1,377,293)
Series 6	(447,448)	(351,495)
Series 7	(17)	(19)
Series 8	(149,843)	(230,943)
Series IGP	(88,689)	(80,675)
	<u>(4,300,294)</u>	(4,090,841)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>40,795,547</u>	38,258,414

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	5,778,552	(5,576,979)
Adjustments for:		
Net realized (gain) loss	(1,144,298)	(712,617)
Net unrealized (gain) loss	(5,302,147)	5,598,630
Proceeds from sale/maturity of investments	4,633,417	4,062,804
Investments purchased	(51,539)	(465,204)
Receivable for securities sold	45,359	(25,041)
Accrued expenses	3,505	(22,504)
Payable for securities purchased	861	(6,137)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>3,963,710</u>	2,852,952
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	402,472	1,190,223
Amounts paid on withdrawals	(4,319,074)	(4,013,132)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(3,916,602)</u>	(2,822,909)
Increase (decrease) in cash/ bank overdraft	47,108	30,043
Cash (bank overdraft), beginning of period	<u>121,575</u>	85,318
CASH (BANK OVERDRAFT), END OF PERIOD	<u>168,683</u>	115,361
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	322

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
<b>Investment Funds</b>				99.9
Franklin Bissett Canadian Equity Fund, Series O	220,488	28,064,149	40,756,484	
<b>Total Investments</b>		<b>28,064,149</b>	<b>40,756,484</b>	
<b>Other Net Assets</b>			39,063	0.1
<b>Net Assets</b>			<b>40,795,547</b>	100

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	5.9%
Brookfield Asset Management	5.8%
Toronto-Dominion Bank	5.5%
Canadian National Railway Company	4.3%
Scotiabank	3.8%
Alimentation Couche-Tard	3.7%
Loblaw Companies	3.7%
Bank of Montreal	3.6%
Open Text Corporation	3.5%
Enbridge	3.1%
Metro	3.1%
TELUS	3.1%
Canadian Pacific Railway	3.1%
Fortis	2.8%
CGI Group	2.8%
Nutrien	2.7%
Atco	2.5%
Silver Wheaton Corporation	2.5%
Manulife Financial Corporation	2.4%
Waste Connections	2.4%
Dollarama	2.4%
BCE	2.3%
First Capital Real Estate Investment Trust	2.0%
Saputo Group	2.0%
Canadian Natural Resources	2.0%

## DFS GIF – CANADIAN EQUITY – FRANKLIN BISSETT (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 some 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 (in \$'000)*

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	40,756	—	—	40,756
<b>TOTAL</b>	<b>40,756</b>	<b>—</b>	<b>—</b>	<b>40,756</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	38,892	—	—	38,892
<b>TOTAL</b>	<b>38,892</b>	<b>—</b>	<b>—</b>	<b>38,892</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
S&P/TSX	3.00	1,039	979

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 SMALL CAP EQUITY – NEI\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	26,913	27,226
Investments at fair value through profit or loss (FVTPL)	11,087,073	10,534,356
Premiums receivable	—	85
Receivable for securities sold	12,640	—
	<u>11,126,626</u>	<u>10,561,667</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	30,007	29,058
Withdrawals payable	21,188	5,099
	<u>51,195</u>	<u>34,157</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>11,075,431</b></u>	<u>10,527,510</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.49</u>	6.62
Series 5	<u>8.14</u>	7.17
Series 6	<u>5.82</u>	5.12
Series 7	<u>6.01</u>	5.27
Series 8	<u>5.83</u>	5.12

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	76
Distributions from underlying funds	1,859,170	—
Changes in fair value:		
Net realized gain (loss) on investments	161,484	(12,036)
Net unrealized gain (loss) on investments	(450,634)	(753,701)
	<u>1,570,020</u>	<u>(765,661)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	159,583	140,698
Operating expenses	20,759	18,218
	<u>180,342</u>	<u>158,916</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,389,678</b></u>	<u>(924,577)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	222,076	(151,122)
- per unit	0.89	(0.53)
Average Number of Units	249,421	285,561
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	890,814	(608,282)
- per unit	0.99	(0.58)
Average Number of Units	898,577	1,050,251
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	122,749	(84,152)
- per unit	0.70	(0.41)
Average Number of Units	175,515	207,299
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	4,056	(2,203)
- per unit	0.73	(0.40)
Average Number of Units	5,522	5,522
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	149,983	(78,818)
- per unit	0.71	(0.39)
Average Number of Units	210,341	201,640

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>10,527,510</b>	11,175,226
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,389,678</b>	(924,577)
Premiums		
Series 3	6,927	38,563
Series 5	83,465	202,907
Series 6	79,145	91,906
Series 7	—	—
Series 8	76,751	57,144
	<b>246,288</b>	390,520
Withdrawals		
Series 3	(164,775)	(160,226)
Series 5	(769,749)	(816,433)
Series 6	(91,507)	(114,945)
Series 7	—	—
Series 8	(62,014)	(99,277)
	<b>(1,088,045)</b>	(1,190,881)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>11,075,431</b>	9,450,288

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,389,678</b>	(924,577)
Adjustments for:		
Net realized (gain) loss	<b>(161,484)</b>	12,036
Net unrealized (gain) loss	<b>450,634</b>	753,701
Non-cash distribution from investments	<b>(1,859,170)</b>	—
Proceeds from sale/maturity of investments	<b>1,076,244</b>	1,065,515
Investments purchased	<b>(58,941)</b>	(101,463)
Receivable for securities sold	<b>(12,640)</b>	1,969
Accrued expenses	<b>949</b>	(4,233)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>825,270</b>	802,948
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>246,373</b>	407,091
Amounts paid on withdrawals	<b>(1,071,956)</b>	(1,212,215)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(825,583)</b>	(805,124)
Increase (decrease) in cash/ bank overdraft	<b>(313)</b>	(2,176)
Cash (bank overdraft), beginning of period	<b>27,226</b>	25,610
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>26,913</b>	23,434
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	76

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

## DFS GIF – CANADIAN SMALL CAP EQUITY – NEI (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.1
NEI Canadian Small Cap Equity Fund, Series I	590,649	10,109,152	11,087,073		
Total Investments		<b>10,109,152</b>	<b>11,087,073</b>		
Other Net Assets			(11,642)		(0.1)
Net Assets			<b>11,075,431</b>		100

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	6.1%
Canadian Western Bank	5.1%
ATS Automation Tooling Systems	5.1%
Guardian Capital Group	4.3%
Enghouse Systems	4.2%
Intertape Polymer Group	4.2%
Kinaxis	4.0%
Spin Master	3.7%
Descartes Systems Group	3.5%
HLS Therapeutics	3.4%
Real Matters	3.0%
Richelieu Hardware	2.9%
Cogeco	2.9%
Stella-Jones	2.9%
Winpak	2.9%
Badger Infrastructure Solution	2.8%
NFI Group	2.8%
Slate Grocery Real Estate Investment Trust	2.8%
Altus Group	2.6%
Ag Growth International	2.4%
Equitable Group	2.3%
Jamieson Wellness	2.2%
Freehold Royalties	2.0%
Knight Therapeutics	2.0%
LifeWorks	2.0%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	11,087	—	—	11,087
<b>TOTAL</b>	<b>11,087</b>	<b>—</b>	<b>—</b>	<b>11,087</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	10,534	—	—	10,534
<b>TOTAL</b>	<b>10,534</b>	<b>—</b>	<b>—</b>	<b>10,534</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 SMALL CAP EQUITY – NEI (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
S&P/TSX Small Cap (100%)	3.00	270	257

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,122	—
Investments at fair value through profit or loss (FVTPL)	7,869,250	7,318,542
Premiums receivable	—	152
Receivable for securities sold	—	13,981
	<u>7,870,372</u>	<u>7,332,675</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	12,993
Accrued expenses	21,455	20,012
Withdrawals payable	433	400
Payable for securities purchased	130	—
	<u>22,018</u>	<u>33,405</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>7,848,354</b></u>	<u><b>7,299,270</b></u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>13.59</u>	11.39
Series 5	<u>14.80</u>	12.37
Series 6	<u>3.92</u>	3.28
Series 7	<u>4.02</u>	3.35
Series 8	<u>4.44</u>	3.70

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	5
Changes in fair value:		
Net realized gain (loss) on investments	(93,314)	(334,449)
Net unrealized gain (loss) on investments	1,577,793	(1,092,552)
	<u>1,484,479</u>	<u>(1,426,996)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	111,256	98,260
Operating expenses	15,993	14,030
	<u>127,249</u>	<u>112,290</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,357,230</b></u>	<u><b>(1,539,286)</b></u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	448,842	(555,865)
- per unit	2.21	(2.30)
Average Number of Units	203,514	241,387
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	571,269	(624,030)
- per unit	2.44	(2.25)
Average Number of Units	233,688	277,385
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	260,849	(299,569)
- per unit	0.65	(0.60)
Average Number of Units	403,126	495,747
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	8,448	(9,349)
- per unit	0.68	(0.64)
Average Number of Units	12,418	14,507
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	67,822	(50,473)
- per unit	0.76	(0.55)
Average Number of Units	88,670	91,058

\* 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 – SMALL CAP – FRANKLIN BISSETT (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>7,299,270</b>	8,393,775
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,357,230</b>	(1,539,286)
Premiums		
Series 3	8,704	26,996
Series 5	77,478	257,393
Series 6	17,701	153,847
Series 7	—	—
Series 8	196,336	122,751
	<b>300,219</b>	560,987
Withdrawals		
Series 3	(265,122)	(137,545)
Series 5	(273,414)	(449,436)
Series 6	(370,726)	(159,027)
Series 7	(10,875)	(80)
Series 8	(188,228)	(130,311)
	<b>(1,108,365)</b>	(876,399)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>7,848,354</b>	6,539,077

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,357,230</b>	(1,539,286)
Adjustments for:		
Net realized (gain) loss	<b>93,314</b>	334,449
Net unrealized (gain) loss	<b>(1,577,793)</b>	1,092,552
Proceeds from sale/maturity of investments	<b>1,004,581</b>	780,744
Investments purchased	<b>(70,810)</b>	(355,053)
Receivable for securities sold	<b>13,981</b>	2,675
Accrued expenses	<b>1,443</b>	(4,733)
Payable for securities purchased	<b>130</b>	(143)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>822,076</b>	311,205
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>300,371</b>	551,004
Amounts paid on withdrawals	<b>(1,108,332)</b>	(862,696)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(807,961)</b>	(311,692)
Increase (decrease) in cash/ bank overdraft	<b>14,115</b>	(487)
Cash (bank overdraft), beginning of period	<b>(12,993)</b>	1,618
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>1,122</b>	1,131
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	5

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Franklin Bissett Small Cap Fund, Series O	111,722	7,850,369	7,869,250		
<b>Total Investments</b>		<b>7,850,369</b>	<b>7,869,250</b>		
<b>Other Net Assets</b>			(20,896)		(0.3)
<b>Net Assets</b>			<b>7,848,354</b>		100

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

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Trican Well Service	3.8%
Headwater Exploration	3.2%
Intertape Polymer Group	2.8%
Storm Resources	2.7%
Boyd Group Services	2.6%
Equitable Group	2.6%
Topaz Energy	2.6%
FirstService Corporation	2.6%
Canadian Western Bank	2.5%
Atco	2.5%
Sylogist	2.5%
DRI Healthcare Trust	2.4%
Blackline Safety Corporation	2.4%
Major Drilling Group International	2.4%
Kinaxis	2.3%
InterRent Real Estate Investment Trust	2.3%
Killam Apartment Real Estate Investment Trust	2.3%
Descartes Systems Group	2.3%
Empire Company	2.2%
WhiteCap Resources	2.2%
Calian Group	2.2%
Dexterra Group	2.2%
Bird Construction	2.2%
Richelieu Hardware	2.2%
GDI Integrated Facility Services	2.2%

## DFS GIF – SMALL CAP – FRANKLIN BISSETT (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	7,869	—	—	7,869
<b>TOTAL</b>	<b>7,869</b>	<b>—</b>	<b>—</b>	<b>7,869</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	7,319	—	—	7,319
<b>TOTAL</b>	<b>7,319</b>	<b>—</b>	<b>—</b>	<b>7,319</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
S&P/TSX Small Cap	3.00	191	178

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	108,723	—
Investments at fair value through profit or loss (FVTPL)	58,049,141	51,712,518
Premiums receivable	77,850	41,710
Receivable for securities sold	—	12,666
Interest, dividends and other receivables	85	—
	<u>58,235,799</u>	<u>51,766,894</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	6,405
Accrued expenses	121,643	115,095
Withdrawals payable	83,308	30,856
Payable for securities purchased	102,495	—
	<u>307,446</u>	<u>152,356</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>57,928,353</u>	<u>51,614,538</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>11.33</u>	10.19
Series 5	<u>12.54</u>	11.23
Series 6	<u>11.52</u>	10.31
Series 7	<u>11.90</u>	10.62
Series 8	<u>7.52</u>	6.72

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	342,023	313,082
Changes in fair value:		
Net realized gain (loss) on investments	589,245	104,667
Net unrealized gain (loss) on investments	5,834,348	(601,090)
	<u>6,765,616</u>	<u>(183,341)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	632,353	564,560
Operating expenses	101,717	86,413
	<u>734,070</u>	<u>650,973</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>6,031,546</u>	<u>(834,314)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	508,174	(89,857)
- per unit	1.14	(0.20)
Average Number of Units	446,050	448,221
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	1,670,117	(239,347)
- per unit	1.30	(0.18)
Average Number of Units	1,286,689	1,329,524
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,043,351	(266,643)
- per unit	1.22	(0.16)
Average Number of Units	1,677,853	1,651,955
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	104,010	(14,299)
- per unit	1.22	(0.15)
Average Number of Units	85,573	96,728
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,705,894	(224,168)
- per unit	0.80	(0.11)
Average Number of Units	2,139,052	2,083,598

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>51,614,538</b>	44,902,316
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,031,546</b>	(834,314)
Premiums		
Series 3	<b>232,369</b>	374,979
Series 5	<b>1,117,181</b>	1,290,609
Series 6	<b>2,856,714</b>	3,527,904
Series 7	<b>991</b>	136,859
Series 8	<b>2,905,383</b>	3,548,740
	<b>7,112,638</b>	8,879,091
Withdrawals		
Series 3	<b>(467,439)</b>	(405,199)
Series 5	<b>(1,730,743)</b>	(1,856,308)
Series 6	<b>(3,028,632)</b>	(1,772,712)
Series 7	<b>(304,717)</b>	(31,493)
Series 8	<b>(1,298,838)</b>	(1,560,326)
	<b>(6,830,369)</b>	(5,626,038)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>57,928,353</b>	47,321,055

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,031,546</b>	(834,314)
Adjustments for:		
Net realized (gain) loss	<b>(589,245)</b>	(104,667)
Net unrealized (gain) loss	<b>(5,834,348)</b>	601,090
Non-cash distribution from investments	<b>(342,023)</b>	(313,082)
Proceeds from sale/maturity of investments	<b>3,532,764</b>	1,793,757
Investments purchased	<b>(3,103,771)</b>	(4,401,356)
Receivable for securities sold	<b>12,666</b>	—
Interest, dividends and other receivables	<b>(85)</b>	—
Accrued expenses	<b>6,548</b>	5,862
Payable for securities purchased	<b>102,495</b>	(1,135)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>(183,453)</b>	(3,253,845)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>7,076,498</b>	8,817,846
Amounts paid on withdrawals	<b>(6,777,917)</b>	(5,565,106)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>298,581</b>	3,252,740
Increase (decrease) in cash/ bank overdraft	<b>115,128</b>	(1,105)
Cash (bank overdraft), beginning of period	<b>(6,405)</b>	8,744
CASH (BANK OVERDRAFT), END OF PERIOD	<b>108,723</b>	7,639

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

## DFS GIF – AMERICAN EQUITY – MFS (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
MFS U.S. Equity Core Fund	2,805,269	45,409,145	58,049,141		
Total Investments		<b>45,409,145</b>	<b>58,049,141</b>		
Other Net Assets			(120,788)		(0.2)
Net Assets			<b>57,928,353</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Microsoft Corporation	5.3%
Alphabet, Class A	4.8%
JPMorgan Chase & Company	2.6%
Bank of America Corporation	2.4%
Apple	2.3%
Visa	2.2%
Facebook	2.2%
Johnson & Johnson	2.1%
American Tower Corporation Real Estate Investment Trust	2.1%
Honeywell International	1.9%
Medtronic	1.9%
Mastercard	1.9%
Comcast Corporation	1.8%
Thermo Fisher Scientific	1.8%
Adobe	1.8%
Target Corporation	1.8%
Goldman Sachs Group	1.7%
Alphabet, Class C	1.7%
Texas Instruments	1.7%
Fidelity National Information Services	1.7%
Becton Dickinson	1.6%
Nasdaq	1.6%
Electronic Arts	1.5%
Home Depot	1.5%
LVMH Moët Hennessy Louis Vuitton	1.5%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	58,049	—	58,049
<b>TOTAL</b>	<b>—</b>	<b>58,049</b>	<b>—</b>	<b>58,049</b>

  

December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	51,713	—	51,713
<b>TOTAL</b>	<b>—</b>	<b>51,713</b>	<b>—</b>	<b>51,713</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – MFS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
	%	\$	\$
S&P 500	3.00	1,677	1,486

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	103,928	103,351
Investments at fair value through profit or loss (FVTPL)	26,300,724	23,763,204
Premiums receivable	5,561	618
Receivable for securities sold	11,902	—
	<u>26,422,115</u>	<u>23,867,173</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	61,871	56,923
Withdrawals payable	20,285	9,975
Payable for securities purchased	3,432	2,381
	<u>85,588</u>	<u>69,279</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>26,336,527</u>	<u>23,797,894</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>10.88</u>	9.77
Series 3	<u>12.26</u>	10.98
Series 5	<u>12.51</u>	11.19
Series 6	<u>9.54</u>	8.51
Series 7	<u>9.93</u>	8.84
Series 8	<u>6.42</u>	5.72

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	171
Distributions from underlying funds	—	341,207
Changes in fair value:		
Net realized gain (loss) on investments	509,912	439,839
Net unrealized gain (loss) on investments	2,667,037	(3,366,621)
	<u>3,176,949</u>	<u>(2,585,404)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	313,736	303,787
Operating expenses	50,298	48,879
	<u>364,034</u>	<u>352,666</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>2,812,915</u>	<u>(2,938,070)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	228,615	(263,801)
- per unit	1.11	(1.20)
Average Number of Units	205,168	219,934
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	243,330	(305,345)
- per unit	1.29	(1.31)
Average Number of Units	188,708	233,035
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	923,811	(1,084,451)
- per unit	1.34	(1.29)
Average Number of Units	688,736	843,135
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	778,164	(736,965)
- per unit	1.02	(0.98)
Average Number of Units	760,704	754,950
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	10,616	(17,106)
- per unit	1.14	(1.02)
Average Number of Units	9,326	16,798
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	628,379	(530,402)
- per unit	0.69	(0.65)
Average Number of Units	916,444	816,463

\* 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 VALUE – DESJARDINS (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>23,797,894</u>	26,385,291
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>2,812,915</u>	(2,938,070)
Premiums		
Series 1	17,576	43,313
Series 3	90,563	63,548
Series 5	270,579	598,021
Series 6	1,035,322	1,001,233
Series 7	—	2,358
Series 8	988,458	832,543
	<u>2,402,498</u>	2,541,016
Withdrawals		
Series 1	(41,801)	(54,892)
Series 3	(182,582)	(274,706)
Series 5	(1,146,887)	(1,282,700)
Series 6	(994,553)	(767,926)
Series 7	(18,573)	(13,992)
Series 8	(292,384)	(634,292)
	<u>(2,676,780)</u>	(3,028,508)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>26,336,527</u>	22,959,729

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,812,915	(2,938,070)
Adjustments for:		
Net realized (gain) loss	(509,912)	(439,839)
Net unrealized (gain) loss	(2,667,037)	3,366,621
Non-cash distribution from investments	—	(341,207)
Proceeds from sale/maturity of investments	1,616,619	1,721,662
Investments purchased	(976,090)	(877,144)
Receivable for securities sold	(11,902)	(567)
Accrued expenses	4,948	(7,436)
Payable for securities purchased	1,051	(31,403)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>270,592</u>	452,617
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,397,555	2,499,596
Amounts paid on withdrawals	(2,666,470)	(2,983,596)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(268,915)</u>	(484,000)
Effect of exchange rate changes on foreign cash	(1,100)	300
Increase (decrease) in cash/bank overdraft	577	(31,083)
Cash (bank overdraft), beginning of period	<u>103,351</u>	96,948
CASH (BANK OVERDRAFT), END OF PERIOD	<u>103,928</u>	65,865
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	171

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

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$		%
<b>Investment Funds</b>					99.9
Desjardins American Equity Value Fund, I-Class	739,990	17,231,058	26,300,724		
<b>Total Investments</b>		<b>17,231,058</b>	<b>26,300,724</b>		
<b>Other Net Assets</b>			35,803		0.1
<b>Net Assets</b>			<b>26,336,527</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
JPMorgan Chase & Company	4.5%
Bank of America Corporation	4.1%
Cash and Cash Equivalents	3.3%
Verizon Communications	2.7%
Pfizer	2.4%
Comcast Corporation	2.3%
Chevron Corporation	2.3%
UnitedHealth Group	2.3%
Raytheon Technologies	2.3%
PNC Financial Services Group	2.2%
Target Corporation	2.2%
Medtronic	2.2%
American Express Company	2.1%
Becton, Dickinson and Company	1.9%
Broadcom	1.9%
Wabtec	1.9%
McDonald's Corporation	1.8%
Cisco Systems	1.8%
Chubb	1.8%
Mondelez International	1.7%
Johnson Controls International	1.7%
EOG Resources	1.7%
Sysco Corporation	1.6%
Texas Instruments	1.6%
Honeywell International	1.5%

## DFS GIF – AMERICAN EQUITY VALUE – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 medium to large sized 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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	26,301	—	—	26,301
<b>TOTAL</b>	<b>26,301</b>	<b>—</b>	<b>—</b>	<b>26,301</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	23,763	—	—	23,763
<b>TOTAL</b>	<b>23,763</b>	<b>—</b>	<b>—</b>	<b>23,763</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
MSCI USA Value Index	3.00	763	665

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	13,570	2,940
Investments at fair value through profit or loss (FVTPL)	27,679,617	26,773,715
Premiums receivable	63,289	2,627
Receivable for securities sold	—	6,836
	<u>27,756,476</u>	<u>26,786,118</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	59,266	58,008
Withdrawals payable	14,375	13,884
Payable for securities purchased	14,727	1,906
	<u>88,368</u>	<u>73,798</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>27,668,108</u>	<u>26,712,320</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>9.93</u>	9.16
Series 6	<u>7.28</u>	6.71
Series 7	<u>7.55</u>	6.94
Series 8	<u>5.78</u>	5.32

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	—	14
Changes in fair value:		
Net realized gain (loss) on investments	196,368	14,568
Net unrealized gain (loss) on investments	2,361,235	(3,474,967)
	<u>2,557,603</u>	<u>(3,460,385)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	321,326	345,040
Operating expenses	29,936	30,481
	<u>351,262</u>	<u>375,521</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>2,206,341</u>	<u>(3,835,906)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	534,270	(986,442)
- per unit	0.78	(1.24)
Average Number of Units	688,420	797,854
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	805,450	(1,394,351)
- per unit	0.57	(0.87)
Average Number of Units	1,402,847	1,606,205
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	177,879	(299,709)
- per unit	0.61	(0.91)
Average Number of Units	292,597	329,001
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	688,742	(1,155,404)
- per unit	0.46	(0.73)
Average Number of Units	1,503,671	1,583,146

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>26,712,320</u>	30,826,080
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>2,206,341</u>	(3,835,906)
Premiums		
Series 5	331,708	515,550
Series 6	557,076	1,113,865
Series 7	54,605	61,219
Series 8	574,998	1,216,700
	<u>1,518,387</u>	2,907,334
Withdrawals		
Series 5	(987,957)	(1,152,115)
Series 6	(1,180,959)	(1,483,647)
Series 7	(34,235)	(213,859)
Series 8	(565,789)	(952,969)
	<u>(2,768,940)</u>	(3,802,590)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>27,668,108</u>	26,094,918

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	2,206,341	(3,835,906)
Adjustments for:		
Net realized (gain) loss	(196,368)	(14,568)
Net unrealized (gain) loss	(2,361,235)	3,474,967
Proceeds from sale/maturity of investments	2,231,809	2,136,648
Investments purchased	(580,108)	(837,786)
Receivable for securities sold	6,836	766
Accrued expenses	1,258	(9,971)
Payable for securities purchased	12,821	(6,109)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>1,321,354</u>	908,041
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,457,725	2,921,400
Amounts paid on withdrawals	(2,768,449)	(3,828,462)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(1,310,724)</u>	(907,062)
Increase (decrease) in cash/ bank overdraft	10,630	979
Cash (bank overdraft), beginning of period	2,940	268
CASH (BANK OVERDRAFT), END OF PERIOD	<u>13,570</u>	1,247
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	14

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

## DFS GIF – GLOBAL DIVIDEND – DESJARDINS (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.0
Desjardins Global Dividend Fund, I-Class	1,236,470	23,814,284	27,679,617		
<b>Total Investments</b>		<b>23,814,284</b>	<b>27,679,617</b>		
<b>Other Net Assets</b>			(11,509)		—
<b>Net Assets</b>			<b>27,668,108</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Wells Fargo & Company	3.8%
Centene	3.5%
GlaxoSmithKline	3.5%
Microsoft Corporation	3.4%
PepsiCo	3.3%
Johnson & Johnson	3.1%
Sanofi	3.1%
Lloyds Banking Group	3.1%
American Tower Corporation	3.1%
Thales	3.0%
Unilever	3.0%
Colgate-Palmolive Company	2.9%
HCA	2.9%
Sundrug	2.8%
Harris	2.7%
Kyocera Corporation	2.6%
Mitsubishi Electric	2.5%
Progressive Corporation	2.5%
Stericycle	2.5%
Alphabet	2.5%
Maximus	2.4%
Continental	2.4%
Alibaba Group Holding	2.3%
Cisco Systems	2.3%
S&P Global	2.2%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide dividend income and long term capital appreciation through investments 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	27,680	—	—	27,680
<b>TOTAL</b>	<b>27,680</b>	<b>—</b>	<b>—</b>	<b>27,680</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	26,774	—	—	26,774
<b>TOTAL</b>	<b>26,774</b>	<b>—</b>	<b>—</b>	<b>26,774</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 DIVIDEND – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
MSCI World Net	3.00	700	673

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 – DESJARDINS\*

## STATEMENT OF FINANCIAL POSITION – unaudited

As at

	June 30 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,284	1,006
Investments at fair value through profit or loss (FVTPL)	1,319,621	1,002,878
Premiums receivable	10,000	13,420
Receivable for securities sold	14,241	—
	<u>1,345,146</u>	<u>1,017,304</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	2,756	2,074
Withdrawals payable	17,086	89
Payable for securities purchased	—	13,420
	<u>19,842</u>	<u>15,583</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,325,304</b></u>	<u>1,001,721</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.22</u>	5.75
Series 6	<u>6.24</u>	5.75
Series 7	<u>6.29</u>	5.79
Series 8	<u>6.27</u>	5.78

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	4
Changes in fair value:		
Net realized gain (loss) on investments	5,442	(146)
Net unrealized gain (loss) on investments	<u>104,615</u>	<u>4,167</u>
	<u><b>110,057</b></u>	<u>4,025</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	13,395	7,950
Operating expenses	<u>1,311</u>	<u>746</u>
	<u><b>14,706</b></u>	<u>8,696</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>		
	<u><b>95,351</b></u>	<u>(4,671)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>21,483</u>	3,187
- per unit	<u>0.49</u>	0.09
Average Number of Units	<u>44,227</u>	35,432
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>32,459</u>	(3,064)
- per unit	<u>0.50</u>	(0.10)
Average Number of Units	<u>64,459</u>	31,696
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>15,369</u>	(2,723)
- per unit	<u>0.50</u>	(0.09)
Average Number of Units	<u>30,525</u>	30,525
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>26,040</u>	(2,071)
- per unit	<u>0.48</u>	(0.06)
Average Number of Units	<u>53,746</u>	32,377

\* 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 – DESJARDINS (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>1,001,721</u>	630,040
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>95,351</u>	(4,671)
Premiums		
Series 5	28,259	41,000
Series 6	214,419	13,689
Series 7	—	—
Series 8	<u>132,284</u>	<u>31,030</u>
	<u>374,962</u>	85,719
Withdrawals		
Series 5	—	—
Series 6	(81,232)	(20)
Series 7	—	—
Series 8	<u>(65,498)</u>	<u>(31)</u>
	<u>(146,730)</u>	(51)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>1,325,304</u>	711,037

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	95,351	(4,671)
Adjustments for:		
Net realized (gain) loss	(5,442)	146
Net unrealized (gain) loss	(104,615)	(4,167)
Proceeds from sale/maturity of investments	34,720	4,081
Proceeds from sale/maturity of investments	(241,406)	(81,200)
Receivable for securities sold	(14,241)	—
Accrued expenses	682	177
Payable for securities purchased	(13,420)	—
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(248,371)</u>	(85,634)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	378,382	85,719
Amounts paid on withdrawals	(129,733)	(51)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>248,649</u>	85,668
Increase (decrease) in cash/ bank overdraft	278	34
Cash (bank overdraft), beginning of period	<u>1,006</u>	1,001
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,284</u>	1,035
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	4

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

SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					99.6
Desjardins Global Equity Fund, I-Class	98,398	1,090,784	1,319,621		
<b>Total Investments</b>		<b>1,090,784</b>	<b>1,319,621</b>		
Other Net Assets			5,683		0.4
<b>Net Assets</b>			<b>1,325,304</b>		100

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

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Alphabet	3.5%
Microsoft Corporation	3.4%
Cash and Cash Equivalents	3.2%
Thermo Fisher Scientific	3.1%
IQVIA Holdings	3.0%
Wolters Kluwer	2.7%
Aon	2.3%
Zoetis	2.3%
Accenture	2.3%
Taiwan Semiconductor Manufacturing Company	2.2%
Tencent Holdings	2.1%
Unilever	2.0%
Baycurrent Consulting	2.0%
Johnson & Johnson	1.9%
Visa	1.9%
Diageo	1.9%
Coca-Cola Consolidated	1.9%
Intercontinental Exchange	1.9%
Motorola Solutions	1.8%
Alibaba Group Holding	1.8%
S&P Global	1.7%
Texas Instruments	1.7%
AIA Group	1.6%
Dollar General Corporation	1.6%
RELX	1.6%

## DFS GIF – GLOBAL EQUITY – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

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

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 (in \$'000)*

June 30, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	1,320	—	—	1,320
<b>TOTAL</b>	<b>1,320</b>	<b>—</b>	<b>—</b>	<b>1,320</b>
December 31, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	1,003	—	—	1,003
<b>TOTAL</b>	<b>1,003</b>	<b>—</b>	<b>—</b>	<b>1,003</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
MSCI All Country World Net	3.00	40	30

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	28,417	—
Investments at fair value through profit or loss (FVTPL)	65,612,352	63,984,596
Premiums receivable	48,700	1,473
Receivable for securities sold	8,385	127,115
	<u>65,697,854</u>	<u>64,113,184</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	90,194
Accrued expenses	149,285	148,632
Withdrawals payable	163,389	28,182
	<u>312,674</u>	<u>267,008</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>65,385,180</b></u>	<u>63,846,176</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.09</u>	6.62
Series 5	<u>7.52</u>	7.00
Series 6	<u>9.94</u>	9.25
Series 7	<u>10.29</u>	9.54
Series 8	<u>7.11</u>	6.60

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(106)	—
Distributions from underlying funds	465,635	510,036
Changes in fair value:		
Net realized gain (loss) on investments	724,250	263,888
Net unrealized gain (loss) on investments	4,314,960	(337,117)
	<u>5,504,739</u>	<u>436,807</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	708,114	648,265
Operating expenses	197,977	180,653
	<u>906,091</u>	<u>828,918</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>4,598,648</b></u>	<u>(392,111)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	261,301	(20,954)
- per unit	0.47	(0.04)
Average Number of Units	552,892	552,098
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	3,642,054	(306,801)
- per unit	0.52	(0.04)
Average Number of Units	7,046,573	7,762,531
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	322,881	(41,823)
- per unit	0.70	(0.09)
Average Number of Units	460,712	461,755
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	46,147	(736)
- per unit	0.70	(0.01)
Average Number of Units	65,717	86,260
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	326,265	(21,797)
- per unit	0.51	(0.04)
Average Number of Units	642,646	558,231

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>63,846,176</b>	61,276,863
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,598,648</b>	(392,111)
Premiums		
Series 3	<b>248,668</b>	55,572
Series 5	<b>694,914</b>	889,024
Series 6	<b>633,701</b>	710,935
Series 7	<b>3,300</b>	2,369
Series 8	<b>572,479</b>	483,901
	<b>2,153,062</b>	2,141,801
Withdrawals		
Series 3	<b>(188,160)</b>	(199,199)
Series 5	<b>(4,071,538)</b>	(3,673,167)
Series 6	<b>(472,100)</b>	(540,850)
Series 7	<b>(148,161)</b>	(69,017)
Series 8	<b>(332,747)</b>	(313,579)
	<b>(5,212,706)</b>	(4,795,812)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>65,385,180</b>	58,230,741

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,598,648</b>	(392,111)
Adjustments for:		
Net realized (gain) loss	<b>(724,250)</b>	(263,888)
Net unrealized (gain) loss	<b>(4,314,960)</b>	337,117
Non-cash distribution from investments	<b>(465,635)</b>	(510,036)
Proceeds from sale/maturity of investments	<b>4,561,896</b>	4,287,898
Investments purchased	<b>(684,807)</b>	(881,421)
Receivable for securities sold	<b>118,730</b>	—
Accrued expenses	<b>653</b>	(6,860)
Payable for securities purchased	<b>—</b>	30,957
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>3,090,275</b>	2,601,656
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>2,105,835</b>	2,147,331
Amounts paid on withdrawals	<b>(5,077,499)</b>	(4,707,826)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>(2,971,664)</b>	(2,560,495)
Increase (decrease) in cash/ bank overdraft	<b>118,611</b>	41,161
Cash (bank overdraft), beginning of period	<b>(90,194)</b>	26,568
CASH (BANK OVERDRAFT), END OF PERIOD	<b>28,417</b>	67,729
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest paid	<b>106</b>	—

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

## DFS GIF – GLOBAL EQUITY – MFS (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
Investment Funds				100.3
MFS Global Research Fund	2,988,234	52,939,993	65,612,352	
Total Investments		<u>52,939,993</u>	<u>65,612,352</u>	
Other Net Assets			(227,172)	(0.3)
Net Assets			<u>65,385,180</u>	100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Microsoft Corporation	4.5%
Amazon.com	3.1%
Facebook	2.0%
Alphabet	1.9%
Visa	1.8%
Tencent Holdings	1.7%
Adobe	1.7%
salesforce.com	1.6%
Apple	1.5%
Aon	1.5%
Charles Schwab Corporation	1.4%
Roche Holding AG	1.4%
AIA Group	1.4%
Taiwan Semiconductor Manufacturing Company	1.3%
Euronext NV	1.2%
Goldman Sachs Group	1.2%
Danaher Corporation	1.2%
HDFC Bank	1.2%
Julius Baer Group	1.2%
BNP Paribas	1.1%
NXP Semiconductor	1.1%
Honeywell International	1.1%
Schneider Electric	1.1%
Truist Financial Corporation	1.1%
Boston Scientific Corporation	1.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	65,612	—	65,612
<b>TOTAL</b>	<b>—</b>	<b>65,612</b>	<b>—</b>	<b>65,612</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	63,985	—	63,985
<b>TOTAL</b>	<b>—</b>	<b>63,985</b>	<b>—</b>	<b>63,985</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 – MFS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
<b>Benchmarks</b>	%	\$	\$
MSCI All Country World Net	3.00	1,839	1,798

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	22,242	12,276
Investments at fair value through profit or loss (FVTPL)	13,178,969	12,352,064
Premiums receivable	10,757	1,252
	<u>13,211,968</u>	<u>12,365,592</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	30,574	31,428
Withdrawals payable	2,233	1,696
Payable for securities purchased	11,456	1,493
	<u>44,263</u>	<u>34,617</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>13,167,705</b></u>	<u>12,330,975</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>8.56</u>	8.27
Series 3	<u>8.95</u>	8.63
Series 5	<u>10.13</u>	9.73
Series 6	<u>7.95</u>	7.64
Series 7	<u>8.24</u>	7.90
Series 8	<u>6.25</u>	6.00

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	14
Changes in fair value:		
Net realized gain (loss) on investments	125,063	94,251
Net unrealized gain (loss) on investments	567,178	(579,864)
	<u>692,241</u>	<u>(485,599)</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	160,131	148,768
Operating expenses	33,159	31,119
	<u>193,290</u>	<u>179,887</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>498,951</b></u>	<u>(665,486)</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	48,015	(81,320)
- per unit	0.30	(0.47)
Average Number of Units	<u>161,880</u>	174,063
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	133,638	(212,226)
- per unit	0.32	(0.45)
Average Number of Units	<u>414,926</u>	469,032
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	135,964	(179,603)
- per unit	0.41	(0.50)
Average Number of Units	<u>328,394</u>	358,561
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	93,240	(109,967)
- per unit	0.31	(0.39)
Average Number of Units	<u>298,959</u>	280,824
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	5,168	(7,822)
- per unit	0.29	(0.30)
Average Number of Units	<u>17,867</u>	26,513
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	82,926	(74,548)
- per unit	0.26	(0.26)
Average Number of Units	<u>321,300</u>	288,171

\* 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 – MFS (continued)

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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>12,330,975</u>	12,496,686
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>498,951</u>	(665,486)
Premiums		
Series 1	1,356	600
Series 3	101,123	172,020
Series 5	171,208	84,152
Series 6	497,362	300,405
Series 7	3,000	8,619
Series 8	345,883	172,608
	<u>1,119,932</u>	738,404
Withdrawals		
Series 1	(19,629)	(58,506)
Series 3	(174,830)	(398,990)
Series 5	(177,375)	(376,060)
Series 6	(239,121)	(195,443)
Series 7	(38,722)	(65,571)
Series 8	(132,476)	(26,548)
	<u>(782,153)</u>	(1,121,118)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>13,167,705</u>	11,448,486

## STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	498,951	(665,486)
Adjustments for:		
Net realized (gain) loss	(125,063)	(94,251)
Net unrealized (gain) loss	(567,178)	579,864
Proceeds from sale/maturity of investments	626,002	924,702
Investments purchased	(760,666)	(360,315)
Accrued expenses	(854)	(2,824)
Payable for securities purchased	9,963	(254)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(318,845)</u>	381,436
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,110,427	713,764
Amounts paid on withdrawals	(781,616)	(1,095,440)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>328,811</u>	(381,676)
Increase (decrease) in cash/ bank overdraft	9,966	(240)
Cash (bank overdraft), beginning of period	12,276	3,772
CASH (BANK OVERDRAFT), END OF PERIOD	<u>22,242</u>	3,532
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, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
MFS International Equity Fund	857,018	10,255,021	13,178,969		
<b>Total Investments</b>		<b>10,255,021</b>	<b>13,178,969</b>		
<b>Other Net Assets</b>			(11,264)		(0.1)
<b>Net Assets</b>			<b>13,167,705</b>		100

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

TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Nestlé SA	3.7%
Schneider Electric	3.1%
Roche Holding AG	3.1%
Air Liquide	2.8%
AIA Group	2.6%
LVMH Moët Hennessy Louis Vuitton	2.5%
SAP SE	2.2%
Hitachi	2.2%
Novo Nordisk	2.1%
Capgemini	2.1%
Deutsche Boerse AG	1.9%
Hoya Corporation	1.8%
Pernod Ricard	1.8%
Akzo Nobel NV	1.8%
Taiwan Semiconductor Manufacturing Company	1.8%
Canadian National Railway Company	1.8%
Beiersdorf AG	1.7%
Diageo PLC	1.7%
Daikin Industries	1.7%
Koninklijke Philips NV	1.6%
UBS Group AG	1.5%
Merck KGaA	1.5%
RELX	1.5%
Novartis AG	1.5%
Compagnie Financière Richemont	1.4%

## DFS GIF – INTERNATIONAL EQUITY – MFS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**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 (in \$'000)*

June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	13,179	—	13,179
<b>TOTAL</b>	<b>—</b>	<b>13,179</b>	<b>—</b>	<b>13,179</b>
December 31, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	12,352	—	12,352
<b>TOTAL</b>	<b>—</b>	<b>12,352</b>	<b>—</b>	<b>12,352</b>

*Transfers between Levels 1 and 2*

During the periods ended June 30, 2021 and December 31, 2020, 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, 2021

### Currency Risk

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	364	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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 2021	December 31 2020
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	152,427	140,129
Investments at fair value through profit or loss (FVTPL)	47,617,315	35,056,903
Premiums receivable	166,760	48,419
Receivable for securities sold	17,093	—
	<u>47,953,595</u>	<u>35,245,451</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	100,477	74,469
Withdrawals payable	247,912	22,770
Payable for securities purchased	151,936	175,332
	<u>500,325</u>	<u>272,571</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>47,453,270</u>	<u>34,972,880</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>20.33</u>	19.94
Series 6	<u>14.04</u>	13.75
Series 7	<u>14.49</u>	14.16
Series 8	<u>9.58</u>	9.37

## STATEMENT OF COMPREHENSIVE INCOME – unaudited

Periods Ended June 30	2021	2020
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	—	93,482
Changes in fair value:		
Net realized gain (loss) on investments	443,848	95,282
Net unrealized gain (loss) on investments	1,182,311	4,741,693
	<u>1,626,159</u>	<u>4,930,457</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	499,943	222,277
Operating expenses	50,695	22,180
	<u>550,638</u>	<u>244,457</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,075,521</u>	<u>4,686,000</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	108,752	1,065,125
- per unit	0.37	3.46
Average Number of Units	296,501	307,939
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	463,072	1,877,857
- per unit	0.38	2.29
Average Number of Units	1,226,074	820,108
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	45,621	106,921
- per unit	0.62	2.25
Average Number of Units	73,195	47,443
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	458,076	1,636,097
- per unit	0.24	1.57
Average Number of Units	1,880,020	1,043,455

\* 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

Periods Ended June 30

	2021	2020
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<b>34,972,880</b>	15,427,192
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,075,521</b>	4,686,000
Premiums		
Series 5	<b>1,326,825</b>	699,201
Series 6	<b>8,907,746</b>	1,644,320
Series 7	<b>816,947</b>	—
Series 8	<b>6,582,095</b>	1,520,655
	<b>17,633,613</b>	3,864,176
Withdrawals		
Series 5	<b>(1,181,203)</b>	(387,072)
Series 6	<b>(3,527,855)</b>	(953,395)
Series 7	<b>(45,905)</b>	(35,151)
Series 8	<b>(1,473,781)</b>	(586,995)
	<b>(6,228,744)</b>	(1,962,613)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<b>47,453,270</b>	22,014,755

STATEMENT OF CASH FLOWS – unaudited

Periods Ended June 30

	2021	2020
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,075,521</b>	4,686,000
Adjustments for:		
Net realized (gain) loss	<b>(443,848)</b>	(95,282)
Net unrealized (gain) loss	<b>(1,182,311)</b>	(4,741,693)
Non-cash distribution from investments	—	(93,482)
Proceeds from sale/maturity of investments	<b>1,134,099</b>	773,612
Investments purchased	<b>(12,068,352)</b>	(2,454,805)
Receivable for securities sold	<b>(17,093)</b>	—
Accrued expenses	<b>26,008</b>	13,941
Payable for securities purchased	<b>(23,396)</b>	27,091
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<b>(11,499,372)</b>	(1,884,618)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	<b>17,515,272</b>	3,807,319
Amounts paid on withdrawals	<b>(6,003,602)</b>	(1,896,476)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<b>11,511,670</b>	1,910,843
Increase (decrease) in cash/ bank overdraft	<b>12,298</b>	26,225
Cash (bank overdraft), beginning of period	<b>140,129</b>	1,668
CASH (BANK OVERDRAFT), END OF PERIOD	<b>152,427</b>	27,893

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

## DFS GIF – INTERNATIONAL EQUITY GROWTH – DESJARDINS (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO – unaudited

As at June 30, 2021

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.3
Desjardins Overseas Equity Growth Fund, I-Class	988,834	31,930,012	47,617,315		
Total Investments		<b>31,930,012</b>	<b>47,617,315</b>		
Other Net Assets			(164,045)		(0.3)
Net Assets			<b>47,453,270</b>		100

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%
Zalando	5.2%
M3	4.5%
Kering	4.5%
Adyen	4.3%
MercadoLibre	4.0%
Tesla	3.9%
Meituan	3.4%
Spotify Technology	2.9%
Tencent Holdings	2.9%
Moderna	2.9%
HelloFresh	2.8%
Alibaba Group Holding	2.7%
Cash and Cash Equivalents	2.4%
Nidec Corporation	2.3%
Delivery Hero	2.2%
Genmab	2.0%
Wix.com	2.0%
NIO	2.0%
Ferrari	2.0%
Ocado Group	1.9%
Atlas Copco	1.7%
L'Oréal	1.6%
AIA Group	1.6%
Inditex	1.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

### 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 (in \$'000)

June 30, 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	47,617	—	—	47,617
<b>TOTAL</b>	<b>47,617</b>	<b>—</b>	<b>—</b>	<b>47,617</b>

December 31, 2020

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	35,057	—	—	35,057
<b>TOTAL</b>	<b>35,057</b>	<b>—</b>	<b>—</b>	<b>35,057</b>

#### Transfers between Levels 1 and 2

During the periods ended June 30, 2021 and December 31, 2020, 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 GROWTH – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION – unaudited

As at June 30, 2021

**Currency Risk**

As at June 30, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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 (in \$'000)**

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, 2021	December 31, 2020
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	1,480	1,124

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, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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

Periods Ended June 30, 2021 and 2020

## 1. ESTABLISHMENT OF THE FUNDS

The Desjardins Financial Security Guaranteed Investment Funds (the Funds) consist of forty-eight 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
<b>INVESTMENT SOLUTIONS</b>							
Conservative	—	—	Oct. 16, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Moderate	—	—	Oct. 16, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Balanced	—	—	Oct. 16, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Growth	—	—	Oct. 16, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Maximum Growth	—	—	Oct. 16, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>							
Conservative – Desjardins SocieTerra	—	—	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	—
Moderate – Desjardins SocieTerra	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Balanced – Desjardins SocieTerra	—	—	Oct. 16, 2015	Oct. 16, 2015	Oct. 16, 2015	Apr. 24, 2018	—
Growth – Desjardins SocieTerra	—	—	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	—
Maximum Growth – Desjardins SocieTerra	—	—	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	Apr. 25, 2018	—
100% Equity – Desjardins SocieTerra	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
<b>WISE ETF PORTFOLIOS</b>							
Fixed Income – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Conservative – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Balanced – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Growth – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Maximum Growth – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
100% Equity – Desjardins Wise ETF	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
<b>INDIVIDUAL FUNDS</b>							
<b>Income</b>							
Money Market	Nov. 20, 1995	Dec. 14, 1998	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	Nov. 7, 2014
Canadian Bond	Nov. 16, 2020	Nov. 16, 2020	Oct. 16, 2015	Oct. 16, 2015	Oct. 16, 2015	Apr. 24, 2018	—
Global Tactical Bond – Desjardins	—	—	Sept. 23, 2019	Sept. 23, 2019	Sept. 23, 2019	Sept. 23, 2019	—
<b>Balanced and Asset Allocation</b>							
Diversified Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Balanced Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Canadian Balanced – Fidelity	—	Dec. 1, 2008	Dec. 1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
U.S. Monthly Income – Fidelity	—	—	Oct. 16, 2015	Oct. 16, 2015	Oct. 16, 2015	Apr. 24, 2018	—
Global Balanced – Jarislowsky Fraser	—	Nov. 17, 2003	Oct. 26, 2007	Oct. 16, 2015	Oct. 16, 2015	Apr. 24, 2018	—
Canadian Balanced – Fiera Capital	Nov. 20, 1995	Dec. 14, 1998	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Balanced Growth – Franklin Quotential	—	Dec. 11, 2006	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Canadian Balanced – CI Signature	—	—	May 3, 2010	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Income and Growth – CI Signature	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Growth and Income – NEI	—	Dec. 11, 2006	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Growth – NEI Select	—	Jan. 14, 2002	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Asset Allocation – Cambridge	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Growth – Franklin Quotential	—	Oct. 30, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
<b>Canadian Equity</b>							
Dividend Income – Desjardins	—	Sept. 23, 2019	—				
Canadian Dividend – NEI	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Canadian Equity – Desjardins	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020
Canadian Equity – Jarislowsky Fraser	—	Dec. 5, 2005	Oct. 26, 2007	Oct. 16, 2015	Oct. 16, 2015	Apr. 24, 2018	—
Canadian Equity – Fidelity True North®	—	Dec. 1, 2008	Dec. 1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Canadian Equity – Franklin Bissett	Nov. 25, 2016	Apr. 17, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	Nov. 25, 2016
Canadian Small Cap Equity – NEI	—	Dec. 11, 2006	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Small Cap – Franklin Bissett	—	Apr. 17, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
<b>Foreign Equity</b>							
American Equity – MFS	—	Apr. 17, 2000	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
American Equity Value – Desjardins	Nov. 20, 1995	Dec. 14, 1998	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Global Dividend – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
Global Equity – Desjardins	—	—	Sept. 23, 2019	Sept. 23, 2019	Sept. 23, 2019	Sept. 23, 2019	—
Global Equity – MFS	—	Dec. 1, 2008	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
International Equity – MFS	Nov. 20, 1995	Dec. 14, 1998	Oct. 26, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—
International Equity Growth – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 24, 2018	—

The information provided in these financial statements and notes thereto is as at June 30, 2021 and 2020, as well as December 31, 2020 and for the six-month periods ended on those dates, as applicable. 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:

DATE	NAMES OF THE FUNDS	SERIES
November 16, 2020	DFS GIF – Moderate – Desjardins SocieTerra	5, 6, 7 and 8
	DFS GIF – 100% Equity – Desjardins SocieTerra	5, 6, 7 and 8
	DFS GIF – Canadian Equity – Desjardins	1, 3, 5, 6, 7, 8 and IGP
	DFS GIF – Fixed Income – Desjardins Wise ETF	5, 6, 7 and 8
	DFS GIF – Conservative – Desjardins Wise ETF	5, 6, 7 and 8
	DFS GIF – Balanced – Desjardins Wise ETF	5, 6, 7 and 8
	DFS GIF – Growth – Desjardins Wise ETF	5, 6, 7 and 8
	DFS GIF – Maximum Growth – Desjardins Wise ETF	5, 6, 7 and 8
	DFS GIF – 100% Equity – Desjardins Wise ETF	5, 6, 7 and 8

The Company made modifications to the Fund names for the following Funds:

DATE	OLD FUND NAME	NEW FUND NAME
November 16, 2020	DFS GIF – Growth and Income – NEI Northwest	DFS GIF – Growth and Income – NEI
	DFS GIF – Global Growth – NEI Select	DFS GIF – Growth – NEI Select
	DFS GIF – Canadian Asset Allocation – CI Cambridge	DFS GIF – Asset Allocation – Cambridge
	DFS GIF – Canadian Dividend – NEI Northwest	DFS GIF – Canadian Dividend – NEI
	DFS GIF – Specialty Equity – NEI Northwest	DFS GIF – Canadian Small Cap Equity – NEI

The Company closed the following Funds:

DATE	NAME OF THE FUNDS
November 27, 2020	DFS GIF – Income – Fiera Capital

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 10, 2021.

## 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.

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, 2021 and December 31, 2020, 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 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 that the risk of default of these financial assets is low and that 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 no such impairment will 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. 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 use 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

Equities, index-based investments 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.

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

### ***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. Cash guarantees given for reverse repurchase transactions are recognized as financial liabilities in the Statement of Financial Position, in "Cash guarantee given for reverse repurchase transaction". An asset representing the commitment to receive the securities is recognized in "Commitments related to reverse repurchase transactions".

Trust, as the Funds' custodian, may use those amounts to buy investments. Revenue generated through the 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 offset 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 offset 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, commitments related to reverse 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, cash guarantee given for reverse 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. This category can include other incomes. 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". Notional distributions received from ETFs are considered non-cash transactions and increase the average costs for those ETFs. 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. The income from Limited Partnership includes income attributed for tax purposes and are presented in "Distributions from underlying funds".

Distributions received from underlying funds are recorded at the date of distribution. They are included in "Distributions from underlying funds" and are presented in the Statement of Comprehensive Income.

Distributions received in the form of units from underlying funds are presented in "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.

## 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.

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

### *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 and asset-backed securities 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 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 when 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.

### Number of Units

The number of units outstanding in each Fund as at June 30, 2021 and 2020, and the number of units attributed to and withdrawn from Contracts during each period are as follows:

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
<b>INVESTMENT SOLUTIONS</b>						
Conservative						
Series 5 .....	<b>2,557,092</b>	2,111,273	<b>199,932</b>	1,042,198	<b>(238,739)</b>	(320,336)
Series 6 .....	<b>3,158,211</b>	3,061,738	<b>544,077</b>	579,507	<b>(582,872)</b>	(582,571)
Series 7 .....	<b>231,556</b>	345,925	<b>15,490</b>	79,415	<b>(157,551)</b>	(25,031)
Series 8 .....	<b>1,860,305</b>	1,458,115	<b>366,835</b>	470,654	<b>(274,809)</b>	(176,748)
Moderate						
Series 5 .....	<b>1,375,532</b>	1,024,823	<b>265,198</b>	344,074	<b>(100,203)</b>	(236,410)
Series 6 .....	<b>5,716,242</b>	5,490,294	<b>1,098,965</b>	662,910	<b>(939,955)</b>	(599,796)
Series 7 .....	<b>775,707</b>	1,224,120	<b>57,347</b>	76,087	<b>(171,357)</b>	(103,194)
Series 8 .....	<b>3,588,474</b>	2,934,513	<b>931,868</b>	306,444	<b>(278,879)</b>	(225,630)
Balanced						
Series 5 .....	<b>19,020,923</b>	19,424,057	<b>1,246,760</b>	1,227,511	<b>(1,700,172)</b>	(2,333,434)
Series 6 .....	<b>14,029,530</b>	14,199,593	<b>1,589,242</b>	1,098,357	<b>(1,821,237)</b>	(1,069,379)
Series 7 .....	<b>2,215,349</b>	2,482,267	<b>35,858</b>	471,437	<b>(282,975)</b>	(401,789)
Series 8 .....	<b>10,622,246</b>	9,068,167	<b>1,897,847</b>	724,969	<b>(651,816)</b>	(494,742)
Growth						
Series 5 .....	<b>5,088,677</b>	3,782,569	<b>1,187,266</b>	729,863	<b>(503,524)</b>	(456,657)
Series 6 .....	<b>7,390,156</b>	7,560,187	<b>574,592</b>	839,292	<b>(665,275)</b>	(676,131)
Series 7 .....	<b>1,143,213</b>	1,107,005	<b>106,954</b>	11,476	<b>(54,576)</b>	(13,964)
Series 8 .....	<b>5,662,225</b>	4,849,086	<b>783,137</b>	570,782	<b>(459,959)</b>	(309,308)
Maximum Growth						
Series 5 .....	<b>169,175</b>	156,818	<b>17,981</b>	73,359	<b>(12,904)</b>	(40,018)
Series 6 .....	<b>907,795</b>	849,023	<b>188,206</b>	217,108	<b>(148,393)</b>	(118,548)
Series 7 .....	<b>310,455</b>	314,939	<b>325</b>	391	<b>(686)</b>	(840)
Series 8 .....	<b>762,597</b>	590,157	<b>169,669</b>	262,478	<b>(40,787)</b>	(39,563)

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>						
Conservative – Desjardins SocieTerra						
Series 5 .....	530,946	211,180	177,819	67,017	(29,111)	(235,392)
Series 6 .....	1,164,379	591,272	627,060	228,207	(232,033)	(108,036)
Series 7 .....	39,092	56,135	—	27,051	(17,834)	(900)
Series 8 .....	1,178,068	553,943	528,857	194,192	(181,458)	(104,755)
Moderate – Desjardins SocieTerra						
Series 5 .....	68,739	—	60,809	—	(8,071)	—
Series 6 .....	319,024	—	427,731	—	(125,568)	—
Series 7 .....	16,000	—	—	—	—	—
Series 8 .....	457,766	—	445,348	—	(3,583)	—
Balanced – Desjardins SocieTerra						
Series 5 .....	2,909,148	1,491,079	1,289,076	174,607	(247,760)	(164,294)
Series 6 .....	4,386,940	2,213,216	2,163,756	610,379	(496,733)	(252,582)
Series 7 .....	1,207,217	692,573	603,437	2,031	(22,867)	(138,900)
Series 8 .....	3,400,361	1,303,192	1,769,398	374,528	(307,875)	(148,306)
Growth – Desjardins SocieTerra						
Series 5 .....	2,030,879	399,461	1,349,537	112,572	(242,526)	(28,395)
Series 6 .....	2,704,623	1,296,820	1,337,579	543,305	(300,392)	(167,556)
Series 7 .....	139,605	28,000	87,211	—	(1,173)	—
Series 8 .....	2,278,982	1,108,792	1,072,977	378,100	(197,919)	(19,524)
Maximum Growth – Desjardins SocieTerra						
Series 5 .....	80,533	47,841	40,338	9,635	(12,782)	(96)
Series 6 .....	654,253	341,855	366,531	96,001	(43,564)	(3,938)
Series 7 .....	28,000	28,000	—	—	—	—
Series 8 .....	618,744	49,960	585,778	4,043	(94,289)	(3,213)
100% Equity – Desjardins SocieTerra						
Series 5 .....	41,119	—	15,758	—	(50)	—
Series 6 .....	81,770	—	44,856	—	(1,377)	—
Series 7 .....	16,000	—	—	—	—	—
Series 8 .....	91,425	—	54,076	—	(5,750)	—
<b>WISE ETF PORTFOLIOS</b>						
Fixed Income – Desjardins Wise ETF						
Series 5 .....	10,001	—	—	—	—	—
Series 6 .....	21,395	—	14,427	—	(3,033)	—
Series 7 .....	10,000	—	—	—	—	—
Series 8 .....	27,228	—	—	—	(5,322)	—
Conservative – Desjardins Wise ETF						
Series 5 .....	35,023	—	30,582	—	(13,502)	—
Series 6 .....	93,363	—	67,301	—	(576)	—
Series 7 .....	16,000	—	—	—	—	—
Series 8 .....	53,979	—	2,531	—	—	—
Balanced – Desjardins Wise ETF						
Series 5 .....	30,543	—	10,474	—	(345)	—
Series 6 .....	65,166	—	47,151	—	(9,862)	—
Series 7 .....	16,000	—	—	—	—	—
Series 8 .....	42,299	—	27,001	—	(703)	—
Growth – Desjardins Wise ETF						
Series 5 .....	115,174	—	87,524	—	(15,785)	—
Series 6 .....	110,578	—	57,706	—	(11,312)	—
Series 7 .....	16,000	—	—	—	—	—
Series 8 .....	94,789	—	21,968	—	(974)	—
Maximum Growth – Desjardins Wise ETF						
Series 5 .....	20,302	—	4,301	—	—	—
Series 6 .....	59,869	—	59,647	—	(16,775)	—
Series 7 .....	27,790	—	11,790	—	—	—
Series 8 .....	59,873	—	20,096	—	(31)	—

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
100% Equity – Desjardins Wise ETF						
Series 5 .....	10,561	—	560	—	—	—
Series 6 .....	23,011	—	17,716	—	(5,702)	—
Series 7 .....	11,993	—	1,993	—	—	—
Series 8 .....	35,204	—	25,203	—	—	—
<b>INDIVIDUAL FUNDS</b>						
<b>Income</b>						
<b>Money Market</b>						
Series 1 .....	43,621	50,880	20,366	31,012	(24,192)	(32,070)
Series 3 .....	270,217	370,856	115,944	363,929	(160,832)	(264,910)
Series 5 .....	2,481,303	2,224,906	2,369,790	2,104,762	(2,146,116)	(2,851,948)
Series 6 .....	2,286,679	2,714,684	1,202,702	1,980,179	(1,345,612)	(1,229,041)
Series 7 .....	101,467	303,610	179,520	106,957	(351,897)	(9,865)
Series 8 .....	2,060,598	1,737,347	2,155,545	1,786,375	(1,696,961)	(1,345,703)
Series IGP .....	97,780	106,672	763	1,724	(3,484)	(3,256)
<b>Canadian Bond</b>						
Series 1 .....	166,568	—	188	—	(9,030)	—
Series 3 .....	975,608	—	30,581	—	(89,374)	—
Series 5 .....	10,208,183	3,724,141	201,854	354,924	(1,586,793)	(489,522)
Series 6 .....	2,175,578	1,050,670	106,438	221,849	(635,251)	(155,736)
Series 7 .....	100,514	224,685	5,590	74,001	(773,929)	(13,218)
Series 8 .....	935,049	397,490	116,780	217,492	(450,065)	(79,844)
<b>Global Tactical Bond – Desjardins</b>						
Series 5 .....	101,487	103,600	171	125,214	(15,357)	(46,010)
Series 6 .....	454,455	178,411	272,455	178,919	(18,741)	(38,853)
Series 7 .....	609,353	62,030	559,392	35,348	(19,994)	(848)
Series 8 .....	161,551	60,544	71,921	36,930	(20,822)	(15,644)
<b>Balanced and Asset Allocation</b>						
<b>Diversified Income – Franklin Quotential</b>						
Series 3 .....	313,043	368,477	2,014	1,919	(39,311)	(134,833)
Series 5 .....	10,694,566	12,947,645	139,240	463,318	(1,152,807)	(1,177,182)
Series 6 .....	2,858,634	3,573,984	72,341	205,838	(460,036)	(320,397)
Series 7 .....	643,422	804,339	1	7,928	(131,310)	(36,545)
Series 8 .....	1,692,754	1,990,984	90,406	246,934	(259,949)	(268,073)
<b>Balanced Income – Franklin Quotential</b>						
Series 3 .....	643,555	736,628	14,242	8,289	(40,841)	(50,491)
Series 5 .....	19,328,817	22,306,037	283,451	644,371	(1,939,861)	(2,092,731)
Series 6 .....	2,711,527	3,191,723	58,236	160,757	(325,690)	(201,441)
Series 7 .....	580,817	607,722	385	439	(10,817)	(9,888)
Series 8 .....	1,000,609	1,112,822	84,687	52,829	(98,180)	(68,814)
<b>Canadian Balanced – Fidelity</b>						
Series 3 .....	738,038	753,530	40,350	29,866	(51,469)	(66,870)
Series 5 .....	54,149,827	59,198,011	1,628,957	2,688,367	(4,426,505)	(5,334,842)
Series 6 .....	4,430,395	4,827,669	434,715	377,582	(636,873)	(540,554)
Series 7 .....	664,354	742,460	8,670	696	(24,214)	(33,172)
Series 8 .....	2,682,859	2,556,721	390,485	251,459	(410,570)	(241,005)
<b>U.S. Monthly Income – Fidelity</b>						
Series 5 .....	278,915	351,629	17,207	21,894	(49,771)	(118,799)
Series 6 .....	1,161,699	1,285,108	184,727	222,999	(178,283)	(193,592)
Series 7 .....	389,118	461,520	1,586	11,410	(35,165)	(9,123)
Series 8 .....	1,459,688	1,300,713	205,171	148,293	(85,681)	(174,476)
<b>Global Balanced – Jarislowsky Fraser</b>						
Series 3 .....	688,899	797,283	11,484	11,405	(84,598)	(49,777)
Series 5 .....	14,572,052	16,617,687	506,957	689,569	(1,532,561)	(1,649,045)
Series 6 .....	6,318,745	7,176,038	299,318	607,167	(790,014)	(663,990)
Series 7 .....	1,265,252	1,414,978	24,841	4,659	(172,403)	(101,493)
Series 8 .....	4,738,028	4,990,719	322,258	436,335	(559,259)	(339,566)

# NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
<b>Canadian Balanced – Fiera Capital</b>						
Series 1 .....	<b>414,047</b>	461,456	<b>1,530</b>	1,516	<b>(23,832)</b>	(17,571)
Series 3 .....	<b>839,104</b>	931,799	<b>18,401</b>	12,856	<b>(71,729)</b>	(68,994)
Series 5 .....	<b>8,995,064</b>	9,930,489	<b>237,751</b>	531,547	<b>(788,265)</b>	(825,132)
Series 6 .....	<b>2,929,799</b>	3,180,487	<b>154,897</b>	774,572	<b>(425,658)</b>	(497,416)
Series 7 .....	<b>205,164</b>	239,763	<b>19</b>	436	<b>(4,904)</b>	(8,729)
Series 8 .....	<b>2,692,563</b>	3,102,153	<b>165,550</b>	862,637	<b>(518,031)</b>	(194,489)
<b>Balanced Growth – Franklin Quotential</b>						
Series 3 .....	<b>1,003,665</b>	1,139,940	<b>4,688</b>	3,497	<b>(47,527)</b>	(40,965)
Series 5 .....	<b>47,036,014</b>	53,657,833	<b>1,071,544</b>	1,722,054	<b>(4,714,216)</b>	(4,138,148)
Series 6 .....	<b>4,161,786</b>	4,838,710	<b>102,766</b>	175,860	<b>(455,793)</b>	(321,474)
Series 7 .....	<b>421,020</b>	461,012	<b>—</b>	4,312	<b>(21,817)</b>	(5,233)
Series 8 .....	<b>1,891,567</b>	2,029,324	<b>105,678</b>	129,604	<b>(126,017)</b>	(115,165)
<b>Canadian Balanced – CI Signature</b>						
Series 5 .....	<b>8,276,007</b>	9,188,363	<b>366,788</b>	133,089	<b>(758,788)</b>	(954,453)
Series 6 .....	<b>3,370,724</b>	3,884,310	<b>174,835</b>	186,400	<b>(470,843)</b>	(323,467)
Series 7 .....	<b>760,064</b>	793,603	<b>22,759</b>	—	<b>(31,922)</b>	(77,374)
Series 8 .....	<b>2,265,819</b>	2,235,584	<b>243,843</b>	150,575	<b>(224,095)</b>	(136,151)
<b>Income and Growth – CI Signature</b>						
Series 5 .....	<b>6,500,476</b>	7,195,446	<b>224,805</b>	1,293,796	<b>(593,588)</b>	(701,528)
Series 6 .....	<b>4,429,138</b>	5,185,877	<b>131,657</b>	232,571	<b>(621,969)</b>	(400,604)
Series 7 .....	<b>900,598</b>	1,070,911	<b>963</b>	6,391	<b>(69,887)</b>	(30,848)
Series 8 .....	<b>4,222,777</b>	4,350,779	<b>348,470</b>	239,299	<b>(373,534)</b>	(393,344)
<b>Growth and Income – NEI</b>						
Series 3 .....	<b>245,285</b>	255,282	<b>17,379</b>	16,888	<b>(22,405)</b>	(25,989)
Series 5 .....	<b>16,943,315</b>	18,637,400	<b>519,598</b>	868,828	<b>(1,290,030)</b>	(1,646,145)
Series 6 .....	<b>6,064,991</b>	7,000,696	<b>278,469</b>	755,696	<b>(686,779)</b>	(931,397)
Series 7 .....	<b>893,147</b>	1,079,384	<b>—</b>	9,757	<b>(16,054)</b>	(108,325)
Series 8 .....	<b>5,473,810</b>	5,603,664	<b>475,885</b>	809,254	<b>(366,483)</b>	(548,017)
<b>Growth – NEI Select</b>						
Series 3 .....	<b>232,466</b>	253,951	<b>4,461</b>	7,338	<b>(6,622)</b>	(37,751)
Series 5 .....	<b>8,095,145</b>	8,809,010	<b>260,307</b>	316,066	<b>(601,396)</b>	(690,576)
Series 6 .....	<b>4,075,678</b>	4,483,687	<b>113,117</b>	362,475	<b>(339,664)</b>	(378,079)
Series 7 .....	<b>536,456</b>	635,152	<b>1</b>	—	<b>(59,768)</b>	(293,919)
Series 8 .....	<b>2,960,350</b>	2,962,240	<b>288,109</b>	345,559	<b>(219,760)</b>	(282,470)
<b>Asset Allocation – Cambridge</b>						
Series 5 .....	<b>481,351</b>	534,957	<b>9,879</b>	43,286	<b>(36,510)</b>	(90,723)
Series 6 .....	<b>571,193</b>	630,836	<b>18,402</b>	61,518	<b>(42,051)</b>	(131,472)
Series 7 .....	<b>193,873</b>	283,350	<b>21</b>	14,751	<b>(20,099)</b>	(63,248)
Series 8 .....	<b>386,790</b>	567,082	<b>17,942</b>	66,068	<b>(129,288)</b>	(122,172)
<b>Growth – Franklin Quotential</b>						
Series 3 .....	<b>256,614</b>	277,892	<b>2,236</b>	19,398	<b>(4,564)</b>	(29,470)
Series 5 .....	<b>5,067,957</b>	5,867,111	<b>39,394</b>	86,202	<b>(557,683)</b>	(447,613)
Series 6 .....	<b>373,970</b>	445,918	<b>10,222</b>	16,560	<b>(59,459)</b>	(15,596)
Series 7 .....	<b>15,097</b>	17,571	<b>—</b>	—	<b>(2,444)</b>	(30)
Series 8 .....	<b>322,537</b>	310,746	<b>19,554</b>	25,006	<b>(6,228)</b>	(11,379)
<b>Canadian Equity</b>						
<b>Dividend Income – Desjardins</b>						
Series 3 .....	<b>3,824,761</b>	4,480,102	<b>21,921</b>	38,729	<b>(266,852)</b>	(361,948)
Series 5 .....	<b>17,822,807</b>	20,375,729	<b>313,557</b>	432,689	<b>(1,671,879)</b>	(1,827,246)
Series 6 .....	<b>1,376,916</b>	1,619,191	<b>36,159</b>	108,487	<b>(215,618)</b>	(207,226)
Series 7 .....	<b>63,350</b>	113,199	<b>—</b>	—	<b>(48,935)</b>	(39,502)
Series 8 .....	<b>1,189,396</b>	1,164,080	<b>78,933</b>	111,968	<b>(38,293)</b>	(71,198)
<b>Canadian Dividend – NEI</b>						
Series 5 .....	<b>1,131,341</b>	1,278,624	<b>58,139</b>	40,353	<b>(125,203)</b>	(257,193)
Series 6 .....	<b>758,516</b>	741,333	<b>137,025</b>	151,660	<b>(131,973)</b>	(120,752)
Series 7 .....	<b>34,374</b>	47,386	<b>1,977</b>	1,344	<b>(13,419)</b>	(4,015)
Series 8 .....	<b>1,107,466</b>	1,014,694	<b>185,683</b>	207,565	<b>(50,435)</b>	(115,071)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
<b>Canadian Equity – Desjardins</b>						
Series 1 .....	24,423	—	2,432	—	—	—
Series 3 .....	22,576	—	758	—	—	—
Series 5 .....	21,818	—	—	—	—	—
Series 6 .....	31,163	—	10,754	—	(1,409)	—
Series 7 .....	21,818	—	—	—	—	—
Series 8 .....	33,619	—	12,792	—	(991)	—
Series IGP .....	21,543	—	—	—	—	—
<b>Canadian Equity – Jarislowsky Fraser</b>						
Series 3 .....	247,084	259,934	14,221	1,571	(15,336)	(29,646)
Series 5 .....	10,754,334	12,067,213	125,605	336,865	(929,475)	(1,074,231)
Series 6 .....	206,613	226,479	24,124	26,284	(31,066)	(27,240)
Series 7 .....	68,997	89,070	—	—	(7,345)	(6,625)
Series 8 .....	114,417	118,772	15,913	32,560	(4,188)	(30,247)
<b>Canadian Equity – Fidelity True North®</b>						
Series 3 .....	100,172	94,607	10,249	10,234	(3,489)	(5,085)
Series 5 .....	1,132,869	1,308,451	67,459	71,391	(167,771)	(148,196)
Series 6 .....	1,591,158	1,633,036	374,113	245,327	(329,668)	(208,118)
Series 7 .....	118,161	133,027	300	5,144	(4,523)	(2,947)
Series 8 .....	1,635,448	1,324,273	402,070	284,282	(121,953)	(196,877)
<b>Canadian Equity – Franklin Bissett</b>						
Series 1 .....	1,681,686	1,873,032	6,583	12,390	(82,105)	(77,836)
Series 3 .....	1,009,338	1,229,609	3,774	20,458	(111,898)	(131,104)
Series 5 .....	559,564	717,075	8,551	45,471	(109,599)	(102,110)
Series 6 .....	376,636	468,999	7,551	23,562	(70,912)	(59,249)
Series 7 .....	14,774	18,440	1	—	(3)	(3)
Series 8 .....	290,190	292,288	23,244	21,587	(25,945)	(43,251)
Series IGP .....	189,896	203,802	571	650	(7,397)	(8,395)
<b>Canadian Small Cap Equity – NEI</b>						
Series 3 .....	241,786	282,660	976	6,365	(23,214)	(26,067)
Series 5 .....	859,974	998,568	10,521	35,106	(98,393)	(134,908)
Series 6 .....	171,298	209,094	14,687	22,215	(16,541)	(27,261)
Series 7 .....	5,522	5,522	—	—	—	—
Series 8 .....	212,074	198,721	13,703	13,466	(10,913)	(22,628)
<b>Small Cap – Franklin Bissett</b>						
Series 3 .....	194,742	237,158	701	2,944	(21,392)	(14,414)
Series 5 .....	227,909	275,119	5,763	28,620	(20,256)	(41,176)
Series 6 .....	357,517	504,140	4,946	60,997	(103,385)	(55,788)
Series 7 .....	11,449	14,490	—	—	(3,012)	(30)
Series 8 .....	85,710	101,845	48,580	42,938	(45,116)	(38,990)
<b>Foreign Equity</b>						
<b>American Equity – MFS</b>						
Series 3 .....	438,668	447,281	22,384	40,865	(44,580)	(43,698)
Series 5 .....	1,260,272	1,311,868	95,273	129,514	(147,660)	(183,638)
Series 6 .....	1,680,639	1,716,390	262,539	382,201	(278,643)	(193,071)
Series 7 .....	73,953	107,473	91	14,552	(27,784)	(3,433)
Series 8 .....	2,249,364	2,163,467	410,135	588,050	(185,544)	(263,924)
<b>American Equity Value – Desjardins</b>						
Series 1 .....	204,171	219,478	1,689	4,717	(4,020)	(5,790)
Series 3 .....	187,105	225,537	7,802	6,144	(15,994)	(25,686)
Series 5 .....	656,628	821,035	22,506	61,622	(95,916)	(120,619)
Series 6 .....	766,858	770,117	113,585	129,092	(109,709)	(98,213)
Series 7 .....	8,406	15,683	—	298	(1,938)	(1,730)
Series 8 .....	967,326	851,358	161,190	160,882	(47,693)	(120,890)

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2021	2020	2021	2020	2021	2020
Global Dividend – Desjardins						
Series 5	662,276	771,893	34,395	59,177	(103,710)	(131,513)
Series 6	1,387,476	1,578,564	79,153	177,256	(170,018)	(230,005)
Series 7	293,873	311,200	7,508	9,536	(4,716)	(33,616)
Series 8	1,517,858	1,596,052	102,921	241,035	(103,368)	(204,205)
Global Equity – Desjardins						
Series 5	45,687	39,897	4,862	9,372	—	—
Series 6	75,353	33,239	35,700	2,718	(13,250)	(4)
Series 7	30,525	30,525	—	—	—	—
Series 8	60,403	36,800	21,499	6,281	(10,633)	(6)
Global Equity – MFS						
Series 3	555,033	536,233	36,769	9,677	(27,763)	(33,578)
Series 5	6,844,666	7,557,856	96,402	142,971	(563,450)	(600,158)
Series 6	471,391	470,060	66,352	87,401	(49,327)	(69,581)
Series 7	59,350	79,467	339	300	(15,291)	(8,012)
Series 8	659,811	566,283	84,141	85,444	(49,011)	(58,301)
International Equity – MFS						
Series 1	160,667	171,058	165	82	(2,348)	(8,185)
Series 3	411,691	462,461	11,577	22,624	(19,949)	(50,792)
Series 5	329,115	339,415	17,601	9,825	(18,037)	(44,168)
Series 6	317,924	286,821	64,190	43,818	(31,115)	(29,466)
Series 7	16,048	20,415	374	1,355	(4,933)	(9,095)
Series 8	337,517	296,347	56,822	33,036	(21,695)	(5,189)
International Equity Growth – Desjardins						
Series 5	298,428	322,936	65,120	64,148	(58,089)	(32,665)
Series 6	1,402,586	883,709	650,629	196,563	(254,949)	(114,537)
Series 7	91,661	46,511	58,959	—	(3,419)	(4,022)
Series 8	2,125,983	1,141,405	703,891	264,709	(157,438)	(102,333)

### 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 net asset value, are as follows:

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
<b>INVESTMENT SOLUTIONS</b>							
Conservative	—	—	2.05	1.75	1.30	1.45	—
Moderate	—	—	2.05	1.80	1.35	1.50	—
Balanced	—	—	2.10	1.80	1.35	1.50	—
Growth	—	—	2.15	1.85	1.40	1.55	—
Maximum Growth	—	—	2.15	1.85	1.40	1.55	—
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>							
Conservative – Desjardins SocieTerra	—	—	2.20	1.80	1.35	1.50	—
Moderate – Desjardins SocieTerra	—	—	2.20	1.80	1.35	1.50	—
Balanced – Desjardins SocieTerra	—	—	1.88	1.85	1.40	1.55	—
Growth – Desjardins SocieTerra	—	—	2.30	1.90	1.45	1.60	—
Maximum Growth – Desjardins SocieTerra	—	—	2.40	1.95	1.50	1.65	—
100% Equity – Desjardins SocieTerra	—	—	2.35	2.00	1.55	1.70	—

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
<b>WISE ETF PORTFOLIOS</b>							
Fixed Income – Desjardins Wise ETF	—	—	1.95	1.20	0.75	0.90	—
Conservative – Desjardins Wise ETF	—	—	1.95	1.70	1.25	1.40	—
Balanced – Desjardins Wise ETF	—	—	2.00	1.70	1.25	1.40	—
Growth – Desjardins Wise ETF	—	—	2.05	1.75	1.30	1.45	—
Maximum Growth – Desjardins Wise ETF	—	—	2.05	1.75	1.30	1.45	—
100% Equity – Desjardins Wise ETF	—	—	2.05	1.75	1.30	1.45	—
<b>INDIVIDUALS FUNDS</b>							
<b>Income</b>							
Money Market	0.75	0.75	0.75	0.75	0.30	0.45	1.30
Canadian Bond	1.50	1.38	1.09	1.25	0.80	0.95	—
Global Tactical Bond – Desjardins	—	—	1.85	1.55	1.10	1.25	—
<b>Balanced and Asset Allocation</b>							
Diversified Income – Franklin Quotential	—	1.90	1.96	2.15	1.70	1.85	—
Balanced Income – Franklin Quotential	—	1.90	1.96	2.10	1.65	1.80	—
Canadian Balanced – Fidelity	—	2.02	2.02	2.10	1.65	1.80	—
U.S. Monthly Income – Fidelity	—	—	2.40	2.15	1.70	1.85	—
Global Balanced – Jarislowsky Fraser	—	2.10	1.69	1.95	1.50	1.65	—
Canadian Balanced – Fiera Capital	2.00	1.65	1.68	1.85	1.40	1.55	—
Balanced Growth – Franklin Quotential	—	1.90	1.96	2.10	1.65	1.80	—
Canadian Balanced – CI Signature	—	—	1.89	2.05	1.60	1.75	—
Income and Growth – CI Signature	—	—	2.20	2.05	1.60	1.75	—
Growth and Income – NEI	—	2.22	2.03	2.10	1.65	1.80	—
Growth – NEI Select	—	2.18	1.95	2.05	1.60	1.75	—
Asset Allocation – Cambridge	—	—	2.20	1.95	1.50	1.65	—
Growth – Franklin Quotential	—	2.15	2.21	2.15	1.70	1.85	—
<b>Canadian Equity</b>							
Dividend Income – Desjardins	—	2.05	2.05	1.85	1.40	1.55	—
Canadian Dividend – NEI	—	—	2.20	2.00	1.55	1.70	—
Canadian Equity – Desjardins	2.58	2.03	2.15	1.80	1.35	1.50	1.80
Canadian Equity – Jarislowsky Fraser	—	2.15	1.69	1.95	1.50	1.65	—
Canadian Equity – Fidelity True North®	—	2.02	2.02	2.15	1.70	1.85	—
Canadian Equity – Franklin Bissett	2.75	2.18	1.75	2.05	1.60	1.75	1.95
Canadian Small Cap Equity – NEI	—	2.35	2.16	2.25	1.80	1.95	—
Small Cap – Franklin Bissett	—	2.25	2.01	2.35	1.90	2.05	—
<b>Foreign Equity</b>							
American Equity – MFS	—	2.25	1.71	1.95	1.50	1.65	—
American Equity Value – Desjardins	2.00	1.69	2.06	1.95	1.50	1.65	—
Global Dividend – Desjardins	—	—	2.20	2.05	1.60	1.75	—
Global Equity – Desjardins	—	—	2.15	1.95	1.50	1.65	—
Global Equity – MFS	—	1.78	1.78	2.00	1.55	1.70	—
International Equity – MFS	2.00	1.95	1.69	2.20	1.75	1.90	—
International Equity Growth – Desjardins	—	—	2.20	2.05	1.60	1.75	—

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

### 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 67 basis points higher (45 basis points as of June 30, 2020) if these expenses had been charged to the Funds. A significant portion of these expenses absorbed by the Company is the result of the systems upgrade currently underway. The Company does not intend to change its method of allocating costs.

The management expense ratios for the period ended June 30, 2021 and the past five periods, which include management, guarantee, operating expenses and taxes are as follows:

	June 30 2021 %	December 31 2020 %	December 31 2019 %	December 31 2018 %	December 31 2017 %	December 31 2016 %
<b>INVESTMENT SOLUTIONS</b>						
<b>Conservative**</b>						
Series 5 .....	<b>2.55</b>	2.60	2.61	2.61	2.59	2.59
Series 6 .....	<b>2.25</b>	2.25	2.47	2.46	2.47	2.47
Series 7 .....	<b>1.69</b>	1.68	1.87	1.90	1.91	1.88
Series 8 .....	<b>1.88</b>	1.88	2.11	2.14*	—	—
<b>Moderate**</b>						
Series 5 .....	<b>2.58</b>	2.60	2.61	2.68	2.67	2.70
Series 6 .....	<b>2.30</b>	2.29	2.51	2.50	2.50	2.49
Series 7 .....	<b>1.76</b>	1.73	1.96	1.95	1.95	1.90
Series 8 .....	<b>1.95</b>	1.95	2.16	2.19*	—	—
<b>Balanced**</b>						
Series 5 .....	<b>2.67</b>	2.67	2.73	2.73	2.73	2.76
Series 6 .....	<b>2.34</b>	2.34	2.56	2.56	2.56	2.54
Series 7 .....	<b>1.82</b>	1.82	2.04	2.05	2.07	2.08
Series 8 .....	<b>2.00</b>	2.00	2.23	2.25*	—	—
<b>Growth**</b>						
Series 5 .....	<b>2.77</b>	2.77	2.78	2.79	2.78	2.82
Series 6 .....	<b>2.38</b>	2.37	2.58	2.58	2.58	2.59
Series 7 .....	<b>1.87</b>	1.87	2.06	2.05	2.07	2.10
Series 8 .....	<b>2.03</b>	2.03	2.25	2.31*	—	—
<b>Maximum Growth**</b>						
Series 5 .....	<b>2.81</b>	2.71	2.75	2.76	2.76	2.87
Series 6 .....	<b>2.44</b>	2.45	2.69	2.70	2.70	2.67
Series 7 .....	<b>1.88</b>	1.88	2.11	2.06	2.24	2.24
Series 8 .....	<b>2.14</b>	2.13	2.35	2.36*	—	—
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>						
<b>Conservative – Desjardins SocieTerra</b>						
Series 5 .....	<b>2.76</b>	2.77	2.82	2.76*	—	—
Series 6 .....	<b>2.32</b>	2.33	2.70	2.64*	—	—
Series 7 .....	<b>1.82</b>	1.83	2.18	2.14*	—	—
Series 8 .....	<b>1.98</b>	1.96	2.36	2.31*	—	—
<b>Moderate – Desjardins SocieTerra</b>						
Series 5 .....	<b>2.87</b>	2.87*	—	—	—	—
Series 6 .....	<b>2.41</b>	2.41*	—	—	—	—
Series 7 .....	<b>1.90</b>	1.90*	—	—	—	—
Series 8 .....	<b>2.07</b>	2.07*	—	—	—	—
<b>Balanced – Desjardins SocieTerra</b>						
Series 5 .....	<b>2.83</b>	2.82	2.82	2.81	2.81	2.81
Series 6 .....	<b>2.40</b>	2.38	2.70	2.68	2.70	2.76
Series 7 .....	<b>1.79</b>	1.81	2.12	2.13	2.11	2.30
Series 8 .....	<b>2.05</b>	2.05	2.38	2.42*	—	—

	June 30 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%	%
<b>Growth – Desjardins SocieTerra</b>						
Series 5 .....	<b>2.88</b>	2.84	2.83	2.93*	—	—
Series 6 .....	<b>2.46</b>	2.49	2.85	2.81*	—	—
Series 7 .....	<b>2.01</b>	2.01	2.36	2.31*	—	—
Series 8 .....	<b>2.09</b>	2.09	2.42	2.48*	—	—
<b>Maximum Growth – Desjardins SocieTerra</b>						
Series 5 .....	<b>3.09</b>	3.14	3.16	3.09*	—	—
Series 6 .....	<b>2.58</b>	2.62	3.02	2.98*	—	—
Series 7 .....	<b>2.13</b>	2.13	2.53	2.48*	—	—
Series 8 .....	<b>2.30</b>	2.30	2.70	2.64*	—	—
<b>100% Equity – Desjardins SocieTerra</b>						
Series 5 .....	<b>3.22</b>	3.22*	—	—	—	—
Series 6 .....	<b>2.76</b>	2.76*	—	—	—	—
Series 7 .....	<b>2.24</b>	2.24*	—	—	—	—
Series 8 .....	<b>2.41</b>	2.41*	—	—	—	—
<b>WISE ETF PORTFOLIOS</b>						
<b>Fixed Income – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.53***</b>	2.59*	—	—	—	—
Series 6 .....	<b>1.67***</b>	1.72*	—	—	—	—
Series 7 .....	<b>1.15***</b>	1.21*	—	—	—	—
Series 8 .....	<b>1.32***</b>	1.38*	—	—	—	—
<b>Conservative – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.59***</b>	2.64*	—	—	—	—
Series 6 .....	<b>2.24***</b>	2.30*	—	—	—	—
Series 7 .....	<b>1.72***</b>	1.78*	—	—	—	—
Series 8 .....	<b>1.90***</b>	1.95*	—	—	—	—
<b>Balanced – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.64***</b>	2.70*	—	—	—	—
Series 6 .....	<b>2.30***</b>	2.36*	—	—	—	—
Series 7 .....	<b>1.78***</b>	1.84*	—	—	—	—
Series 8 .....	<b>1.95***</b>	2.01*	—	—	—	—
<b>Growth – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.70***</b>	2.76*	—	—	—	—
Series 6 .....	<b>2.36***</b>	2.41*	—	—	—	—
Series 7 .....	<b>1.84***</b>	1.90*	—	—	—	—
Series 8 .....	<b>2.01***</b>	2.07*	—	—	—	—
<b>Maximum Growth – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.76***</b>	2.82*	—	—	—	—
Series 6 .....	<b>2.41***</b>	2.47*	—	—	—	—
Series 7 .....	<b>1.90***</b>	1.95*	—	—	—	—
Series 8 .....	<b>2.07***</b>	2.13*	—	—	—	—
<b>100% Equity – Desjardins Wise ETF</b>						
Series 5 .....	<b>2.82***</b>	2.87*	—	—	—	—
Series 6 .....	<b>2.47***</b>	2.53*	—	—	—	—
Series 7 .....	<b>1.95***</b>	2.01*	—	—	—	—
Series 8 .....	<b>2.13***</b>	2.18*	—	—	—	—
<b>INDIVIDUALS FUNDS</b>						
<b>Income</b>						
<b>Money Market**</b>						
Series 1 .....	<b>1.70</b>	1.71	1.72	1.73	1.72	1.72
Series 3 .....	<b>1.73</b>	1.74	1.73	1.73	1.73	1.71
Series 5 .....	<b>1.39</b>	1.40	1.39	1.39	1.38	1.38
Series 6 .....	<b>1.07</b>	1.07	1.13	1.13	1.13	1.12

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	June 30 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%	%
Series 7 .....	<b>0.52</b>	0.52	0.59	0.59	0.58	0.61
Series 8 .....	<b>0.73</b>	0.73	0.80	0.79*	—	—
Series IGP .....	<b>1.65</b>	1.65	1.66	1.66	1.65	1.66
Canadian Bond**						
Series 1 .....	<b>2.98</b>	3.05*	—	—	—	—
Series 3 .....	<b>2.59</b>	2.68*	—	—	—	—
Series 5 .....	<b>1.97</b>	1.97	1.97	1.96	1.96	1.96
Series 6 .....	<b>1.70</b>	1.69	1.80	1.80	1.78	1.77
Series 7 .....	<b>1.17</b>	1.16	1.23	1.22	1.22	1.22
Series 8 .....	<b>1.34</b>	1.36	1.48	1.46*	—	—
Global Tactical Bond – Desjardins						
Series 5 .....	<b>2.34</b>	2.47	2.47*	—	—	—
Series 6 .....	<b>2.02</b>	2.13	2.30*	—	—	—
Series 7 .....	<b>1.59</b>	1.61	1.78*	—	—	—
Series 8 .....	<b>1.77</b>	1.78	1.95*	—	—	—
<b>Balanced and Asset Allocation</b>						
Diversified Income – Franklin Quotential						
Series 3 .....	<b>3.16</b>	3.15	3.14	3.15	3.14	3.14
Series 5 .....	<b>2.93</b>	2.93	2.92	2.92	2.91	2.91
Series 6 .....	<b>2.67</b>	2.67	2.72	2.71	2.70	2.71
Series 7 .....	<b>2.15</b>	2.15	2.22	2.22	2.18	2.20
Series 8 .....	<b>2.32</b>	2.32	2.38	2.42*	—	—
Balanced Income – Franklin Quotential						
Series 3 .....	<b>3.20</b>	3.20	3.20	3.20	3.20	3.20
Series 5 .....	<b>2.95</b>	2.95	2.95	2.95	2.95	2.95
Series 6 .....	<b>2.69</b>	2.69	2.75	2.75	2.75	2.76
Series 7 .....	<b>2.21</b>	2.21	2.27	2.27	2.28	2.30
Series 8 .....	<b>2.34</b>	2.33	2.40	2.42*	—	—
Canadian Balanced – Fidelity						
Series 3 .....	<b>3.38</b>	3.37	3.38	3.38	3.38	3.39
Series 5 .....	<b>2.96</b>	2.96	2.96	2.96	2.96	2.96
Series 6 .....	<b>2.70</b>	2.70	2.81	2.81	2.81	2.81
Series 7 .....	<b>2.15</b>	2.15	2.27	2.27	2.28	2.28
Series 8 .....	<b>2.36</b>	2.36	2.48	2.48*	—	—
U.S. Monthly Income – Fidelity						
Series 5 .....	<b>3.02</b>	3.01	3.01	3.00	2.97	3.10
Series 6 .....	<b>2.73</b>	2.73	2.89	2.88	2.89	2.99
Series 7 .....	<b>2.21</b>	2.22	2.38	2.37	2.39	2.47
Series 8 .....	<b>2.40</b>	2.39	2.57	2.59*	—	—
Global Balanced – Jarislowsky Fraser						
Series 3 .....	<b>3.38</b>	3.37	3.37	3.37	3.37	3.39
Series 5 .....	<b>2.85</b>	2.85	2.85	2.85	2.85	2.85
Series 6 .....	<b>2.51</b>	2.51	2.67	2.68	2.68	2.63
Series 7 .....	<b>1.99</b>	1.99	2.16	2.15	2.18	2.24
Series 8 .....	<b>2.17</b>	2.17	2.33	2.36*	—	—
Canadian Balanced – Fiera Capital**						
Series 1 .....	<b>3.83</b>	3.83	3.83	3.83	3.83	3.83
Series 3 .....	<b>3.19</b>	3.19	3.19	3.19	3.18	3.19
Series 5 .....	<b>2.56</b>	2.55	2.55	2.55	2.55	2.55
Series 6 .....	<b>2.41</b>	2.40	2.57	2.57	2.57	2.57
Series 7 .....	<b>1.86</b>	1.86	2.04	2.03	2.08	2.08
Series 8 .....	<b>2.07</b>	2.08	2.25	2.25*	—	—

	June 30 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%	%
<b>Balanced Growth – Franklin Quotential</b>						
Series 3 .....	<b>3.28</b>	3.28	3.28	3.27	3.26	3.26
Series 5 .....	<b>2.98</b>	2.98	2.98	2.97	2.97	2.97
Series 6 .....	<b>2.73</b>	2.73	2.78	2.78	2.79	2.80
Series 7 .....	<b>2.20</b>	2.20	2.27	2.27	2.29	2.34
Series 8 .....	<b>2.37</b>	2.37	2.44	2.48*	—	—
<b>Canadian Balanced – CI Signature</b>						
Series 5 .....	<b>3.00</b>	3.00	3.00	3.00	2.99	2.99
Series 6 .....	<b>2.69</b>	2.69	2.79	2.78	2.78	2.79
Series 7 .....	<b>2.14</b>	2.14	2.24	2.25	2.28	2.29
Series 8 .....	<b>2.34</b>	2.34	2.44	2.48*	—	—
<b>Income and Growth – CI Signature</b>						
Series 5 .....	<b>3.03</b>	3.05	3.04	3.04	3.04	3.05
Series 6 .....	<b>2.73</b>	2.73	2.90	2.90	2.89	2.90
Series 7 .....	<b>2.19</b>	2.18	2.35	2.34	2.36	2.36
Series 8 .....	<b>2.40</b>	2.40	2.57	2.59*	—	—
<b>Growth and Income – NEI</b>						
Series 3 .....	<b>3.60</b>	3.59	3.59	3.62	3.63	3.64
Series 5 .....	<b>2.94</b>	2.94	2.94	2.94	2.94	2.94
Series 6 .....	<b>2.73</b>	2.73	2.84	2.83	2.84	2.85
Series 7 .....	<b>2.23</b>	2.23	2.34	2.28	2.29	2.30
Series 8 .....	<b>2.41</b>	2.41	2.50	2.53*	—	—
<b>Growth – NEI Select</b>						
Series 3 .....	<b>3.69***</b>	3.82	3.82	3.82	3.83	3.85
Series 5 .....	<b>2.96***</b>	3.13	3.13	3.13	3.13	3.13
Series 6 .....	<b>2.71***</b>	2.88	2.99	3.00	2.99	2.98
Series 7 .....	<b>2.20***</b>	2.31	2.42	2.37	2.46	2.40
Series 8 .....	<b>2.40***</b>	2.57	2.67	2.70*	—	—
<b>Asset Allocation – Cambridge</b>						
Series 5 .....	<b>2.88</b>	2.88	2.89	2.90	2.89	2.90
Series 6 .....	<b>2.59</b>	2.59	2.71	2.71	2.70	2.70
Series 7 .....	<b>2.08</b>	2.09	2.21	2.20	2.21	2.19
Series 8 .....	<b>2.26</b>	2.26	2.37	2.42*	—	—
<b>Growth – Franklin Quotential</b>						
Series 3 .....	<b>3.60</b>	3.60	3.60	3.60	3.60	3.61
Series 5 .....	<b>3.22</b>	3.22	3.22	3.22	3.22	3.22
Series 6 .....	<b>2.84</b>	2.84	2.89	2.89	2.89	2.89
Series 7 .....	<b>2.31</b>	2.34	2.40	2.46	2.45	2.45
Series 8 .....	<b>2.51</b>	2.50	2.55	2.59*	—	—
<b>Canadian Equity</b>						
<b>Dividend Income – Desjardins</b>						
Series 3 .....	<b>3.11</b>	3.11	3.11*	—	—	—
Series 5 .....	<b>2.65</b>	2.65	2.66*	—	—	—
Series 6 .....	<b>2.39</b>	2.39	2.55*	—	—	—
Series 7 .....	<b>1.86</b>	1.87	2.04*	—	—	—
Series 8 .....	<b>2.08</b>	2.09	2.24*	—	—	—
<b>Canadian Dividend – NEI</b>						
Series 5 .....	<b>3.06</b>	3.06	3.07	3.07	3.07	3.08
Series 6 .....	<b>2.71</b>	2.71	2.87	2.87	2.88	2.87
Series 7 .....	<b>2.19</b>	2.18	2.36	2.39	2.39	2.41
Series 8 .....	<b>2.39</b>	2.39	2.56	2.53*	—	—

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	June 30 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%	%
<b>Canadian Equity – Desjardins</b>						
Series 1 .....	<b>3.91</b>	3.91*	—	—	—	—
Series 3 .....	<b>3.51</b>	3.51*	—	—	—	—
Series 5 .....	<b>2.93</b>	2.93*	—	—	—	—
Series 6 .....	<b>2.59</b>	2.59*	—	—	—	—
Series 7 .....	<b>2.07</b>	2.07*	—	—	—	—
Series 8 .....	<b>2.24</b>	2.24*	—	—	—	—
Series IGP .....	<b>2.30</b>	2.30*	—	—	—	—
<b>Canadian Equity – Jarislowsky Fraser</b>						
Series 3 .....	<b>3.59</b>	3.59	3.60	3.60	3.60	3.59
Series 5 .....	<b>2.92</b>	2.92	2.92	2.92	2.92	2.92
Series 6 .....	<b>2.67</b>	2.68	2.84	2.82	2.82	2.93
Series 7 .....	<b>2.20</b>	2.21	2.37	2.33	2.41	2.41
Series 8 .....	<b>2.33</b>	2.33	2.50	2.53*	—	—
<b>Canadian Equity – Fidelity True North®</b>						
Series 3 .....	<b>3.57</b>	3.57	3.57	3.58	3.57	3.56
Series 5 .....	<b>3.20</b>	3.21	3.21	3.21	3.20	3.20
Series 6 .....	<b>2.93</b>	2.93	3.03	3.04	3.03	3.04
Series 7 .....	<b>2.41</b>	2.41	2.53	2.55	2.48	2.46
Series 8 .....	<b>2.61</b>	2.61	2.72	2.70*	—	—
<b>Canadian Equity – Franklin Bissett</b>						
Series 1 .....	<b>3.98</b>	3.96	3.97	3.97	3.97	3.98*
Series 3 .....	<b>3.59</b>	3.58	3.58	3.59	3.58	3.59
Series 5 .....	<b>2.97</b>	2.97	2.97	2.97	2.97	2.97
Series 6 .....	<b>2.75</b>	2.75	2.80	2.80	2.80	2.80
Series 7 .....	<b>2.36</b>	2.35	2.39	2.27	2.41	2.41
Series 8 .....	<b>2.44</b>	2.44	2.49	2.53*	—	—
Series IGP .....	<b>2.38</b>	2.38	2.39	2.38	2.39	2.38*
<b>Canadian Small Cap Equity – NEI</b>						
Series 3 .....	<b>3.84</b>	3.81	3.81	3.83	3.82	3.82
Series 5 .....	<b>3.27</b>	3.27	3.27	3.28	3.28	3.28
Series 6 .....	<b>3.04</b>	3.03	3.20	3.23	3.24	3.21
Series 7 .....	<b>2.59</b>	2.59	2.76	2.76	2.76	2.76
Series 8 .....	<b>2.72</b>	2.72	2.91	2.87*	—	—
<b>Small Cap – Franklin Bissett</b>						
Series 3 .....	<b>3.78</b>	3.77	3.77	3.76	3.76	3.76
Series 5 .....	<b>3.15</b>	3.14	3.14	3.14	3.14	3.14
Series 6 .....	<b>3.12</b>	3.12	3.14	3.14	3.14	3.14
Series 7 .....	<b>2.68</b>	2.67	2.73	2.45	2.74	2.74
Series 8 .....	<b>2.82</b>	2.77	2.82	2.87*	—	—
<b>Foreign Equity</b>						
<b>American Equity – MFS**</b>						
Series 3 .....	<b>3.69</b>	3.69	3.70	3.73	3.74	3.75
Series 5 .....	<b>2.93</b>	2.92	2.93	2.94	2.93	2.93
Series 6 .....	<b>2.67</b>	2.68	2.90	2.90	2.88	2.87
Series 7 .....	<b>2.19</b>	2.19	2.42	2.43	2.44	2.44
Series 8 .....	<b>2.35</b>	2.35	2.57	2.59*	—	—
<b>American Equity Value – Desjardins</b>						
Series 1 .....	<b>3.84</b>	3.82	3.83	3.82	3.82	3.82
Series 3 .....	<b>3.20</b>	3.19	3.20	3.20	3.21	3.22
Series 5 .....	<b>3.05</b>	3.06	3.06	3.06	3.06	3.05
Series 6 .....	<b>2.68</b>	2.68	2.84	2.84	2.84	2.83
Series 7 .....	<b>2.13</b>	2.13	2.33	2.22	2.38	2.27
Series 8 .....	<b>2.37</b>	2.37	2.54	2.53*	—	—

	June 30 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%	%
Global Dividend – Desjardins						
Series 5 .....	<b>2.81</b>	2.81	2.82	2.81	2.80	2.80
Series 6 .....	<b>2.73</b>	2.73	2.89	2.89	2.89	2.87
Series 7 .....	<b>2.23</b>	2.23	2.39	2.37	2.37	2.34
Series 8 .....	<b>2.40</b>	2.39	2.56	2.59*	—	—
Global Equity – Desjardins						
Series 5 .....	<b>2.91</b>	2.93	2.93*	—	—	—
Series 6 .....	<b>2.70</b>	2.70	2.87*	—	—	—
Series 7 .....	<b>2.18</b>	2.18	2.36*	—	—	—
Series 8 .....	<b>2.31</b>	2.36	2.53*	—	—	—
Global Equity – MFS**						
Series 3 .....	<b>3.34</b>	3.34	3.36	3.37	3.37	3.36
Series 5 .....	<b>2.90</b>	2.90	2.90	2.90	2.90	2.92
Series 6 .....	<b>2.67</b>	2.67	2.95	2.94	2.94	2.93
Series 7 .....	<b>2.17</b>	2.18	2.46	2.43	2.46	2.53
Series 8 .....	<b>2.35</b>	2.35	2.63	2.64*	—	—
International Equity – MFS**						
Series 1 .....	<b>3.86</b>	3.85	3.84	3.84	3.83	3.82
Series 3 .....	<b>3.62</b>	3.61	3.62	3.64	3.65	3.65
Series 5 .....	<b>2.73</b>	2.73	2.73	2.75	2.75	2.75
Series 6 .....	<b>2.96</b>	2.97	3.03	3.00	3.02	3.01
Series 7 .....	<b>2.51</b>	2.46	2.52	2.50	2.55	2.55
Series 8 .....	<b>2.63</b>	2.65	2.72	2.70*	—	—
International Equity Growth – Desjardins						
Series 5 .....	<b>3.09</b>	3.09	3.08	3.11	3.10	3.10
Series 6 .....	<b>2.79</b>	2.78	2.94	2.94	2.94	2.93
Series 7 .....	<b>2.31</b>	2.31	2.47	2.44	2.53	2.53
Series 8 .....	<b>2.46</b>	2.46	2.62	2.64*	—	—

\* Annualized.

\*\* The management expense ratios for these Funds include underlying fund managers' fees, ranging from 0.01 to 0.06%.

\*\*\* On June 1, 2021, the management expense ratios for the Series of these Funds were reduced from 0.05% to 0.15%.

On November 30, 2020, the management expense ratios for Series 6, 7 and 8 of the existing Funds in October 2020, were reduced from 0.05% to 0.35%.

## 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.

At the end of the period, the Company had the following seed capital investments:

	June 30, 2021	December 31, 2020
	\$	\$
Conservative – Desjardins SocieTerra	<b>327,320</b>	330,960
Moderate – Desjardins SocieTerra	<b>325,600</b>	325,920
Growth – Desjardins SocieTerra	<b>183,120</b>	177,520
Maximum Growth – Desjardins SocieTerra	<b>773,756</b>	737,136
100% Equity – Desjardins SocieTerra	<b>352,960</b>	330,080
Fixed Income – Desjardins Wise ETF	<b>195,500</b>	203,500
Conservative – Desjardins Wise ETF	<b>319,040</b>	323,520
Balanced – Desjardins Wise ETF	<b>329,760</b>	324,480
Growth – Desjardins Wise ETF	<b>339,200</b>	324,800
Maximum Growth – Desjardins Wise ETF	<b>350,560</b>	325,760
100% Equity – Desjardins Wise ETF	<b>225,200</b>	204,100
Canadian Bond	<b>1,912</b>	2,014
Global Tactical Bond – Desjardins	<b>386,100</b>	385,200

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

	June 30, 2021	December 31, 2020
	\$	\$
Growth – Franklin Quotential	29,535	27,353
Canadian Dividend – NEI	28,249	23,253
Canadian Equity – Desjardins	874,378	779,874
Canadian Equity – Franklin Bissett	80,726	69,434
Canadian Small Cap Equity – NEI	335,948	296,756
Small Cap – Franklin Bissett	15,869	13,224
American Equity Value – Desjardins	1,113,504	999,612
Global Equity – Desjardins	763,731	704,208
International Equity – MFS	33,340	31,965
International Equity Growth – Desjardins	60,135	58,765

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 Measured 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 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.

##### 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 government bonds 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, then 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 risk management strategy of the Funds 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, the sovereign risk and the risk of volatile markets and market disruption 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.

## NOTES TO THE FINANCIAL STATEMENTS – unaudited (continued)

### *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 credit rating 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 Activities*

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.

### ***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:

1150 rue de Claire-Fontaine  
Québec, Québec, G1R 5G4



## NOTES



# NOTES



## NOTES



# 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 and the Funds Facts document contain important information on the DFS Guaranteed Investment Funds. Please read these documents carefully before investing.

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