

# 2020 Annual Report

DFS GUARANTEED INVESTMENT FUNDS

Financial Information as of **December 31, 2020**

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

Desjardins Insurance refers to Desjardins Financial Security Life Assurance Company.





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### WHAT'S A DFS GIF?

DFS stands for Desjardins Financial Security Life Assurance Company.

GIF stands for Guaranteed Investment Fund.

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

### IS THIS DOCUMENT AVAILABLE ONLINE?

Yes, at [desjardinslifeinsurance.com/GIFreports](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  
1 Complexe Desjardins  
P.O. Box 9000  
Montréal, Québec H5B 1H5

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.

Or send an email to: [gifclientservice@dfs.ca](mailto:gifclientservice@dfs.ca)



# Investment Solutions

DFS GUARANTEED INVESTMENT FUNDS

# DFS GIF – CONSERVATIVE\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
DGIA Canadian Bond Fund	63.6%
Desjardins Enhanced Bond Fund	16.0%
BlackRock CDN US Equity Index Fund	8.1%
Beutel Goodman Fundamental Canadian Equity Fund	2.9%
Desjardins Low Volatility Global Equity Fund	2.9%
Desjardins Canadian Equity Fund	2.9%
Desjardins Overseas Equity Growth Fund	1.9%
Desjardins Overseas Equity Fund	1.8%
Other Net Assets	-0.1%
Desjardins SocieTerra Emerging Markets Equity Fund	0.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,766	7.7%	10,788	7.9%	10,832	8.3%	10,801	8.0%
3 Years	11,303	4.2%	11,365	4.4%	11,537	4.9%	—	—
5 Years	11,704	3.2%	11,779	3.3%	12,120	3.9%	—	—
Since Inception	11,800	3.2%	12,320	3.1%	12,760	3.6%	11,600	5.7%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	81,431	178,025
Investments at fair value through profit or loss (FVTPL)	47,675,248	33,070,110
Premiums receivable	72,892	439
Receivable for securities sold	—	1,805
	<u>47,829,571</u>	<u>33,250,379</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	86,694	64,872
Withdrawals payable	35,447	17,573
Payable for securities purchased	60,739	87,684
	<u>182,880</u>	<u>170,129</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>47,646,691</b></u>	<u>33,080,250</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.90</u>	5.48
Series 6	<u>6.16</u>	5.71
Series 7	<u>6.38</u>	5.89
Series 8	<u>5.80</u>	5.37

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	644
Distributions from underlying funds	1,474,326	907,471
Changes in fair value:		
Net realized gain (loss) on investments	592,430	223,077
Net unrealized gain (loss) on investments	1,891,098	1,368,456
	<u>3,957,854</u>	<u>2,499,648</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	865,388	616,075
Operating expenses	90,507	64,157
	<u>955,895</u>	<u>680,232</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>3,001,959</b></u>	<u>1,819,416</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	833,065	380,501
- per unit	0.41	0.32
Average Number of Units	2,032,456	1,173,824
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,361,135	972,701
- per unit	0.44	0.36
Average Number of Units	3,100,394	2,723,462
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	160,462	141,333
- per unit	0.48	0.41
Average Number of Units	337,809	341,685
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	647,297	324,881
- per unit	0.43	0.34
Average Number of Units	1,502,761	955,634

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

## DFS GIF – CONSERVATIVE (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>33,080,250</b>	22,161,111
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>3,001,959</u>	1,819,416
Premiums		
Series 5	10,144,009	3,385,475
Series 6	6,900,593	7,489,034
Series 7	776,117	470,776
Series 8	5,361,229	3,744,992
	<u>23,181,948</u>	15,090,277
Withdrawals		
Series 5	(3,275,511)	(944,376)
Series 6	(6,082,080)	(3,160,426)
Series 7	(268,762)	(646,569)
Series 8	(1,991,113)	(1,239,183)
	<u>(11,617,466)</u>	(5,990,554)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>47,646,691</u></b>	33,080,250

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>3,001,959</b>	1,819,416
Adjustments for:		
Net realized (gain) loss	(592,430)	(223,077)
Net unrealized (gain) loss	(1,891,098)	(1,368,456)
Non-cash distribution from investments	(1,474,326)	(907,471)
Proceeds from sale/maturity of investments	<b>7,838,561</b>	10,440,236
Investments purchased	(18,485,845)	(18,874,528)
Receivable for securities sold	<b>1,805</b>	(1,805)
Accrued expenses	<b>21,822</b>	21,840
Payable for securities purchased	(26,945)	68,624
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(11,606,497)</b>	(9,025,221)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>23,109,495</b>	15,111,584
Amounts paid on withdrawals	(11,599,592)	(5,983,734)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>11,509,903</b>	9,127,850
Increase (decrease) in cash/ bank overdraft	<b>(96,594)</b>	102,629
Cash (bank overdraft), beginning of period	<b>178,025</b>	75,396
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>81,431</u></b>	178,025
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	793
Interest paid	—	149

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
Beutel Goodman Fundamental Canadian Equity Fund, Class I	112,744	1,164,984	1,364,727		
BlackRock CDN US Equity Index Fund, Class D	116,181	3,137,205	3,865,898		
Desjardins Canadian Equity Fund, I-Class	135,226	1,339,396	1,359,967		
Desjardins Enhanced Bond Fund, I-Class	657,657	7,367,687	7,634,738		
Desjardins Low Volatility Global Equity Fund, I-Class	108,595	1,344,204	1,364,171		
Desjardins Overseas Equity Fund, I-Class	38,173	644,479	836,862		
Desjardins Overseas Equity Growth Fund, I-Class	19,303	494,876	898,198		
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300		
DGIA Canadian Bond Fund	2,796,640	29,389,601	30,349,387		
<b>Total Investments</b>		<b>44,883,543</b>	<b>47,675,248</b>		
<b>Other Net Assets</b>			(28,557)		(0.1)
<b>Net Assets</b>			<b>47,646,691</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 63.6%</b>	
Government of Canada, 0.250%, 2020-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
<b>DESJARDINS ENHANCED BOND FUND 16.0%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.3%
Province of Ontario, 2.050%, 2030-06-02	5.2%
Government of Canada, 2.750%, 2048-12-01	4.0%
Government of Canada, 1.250%, 2030-06-01	2.9%
Province of Alberta, 3.050%, 2048-12-01	2.6%
<b>BLACKROCK CDN US EQUITY INDEX FUND 8.1%</b>	
Apple	6.7%
Microsoft Corporation	5.3%
Amazon.com	4.4%
Facebook	2.1%
Tesla	1.7%

## DFS GIF – CONSERVATIVE (continued)

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

Security Name	Percentage
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 2.9%</b>	
Toronto-Dominion Bank	8.9%
Royal Bank of Canada	8.4%
Rogers Communications	6.7%
Magna International	4.8%
Brookfield Asset Management	4.4%
<b>DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 2.9%</b>	
Walmart	2.8%
Activision Blizzard	2.3%
Take-Two Interactive Software	2.3%
Nintendo	2.2%
NortonLifeLock	2.2%
<b>DESJARDINS CANADIAN EQUITY FUND 2.9%</b>	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 1.9%</b>	
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
<b>DESJARDINS OVERSEAS EQUITY FUND 1.8%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Keyence	6.3%
Nestlé	5.7%
Roche Holding AG	4.7%
L'Oréal	4.4%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOft	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	9,728	23,342	—	33,070
<b>TOTAL</b>	<b>9,728</b>	<b>23,342</b>	<b>—</b>	<b>33,070</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

## DFS GIF – CONSERVATIVE (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

#### Currency Risk

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

#### Interest Rate Risk

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

#### Concentration Risk

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

#### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (80%)	1.00	372	258
S&P/TSX (6%)	3.00	84	58
MSCI World Net (14%)	3.00	195	136

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

#### Liquidity Risk

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>5.90</b>	5.48	5.12	5.22	5.09
Series 6	<b>6.16</b>	5.71	5.33	5.42	5.29
Series 7	<b>6.38</b>	5.89	5.46	5.53	5.36
Series 8*	<b>5.80</b>	5.37	4.99	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>15,318</b>	7,616	4,795	4,088	933
Series 6	<b>19,681</b>	17,501	12,200	14,519	11,770
Series 7	<b>2,384</b>	1,716	1,750	2,338	1,580
Series 8*	<b>10,264</b>	6,247	3,416	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>2,596</b>	1,389	937	783	183
Series 6	<b>3,197</b>	3,065	2,291	2,677	2,226
Series 7	<b>374</b>	292	321	423	295
Series 8*	<b>1,768</b>	1,164	685	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.60</b>	2.61	2.61	2.59	2.59
Series 6	<b>2.25</b>	2.47	2.46	2.47	2.47
Series 7	<b>1.68</b>	1.87	1.90	1.91	1.88
Series 8*	<b>1.88</b>	2.11	2.14	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>19.42</b>	36.74	19.08	42.11	26.04

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – MODERATE\*

### SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

### TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
DGIA Canadian Bond Fund	51.7%
BlackRock CDN US Equity Index Fund	14.2%
Desjardins Enhanced Bond Fund	13.0%
Beutel Goodman Fundamental Canadian Equity Fund	5.0%
Desjardins Low Volatility Global Equity Fund	5.0%
Desjardins Canadian Equity Fund	5.0%
Desjardins Overseas Equity Growth Fund	3.3%
Desjardins Overseas Equity Fund	3.1%
Other Net Assets	-0.3%
Desjardins SocieTerra Emerging Markets Equity Fund	0.0%

### PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,895	8.9%	10,915	9.2%	10,982	9.8%	10,938	9.4%
3 Years	11,629	5.2%	11,673	5.3%	11,861	5.9%	—	—
5 Years	12,319	4.3%	12,412	4.4%	12,775	5.0%	—	—
Since Inception	12,420	4.2%	13,120	4.0%	13,640	4.6%	11,900	6.7%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	401,754
Investments at fair value through profit or loss (FVTPL)	<b>67,721,394</b>	60,794,562
Premiums receivable	<b>104,950</b>	98,662
Receivable for securities sold	<b>153,846</b>	6,215
	<b>67,980,190</b>	61,301,193
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>185,688</b>	—
Accrued expenses	<b>121,282</b>	117,523
Withdrawals payable	<b>39,347</b>	37,332
Payable for securities purchased	<b>85,558</b>	—
	<b>431,875</b>	154,855
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>67,548,315</b>	61,146,338
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>6.21</b>	5.70
Series 6	<b>6.56</b>	6.01
Series 7	<b>6.82</b>	6.21
Series 8	<b>5.95</b>	5.44

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>572</b>	3,747
Distributions from underlying funds	<b>2,089,136</b>	1,861,209
Changes in fair value:		
Net realized gain (loss) on investments	<b>1,598,540</b>	503,747
Net unrealized gain (loss) on investments	<b>3,475,146</b>	3,519,081
	<b>7,163,394</b>	5,887,784
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>1,349,012</b>	1,137,305
Operating expenses	<b>142,011</b>	119,622
	<b>1,491,023</b>	1,256,927
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>5,672,371</b>	4,630,857
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>538,740</b>	276,547
- per unit	<b>0.50</b>	0.42
Average Number of Units	<b>1,077,512</b>	665,135
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>3,014,566</b>	2,549,809
- per unit	<b>0.55</b>	0.50
Average Number of Units	<b>5,489,774</b>	5,094,329
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>645,249</b>	842,377
- per unit	<b>0.60</b>	0.59
Average Number of Units	<b>1,082,919</b>	1,421,728
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,473,816</b>	962,124
- per unit	<b>0.51</b>	0.44
Average Number of Units	<b>2,907,638</b>	2,206,128

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

## DFS GIF – MODERATE (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>61,146,338</b>	45,693,297
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,672,371</b>	4,630,857
Premiums		
Series 5	3,922,383	3,320,175
Series 6	7,692,692	13,203,137
Series 7	857,688	286,720
Series 8	3,541,155	9,467,282
	<b>16,013,918</b>	26,277,314
Withdrawals		
Series 5	(2,166,285)	(929,369)
Series 6	(6,863,317)	(8,684,575)
Series 7	(3,207,555)	(2,127,193)
Series 8	(3,047,155)	(3,713,993)
	<b>(15,284,312)</b>	(15,455,130)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>67,548,315</b>	61,146,338

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,672,371</b>	4,630,857
Adjustments for:		
Net realized (gain) loss	<b>(1,598,540)</b>	(503,747)
Net unrealized (gain) loss	<b>(3,475,146)</b>	(3,519,081)
Non-cash distribution from investments	<b>(2,089,136)</b>	(1,861,209)
Proceeds from sale/maturity of investments	<b>17,359,936</b>	18,269,136
Investments purchased	<b>(17,123,946)</b>	(27,801,850)
Receivable for securities sold	<b>(147,631)</b>	39,487
Accrued expenses	<b>3,759</b>	30,661
Payable for securities purchased	<b>85,558</b>	(2,093)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(1,312,775)</b>	(10,717,839)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>16,007,630</b>	26,390,389
Amounts paid on withdrawals	<b>(15,282,297)</b>	(15,666,751)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>725,333</b>	10,723,638
Increase (decrease) in cash/ bank overdraft	<b>(587,442)</b>	5,799
Cash (bank overdraft), beginning of period	<b>401,754</b>	395,955
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(185,688)</b>	401,754
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>611</b>	3,811
Interest paid	<b>39</b>	64

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
			\$	\$ %
<b>Investment Funds</b>				100.3
Beutel Goodman Fundamental Canadian Equity Fund, Class I	279,629	2,865,903	3,384,823	
BlackRock CDN US Equity Index Fund, Class D	287,749	7,540,538	9,574,824	
Desjardins Canadian Equity Fund, I-Class	335,378	3,341,563	3,372,901	
Desjardins Enhanced Bond Fund, I-Class	756,728	8,428,772	8,784,850	
Desjardins Low Volatility Global Equity Fund, I-Class	269,127	3,315,315	3,380,769	
Desjardins Overseas Equity Fund, I-Class	94,638	1,535,199	2,074,752	
Desjardins Overseas Equity Growth Fund, I-Class	47,941	1,135,150	2,230,725	
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300	
DGIA Canadian Bond Fund	3,217,486	33,454,009	34,916,450	
<b>Total Investments</b>		<b>61,617,560</b>	<b>67,721,394</b>	
<b>Other Net Assets</b>			(173,079)	(0.3)
<b>Net Assets</b>			<b>67,548,315</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 51.7%</b>	
Government of Canada, 0.250%, 2020-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
<b>BLACKROCK CDN US EQUITY INDEX FUND 14.2%</b>	
Apple	6.7%
Microsoft Corporation	5.3%
Amazon.com	4.4%
Facebook	2.1%
Tesla	1.7%
<b>DESJARDINS ENHANCED BOND FUND 13.0%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.3%
Province of Ontario, 2.050%, 2030-06-02	5.2%
Government of Canada, 2.750%, 2048-12-01	4.0%
Government of Canada, 1.250%, 2030-06-01	2.9%
Province of Alberta, 3.050%, 2048-12-01	2.6%

## DFS GIF – MODERATE (continued)

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

Security Name	Percentage
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 5.0%</b>	
Toronto-Dominion Bank	8.9%
Royal Bank of Canada	8.4%
Rogers Communications	6.7%
Magna International	4.8%
Brookfield Asset Management	4.4%
<b>DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 5.0%</b>	
Walmart	2.8%
Activision Blizzard	2.3%
Take-Two Interactive Software	2.3%
Nintendo	2.2%
NortonLifeLock	2.2%
<b>DESJARDINS CANADIAN EQUITY FUND 5.0%</b>	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 3.3%</b>	
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
<b>DESJARDINS OVERSEAS EQUITY FUND 3.1%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Keyence	6.3%
Nestlé	5.7%
Roche Holding AG	4.7%
L'Oréal	4.4%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	21,981	38,814	—	60,795
<b>TOTAL</b>	<b>21,981</b>	<b>38,814</b>	<b>—</b>	<b>60,795</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

## DFS GIF – MODERATE (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

#### Currency Risk

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

#### Interest Rate Risk

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

#### Concentration Risk

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

#### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (65%)	1.00	417	399
S&P/TSX (10.5%)	3.00	202	194
MSCI World Net (24.5%)	3.00	472	452

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

#### Liquidity Risk

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>6.21</b>	5.70	5.21	5.34	5.14
Series 6	<b>6.56</b>	6.01	5.49	5.62	5.40
Series 7	<b>6.82</b>	6.21	5.64	5.75	5.48
Series 8*	<b>5.95</b>	5.44	4.95	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>7,519</b>	5,224	2,556	1,002	659
Series 6	<b>36,481</b>	32,637	25,569	27,589	22,168
Series 7	<b>6,068</b>	7,772	8,770	6,302	4,146
Series 8*	<b>17,481</b>	15,513	8,797	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>1,211</b>	917	491	188	128
Series 6	<b>5,557</b>	5,427	4,654	4,905	4,108
Series 7	<b>890</b>	1,251	1,554	1,097	756
Series 8*	<b>2,935</b>	2,854	1,778	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.60</b>	2.61	2.68	2.67	2.70
Series 6	<b>2.29</b>	2.51	2.50	2.50	2.49
Series 7	<b>1.73</b>	1.96	1.95	1.95	1.90
Series 8*	<b>1.95</b>	2.16	2.19	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>27.23</b>	34.27	14.56	35.43	15.07

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – BALANCED\*

### SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

### TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
DGIA Canadian Bond Fund	39.5%
BlackRock CDN US Equity Index Fund	20.2%
Desjardins Enhanced Bond Fund	10.0%
Beutel Goodman Fundamental Canadian Equity Fund	7.1%
Desjardins Low Volatility Global Equity Fund	7.1%
Desjardins Canadian Equity Fund	7.1%
Desjardins Overseas Equity Growth Fund	4.7%
Desjardins Overseas Equity Fund	4.4%
Other Net Assets	-0.1%
Desjardins SocieTerra Emerging Markets Equity Fund	0.0%

### PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,023	10.2%	11,060	10.6%	11,104	11.0%	11,071	10.7%
3 Years	11,924	6.0%	11,990	6.2%	12,189	6.8%	—	—
5 Years	13,015	5.4%	13,137	5.6%	13,465	6.1%	—	—
Since Inception	13,140	5.4%	13,980	5.0%	14,480	5.6%	12,200	7.7%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	368,340	663,907
Investments at fair value through profit or loss (FVTPL)	303,055,657	276,275,714
Premiums receivable	33,458	350,556
Receivable for securities sold	2,514	220,398
Interest, dividends and other receivables	65,073	—
	<u>303,525,042</u>	<u>277,510,575</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	590,320	580,953
Withdrawals payable	233,260	576,305
Payable for securities purchased	34,634	—
	<u>858,214</u>	<u>1,157,258</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>302,666,828</b></u>	<u>276,353,317</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.57</u>	5.96
Series 6	<u>6.99</u>	6.32
Series 7	<u>7.24</u>	6.52
Series 8	<u>6.10</u>	5.51

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(1,744)	3,269
Distributions from underlying funds	8,730,464	7,572,511
Changes in fair value:		
Net realized gain (loss) on investments	5,730,868	931,758
Net unrealized gain (loss) on investments	20,833,086	9,519,689
	<u>35,292,674</u>	<u>18,027,227</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	6,342,638	3,206,832
Operating expenses	624,594	321,263
	<u>6,967,232</u>	<u>3,528,095</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>28,325,442</b></u>	<u>14,499,132</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	11,862,023	2,794,633
- per unit	0.61	0.49
Average Number of Units	19,551,252	5,760,167
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	9,453,761	6,769,727
- per unit	0.67	0.64
Average Number of Units	14,179,343	10,512,618
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	1,551,727	1,479,922
- per unit	0.63	0.72
Average Number of Units	2,455,534	2,056,547
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	5,457,931	3,454,850
- per unit	0.60	0.57
Average Number of Units	9,126,106	6,113,051

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

## DFS GIF – BALANCED (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>276,353,317</b>	91,940,497
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>28,325,442</b>	14,499,132
Premiums		
Series 5	17,932,630	124,496,483
Series 6	15,417,405	45,213,232
Series 7	4,672,434	4,912,783
Series 8	9,592,109	26,349,546
	<b>47,614,578</b>	200,972,044
Withdrawals		
Series 5	(24,120,885)	(10,298,018)
Series 6	(14,877,112)	(13,458,516)
Series 7	(4,132,537)	(2,207,046)
Series 8	(6,495,975)	(5,094,776)
	<b>(49,626,509)</b>	(31,058,356)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>302,666,828</b>	276,353,317

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>28,325,442</b>	14,499,132
Adjustments for:		
Net realized (gain) loss	<b>(5,730,868)</b>	(931,758)
Net unrealized (gain) loss	<b>(20,833,086)</b>	(9,519,689)
Non-cash distribution from investments	<b>(8,730,464)</b>	(7,572,511)
Proceeds from sale/maturity of investments	<b>72,678,205</b>	27,318,324
Investments purchased	<b>(64,163,730)</b>	(193,737,599)
Receivable for securities sold	<b>217,884</b>	(220,398)
Interest, dividends and other receivables	<b>(65,073)</b>	—
Accrued expenses	<b>9,367</b>	403,772
Payable for securities purchased	<b>34,634</b>	(80,768)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,742,311</b>	(169,841,495)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>47,931,676</b>	200,701,888
Amounts paid on withdrawals	<b>(49,969,554)</b>	(30,576,165)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(2,037,878)</b>	170,125,723
Increase (decrease) in cash/ bank overdraft	<b>(295,567)</b>	284,228
Cash (bank overdraft), beginning of period	<b>663,907</b>	379,679
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>368,340</b>	663,907
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>541</b>	3,549
Interest paid	<b>2,285</b>	280

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
Beutel Goodman Fundamental Canadian Equity Fund, Class I	1,781,446	18,197,871	21,563,869		
BlackRock CDN US Equity Index Fund, Class D	1,836,076	50,180,554	61,095,241		
Desjardins Canadian Equity Fund, I-Class	2,136,807	21,474,836	21,489,864		
Desjardins Enhanced Bond Fund, I-Class	2,596,544	29,310,585	30,143,276		
Desjardins Low Volatility Global Equity Fund, I-Class	1,715,044	21,680,393	21,544,378		
Desjardins Overseas Equity Fund, I-Class	602,614	9,989,847	13,211,104		
Desjardins Overseas Equity Growth Fund, I-Class	305,132	7,076,246	14,198,077		
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300		
DGIA Canadian Bond Fund	11,040,136	116,219,582	119,808,548		
<b>Total Investments</b>		<b>274,131,025</b>	<b>303,055,657</b>		
<b>Other Net Assets</b>			(388,829)		(0.1)
<b>Net Assets</b>			<b>302,666,828</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 39.5%</b>	
Government of Canada, 0.250%, 2020-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
<b>BLACKROCK CDN US EQUITY INDEX FUND 20.2%</b>	
Apple	6.7%
Microsoft Corporation	5.3%
Amazon.com	4.4%
Facebook	2.1%
Tesla	1.7%
<b>DESJARDINS ENHANCED BOND FUND 10.0%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.3%
Province of Ontario, 2.050%, 2030-06-02	5.2%
Government of Canada, 2.750%, 2048-12-01	4.0%
Government of Canada, 1.250%, 2030-06-01	2.9%
Province of Alberta, 3.050%, 2048-12-01	2.6%

## DFS GIF – BALANCED (continued)

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

Security Name	Percentage
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 7.1%</b>	
Toronto-Dominion Bank	8.9%
Royal Bank of Canada	8.4%
Rogers Communications	6.7%
Magna International	4.8%
Brookfield Asset Management	4.4%
<b>DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 7.1%</b>	
Walmart	2.8%
Activision Blizzard	2.3%
Take-Two Interactive Software	2.3%
Nintendo	2.2%
NortonLifeLock	2.2%
<b>DESJARDINS CANADIAN EQUITY FUND 7.1%</b>	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 4.7%</b>	
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
<b>DESJARDINS OVERSEAS EQUITY FUND 4.4%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Keyence	6.3%
Nestlé	5.7%
Roche Holding AG	4.7%
L'Oréal	4.4%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	117,911	158,365	—	276,276
<b>TOTAL</b>	<b>117,911</b>	<b>158,365</b>	<b>—</b>	<b>276,276</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

## DFS GIF – BALANCED (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

#### Currency Risk

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

#### Interest Rate Risk

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

#### Concentration Risk

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

#### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (50%)	1.00	1,371	1,390
S&P/TSX (15%)	3.00	1,234	1,251
MSCI World Net (35%)	3.00	2,879	2,919

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

#### Liquidity Risk

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>6.57</b>	5.96	5.34	5.51	5.20
Series 6	<b>6.99</b>	6.32	5.65	5.83	5.49
Series 7	<b>7.24</b>	6.52	5.80	5.94	5.58
Series 8*	<b>6.10</b>	5.51	4.91	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>127,999</b>	122,325	5,332	3,095	689
Series 6	<b>99,617</b>	89,623	51,099	66,424	46,933
Series 7	<b>17,820</b>	15,728	11,542	10,527	6,904
Series 8*	<b>57,231</b>	48,677	23,968	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>19,474</b>	20,530	999	562	132
Series 6	<b>14,262</b>	14,171	9,039	11,403	8,543
Series 7	<b>2,462</b>	2,413	1,991	1,771	1,238
Series 8*	<b>9,376</b>	8,838	4,883	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.67</b>	2.73	2.73	2.73	2.76
Series 6	<b>2.34</b>	2.56	2.56	2.56	2.54
Series 7	<b>1.82</b>	2.04	2.05	2.07	2.08
Series 8*	<b>2.00</b>	2.23	2.25	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>25.88</b>	19.16	9.97	27.95	9.21

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – GROWTH\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
DGIA Canadian Bond Fund	27.6%
BlackRock CDN US Equity Index Fund	26.2%
Beutel Goodman Fundamental Canadian Equity Fund	9.2%
Desjardins Low Volatility Global Equity Fund	9.2%
Desjardins Canadian Equity Fund	9.2%
Desjardins Enhanced Bond Fund	6.9%
Desjardins Overseas Equity Growth Fund	6.1%
Desjardins Overseas Equity Fund	5.7%
Other Net Assets	-0.1%
Desjardins SocieTerra Emerging Markets Equity Fund	0.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,158	11.6%	11,177	11.8%	11,232	12.3%	11,216	12.2%
3 Years	12,261	7.0%	12,336	7.2%	12,520	7.8%	—	—
5 Years	13,723	6.5%	13,866	6.8%	14,225	7.3%	—	—
Since Inception	13,880	6.5%	15,000	6.1%	15,500	6.6%	12,540	8.8%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	304,682	318,943
Investments at fair value through profit or loss (FVTPL)	128,753,995	104,817,700
Premiums receivable	97,131	151,322
Receivable for securities sold	240	—
	<u>129,156,048</u>	<u>105,287,965</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	246,523	213,232
Withdrawals payable	108,922	104,580
Payable for securities purchased	214,498	236,900
	<u>569,943</u>	<u>554,712</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>128,586,105</b></u>	<u>104,733,253</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.94</u>	6.22
Series 6	<u>7.50</u>	6.71
Series 7	<u>7.75</u>	6.90
Series 8	<u>6.27</u>	5.59

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	335	1,324
Distributions from underlying funds	3,407,457	3,769,490
Changes in fair value:		
Net realized gain (loss) on investments	3,663,155	913,765
Net unrealized gain (loss) on investments	8,905,417	9,452,919
	<u>15,976,364</u>	<u>14,137,498</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	2,538,602	2,084,935
Operating expenses	248,654	202,996
	<u>2,787,256</u>	<u>2,287,931</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>13,189,108</b></u>	<u>11,849,567</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	2,859,064	2,293,005
- per unit	<u>0.74</u>	0.75
Average Number of Units	<u>3,844,693</u>	3,065,907
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	6,054,373	5,720,808
- per unit	<u>0.81</u>	0.83
Average Number of Units	<u>7,469,950</u>	6,925,428
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	936,670	1,035,693
- per unit	<u>0.85</u>	0.91
Average Number of Units	<u>1,101,218</u>	1,142,089
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	3,339,001	2,800,061
- per unit	<u>0.68</u>	0.69
Average Number of Units	<u>4,892,683</u>	4,058,877

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

## DFS GIF – GROWTH (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>104,733,253</b>	<b>77,796,751</b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,189,108</b>	11,849,567
Premiums		
Series 5	10,935,906	8,191,320
Series 6	10,024,587	12,720,444
Series 7	137,429	160,281
Series 8	7,895,878	7,125,705
	<b>28,993,800</b>	<b>28,197,750</b>
Withdrawals		
Series 5	(5,053,115)	(3,799,035)
Series 6	(9,599,569)	(7,122,535)
Series 7	(273,139)	(685,380)
Series 8	(3,404,233)	(1,503,865)
	<b>(18,330,056)</b>	<b>(13,110,815)</b>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>128,586,105</b>	<b>104,733,253</b>

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,189,108</b>	11,849,567
Adjustments for:		
Net realized (gain) loss	<b>(3,663,155)</b>	(913,765)
Net unrealized (gain) loss	<b>(8,905,417)</b>	(9,452,919)
Non-cash distribution from investments	<b>(3,407,457)</b>	(3,769,490)
Proceeds from sale/maturity of investments	<b>29,779,500</b>	21,004,372
Investments purchased	<b>(37,739,766)</b>	(33,809,891)
Receivable for securities sold	<b>(240)</b>	4,257
Accrued expenses	<b>33,291</b>	53,469
Payable for securities purchased	<b>(22,402)</b>	107,233
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(10,736,538)</b>	<b>(14,927,167)</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>29,047,991</b>	28,050,719
Amounts paid on withdrawals	<b>(18,325,714)</b>	(13,079,988)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>10,722,277</b>	<b>14,970,731</b>
Increase (decrease) in cash/ bank overdraft	<b>(14,261)</b>	43,564
Cash (bank overdraft), beginning of period	<b>318,943</b>	275,379
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>304,682</b>	<b>318,943</b>
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>360</b>	1,494
Interest paid	<b>25</b>	170

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
			\$	\$ %
<b>Investment Funds</b>				100.1
Beutel Goodman Fundamental Canadian Equity Fund, Class I	980,171	10,055,997	11,864,678	
BlackRock CDN US Equity Index Fund, Class D	1,011,776	26,621,792	33,666,741	
Desjardins Canadian Equity Fund, I-Class	1,175,592	11,754,299	11,822,932	
Desjardins Enhanced Bond Fund, I-Class	769,671	8,588,754	8,935,115	
Desjardins Low Volatility Global Equity Fund, I-Class	944,331	11,625,625	11,862,690	
Desjardins Overseas Equity Fund, I-Class	331,868	5,357,057	7,275,538	
Desjardins Overseas Equity Growth Fund, I-Class	167,814	3,966,725	7,808,547	
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300	
DGIA Canadian Bond Fund	3,272,776	34,089,301	35,516,454	
<b>Total Investments</b>		<b>112,060,661</b>	<b>128,753,995</b>	
<b>Other Net Assets</b>			(167,890)	(0.1)
<b>Net Assets</b>			<b>128,586,105</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 27.6%</b>	
Government of Canada, 0.250%, 2020-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
<b>BLACKROCK CDN US EQUITY INDEX FUND 26.2%</b>	
Apple	6.7%
Microsoft Corporation	5.3%
Amazon.com	4.4%
Facebook	2.1%
Tesla	1.7%
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 9.2%</b>	
Toronto-Dominion Bank	8.9%
Royal Bank of Canada	8.4%
Rogers Communications	6.7%
Magna International	4.8%
Brookfield Asset Management	4.4%

## DFS GIF – GROWTH (continued)

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

Security Name	Percentage
<b>DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 9.2%</b>	
Walmart	2.8%
Activision Blizzard	2.3%
Take-Two Interactive Software	2.3%
Nintendo	2.2%
NortonLifeLock	2.2%
<b>DESJARDINS CANADIAN EQUITY FUND 9.2%</b>	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
<b>DESJARDINS ENHANCED BOND FUND 6.9%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.3%
Province of Ontario, 2.050%, 2030-06-02	5.2%
Government of Canada, 2.750%, 2048-12-01	4.0%
Government of Canada, 1.250%, 2030-06-01	2.9%
Province of Alberta, 3.050%, 2048-12-01	2.6%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 6.1%</b>	
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
<b>DESJARDINS OVERSEAS EQUITY FUND 5.7%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Keyence	6.3%
Nestlé	5.7%
Roche Holding AG	4.7%
L'Oréal	4.4%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	51,438	53,380	—	104,818
<b>TOTAL</b>	<b>51,438</b>	<b>53,380</b>	<b>—</b>	<b>104,818</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (35%)	1.00	400	363
S&P/TSX (19.5%)	3.00	669	606
MSCI World Net (45.5%)	3.00	1,562	1,414

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>6.94</b>	6.22	5.45	5.66	5.26
Series 6	<b>7.50</b>	6.71	5.87	6.08	5.64
Series 7	<b>7.75</b>	6.90	6.00	6.19	5.71
Series 8*	<b>6.27</b>	5.59	4.87	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>30,571</b>	21,829	15,144	10,267	4,003
Series 6	<b>56,101</b>	49,622	38,303	46,494	32,851
Series 7	<b>8,451</b>	7,651	7,140	7,538	4,195
Series 8*	<b>33,463</b>	25,632	17,210	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>4,405</b>	3,509	2,777	1,812	761
Series 6	<b>7,481</b>	7,397	6,526	7,642	5,823
Series 7	<b>1,091</b>	1,109	1,190	1,218	735
Series 8*	<b>5,339</b>	4,588	3,532	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.77</b>	2.78	2.79	2.78	2.82
Series 6	<b>2.37</b>	2.58	2.58	2.58	2.59
Series 7	<b>1.87</b>	2.06	2.05	2.07	2.10
Series 8*	<b>2.03</b>	2.25	2.31	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>26.56</b>	22.91	10.51	32.19	12.65

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – MAXIMUM GROWTH\*

### SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

### TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
BlackRock CDN US Equity Index Fund	31.8%
DGIA Canadian Bond Fund	15.7%
Beutel Goodman Fundamental Canadian Equity Fund	11.3%
Desjardins Low Volatility Global Equity Fund	11.3%
Desjardins Canadian Equity Fund	11.3%
Desjardins Overseas Equity Growth Fund	7.4%
Desjardins Overseas Equity Fund	6.9%
Desjardins Enhanced Bond Fund	4.0%
Other Net Assets	0.3%
Desjardins SocieTerra Emerging Markets Equity Fund	0.0%

### PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,300	13.0%	11,309	13.1%	11,381	13.8%	11,345	13.5%
3 Years	12,632	8.1%	12,659	8.2%	12,875	8.8%	—	—
5 Years	14,593	7.9%	14,647	7.9%	15,038	8.5%	—	—
Since Inception	14,780	7.8%	15,900	7.0%	16,480	7.6%	12,820	9.7%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	13,654	28,677
Investments at fair value through profit or loss (FVTPL)	14,686,816	10,434,548
Premiums receivable	116,401	816
Receivable for securities sold	2,200	—
	<u>14,819,071</u>	<u>10,464,041</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	27,378	21,489
Withdrawals payable	2,228	2,102
Payable for securities purchased	57,872	1,487
	<u>87,478</u>	<u>25,078</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>14,731,593</u>	<u>10,438,963</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.39</u>	6.54
Series 6	<u>7.95</u>	7.03
Series 7	<u>8.24</u>	7.24
Series 8	<u>6.41</u>	5.65

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	133
Distributions from underlying funds	364,627	408,125
Changes in fair value:		
Net realized gain (loss) on investments	473,829	115,770
Net unrealized gain (loss) on investments	1,222,735	1,056,036
	<u>2,061,191</u>	<u>1,580,064</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	282,125	211,174
Operating expenses	27,912	20,632
	<u>310,037</u>	<u>231,806</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>1,751,154</u>	<u>1,348,258</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	188,235	91,168
- per unit	<u>1.27</u>	0.76
Average Number of Units	<u>148,201</u>	120,159
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	809,211	697,480
- per unit	<u>0.96</u>	0.96
Average Number of Units	<u>843,786</u>	728,282
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	312,390	316,085
- per unit	<u>0.99</u>	1.05
Average Number of Units	<u>314,497</u>	301,252
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	441,318	243,525
- per unit	<u>0.81</u>	0.80
Average Number of Units	<u>546,213</u>	305,796

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

## DFS GIF – MAXIMUM GROWTH (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>10,438,963</b>	7,358,021
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,751,154</b>	1,348,258
Premiums		
Series 5	497,685	411,846
Series 6	2,619,577	1,646,579
Series 7	5,500	301,327
Series 8	1,819,215	645,236
	<b>4,941,977</b>	3,004,988
Withdrawals		
Series 5	(280,354)	(126,256)
Series 6	(1,805,453)	(976,540)
Series 7	(41,895)	(85,609)
Series 8	(272,799)	(83,899)
	<b>(2,400,501)</b>	(1,272,304)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>14,731,593</b>	10,438,963

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,751,154</b>	1,348,258
Adjustments for:		
Net realized (gain) loss	<b>(473,829)</b>	(115,770)
Net unrealized (gain) loss	<b>(1,222,735)</b>	(1,056,036)
Non-cash distribution from investments	<b>(364,627)</b>	(408,125)
Proceeds from sale/maturity of investments	<b>4,576,214</b>	2,728,213
Investments purchased	<b>(6,767,291)</b>	(4,235,276)
Receivable for securities sold	<b>(2,200)</b>	—
Accrued expenses	<b>5,889</b>	6,495
Payable for securities purchased	<b>56,385</b>	(8,356)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(2,441,040)</b>	(1,740,597)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>4,826,392</b>	3,005,583
Amounts paid on withdrawals	<b>(2,400,375)</b>	(1,271,607)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>2,426,017</b>	1,733,976
Increase (decrease) in cash/bank overdraft	<b>(15,023)</b>	(6,621)
Cash (bank overdraft), beginning of period	<b>28,677</b>	35,298
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>13,654</b>	28,677
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	249
Interest paid	—	116

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	FAIR VALUE	
		COST	
		\$	\$ %
<b>Investment Funds</b>			99.7
Beutel Goodman Fundamental Canadian Equity Fund, Class I	137,482	1,407,823	1,664,173
BlackRock CDN US Equity Index Fund, Class D	140,929	3,788,430	4,689,406
Desjardins Canadian Equity Fund, I-Class	164,926	1,635,881	1,658,656
Desjardins Enhanced Bond Fund, I-Class	50,126	560,275	581,908
Desjardins Low Volatility Global Equity Fund, I-Class	132,469	1,639,057	1,664,070
Desjardins Overseas Equity Fund, I-Class	46,516	797,578	1,019,769
Desjardins Overseas Equity Growth Fund, I-Class	23,527	586,276	1,094,724
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300
DGIA Canadian Bond Fund	213,121	2,230,609	2,312,810
<b>Total Investments</b>		<b>12,647,040</b>	<b>14,686,816</b>
<b>Other Net Assets</b>			44,777 0.3
<b>Net Assets</b>			<b>14,731,593</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 31.8%</b>	
Apple	6.7%
Microsoft Corporation	5.3%
Amazon.com	4.4%
Facebook	2.1%
Tesla	1.7%
<b>DGIA CANADIAN BOND FUND 15.7%</b>	
Government of Canada, 0.250%, 2020-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
<b>BEUTEL GOODMAN FUNDAMENTAL CANADIAN EQUITY FUND 11.3%</b>	
Toronto-Dominion Bank	8.9%
Royal Bank of Canada	8.4%
Rogers Communications	6.7%
Magna International	4.8%
Brookfield Asset Management	4.4%

## DFS GIF – MAXIMUM GROWTH (continued)

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

Security Name	Percentage
<b>DESJARDINS LOW VOLATILITY GLOBAL EQUITY FUND 11.3%</b>	
Walmart	2.8%
Activision Blizzard	2.3%
Take-Two Interactive Software	2.3%
Nintendo	2.2%
NortonLifeLock	2.2%
<b>DESJARDINS CANADIAN EQUITY FUND 11.3%</b>	
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
<b>DESJARDINS OVERSEAS EQUITY GROWTH FUND 7.4%</b>	
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
<b>DESJARDINS OVERSEAS EQUITY FUND 6.9%</b>	
Taiwan Semiconductor Manufacturing Company	6.7%
Keyence	6.3%
Nestlé	5.7%
Roche Holding AG	4.7%
L'Oréal	4.4%
<b>DESJARDINS ENHANCED BOND FUND 4.0%</b>	
Canada Housing Trust, 2.650%, 2028-12-15	5.3%
Province of Ontario, 2.050%, 2030-06-02	5.2%
Government of Canada, 2.750%, 2048-12-01	4.0%
Government of Canada, 1.250%, 2030-06-01	2.9%
Province of Alberta, 3.050%, 2048-12-01	2.6%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOft	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	5,765	4,669	—	10,434
<b>TOTAL</b>	<b>5,765</b>	<b>4,669</b>	<b>—</b>	<b>10,434</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

## DFS GIF – MAXIMUM GROWTH (continued)

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

#### Currency Risk

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

#### Interest Rate Risk

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

#### Concentration Risk

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

#### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (20%)	1.00	26	21
S&P/TSX (24%)	3.00	93	75
MSCI World Net (56%)	3.00	217	176

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

#### Liquidity Risk

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>7.39</b>	6.54	5.60	5.85	5.34
Series 6	<b>7.95</b>	7.03	6.02	6.28	5.74
Series 7	<b>8.24</b>	7.24	6.17	6.40	5.81
Series 8*	<b>6.41</b>	5.65	4.82	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>1,213</b>	807	430	226	131
Series 6	<b>6,896</b>	5,273	3,905	4,216	2,414
Series 7	<b>2,560</b>	2,284	1,752	1,325	463
Series 8*	<b>4,063</b>	2,075	1,270	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>164</b>	123	77	39	24
Series 6	<b>868</b>	750	649	671	421
Series 7	<b>311</b>	315	284	207	80
Series 8*	<b>634</b>	367	263	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.71</b>	2.75	2.76	2.76	2.87
Series 6	<b>2.45</b>	2.69	2.70	2.70	2.67
Series 7	<b>1.88</b>	2.11	2.06	2.24	2.24
Series 8*	<b>2.13</b>	2.35	2.36	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>36.50</b>	29.56	13.77	40.08	27.37

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.





# Responsible Investment Portfolios

DFS GUARANTEED INVESTMENT FUNDS

# DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP UNDERLYING HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
Other Net Assets	2.3%
Export Development Canada, 1.800%, 2022-09-01	1.1%
Government of Canada, 0.250%, 2026-03-01	1.1%
Government of Canada, 0.500%, 2030-12-01	1.0%
Government of Canada, 0.250%, 2023-02-01	1.0%
Province of Ontario, 2.650%, 2025-02-05	1.0%
Province of Ontario, 1.850%, 2027-02-01	0.7%
Province of Québec, 3.500%, 2048-12-01	0.7%
Canada Housing Trust, 2.350%, 2023-06-15	0.7%
Microsoft Corporation	0.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,832	8.3%	10,849	8.5%	10,896	9.0%	10,881	8.8%
Since Inception	11,720	6.1%	11,760	6.2%	11,920	6.8%	11,860	6.6%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	76,782	102,714
Investments at fair value through profit or loss (FVTPL)	11,990,862	7,316,668
Premiums receivable	140,583	—
Receivable for securities sold	—	2,326
	<u>12,208,227</u>	<u>7,421,708</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	20,705	15,362
Withdrawals payable	5,934	5,975
Payable for securities purchased	154,723	101,703
	<u>181,362</u>	<u>123,040</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>12,026,865</b></u>	<u>7,298,668</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.86</u>	5.41
Series 6	<u>5.88</u>	5.42
Series 7	<u>5.96</u>	5.47
Series 8	<u>5.93</u>	5.45

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	365,014	142,662
Changes in fair value:		
Net realized gain (loss) on investments	38,376	17,938
Net unrealized gain (loss) on investments	450,963	229,848
	<u>854,353</u>	<u>390,448</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	195,790	97,955
Operating expenses	19,465	9,567
	<u>215,255</u>	<u>107,522</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>639,098</b></u>	<u>282,926</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	28,567	38,195
- per unit	0.10	0.24
Average Number of Units	292,591	157,691
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	309,204	123,546
- per unit	0.50	0.38
Average Number of Units	615,375	321,220
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	38,046	15,806
- per unit	0.74	0.48
Average Number of Units	51,375	33,109
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	263,281	105,379
- per unit	0.46	0.39
Average Number of Units	578,407	269,709

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

# DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>7,298,668</b>	2,222,198
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>639,098</b>	282,926
Premiums		
Series 5	2,013,948	1,885,430
Series 6	3,543,259	1,879,362
Series 7	167,902	69,399
Series 8	3,408,207	2,002,992
	<b>9,133,316</b>	5,837,183
Withdrawals		
Series 5	(1,856,305)	(61,196)
Series 6	(1,883,319)	(283,012)
Series 7	(30,500)	(60,872)
Series 8	(1,274,093)	(638,559)
	<b>(5,044,217)</b>	(1,043,639)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>12,026,865</b>	7,298,668

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>639,098</b>	282,926
Adjustments for:		
Net realized (gain) loss	<b>(38,376)</b>	(17,938)
Net unrealized (gain) loss	<b>(450,963)</b>	(229,848)
Non-cash distribution from investments	<b>(365,014)</b>	(142,662)
Proceeds from sale/maturity of investments	<b>3,042,819</b>	518,147
Investments purchased	<b>(6,862,660)</b>	(5,239,795)
Receivable for securities sold	<b>2,326</b>	(2,326)
Accrued expenses	<b>5,343</b>	10,979
Payable for securities purchased	<b>53,020</b>	83,270
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(3,974,407)</b>	(4,737,247)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>8,992,733</b>	5,878,727
Amounts paid on withdrawals	<b>(5,044,258)</b>	(1,038,816)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>3,948,475</b>	4,839,911
Increase (decrease) in cash/ bank overdraft	<b>(25,932)</b>	102,664
Cash (bank overdraft), beginning of period	<b>102,714</b>	50
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>76,782</b>	102,714

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
<b>Investment Funds</b>				99.7
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300	
SocieTerra Conservative Portfolio, I-Class	1,038,957	11,379,904	11,989,562	
<b>Total Investments</b>		<b>11,381,015</b>	<b>11,990,862</b>	
<b>Other Net Assets</b>			36,003	0.3
<b>Net Assets</b>			<b>12,026,865</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>SOCIETERRA CONSERVATIVE PORTFOLIO 99.7%</b>	
Export Development Canada, 1.800%, 2022-09-01	1.1%
Government of Canada, 0.250%, 2026-03-01	1.1%
Government of Canada, 0.500%, 2030-12-01	1.0%
Government of Canada, 0.250%, 2023-02-01	1.0%
Province of Ontario, 2.650%, 2025-02-05	1.0%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

# DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

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

#### Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying fund as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (71%) and Growth (29%). The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

#### Hierarchy of Financial Instruments Measured at Fair Value

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

#### Fair Value Hierarchy (in \$'000)

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>

December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	7,317	—	—	7,317
<b>TOTAL</b>	<b>7,317</b>	<b>—</b>	<b>—</b>	<b>7,317</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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 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	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (60%)	1.00	72	41
Bloomberg Barclays Multiverse Hedged (15%)	1.00	18	10
MSCI Canada (7.5%)	3.00	27	19
MSCI All Country World ex Canada IMI (17.5%)	3.00	63	44

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

### Liquidity Risk

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

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

## DFS GIF – CONSERVATIVE – DESJARDINS SOCIETERRA (continued)

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past three periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>			
Series 5	<b>5.86</b>	5.41	4.96
Series 6	<b>5.88</b>	5.42	4.96
Series 7	<b>5.96</b>	5.47	4.98
Series 8	<b>5.93</b>	5.45	4.98
<b>Ratios and Supplemental Data</b>			
Net Asset Value (\$000's)			
Series 5	<b>2,238</b>	2,052	190
Series 6	<b>4,521</b>	2,552	832
Series 7	<b>339</b>	164	140
Series 8	<b>4,928</b>	2,531	1,061
Number of units outstanding (000)			
Series 5	<b>382</b>	380	38
Series 6	<b>769</b>	471	168
Series 7	<b>57</b>	30	28
Series 8	<b>831</b>	465	213
Management expense ratio (MER) <sup>1</sup> (%)			
Series 5	<b>2.77</b>	2.82	2.76
Series 6	<b>2.33</b>	2.70	2.64
Series 7	<b>1.83</b>	2.18	2.14
Series 8	<b>1.96</b>	2.36	2.31
Portfolio turnover rate <sup>2</sup> (%)	<b>35.07</b>	12.29	22.87

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – MODERATE – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Other Net Assets	2.6%
Export Development Canada, 1.800%, 2022-09-01	1.0%
Government of Canada, 0.250%, 2026-03-01	0.9%
Microsoft Corporation	0.9%
Government of Canada, 0.500%, 2030-12-01	0.9%
Government of Canada, 0.250%, 2023-02-01	0.9%
Province of Ontario, 2.650%, 2025-02-05	0.8%
Royal Bank of Canada	0.8%
Shopify	0.8%
Toronto-Dominion Bank	0.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,180	1.8%	10,180	1.8%	10,200	2.0%	10,180	1.8%

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

\*\* Beginning of operations in November 2020.

# DFS GIF – MODERATE – DESJARDINS SOCIETERRA (continued)

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>330,962</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accrued expenses	<u>625</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>330,337</u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.09</u>
Series 6	<u>5.09</u>
Series 7	<u>5.10</u>
Series 8	<u>5.09</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	8,245
Changes in fair value:	
Net unrealized gain (loss) on investments	<u>(1,297)</u>
	<u>6,948</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	852
Operating expenses	<u>93</u>
	<u>945</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>6,003</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,427</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,538</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>16,306</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,528</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,510</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>16,001</u>

\* 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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>6,003</u>
Premiums	
Series 5	80,003
Series 6	84,325
Series 7	80,001
Series 8	80,005
	<u>324,334</u>
Withdrawals	
Series 5	—
Series 6	—
Series 7	—
Series 8	—
	<u>—</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><b>330,337</b></u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	6,003
Adjustments for:	
Net unrealized (gain) loss	1,297
Non-cash distribution from investments	(8,245)
Proceeds from sale/maturity of investments	310
Investments purchased	(324,324)
Accrued expenses	<u>625</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u><b>(324,334)</b></u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	<u>324,334</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u><b>—</b></u>

\* 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

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
SocieTerra Moderate Portfolio, I-Class	29,561	332,259	330,962		
<b>Total Investments</b>		<b>332,259</b>	<b>330,962</b>		
<b>Other Net Assets</b>			(625)		(0.2)
<b>Net Assets</b>			<b>330,337</b>		100

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

## TOP FIVE HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
<b>SOCIETERRA MODERATE PORTFOLIO 100.2%</b>	
Export Development Canada, 1.800%, 2022-09-01	1.0%
Government of Canada, 0.250%, 2026-03-01	0.9%
Microsoft Corporation	0.9%
Government of Canada, 0.500%, 2030-12-01	0.9%
Government of Canada, 0.250%, 2023-02-01	0.9%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

**Currency Risk**

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (52%)	1.00	2
Bloomberg Barclays Multiverse Hedged (13%)	1.00	—
MSCI Canada (10.5%)	3.00	1
MSCI All Country World ex Canada IMI (24.5%)	3.00	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 this sensitivity analysis and the difference could be significant.

**Credit Risk**

As at 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 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".

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.09</b>
Series 6	<b>5.09</b>
Series 7	<b>5.10</b>
Series 8	<b>5.09</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>81</b>
Series 6	<b>86</b>
Series 7	<b>82</b>
Series 8	<b>82</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>16</b>
Series 6	<b>17</b>
Series 7	<b>16</b>
Series 8	<b>16</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>2.87</b>
Series 6	<b>2.41</b>
Series 7	<b>1.90</b>
Series 8	<b>2.07</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.09</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – BALANCED – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP UNDERLYING HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	1.3%
Royal Bank of Canada	1.2%
Other Net Assets	1.2%
Shopify	1.1%
Toronto-Dominion Bank	1.1%
Apple	0.9%
Canadian National Railway Company	0.7%
Export Development Canada, 1.800%, 2022-09-01	0.7%
Scotiabank	0.7%
Government of Canada, 0.250%, 2026-03-01	0.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,284	12.8%	11,297	13.0%	11,369	13.7%	11,336	13.4%
3 Years	12,249	7.0%	12,282	7.1%	12,495	7.7%	—	—
5 Years	12,969	5.3%	13,026	5.4%	13,388	6.0%	—	—
Since Inception	13,180	5.4%	13,240	5.5%	13,620	6.1%	12,560	8.8%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	59,495	9,172
Investments at fair value through profit or loss (FVTPL)	46,542,480	30,423,982
Premiums receivable	436,635	222,594
	<u>47,038,610</u>	<u>30,655,748</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	85,472	64,811
Withdrawals payable	93,448	68,823
Payable for securities purchased	107,569	66,668
	<u>286,489</u>	<u>200,302</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>46,752,121</b></u>	<u>30,455,446</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.59</u>	5.84
Series 6	<u>6.62</u>	5.86
Series 7	<u>6.81</u>	5.99
Series 8	<u>6.28</u>	5.54

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	501,814	778,612
Changes in fair value:		
Net realized gain (loss) on investments	192,849	62,809
Net unrealized gain (loss) on investments	4,744,011	2,800,150
	<u>5,438,674</u>	<u>3,641,571</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	767,482	620,174
Operating expenses	112,805	93,093
	<u>880,287</u>	<u>713,267</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>4,558,387</b></u>	<u>2,928,304</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	1,187,761	819,770
- per unit	<u>0.79</u>	0.59
Average Number of Units	<u>1,501,374</u>	1,399,181
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,779,818	1,010,546
- per unit	<u>0.82</u>	0.59
Average Number of Units	<u>2,169,664</u>	1,726,510
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	471,739	568,727
- per unit	<u>0.68</u>	0.66
Average Number of Units	<u>697,803</u>	863,942
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,119,069	529,261
- per unit	<u>0.84</u>	0.55
Average Number of Units	<u>1,326,345</u>	960,100

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>30,455,446</b>	24,274,741
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,558,387</b>	2,928,304
Premiums		
Series 5	4,694,431	2,481,806
Series 6	9,065,165	3,621,172
Series 7	69,582	607,441
Series 8	6,301,087	2,710,842
	<b>20,130,265</b>	9,421,261
Withdrawals		
Series 5	(2,224,781)	(1,658,199)
Series 6	(3,710,045)	(2,402,457)
Series 7	(1,244,795)	(924,350)
Series 8	(1,212,356)	(1,183,854)
	<b>(8,391,977)</b>	(6,168,860)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>46,752,121</b>	30,455,446

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,558,387</b>	2,928,304
Adjustments for:		
Net realized (gain) loss	(192,849)	(62,809)
Net unrealized (gain) loss	(4,744,011)	(2,800,150)
Non-cash distribution from investments	(501,814)	(778,612)
Proceeds from sale/maturity of investments	<b>3,226,539</b>	2,879,830
Investments purchased	(13,906,363)	(5,321,637)
Accrued expenses	20,661	13,809
Payable for securities purchased	40,901	(194,727)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(11,498,549)</b>	(3,335,992)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>19,916,224</b>	9,476,005
Amounts paid on withdrawals	(8,367,352)	(6,131,496)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>11,548,872</b>	3,344,509
Increase (decrease) in cash/bank overdraft	<b>50,323</b>	8,517
Cash (bank overdraft), beginning of period	<b>9,172</b>	655
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>59,495</b>	9,172

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					99.6
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300		
SocieTerra Balanced Portfolio, I-Class	3,922,891	40,292,267	46,541,180		
<b>Total Investments</b>		<b>40,293,378</b>	<b>46,542,480</b>		
<b>Other Net Assets</b>			209,641		0.4
<b>Net Assets</b>			<b>46,752,121</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>SOCIETERRA BALANCED PORTFOLIO 99.6%</b>	
Microsoft Corporation	1.3%
Royal Bank of Canada	1.2%
Shopify	1.1%
Toronto-Dominion Bank	1.1%
Apple	0.9%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

# DFS GIF – BALANCED – DESJARDINS SOCIETERRA (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

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

#### Strategy of the Fund

To reach the Fund's investment objective, selection of the securities and/or the underlying funds as well as the percentage of the assets that will be invested in each of these securities or underlying funds will be based on the following target weightings: Fixed-income (55%) and Growth (45%). The principal risk factors of this Fund are foreign currency risk, credit risk, market risk and interest rate risk.

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

#### Hierarchy of Financial Instruments Measured at Fair Value

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

#### Fair Value Hierarchy (in \$'000)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	30,424	—	—	30,424
<b>TOTAL</b>	<b>30,424</b>	<b>—</b>	<b>—</b>	<b>30,424</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (40%)	1.00	185	131
Bloomberg Barclays Multiverse Hedged (10%)	1.00	46	33
MSCI Canada (15%)	3.00	208	121
MSCI All Country World ex Canada IMI (35%)	3.00	485	282

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

### Liquidity Risk

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

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

## DFS GIF – BALANCED – DESJARDINS SOCIETERRA (continued)

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>6.59</b>	5.84	5.24	5.38	5.19
Series 6	<b>6.62</b>	5.86	5.26	5.39	5.20
Series 7	<b>6.81</b>	5.99	5.35	5.45	5.23
Series 8*	<b>6.28</b>	5.54	4.95	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>12,300</b>	8,643	6,999	7,226	7,124
Series 6	<b>18,009</b>	10,875	8,645	10,325	7,139
Series 7	<b>4,268</b>	4,972	4,720	4,741	1,380
Series 8*	<b>12,174</b>	5,966	3,910	—	—
Number of units outstanding (000)					
Series 5	<b>1,868</b>	1,481	1,335	1,342	1,371
Series 6	<b>2,720</b>	1,855	1,644	1,915	1,374
Series 7	<b>627</b>	829	883	869	264
Series 8*	<b>1,939</b>	1,077	789	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>2.82</b>	2.82	2.81	2.81	2.81
Series 6	<b>2.38</b>	2.70	2.68	2.70	2.76
Series 7	<b>1.81</b>	2.12	2.13	2.11	2.30
Series 8*	<b>2.05</b>	2.38	2.42	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>9.34</b>	10.38	7.89	6.94	7.74

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – GROWTH – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP UNDERLYING HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	1.5%
Royal Bank of Canada	1.4%
Shopify	1.3%
Toronto-Dominion Bank	1.3%
Apple	1.1%
Canadian National Railway Company	0.9%
Scotiabank	0.8%
Brookfield Asset Management	0.7%
Bank of Montreal	0.6%
Ecolab	0.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,343	13.4%	11,361	13.6%	11,403	14.0%	11,387	13.9%
Since Inception	12,500	8.7%	12,520	8.7%	12,680	9.2%	12,640	9.1%

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

# DFS GIF – GROWTH – DESJARDINS SOCIETERRA (continued)

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	25,170	12
Investments at fair value through profit or loss (FVTPL)	25,432,179	11,138,299
Premiums receivable	168,469	167,720
Receivable for securities sold	—	1,002
	<u>25,625,818</u>	<u>11,307,033</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	45,910	23,728
Withdrawals payable	—	10,627
Payable for securities purchased	149,948	141,251
	<u>195,858</u>	<u>175,606</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>25,429,960</u>	<u>11,131,427</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.25</u>	5.51
Series 6	<u>6.26</u>	5.51
Series 7	<u>6.34</u>	5.56
Series 8	<u>6.32</u>	5.55

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	255,288	14,749
Changes in fair value:		
Net realized gain (loss) on investments	144,862	2,742
Net unrealized gain (loss) on investments	2,508,079	856,163
	<u>2,908,229</u>	<u>873,654</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	385,548	154,296
Operating expenses	35,679	14,018
	<u>421,227</u>	<u>168,314</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>2,487,002</u>	<u>705,340</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	398,720	135,588
- per unit	1.00	0.56
Average Number of Units	399,482	243,247
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,096,014	286,480
- per unit	0.86	0.60
Average Number of Units	1,278,586	481,177
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	23,783	19,206
- per unit	0.82	0.69
Average Number of Units	29,140	28,000
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	968,485	264,066
- per unit	0.89	0.62
Average Number of Units	1,089,536	427,839

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>11,131,427</b>	3,417,216
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>2,487,002</b>	705,340
Premiums		
Series 5	4,437,719	1,595,674
Series 6	6,450,968	5,041,480
Series 7	160,280	—
Series 8	4,104,624	2,577,636
	<b>15,153,591</b>	9,214,790
Withdrawals		
Series 5	(796,280)	(581,539)
Series 6	(2,189,422)	(1,509,095)
Series 7	(118)	—
Series 8	(356,240)	(115,285)
	<b>(3,342,060)</b>	(2,205,919)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>25,429,960</b>	11,131,427

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>2,487,002</b>	705,340
Adjustments for:		
Net realized (gain) loss	(144,862)	(2,742)
Net unrealized (gain) loss	(2,508,079)	(856,163)
Non-cash distribution from investments	(255,288)	(14,749)
Proceeds from sale/maturity of investments	<b>1,516,029</b>	160,067
Investments purchased	(12,901,680)	(6,998,005)
Receivable for securities sold	<b>1,002</b>	(1,002)
Accrued expenses	<b>22,182</b>	16,688
Payable for securities purchased	<b>8,697</b>	141,001
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(11,774,997)</b>	(6,849,565)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>15,152,842</b>	9,047,570
Amounts paid on withdrawals	(3,352,687)	(2,197,992)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>11,800,155</b>	6,849,578
Increase (decrease) in cash/ bank overdraft	<b>25,158</b>	13
Cash (bank overdraft), beginning of period	<b>12</b>	(1)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>25,170</b>	12

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

# DFS GIF – GROWTH – DESJARDINS SOCIETERRA (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.0
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300		
SocieTerra Growth Portfolio, I-Class	2,034,796	22,334,993	25,430,879		
<b>Total Investments</b>		<b>22,336,104</b>	<b>25,432,179</b>		
<b>Other Net Assets</b>			(2,219)		(0.0)
<b>Net Assets</b>			<b>25,429,960</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>SOCIETERRA GROWTH PORTFOLIO 100.0%</b>	
Microsoft Corporation	1.5%
Royal Bank of Canada	1.4%
Shopify	1.3%
Toronto-Dominion Bank	1.3%
Apple	1.1%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSoft	4.6%



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	11,138	—	—	11,138
<b>TOTAL</b>	<b>11,138</b>	<b>—</b>	<b>—</b>	<b>11,138</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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 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	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (32%)	1.00	81	36
Bloomberg Barclays Multiverse Hedged (8%)	1.00	20	9
MSCI Canada (18%)	3.00	137	60
MSCI All Country World ex Canada IMI (42%)	3.00	320	140

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past three periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>			
Series 5	<b>6.25</b>	5.51	4.85
Series 6	<b>6.26</b>	5.51	4.85
Series 7	<b>6.34</b>	5.56	4.87
Series 8	<b>6.32</b>	5.55	4.87
<b>Ratios and Supplemental Data</b>			
<b>Net Asset Value (\$000's)</b>			
Series 5	<b>5,777</b>	1,737	587
Series 6	<b>10,435</b>	5,077	1,258
Series 7	<b>340</b>	156	136
Series 8	<b>8,879</b>	4,162	1,435
<b>Number of units outstanding (000)</b>			
Series 5	<b>924</b>	315	121
Series 6	<b>1,667</b>	921	259
Series 7	<b>54</b>	28	28
Series 8	<b>1,404</b>	750	295
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>			
Series 5	<b>2.84</b>	2.83	2.93
Series 6	<b>2.49</b>	2.85	2.81
Series 7	<b>2.01</b>	2.36	2.31
Series 8	<b>2.09</b>	2.42	2.48
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>9.42</b>	2.54	1.46

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – MAXIMUM GROWTH – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP UNDERLYING HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	2.0%
Royal Bank of Canada	1.8%
Shopify	1.7%
Toronto-Dominion Bank	1.6%
Apple	1.4%
Canadian National Railway Company	1.1%
Scotiabank	1.1%
Brookfield Asset Management	0.9%
Bank of Montreal	0.8%
Ecolab	0.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,569	15.7%	11,563	15.6%	11,640	16.4%	11,628	16.3%
Since Inception	12,980	10.2%	13,020	10.3%	13,200	10.9%	13,140	10.7%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,010	1,085
Investments at fair value through profit or loss (FVTPL)	3,527,223	2,061,418
Premiums receivable	204,106	380
	<u>3,732,339</u>	<u>2,062,883</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	6,961	5,035
Withdrawals payable	475	349
Payable for securities purchased	202,930	455
	<u>210,366</u>	<u>5,839</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>3,521,973</b></u>	<u>2,057,044</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.49</u>	5.61
Series 6	<u>6.51</u>	5.63
Series 7	<u>6.60</u>	5.67
Series 8	<u>6.57</u>	5.65

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	29,009	22
Changes in fair value:		
Net realized gain (loss) on investments	41,043	4,728
Net unrealized gain (loss) on investments	441,442	292,386
	<u>511,494</u>	<u>297,136</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	69,694	48,278
Operating expenses	5,936	4,059
	<u>75,630</u>	<u>52,337</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>435,864</b></u>	<u>244,799</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	43,829	30,697
- per unit	<u>0.94</u>	0.78
Average Number of Units	<u>46,566</u>	39,499
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	291,297	150,310
- per unit	<u>0.96</u>	0.70
Average Number of Units	<u>304,107</u>	215,005
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	25,953	23,132
- per unit	<u>0.93</u>	0.83
Average Number of Units	<u>28,000</u>	28,000
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	74,785	40,660
- per unit	<u>1.07</u>	0.82
Average Number of Units	<u>69,971</u>	49,818

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

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

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>2,057,044</b>	1,087,739
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>435,864</b>	244,799
Premiums		
Series 5	113,624	29,415
Series 6	1,014,596	833,102
Series 8	504,895	26,586
	<b>1,633,115</b>	889,103
Withdrawals		
Series 5	(28,715)	(20,709)
Series 6	(553,730)	(114,268)
Series 8	(21,605)	(29,620)
	<b>(604,050)</b>	(164,597)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>3,521,973</b>	2,057,044

### STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>435,864</b>	244,799
Adjustments for:		
Net realized (gain) loss	(41,043)	(4,728)
Net unrealized (gain) loss	(441,442)	(292,386)
Non-cash distribution from investments	(29,009)	(22)
Proceeds from sale/maturity of investments	<b>332,249</b>	165,012
Investments purchased	(1,286,560)	(838,747)
Receivable for securities sold	—	16,154
Accrued expenses	<b>1,926</b>	2,473
Payable for securities purchased	<b>202,475</b>	405
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(825,540)</b>	(707,040)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>1,429,389</b>	1,005,114
Amounts paid on withdrawals	(603,924)	(296,989)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>825,465</b>	708,125
Increase (decrease) in cash/ bank overdraft	<b>(75)</b>	1,085
Cash (bank overdraft), beginning of period	<b>1,085</b>	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>1,010</b>	1,085

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
<b>Investment Funds</b>				100.1
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300	
SocieTerra Maximum Growth Portfolio, I-Class	274,647	2,905,164	3,525,923	
<b>Total Investments</b>		<b>2,906,275</b>	<b>3,527,223</b>	
<b>Other Net Assets</b>			(5,250)	(0.1)
<b>Net Assets</b>			<b>3,521,973</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>SOCIETERRA MAXIMUM GROWTH PORTFOLIO 100.1%</b>	
Microsoft Corporation	2.0%
Royal Bank of Canada	1.8%
Shopify	1.7%
Toronto-Dominion Bank	1.6%
Apple	1.4%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSOFT	4.6%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	2,061	—	—	2,061
<b>TOTAL</b>	<b>2,061</b>	<b>—</b>	<b>—</b>	<b>2,061</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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 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	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (16%)	1.00	6	3
Bloomberg Barclays Multiverse Hedged (4%)	1.00	1	1
MSCI Canada (24%)	3.00	25	15
MSCI All Country World ex Canada IMI (56%)	3.00	59	35

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

### Liquidity Risk

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

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

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

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past three periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>			
Series 5	<b>6.49</b>	5.61	4.83
Series 6	<b>6.51</b>	5.63	4.83
Series 7	<b>6.60</b>	5.67	4.85
Series 8	<b>6.57</b>	5.65	4.84
<b>Ratios and Supplemental Data</b>			
Net Asset Value (\$000's)			
Series 5	<b>344</b>	215	176
Series 6	<b>2,158</b>	1,405	536
Series 7	<b>185</b>	159	136
Series 8	<b>836</b>	278	240
Number of units outstanding (000)			
Series 5	<b>53</b>	38	36
Series 6	<b>331</b>	250	111
Series 7	<b>28</b>	28	28
Series 8	<b>127</b>	49	50
Management expense ratio (MER) <sup>1</sup> (%)			
Series 5	<b>3.14</b>	3.16	3.09
Series 6	<b>2.62</b>	3.02	2.98
Series 7	<b>2.13</b>	2.53	2.48
Series 8	<b>2.30</b>	2.70	2.64
Portfolio turnover rate <sup>2</sup> (%)	<b>12.73</b>	9.42	4.55

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – 100% EQUITY – DESJARDINS SOCIETERRA\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	2.4%
Royal Bank of Canada	2.2%
Shopify	2.1%
Toronto-Dominion Bank	2.0%
Apple	1.7%
Canadian National Railway Company	1.4%
Scotiabank	1.3%
Brookfield Asset Management	1.1%
Bank of Montreal	1.0%
Ecolab	0.9%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,300	3.0%	10,320	3.2%	10,320	3.2%	10,320	3.2%

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

\*\* Beginning of operations in November 2020.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>634,707</u>
Premiums receivable	<u>41,700</u>
	<u>676,407</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Bank overdraft	2
Accrued expenses	977
Withdrawals payable	170
Payable for securities purchased	<u>41,700</u>
	<u>42,849</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>633,558</b></u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.15</u>
Series 6	<u>5.16</u>
Series 7	<u>5.16</u>
Series 8	<u>5.16</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	12,052
Changes in fair value:	
Net realized gain (loss) on investments	4
Net unrealized gain (loss) on investments	<u>3,429</u>
	<u>15,485</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	1,237
Operating expenses	<u>115</u>
	<u>1,352</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>14,133</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>3,449</u>
- per unit	<u>0.18</u>
Average Number of Units	<u>19,039</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>3,483</u>
- per unit	<u>0.17</u>
Average Number of Units	<u>20,654</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>2,584</u>
- per unit	<u>0.16</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>4,617</u>
- per unit	<u>0.19</u>
Average Number of Units	<u>23,872</u>

\* 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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>14,133</u>
Premiums	
Series 5	127,570
Series 6	194,019
Series 7	80,001
Series 8	<u>218,005</u>
	<u>619,595</u>
Withdrawals	
Series 5	(43)
Series 6	(57)
Series 7	—
Series 8	<u>(70)</u>
	<u>(170)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><u>633,558</u></u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	14,133
Adjustments for:	
Net realized (gain) loss	(4)
Net unrealized (gain) loss	(3,429)
Non-cash distribution from investments	(12,052)
Proceeds from sale/maturity of investments	358
Investments purchased	(619,580)
Accrued expenses	977
Payable for securities purchased	<u>41,700</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u>(577,897)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	<u>577,895</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<u>577,895</u>
Increase (decrease) in cash/ bank overdraft	(2)
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>(2)</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

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
SocieTerra 100% Equity Portfolio, I-Class	51,227	631,278	634,707		
<b>Total Investments</b>		<b>631,278</b>	<b>634,707</b>		
<b>Other Net Assets</b>			(1,149)		(0.2)
<b>Net Assets</b>			<b>633,558</b>		100

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

## TOP FIVE HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
SOCIETERRA 100% EQUITY PORTFOLIO 100.2%	
Microsoft Corporation	2.4%
Royal Bank of Canada	2.2%
Shopify	2.1%
Toronto-Dominion Bank	2.0%
Apple	1.7%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

**Currency Risk**

As at 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 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 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
		December 31, 2020
Benchmarks	%	\$
MSCI Canada (30%)	3.00	6
MSCI All Country World ex Canada IMI (70%)	3.00	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 this sensitivity analysis and the difference could be significant.

**Credit Risk**

As at 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 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".



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.15</b>
Series 6	<b>5.16</b>
Series 7	<b>5.16</b>
Series 8	<b>5.16</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>131</b>
Series 6	<b>197</b>
Series 7	<b>83</b>
Series 8	<b>223</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>25</b>
Series 6	<b>38</b>
Series 7	<b>16</b>
Series 8	<b>43</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>3.22</b>
Series 6	<b>2.76</b>
Series 7	<b>2.24</b>
Series 8	<b>2.41</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.07</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.





# Wise ETF Portfolios

DFS GUARANTEED INVESTMENT FUNDS

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

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	74.0%
Vanguard U.S. Aggregate Bond Index ETF	11.5%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	9.6%
iShares JPMorgan USD Emerging Markets Bond Fund	6.3%
iShares Core MSCI EAFE IMI Index ETF	0.8%
Other Net Assets	-2.2%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,160	1.6%	10,180	1.8%	10,180	1.8%	10,180	1.8%

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

\*\* Beginning of operations in November 2020.

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>293,585</u>
Premiums receivable	<u>25,000</u>
	<u>318,585</u>
<b>LIABILITIES</b>	
Accrued expenses	<u>347</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>318,238</u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.08</u>
Series 6	<u>5.09</u>
Series 7	<u>5.09</u>
Series 8	<u>5.09</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	5,279
Changes in fair value:	
Net realized gain (loss) on investments	9
Net unrealized gain (loss) on investments	<u>(288)</u>
	<u>5,000</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	429
Operating expenses	<u>66</u>
	<u>495</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>4,505</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>801</u>
- per unit	<u>0.08</u>
Average Number of Units	<u>10,000</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>857</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>10,001</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>890</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>10,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,957</u>
- per unit	<u>0.12</u>
Average Number of Units	<u>16,955</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)

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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>4,505</u>
Premiums	
Series 5	50,003
Series 6	50,005
Series 7	50,001
Series 8	<u>165,724</u>
	<u>315,733</u>
Withdrawals	
Series 5	—
Series 6	—
Series 7	—
Series 8	<u>(2,000)</u>
	<u>(2,000)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><b>318,238</b></u>

## STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,505
Adjustments for:	
Net realized (gain) loss	(9)
Net unrealized (gain) loss	288
Non-cash distribution from investments	(5,279)
Proceeds from sale/maturity of investments	2,137
Investments purchased	(290,722)
Accrued expenses	<u>347</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u>(288,733)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	290,733
Amounts paid on withdrawals	<u>(2,000)</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<u>288,733</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>—</u>

\* Beginning of operations in November 2020.

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST	FAIR VALUE	
		\$	\$	%
Investment Funds				92.3
Wise Fixed Income ETF Portfolio, I-Class	28,205	293,873	293,585	
<b>Total Investments</b>		<b>293,873</b>	<b>293,585</b>	
Other Net Assets			24,653	7.7
<b>Net Assets</b>			<b>318,238</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	74.0%
Vanguard U.S. Aggregate Bond Index ETF	11.5%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	9.6%
iShares JPMorgan USD Emerging Markets Bond Fund	6.3%
iShares Core MSCI EAFE IMI Index ETF	0.8%
Other Net Assets	-2.2%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

### Currency Risk

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (70%)	1.00	2
Bloomberg Barclays Multiverse Hedged (30%)	1.00	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 this sensitivity analysis and the difference could be significant.

### Credit Risk

As at 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 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 – FIXED INCOME – DESJARDINS WISE ETF (continued)

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.08</b>
Series 6	<b>5.09</b>
Series 7	<b>5.09</b>
Series 8	<b>5.09</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>51</b>
Series 6	<b>51</b>
Series 7	<b>51</b>
Series 8	<b>166</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>10</b>
Series 6	<b>10</b>
Series 7	<b>10</b>
Series 8	<b>33</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>2.59</b>
Series 6	<b>1.72</b>
Series 7	<b>1.21</b>
Series 8	<b>1.38</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.87</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – CONSERVATIVE – DESJARDINS WISE ETF\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	56.7%
Vanguard U.S. Aggregate Bond Index ETF	9.8%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	8.2%
iShares Core MSCI EAFE IMI Index ETF	6.6%
iShares JPMorgan USD Emerging Markets Bond	5.5%
Vanguard FTSE Canada All Cap Index ETF	4.0%
iShares Core MSCI Emerging Markets ETF	2.2%
Vanguard S&P 500 Index ETF	1.5%
Desjardins USA Multifactor – Controlled Volatility ETF	1.5%
Desjardins Canada Multifactor – Controlled Volatility ETF	1.2%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,100	1.0%	10,100	1.0%	10,120	1.2%	10,120	1.2%

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

\*\* Beginning of operations in November 2020.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31	2020
	\$
<b>ASSETS</b>	
Investments at fair value through profit or loss (FVTPL)	<u>567,335</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accrued expenses	801
Withdrawals payable	<u>168</u>
	<u>969</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>566,366</b></u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.05</u>
Series 6	<u>5.05</u>
Series 7	<u>5.06</u>
Series 8	<u>5.06</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31	2020*
	\$
<b>INCOME</b>	
Distributions from underlying funds	3,830
Changes in fair value:	
Net realized gain (loss) on investments	2
Net unrealized gain (loss) on investments	<u>2,368</u>
	<u>6,200</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	986
Operating expenses	<u>118</u>
	<u>1,104</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>5,096</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>903</u>
- per unit	<u>0.05</u>
Average Number of Units	<u>16,895</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,204</u>
- per unit	<u>0.06</u>
Average Number of Units	<u>19,354</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>938</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>2,051</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>29,262</u>

\* 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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>5,096</u>
Premiums	
Series 5	90,054
Series 6	133,444
Series 7	80,001
Series 8	<u>258,054</u>
	<u>561,553</u>
Withdrawals	
Series 5	(283)
Series 6	—
Series 7	—
Series 8	—
	<u>(283)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><b>566,366</b></u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	5,096
Adjustments for:	
Net realized (gain) loss	(2)
Net unrealized (gain) loss	(2,368)
Non-cash distribution from investments	(3,830)
Proceeds from sale/maturity of investments	405
Investments purchased	(561,540)
Accrued expenses	<u>801</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u>(561,438)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	561,553
Amounts paid on withdrawals	<u>(115)</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<u>561,438</u>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>—</u>

\* Beginning of operations in November 2020.

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

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

### SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$		%
<b>Investment Funds</b>					100.2
Wise Conservative ETF Portfolio, I-Class	53,436	564,967	567,335		
<b>Total Investments</b>		<b>564,967</b>	<b>567,335</b>		
<b>Other Net Assets</b>			(969)		(0.2)
<b>Net Assets</b>			<b>566,366</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	56.7%
Vanguard U.S. Aggregate Bond Index ETF	9.8%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	8.2%
iShares Core MSCI EAFE IMI Index ETF	6.6%
iShares JPMorgan USD Emerging Markets Bond	5.5%
Vanguard FTSE Canada All Cap Index ETF	4.0%
iShares Core MSCI Emerging Markets ETF	2.2%
Vanguard S&P 500 Index ETF	1.5%
Desjardins USA Multifactor - Controlled Volatility ETF	1.5%
Desjardins Canada Multifactor - Controlled Volatility ETF	1.2%
iShares Core S&P Small-Cap ETF	1.2%
Desjardins Developed ex-USA ex-Canada Multifactor - Controlled Volatility ETF	1.0%
Other Net Assets	0.4%
Desjardins Emerging Markets Multifactor - Controlled Volatility ETF	0.2%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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 WISE ETF (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

### Currency Risk

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (56%)	1.00	3
Bloomberg Barclays Multiverse Hedged (24%)	1.00	1
MSCI Canada (6%)	3.00	1
MSCI All Country World ex Canada IMI (14%)	3.00	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 this sensitivity analysis and the difference could be significant.

### Credit Risk

As at 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 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".



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.05</b>
Series 6	<b>5.05</b>
Series 7	<b>5.06</b>
Series 8	<b>5.06</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>91</b>
Series 6	<b>135</b>
Series 7	<b>81</b>
Series 8	<b>260</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>18</b>
Series 6	<b>27</b>
Series 7	<b>16</b>
Series 8	<b>51</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>2.64</b>
Series 6	<b>2.30</b>
Series 7	<b>1.78</b>
Series 8	<b>1.95</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.09</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – BALANCED – DESJARDINS WISE ETF\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	43.1%
iShares Core MSCI EAFE IMI Index ETF	10.1%
Vanguard FTSE Canada All Cap Index ETF	8.5%
Vanguard U.S. Aggregate Bond Index ETF	7.0%
Vanguard S&P 500 Index ETF	6.8%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	5.6%
iShares Core MSCI Emerging Markets ETF	4.1%
iShares JPMorgan USD Emerging Markets Bond Fund	4.0%
Desjardins USA Multifactor – Controlled Volatility ETF	3.4%
Desjardins Canada Multifactor – Controlled Volatility ETF	2.9%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,140	1.4%	10,140	1.4%	10,140	1.4%	10,140	1.4%

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

\*\* Beginning of operations in November 2020.

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>408,005</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accrued expenses	674
Withdrawals payable	<u>146</u>
	<u>820</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>407,185</u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.07</u>
Series 6	<u>5.07</u>
Series 7	<u>5.07</u>
Series 8	<u>5.07</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	4,895
Changes in fair value:	
Net realized gain (loss) on investments	4
Net unrealized gain (loss) on investments	<u>1,036</u>
	<u>5,935</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	883
Operating expenses	<u>99</u>
	<u>982</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>4,953</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,229</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>18,012</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,384</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>19,067</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,179</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,161</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>16,001</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)

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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>—</b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>4,953</u>
Premiums	
Series 5	102,518
Series 6	140,005
Series 7	80,001
Series 8	<u>80,005</u>
	<u>402,529</u>
Withdrawals	
Series 5	(272)
Series 6	(25)
Series 7	—
Series 8	—
	<u>(297)</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>407,185</u></b>

## STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,953
Adjustments for:	
Net realized (gain) loss	(4)
Net unrealized (gain) loss	(1,036)
Non-cash distribution from investments	(4,895)
Proceeds from sale/maturity of investments	449
Investments purchased	(402,519)
Accrued expenses	<u>674</u>
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(402,378)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	402,529
Amounts paid on withdrawals	<u>(151)</u>
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>402,378</u></b>
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	<u>—</u>
<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

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
Wise Balanced ETF Portfolio, I-Class	37,898	406,969	408,005		
<b>Total Investments</b>		<b>406,969</b>	<b>408,005</b>		
Other Net Assets			(820)		(0.2)
<b>Net Assets</b>			<b>407,185</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	43.1%
iShares Core MSCI EAFE IMI Index ETF	10.1%
Vanguard FTSE Canada All Cap Index ETF	8.5%
Vanguard U.S. Aggregate Bond Index ETF	7.0%
Vanguard S&P 500 Index ETF	6.8%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	5.6%
iShares Core MSCI Emerging Markets ETF	4.1%
iShares JPMorgan USD Emerging Markets Bond Fund	4.0%
Desjardins USA Multifactor - Controlled Volatility ETF	3.4%
Desjardins Canada Multifactor - Controlled Volatility ETF	2.9%
iShares Core S&P Small-Cap ETF	2.3%
Desjardins Developed ex-USA ex-Canada Multifactor - Controlled Volatility ETF	2.1%
Desjardins Emerging Markets Multifactor - Controlled Volatility ETF	1.2%
Other Net Assets	-1.1%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

### Currency Risk

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (42%)	1.00	2
Bloomberg Barclays Multiverse Hedged (18%)	1.00	1
MSCI Canada (12%)	3.00	1
MSCI All Country World ex Canada IMI (28%)	3.00	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 this sensitivity analysis and the difference could be significant.

### Credit Risk

As at 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 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 (continued)

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.07</b>
Series 6	<b>5.07</b>
Series 7	<b>5.07</b>
Series 8	<b>5.07</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>103</b>
Series 6	<b>141</b>
Series 7	<b>81</b>
Series 8	<b>81</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>20</b>
Series 6	<b>28</b>
Series 7	<b>16</b>
Series 8	<b>16</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>2.70</b>
Series 6	<b>2.36</b>
Series 7	<b>1.84</b>
Series 8	<b>2.01</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.12</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.



# DFS GIF – GROWTH – DESJARDINS WISE ETF\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Desjardins Canadian Universe Bond Index ETF	27.2%
iShares Core MSCI EAFE IMI Index ETF	13.2%
Vanguard FTSE Canada All Cap Index ETF	12.7%
Vanguard S&P 500 Index ETF	11.5%
iShares Core MSCI Emerging Markets ETF	5.4%
Desjardins USA Multifactor – Controlled Volatility ETF	4.9%
Vanguard U.S. Aggregate Bond Index ETF	4.5%
Desjardins Canada Multifactor – Controlled Volatility ETF	3.9%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	3.8%
Other Net Assets	3.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,140	1.4%	10,140	1.4%	10,160	1.6%	10,160	1.6%

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

\*\* Beginning of operations in November 2020.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>878,145</u>
Premiums receivable	<u>125,000</u>
	<u><b>1,003,145</b></u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accrued expenses	<u>1,082</u>
Withdrawals payable	<u>284</u>
	<u><b>1,366</b></u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,001,779</b></u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.07</u>
Series 6	<u>5.07</u>
Series 7	<u>5.08</u>
Series 8	<u>5.08</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	<u>5,558</u>
Changes in fair value:	
Net realized gain (loss) on investments	<u>3</u>
Net unrealized gain (loss) on investments	<u>2,175</u>
	<u><b>7,736</b></u>
<b>EXPENSES</b>	
Management fees and guarantee charge	<u>1,266</u>
Operating expenses	<u>136</u>
	<u><b>1,402</b></u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>6,334</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>2,079</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>31,721</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,658</u>
- per unit	<u>0.06</u>
Average Number of Units	<u>26,686</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,218</u>
- per unit	<u>0.08</u>
Average Number of Units	<u>16,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,379</u>
- per unit	<u>0.07</u>
Average Number of Units	<u>19,212</u>

\* 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

Period Ended December 31

	2020*
	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	—
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>6,334</u>
Premiums	
Series 5	218,401
Series 6	324,270
Series 7	80,001
Series 8	<u>373,268</u>
	<u>995,940</u>
Withdrawals	
Series 5	(268)
Series 6	(227)
Series 7	—
Series 8	—
	<u>(495)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>1,001,779</u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets from operations attributable to contract owners	6,334
Adjustments for:	
Net realized (gain) loss	(3)
Net unrealized (gain) loss	(2,175)
Non-cash distribution from investments	(5,558)
Proceeds from sale/maturity of investments	320
Investments purchased	(870,729)
Accrued expenses	<u>1,082</u>
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(870,729)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Premium payments	870,940
Amounts paid on withdrawals	<u>(211)</u>
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>870,729</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 – GROWTH – DESJARDINS WISE ETF (continued)

### SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					87.7
Wise Growth ETF Portfolio, I-Class	80,262	875,970	878,145		
<b>Total Investments</b>		<b>875,970</b>	<b>878,145</b>		
<b>Other Net Assets</b>			123,634		12.3
<b>Net Assets</b>			<b>1,001,779</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	27.2%
iShares Core MSCI EAFE IMI Index ETF	13.2%
Vanguard FTSE Canada All Cap Index ETF	12.7%
Vanguard S&P 500 Index ETF	11.5%
iShares Core MSCI Emerging Markets ETF	5.4%
Desjardins USA Multifactor - Controlled Volatility ETF	4.9%
Vanguard U.S. Aggregate Bond Index ETF	4.5%
Desjardins Canada Multifactor - Controlled Volatility ETF	3.9%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	3.8%
Other Net Assets	3.7%
iShares Core S&P Small-Cap ETF	3.5%
Desjardins Developed ex-USA ex-Canada Multifactor - Controlled Volatility ETF	2.8%
iShares JPMorgan USD Emerging Markets Bond Fund	1.8%
Desjardins Emerging Markets Multifactor - Controlled Volatility ETF	1.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

**Currency Risk**

As at 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 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 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 December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (28%)	1.00	3
Bloomberg Barclays Multiverse Hedged (12%)	1.00	1
MSCI Canada (18%)	3.00	5
MSCI All Country World ex Canada IMI (42%)	3.00	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 this sensitivity analysis and the difference could be significant.

**Credit Risk**

As at 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 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".

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.07</b>
Series 6	<b>5.07</b>
Series 7	<b>5.08</b>
Series 8	<b>5.08</b>
<b>Ratios and Supplemental Data</b>	
Net Asset Value (\$000's)	
Series 5	<b>220</b>
Series 6	<b>326</b>
Series 7	<b>81</b>
Series 8	<b>375</b>
Number of units outstanding (000)	
Series 5	<b>43</b>
Series 6	<b>64</b>
Series 7	<b>16</b>
Series 8	<b>74</b>
Management expense ratio (MER) <sup>1</sup> (%)	
Series 5	<b>2.76</b>
Series 6	<b>2.41</b>
Series 7	<b>1.90</b>
Series 8	<b>2.07</b>
Portfolio turnover rate <sup>2</sup> (%)	<b>0.05</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – MAXIMUM GROWTH – DESJARDINS WISE ETF\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Vanguard FTSE Canada All Cap Index ETF	17.4%
Vanguard S&P 500 Index ETF	16.9%
iShares Core MSCI EAFE IMI Index ETF	16.9%
Desjardins Canadian Universe Bond Index ETF	13.7%
iShares Core MSCI Emerging Markets ETF	7.4%
Desjardins USA Multifactor – Controlled Volatility ETF	6.4%
Desjardins Canada Multifactor – Controlled Volatility ETF	5.5%
iShares Core S&P Small-Cap ETF	4.8%
Desjardins Developed ex-USA ex-Canada Multifactor – Controlled Volatility ETF	4.6%
Vanguard U.S. Aggregate Bond Index ETF	2.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,180	1.8%	10,180	1.8%	10,180	1.8%	10,180	1.8%

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

\*\* Beginning of operations in November 2020.



## STATEMENT OF FINANCIAL POSITION

As at December 31

	<b>2020</b>
	<b>\$</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u><b>452,941</b></u>
<b>LIABILITIES</b>	
Accrued expenses	<u><b>766</b></u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>452,175</b></u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u><b>5.09</b></u>
Series 6	<u><b>5.09</b></u>
Series 7	<u><b>5.09</b></u>
Series 8	<u><b>5.09</b></u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<b>2020*</b>
	<b>\$</b>
<b>INCOME</b>	
Distributions from underlying funds	<b>4,008</b>
Changes in fair value:	
Net realized gain (loss) on investments	<b>4</b>
Net unrealized gain (loss) on investments	<u><b>4,017</b></u>
	<u><b>8,029</b></u>
<b>EXPENSES</b>	
Management fees and guarantee charge	<b>984</b>
Operating expenses	<u><b>110</b></u>
	<u><b>1,094</b></u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>6,935</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u><b>1,391</b></u>
- per unit	<u><b>0.09</b></u>
Average Number of Units	<u><b>16,000</b></u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u><b>1,492</b></u>
- per unit	<u><b>0.09</b></u>
Average Number of Units	<u><b>16,354</b></u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u><b>1,479</b></u>
- per unit	<u><b>0.09</b></u>
Average Number of Units	<u><b>16,000</b></u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u><b>2,573</b></u>
- per unit	<u><b>0.10</b></u>
Average Number of Units	<u><b>25,984</b></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)

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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>—</b>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>6,935</u>
Premiums	
Series 5	80,003
Series 6	85,005
Series 7	80,001
Series 8	<u>200,231</u>
	<u>445,240</u>
Withdrawals	
Series 5	—
Series 6	—
Series 7	—
Series 8	—
	<u>—</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>452,175</u></b>

## STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	6,935
Adjustments for:	
Net realized (gain) loss	(4)
Net unrealized (gain) loss	(4,017)
Non-cash distribution from investments	(4,008)
Proceeds from sale/maturity of investments	314
Investments purchased	(445,226)
Accrued expenses	766
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>(445,240)</u></b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	445,240
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

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
Wise Maximum Growth ETF Portfolio, I-Class	43,319	448,924	452,941		
Total Investments		<b>448,924</b>	<b>452,941</b>		
Other Net Assets			(766)		(0.2)
Net Assets			<b>452,175</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	17.4%
Vanguard S&P 500 Index ETF	16.9%
iShares Core MSCI EAFE IMI Index ETF	16.9%
Desjardins Canadian Universe Bond Index ETF	13.7%
iShares Core MSCI Emerging Markets ETF	7.4%
Desjardins USA Multifactor - Controlled Volatility ETF	6.4%
Desjardins Canada Multifactor - Controlled Volatility ETF	5.5%
iShares Core S&P Small-Cap ETF	4.8%
Desjardins Developed ex-USA ex-Canada Multifactor - Controlled Volatility ETF	4.6%
Vanguard U.S. Aggregate Bond Index ETF	2.6%
Vanguard Global ex-U.S. Aggregate Bond Index ETF	1.9%
Desjardins Emerging Markets Multifactor - Controlled Volatility ETF	1.4%
iShares JPMorgan USD Emerging Markets Bond Fund	1.1%
Other Net Assets	-0.6%

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

### NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

##### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

### Currency Risk

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
FTSE Canada Universe Bond (14%)	1.00	1
Bloomberg Barclays Multiverse Hedged (6%)	1.00	—
MSCI Canada (24%)	3.00	3
MSCI All Country World ex Canada IMI (56%)	3.00	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 this sensitivity analysis and the difference could be significant.

### Credit Risk

As at 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 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 (continued)

### FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.09</b>
Series 6	<b>5.09</b>
Series 7	<b>5.09</b>
Series 8	<b>5.09</b>
<b>Ratios and Supplemental Data</b>	
<b>Net Asset Value (\$000's)</b>	
Series 5	<b>81</b>
Series 6	<b>86</b>
Series 7	<b>81</b>
Series 8	<b>203</b>
<b>Number of units outstanding (000)</b>	
Series 5	<b>16</b>
Series 6	<b>17</b>
Series 7	<b>16</b>
Series 8	<b>40</b>
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>	
Series 5	<b>2.82</b>
Series 6	<b>2.47</b>
Series 7	<b>1.95</b>
Series 8	<b>2.13</b>
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>0.08</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# DFS GIF – 100% EQUITY – DESJARDINS WISE ETF\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Vanguard FTSE Canada All Cap Index ETF	21.5%
Vanguard S&P 500 Index ETF	20.6%
iShares Core MSCI EAFE IMI Index ETF	20.4%
iShares Core MSCI Emerging Markets ETF	8.3%
Desjardins USA Multifactor – Controlled Volatility ETF	8.1%
Desjardins Canada Multifactor – Controlled Volatility ETF	6.8%
iShares Core S&P Small-Cap ETF	5.3%
Desjardins Developed ex-USA ex-Canada Multifactor – Controlled Volatility ETF	5.2%
Desjardins Emerging Markets Multifactor – Controlled Volatility ETF	2.0%
Other Net Assets	1.8%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,200	2.0%	10,200	2.0%	10,220	2.2%	10,200	2.0%

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

\*\* Beginning of operations in November 2020.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	<u>2020</u>
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Investments at fair value through profit or loss (FVTPL)	<u>209,603</u>
<b>LIABILITIES</b>	
Accrued expenses	<u>408</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>209,195</u>
<b>NET ASSETS PER UNIT</b>	
Series 5	<u>5.10</u>
Series 6	<u>5.10</u>
Series 7	<u>5.11</u>
Series 8	<u>5.10</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	<u>2020*</u>
	\$
<b>INCOME</b>	
Distributions from underlying funds	2,423
Changes in fair value:	
Net realized gain (loss) on investments	4
Net unrealized gain (loss) on investments	<u>2,369</u>
	<u>4,796</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	558
Operating expenses	<u>57</u>
	<u>615</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>4,181</u>
<b>DATA PER SERIES</b>	
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>995</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>10,000</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,096</u>
- per unit	<u>0.11</u>
Average Number of Units	<u>10,354</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,051</u>
- per unit	<u>0.11</u>
Average Number of Units	<u>10,000</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,039</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>10,001</u>

\* 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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>4,181</u>
Premiums	
Series 5	50,003
Series 6	55,005
Series 7	50,001
Series 8	50,005
	<u>205,014</u>
Withdrawals	
Series 5	—
Series 6	—
Series 7	—
Series 8	—
	<u>—</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><b>209,195</b></u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	4,181
Adjustments for:	
Net realized (gain) loss	(4)
Net unrealized (gain) loss	(2,369)
Non-cash distribution from investments	(2,423)
Proceeds from sale/maturity of investments	196
Investments purchased	(205,003)
Accrued expenses	408
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u>(205,014)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	205,014
Increase (decrease) in cash/ bank overdraft	—
Cash (bank overdraft), beginning of period	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>—</u>

\* 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)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Wise 100% Equity ETF Portfolio, I-Class	19,260	207,234	209,603		
<b>Total Investments</b>		<b>207,234</b>	<b>209,603</b>		
<b>Other Net Assets</b>			(408)		(0.2)
<b>Net Assets</b>			<b>209,195</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	21.5%
Vanguard S&P 500 Index ETF	20.6%
iShares Core MSCI EAFE IMI Index ETF	20.4%
iShares Core MSCI Emerging Markets ETF	8.3%
Desjardins USA Multifactor – Controlled Volatility ETF	8.1%
Desjardins Canada Multifactor – Controlled Volatility ETF	6.8%
iShares Core S&P Small-Cap ETF	5.3%
Desjardins Developed ex-USA ex-Canada Multifactor – Controlled Volatility ETF	5.2%
Desjardins Emerging Markets Multifactor – Controlled Volatility ETF	2.0%
Other Net Assets	1.8%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

**Currency Risk**

As at 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 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 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
		December 31, 2020
Benchmarks	%	\$
MSCI Canada (30%)	3.00	2
MSCI All Country World ex Canada IMI (70%)	3.00	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 this sensitivity analysis and the difference could be significant.

**Credit Risk**

As at 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 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".

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 5	<b>5.10</b>
Series 6	<b>5.10</b>
Series 7	<b>5.11</b>
Series 8	<b>5.10</b>
<b>Ratios and Supplemental Data</b>	
Net Asset Value (\$000's)	
Series 5	<b>51</b>
Series 6	<b>56</b>
Series 7	<b>51</b>
Series 8	<b>51</b>
Number of units outstanding (000)	
Series 5	<b>10</b>
Series 6	<b>11</b>
Series 7	<b>10</b>
Series 8	<b>10</b>
Management expense ratio (MER) <sup>1</sup> (%)	
Series 5	<b>2.87</b>
Series 6	<b>2.53</b>
Series 7	<b>2.01</b>
Series 8	<b>2.18</b>
Portfolio turnover rate <sup>2</sup> (%)	<b>0.10</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.



# Individual Funds

DFS GUARANTEED INVESTMENT FUNDS

## DFS GIF – MONEY MARKET\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Ontario Hydro, Stripped, 2021-10-15	21.7%
STM, Commercial Paper, 2021-04-20	8.4%
Canada Housing Trust, Floating Rate, 2021-09-15	7.7%
Toyota Credit Canada, Commercial Paper, 2021-01-19	5.3%
Greater Toronto Airports Authority, Commercial Paper, 2021-02-09	4.7%
Toronto-Dominion Bank, Floating Rate, 2021-05-01	4.7%
Canadian Imperial Bank of Commerce, 1.640%, 2021-07-12	4.1%
Altalink, 0.2677%, 2021-01-29	4.1%
National Bank of Canada, 1.809%, 2021-07-26	3.8%
Scotiabank, Floating Rate, 2021-01-05	3.4%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,985	-0.2%	9,985	-0.2%	10,015	0.1%	10,039	0.4%	10,114	1.1%
3 Years	10,031	0.1%	10,030	0.1%	10,133	0.4%	10,199	0.7%	10,390	1.3%
5 Years	9,941	-0.1%	9,940	-0.1%	10,106	0.2%	10,231	0.5%	10,525	1.0%
10 Years	9,797	-0.2%	9,793	-0.2%	10,120	0.1%	—	—	—	—
Since Inception	13,140	1.1%	12,073	0.9%	10,317	0.2%	10,260	0.4%	10,660	0.9%

	Series 8		Series IGP	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,078	0.8%	10,000	0.0%
3 Years	—	—	10,051	0.2%
5 Years	—	—	9,973	-0.1%
10 Years	—	—	—	—
Since Inception	10,280	1.0%	9,930	-0.1%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	30,156	—
Investments at fair value through profit or loss (FVTPL)	40,724,447	41,283,543
Premiums receivable	416,247	377,879
Interest, dividends and other receivables	78	—
	<u>41,170,928</u>	<u>41,661,422</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	—	159,638
Accrued expenses	40,042	41,170
Withdrawals payable	78,325	139,143
	<u>118,367</u>	<u>339,951</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b><u>41,052,561</u></b>	<b>41,321,471</b>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>6.57</u>	6.58
Series 3	<u>6.58</u>	6.59
Series 5	<u>6.87</u>	6.86
Series 6	<u>5.13</u>	5.11
Series 7	<u>5.33</u>	5.27
Series 8	<u>5.14</u>	5.10
Series IGP	<u>9.93</u>	9.93

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

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	322
Distributions from underlying funds	640,964	682,207
Changes in fair value:		
Net realized gain (loss) on investments	204,422	157,358
Net unrealized gain (loss) on investments	(168,782)	(164,088)
	<u>676,604</u>	<u>675,799</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	350,895	273,097
Operating expenses	162,045	126,341
	<u>512,940</u>	<u>399,438</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b><u>163,664</u></b>	<b>276,361</b>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	(642)	1,145
- per unit	(0.01)	0.02
Average Number of Units	<u>53,261</u>	47,074
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	(4,624)	7,271
- per unit	(0.01)	0.02
Average Number of Units	<u>326,705</u>	315,161
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	43,085	94,648
- per unit	0.02	0.05
Average Number of Units	<u>2,614,253</u>	2,010,264
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	54,071	93,182
- per unit	0.02	0.05
Average Number of Units	<u>2,482,175</u>	1,926,072
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	13,941	16,175
- per unit	0.05	0.08
Average Number of Units	<u>275,386</u>	203,884
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	58,551	58,794
- per unit	0.04	0.06
Average Number of Units	<u>1,485,797</u>	918,048
<b>SERIES IGP</b>		
Increase (Decrease) in Net Assets from Operations	(718)	5,146
- per unit	(0.01)	0.04
Average Number of Units	<u>106,798</u>	119,130

## DFS GIF – MONEY MARKET (continued)

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>41,321,471</b>	32,266,032
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>163,664</b>	276,361
Premiums		
Series 1	776,991	164,675
Series 3	4,810,450	1,134,862
Series 5	30,146,926	17,364,550
Series 6	17,363,027	7,744,399
Series 7	2,382,723	1,255,505
Series 8	15,025,232	9,087,428
Series IGP	19,453	6,780
	<b>70,524,802</b>	36,758,199
Withdrawals		
Series 1	(806,127)	(190,877)
Series 3	(4,524,067)	(1,210,386)
Series 5	(35,063,449)	(10,635,507)
Series 6	(14,978,955)	(8,081,704)
Series 7	(2,026,691)	(1,893,206)
Series 8	(13,462,130)	(5,706,342)
Series IGP	(95,957)	(261,099)
	<b>(70,957,376)</b>	(27,979,121)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>41,052,561</b>	41,321,471

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>163,664</b>	276,361
Adjustments for:		
Net realized (gain) loss	<b>(204,422)</b>	(157,358)
Net unrealized (gain) loss	<b>168,782</b>	164,088
Non-cash distribution from investments	<b>(640,964)</b>	(682,207)
Proceeds from sale/maturity of investments	<b>37,864,045</b>	15,166,512
Investments purchased	<b>(36,628,345)</b>	(23,757,441)
Interest, dividends and other receivables	<b>(78)</b>	—
Accrued expenses	<b>(1,128)</b>	9,699
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>721,554</b>	(8,980,346)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>70,486,434</b>	36,743,731
Amounts paid on withdrawals	<b>(71,018,194)</b>	(28,044,945)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(531,760)</b>	8,698,786
Increase (decrease) in cash/ bank overdraft	<b>189,794</b>	(281,560)
Cash (bank overdraft), beginning of period	<b>(159,638)</b>	121,922
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>30,156</b>	(159,638)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	246

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					99.2
DGIA Money Market Fund	4,256,046	40,666,407	40,724,447		
<b>Total Investments</b>		<b>40,666,407</b>	<b>40,724,447</b>		
<b>Other Net Assets</b>			328,114		0.8
<b>Net Assets</b>			<b>41,052,561</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, Stripped, 2021-10-15	21.7%
STM, Commercial Paper, 2021-04-20	8.4%
Canada Housing Trust, Floating Rate, 2021-09-15	7.7%
Toyota Credit Canada, Commercial Paper, 2021-01-19	5.3%
Greater Toronto Airports Authority, Commercial Paper, 2021-02-09	4.7%
Toronto-Dominion Bank, Floating Rate, 2021-05-01	4.7%
Canadian Imperial Bank of Commerce, 1.640%, 2021-07-12	4.1%
Altalink, 0.2677%, 2021-01-29	4.1%
National Bank of Canada, 1.809%, 2021-07-26	3.8%
Scotiabank, Floating Rate, 2021-01-05	3.4%
BMW Canada, 2.800%, 2021-01-28	3.3%
BMW Canada, 2.150%, 2021-11-26	2.9%
Énergir, Commercial Paper, 2021-02-17	2.9%
Canadian Imperial Bank of Commerce, 2.900%, 2021-09-14	2.8%
Royal Bank of Canada, Floating Rate, 2021-03-22	2.0%
Bank of Montreal, Floating Rate, 2021-01-03	1.9%
John Deere Canada Funding, 1.850%, 2021-03-24	1.9%
Scotiabank, Floating Rate, 2021-11-19	1.7%
PSP Capital, 1.340%, 2021-08-18	1.4%
National Bank of Canada, Floating Rate, 2021-05-01	1.4%
STM, Commercial Paper, 2021-01-29	1.4%
Royal Bank of Canada, Floating Rate, 2021-09-22	1.4%
Royal Bank of Canada, Floating Rate, 2021-07-30	1.2%
TMX Group, Commercial Paper, 2021-01-13	0.9%
Toyota Credit Canada, 2.200%, 2021-02-25	0.8%

## DFS GIF – MONEY MARKET (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	41,284	—	41,284
<b>TOTAL</b>	<b>—</b>	<b>41,284</b>	<b>—</b>	<b>41,284</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada 91 Day Treasury Bill	0.25	25	66

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

### Liquidity Risk

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

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

## DFS GIF – MONEY MARKET (continued)

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1	<b>6.57</b>	6.58	6.55	6.55	6.59
Series 3	<b>6.58</b>	6.59	6.57	6.56	6.60
Series 5	<b>6.87</b>	6.86	6.81	6.78	6.80
Series 6	<b>5.13</b>	5.11	5.06	5.03	5.03
Series 7	<b>5.33</b>	5.27	5.20	5.13	5.10
Series 8*	<b>5.14</b>	5.10	5.03	—	—
Series IGP	<b>9.93</b>	9.93	9.89	9.88	9.93
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 1	<b>312</b>	342	367	444	388
Series 3	<b>2,073</b>	1,791	1,859	1,983	2,273
Series 5	<b>15,504</b>	20,377	13,554	15,508	18,941
Series 6	<b>12,472</b>	10,034	10,278	12,393	10,738
Series 7	<b>1,459</b>	1,089	1,711	1,839	2,503
Series 8*	<b>8,235</b>	6,613	3,173	—	—
Series IGP	<b>998</b>	1,075	1,324	1,349	1,478
<b>Number of units outstanding (000)</b>					
Series 1	<b>47</b>	52	56	68	59
Series 3	<b>315</b>	272	283	302	345
Series 5	<b>2,258</b>	2,972	1,990	2,287	2,787
Series 6	<b>2,430</b>	1,964	2,030	2,465	2,137
Series 7	<b>274</b>	207	329	358	491
Series 8*	<b>1,602</b>	1,297	630	—	—
Series IGP	<b>101</b>	108	134	137	149
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 1	<b>1.71</b>	1.72	1.73	1.72	1.72
Series 3	<b>1.74</b>	1.73	1.73	1.73	1.71
Series 5	<b>1.40</b>	1.39	1.39	1.38	1.38
Series 6	<b>1.07</b>	1.13	1.13	1.13	1.12
Series 7	<b>0.52</b>	0.59	0.59	0.58	0.61
Series 8*	<b>0.73</b>	0.80	0.79	—	—
Series IGP	<b>1.65</b>	1.66	1.66	1.65	1.66
<b>Portfolio turnover rate<sup>2</sup> (%)</b>					
	<b>86.87</b>	45.99	41.40	39.94	43.22

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN BOND\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Government of Canada, 0.250%, 2022-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
Province of Ontario, 2.600%, 2025-06-02	2.2%
Government of Canada, 0.250%, 2023-02-01	2.2%
Province of Ontario, 4.650%, 2041-06-02	2.0%
Government of Canada, 0.250%, 2026-03-01	1.8%
Province of Ontario, 1.750%, 2025-09-08	1.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1**		Series 3**		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	—	—	—	—	10,681	6.8%	10,694	6.9%	10,751	7.5%
3 Years	—	—	—	—	11,144	3.7%	11,198	3.8%	11,398	4.5%
5 Years	—	—	—	—	11,202	2.3%	11,296	2.5%	11,622	3.1%
Since Inception	10,040	0.4%	10,100	1.0%	11,300	2.4%	11,400	2.5%	11,740	3.1%

	Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,729	7.3%
3 Years	—	—
5 Years	—	—
Since Inception	11,480	5.3%

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

\*\* Beginning of operations in November 2020.

## DFS GIF – CANADIAN BOND (continued)

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	199,717	19,655
Investments at fair value through profit or loss (FVTPL)	99,508,097	28,049,396
Premiums receivable	6,693	883
Receivable for securities sold	10,203	4,485
	<u>99,724,710</u>	<u>28,074,419</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	153,616	43,238
Withdrawals payable	192,474	70,962
Payable for securities purchased	8,961	6,545
	<u>355,051</u>	<u>120,745</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>99,369,659</b></u>	<u>27,953,674</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>5.02</u>	—
Series 3	<u>5.05</u>	—
Series 5	<u>5.65</u>	5.29
Series 6	<u>5.70</u>	5.33
Series 7	<u>5.87</u>	5.46
Series 8	<u>5.74</u>	5.35

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	144
Distributions from underlying funds	2,420,975	707,247
Changes in fair value:		
Net realized gain (loss) on investments	327,257	68,915
Net unrealized gain (loss) on investments	66,706	1,153,134
	<u>2,814,938</u>	<u>1,929,440</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	469,517	370,253
Operating expenses	201,820	166,283
	<u>671,337</u>	<u>536,536</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>2,143,601</b></u>	<u>1,392,904</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1*</b>		
Increase (Decrease) in Net Assets from Operations	<u>1,461</u>	—
- per unit	<u>0.01</u>	—
Average Number of Units	<u>124,892</u>	—
<b>SERIES 3*</b>		
Increase (Decrease) in Net Assets from Operations	<u>9,593</u>	—
- per unit	<u>0.01</u>	—
Average Number of Units	<u>747,526</u>	—
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>1,474,018</u>	1,083,657
- per unit	<u>0.33</u>	0.26
Average Number of Units	<u>4,530,024</u>	4,185,581
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>412,671</u>	242,623
- per unit	<u>0.35</u>	0.25
Average Number of Units	<u>1,193,817</u>	962,903
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>103,750</u>	7,369
- per unit	<u>0.39</u>	0.07
Average Number of Units	<u>267,746</u>	104,148
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>142,108</u>	59,255
- per unit	<u>0.30</u>	0.26
Average Number of Units	<u>472,745</u>	231,331

\* 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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>27,953,674</b>	30,481,659
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>2,143,601</b>	1,392,904
Premiums		
Series 1*	887,080	—
Series 3*	5,431,462	—
Series 5	51,278,108	1,654,925
Series 6	12,126,082	945,403
Series 7	4,289,974	776,402
Series 8	6,462,233	392,121
	<b>80,474,939</b>	3,768,851
Withdrawals		
Series 1*	(8,235)	—
Series 3*	(217,011)	—
Series 5	(7,712,234)	(6,315,819)
Series 6	(2,360,662)	(951,135)
Series 7	(189,125)	(229,731)
Series 8	(715,288)	(193,055)
	<b>(11,202,555)</b>	(7,689,740)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>99,369,659</b>	27,953,674

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>2,143,601</b>	1,392,904
Adjustments for:		
Net realized (gain) loss	<b>(327,257)</b>	(68,915)
Net unrealized (gain) loss	<b>(66,706)</b>	(1,153,134)
Non-cash distribution from investments	<b>(2,420,975)</b>	(707,247)
Proceeds from sale/maturity of investments	<b>10,617,150</b>	6,535,339
Investments purchased	<b>(79,260,913)</b>	(2,076,119)
Receivable for securities sold	<b>(5,718)</b>	1,112
Accrued expenses	<b>110,378</b>	(3,893)
Payable for securities purchased	<b>2,416</b>	6,545
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(69,208,024)</b>	3,926,592
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>80,469,129</b>	3,802,419
Amounts paid on withdrawals	<b>(11,081,043)</b>	(7,721,742)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>69,388,086</b>	(3,919,323)
Increase (decrease) in cash/ bank overdraft	<b>180,062</b>	7,269
Cash (bank overdraft), beginning of period	<b>19,655</b>	12,386
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>199,717</b>	19,655
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	144

\* Beginning of operations in November 2020.

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

## DFS GIF – CANADIAN BOND (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.1
DGIA Canadian Bond Fund	9,169,487	99,018,884	99,508,097		
Total Investments		<b>99,018,884</b>	<b>99,508,097</b>		
Other Net Assets			(138,438)		(0.1)
Net Assets			<b>99,369,659</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Government of Canada, 0.250%, 2022-11-01	5.3%
Canada Housing Trust, 2.550%, 2023-12-15	3.8%
Government of Canada, 0.500%, 2030-12-01	3.7%
Canada Housing Trust, 2.900%, 2024-06-15	3.5%
Canada Housing Trust, 1.800%, 2024-12-15	2.5%
Province of Ontario, 2.600%, 2025-06-02	2.2%
Government of Canada, 0.250%, 2023-02-01	2.2%
Province of Ontario, 4.650%, 2041-06-02	2.0%
Government of Canada, 0.250%, 2026-03-01	1.8%
Province of Ontario, 1.750%, 2025-09-08	1.7%
Government of Canada, 0.500%, 2025-09-01	1.6%
Government of Canada, 0.250%, 2024-04-01	1.5%
Province of Ontario, 2.900%, 2028-06-02	1.3%
Government of Canada, 2.000%, 2051-12-01	1.3%
Government of Canada, 5.000%, 2037-06-01	1.3%
Province of Ontario, 2.900%, 2046-12-02	1.2%
Province of Québec, 3.500%, 2048-12-01	1.2%
Province of Québec, 3.500%, 2045-12-01	1.2%
Government of Canada, 4.000%, 2041-06-01	1.0%
Province of Ontario, 4.600%, 2039-06-02	0.9%
Canada Housing Trust, 2.350%, 2027-06-15	0.9%
Province of Ontario, 3.450%, 2045-06-02	0.8%
CPPIB Capital, 3.000%, 2028-06-15	0.8%
Province of Ontario, 2.600%, 2023-09-08	0.8%
Province of Québec, 3.100%, 2051-12-01	0.8%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	28,049	—	28,049
<b>TOTAL</b>	<b>—</b>	<b>28,049</b>	<b>—</b>	<b>28,049</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

## DFS GIF – CANADIAN BOND (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond	1.00	1,020	275

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1**	<b>5.02</b>	—	—	—	—
Series 3**	<b>5.05</b>	—	—	—	—
Series 5	<b>5.65</b>	5.29	5.05	5.07	5.04
Series 6	<b>5.70</b>	5.33	5.08	5.09	5.05
Series 7	<b>5.87</b>	5.46	5.16	5.15	5.08
Series 8*	<b>5.74</b>	5.35	5.08	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 1**	<b>880</b>	—	—	—	—
Series 3**	<b>5224</b>	—	—	—	—
Series 5	<b>65,459</b>	20,419	23,996	30,185	34,427
Series 6	<b>15,428</b>	5,250	5,013	6,624	5,441
Series 7	<b>5,099</b>	894	340	351	170
Series 8*	<b>7,279</b>	1,390	1,132	—	—
Number of units outstanding (000)					
Series 1**	<b>175</b>	—	—	—	—
Series 3**	<b>1,034</b>	—	—	—	—
Series 5	<b>11,593</b>	3,859	4,755	5,951	6,829
Series 6	<b>2,704</b>	985	987	1300	1,076
Series 7	<b>869</b>	164	66	68	34
Series 8*	<b>1,268</b>	260	223	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 1**	<b>3.05</b>	—	—	—	—
Series 3**	<b>2.68</b>	—	—	—	—
Series 5	<b>1.97</b>	1.97	1.96	1.96	1.96
Series 6	<b>1.69</b>	1.80	1.80	1.78	1.77
Series 7	<b>1.16</b>	1.23	1.22	1.22	1.22
Series 8*	<b>1.36</b>	1.48	1.46	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>25.97</b>	9.60	5.00	9.30	10.91

\* Beginning of operations in April 2018.

\*\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Other Net Assets	13.8%
Sequa, Floating Rate, 2023-07-31	1.6%
Pacific Gas and Electric Company, 4.500%, 2040-07-01	1.3%
JPMorgan Chase Commercial Mortgage Securities, Floating Rate, 2051-02-01	1.2%
Republic of Turkey, 5.750%, 2047-05-11	1.2%
Nationwide Building Society, Floating Rate, Perpetual	1.0%
Republic of Panama, 4.500%, 2056-04-01	0.9%
Gazprom, 8.625%, 2034-04-28	0.9%
Royal Bank of Scotland, 8.625%, Perpetual	0.9%
Sands China, 5.400%, 2028-08-08	0.9%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,492	4.9%	10,492	4.9%	10,570	5.7%	10,530	5.3%
Since Inception	10,660	5.1%	10,660	5.1%	10,760	5.9%	10,720	5.6%

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

\*\* Beginning of operations in October 2019.

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	204	4,477
Investments at fair value through profit or loss (FVTPL)	2,665,938	659,493
Premiums receivable	875	—
	<u>2,667,017</u>	<u>663,970</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	4,420	1,179
Withdrawals payable	2,014	301
Payable for securities purchased	—	4,193
	<u>6,434</u>	<u>5,673</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>2,660,583</b></u>	<u>658,297</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.33</u>	5.08
Series 6	<u>5.33</u>	5.08
Series 7	<u>5.38</u>	5.09
Series 8	<u>5.36</u>	5.09

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019*
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	159,412	37,843
Changes in fair value:		
Net realized gain (loss) on investments	(33,321)	(3,086)
Net unrealized gain (loss) on investments	48,524	(18,782)
	<u>174,615</u>	<u>15,975</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	36,065	3,020
Operating expenses	4,225	373
	<u>40,290</u>	<u>3,393</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>134,325</b></u>	<u>12,582</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	32,237	1,591
- per unit	0.37	0.09
Average Number of Units	86,970	18,412
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	50,689	2,312
- per unit	0.31	0.10
Average Number of Units	164,179	22,803
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	23,009	2,306
- per unit	0.46	0.10
Average Number of Units	49,949	22,589
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	28,390	6,373
- per unit	0.46	0.12
Average Number of Units	62,215	54,689

\* Beginning of operations in October 2019.

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

## DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS (continued)

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31	2020	2019*
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>658,297</u>	—
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>134,325</u>	12,582
Premiums		
Series 5	722,662	122,506
Series 6	1,135,677	242,511
Series 7	291,385	137,746
Series 8	<u>489,804</u>	<u>487,538</u>
	<u>2,639,528</u>	990,301
Withdrawals		
Series 5	(257,176)	(206)
Series 6	(310,502)	(50,172)
Series 7	(78,437)	—
Series 8	<u>(125,452)</u>	<u>(294,208)</u>
	<u>(771,567)</u>	<u>(344,586)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>2,660,583</u>	658,297

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019*
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	134,325	12,582
Adjustments for:		
Net realized (gain) loss	33,321	3,086
Net unrealized (gain) loss	(48,524)	18,782
Non-cash distribution from investments	(159,412)	(37,843)
Proceeds from sale/maturity of investments	465,584	295,883
Investments purchased	(2,297,414)	(939,401)
Accrued expenses	3,241	1,179
Payable for securities purchased	(4,193)	4,193
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>(1,873,072)</u>	<u>(641,539)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	2,638,653	990,301
Amounts paid on withdrawals	(769,854)	(344,285)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>1,868,799</u>	<u>646,016</u>
Increase (decrease) in cash/ bank overdraft	(4,273)	4,477
Cash (bank overdraft), beginning of period	<u>4,477</u>	—
CASH (BANK OVERDRAFT), END OF PERIOD	<u>204</u>	<u>4,477</u>

\* Beginning of operations in October 2019.

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Desjardins Global Tactical Bond Fund, I-Class	262,809	2,636,195	2,665,938		
<b>Total Investments</b>		<b>2,636,195</b>	<b>2,665,938</b>		
<b>Other Net Assets</b>			(5,355)		(0.2)
<b>Net Assets</b>			<b>2,660,583</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Other Net Assets	13.8%
Sequa, Floating Rate, 2023-07-31	1.6%
Pacific Gas and Electric Company, 4.500%, 2040-07-01	1.3%
JPMorgan Chase Commercial Mortgage Securities, Floating Rate, 2051-02-01	1.2%
Republic of Turkey, 5.750%, 2047-05-11	1.2%
Nationwide Building Society, Floating Rate, Perpetual	1.0%
Republic of Panama, 4.500%, 2056-04-01	0.9%
Gazprom, 8.625%, 2034-04-28	0.9%
Royal Bank of Scotland, 8.625%, Perpetual	0.9%
Sands China, 5.400%, 2028-08-08	0.9%
Caesars Resort Collection, Floating Rate, 2024-12-22	0.9%
NE Property, 1.875%, 2026-10-09	0.9%
College Ave Student Loans, Floating Rate, 2030-01-25	0.9%
Uniti Group, 7.875%, 2025-02-15	0.9%
Petrobras Global Finance, 5.093%, 2030-01-15	0.9%
Kennedy Wilson Europe Real Estate, 3.250%, 2025-11-12	0.9%
CCO Holdings, 4.250%, 2031-02-01	0.9%
Topaz Solar Farms, 5.750%, 2039-09-30	0.8%
Arab Republic of Egypt, 6.375%, 2031-04-11	0.8%
SLM, 7.250%, 2022-01-25	0.8%
HSBC Holdings, 4.950%, 2030-03-31	0.7%
Wynn Macau, 5.625%, 2028-08-26	0.7%
Sprint Corporation, 7.125%, 2024-06-15	0.7%
Unique Pub Finance Company, 7.395%, 2024-03-28	0.7%
Envision Healthcare, Floating Rate, 2025-10-11	0.7%

## DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>

December 31, 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	659	—	—	659
<b>TOTAL</b>	<b>659</b>	<b>—</b>	<b>—</b>	<b>659</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
Bloomberg Barclays Global Aggregate Corporate Bond Ex Emerging Markets Hedged (33.3%)	1.50	13	3
BofA Merrill Lynch Global High Yield, BB-B Rated Constrained Developed Markets Hedged (33.3%)	2.00	18	4
J.P. Morgan EMBI Global Diversified Hedged (33.3%)	2.00	18	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 December 31, 2020 and 2019, the majority of the Net Assets Attributable to Contract Owners are invested in an underlying fund which may be exposed to credit risk. As a result, the Fund may be exposed to credit risk related to the current underlying fund. Detailed disclosure about the credit risk on the underlying fund can be obtained from Desjardins Financial Security (see Note 7).

### Liquidity Risk

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

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

## DFS GIF – GLOBAL TACTICAL BOND – DESJARDINS (continued)

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past two periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>		
Series 5	<b>5.33</b>	5.08
Series 6	<b>5.33</b>	5.08
Series 7	<b>5.38</b>	5.09
Series 8	<b>5.36</b>	5.09
<b>Ratios and Supplemental Data</b>		
<b>Net Asset Value (\$000's)</b>		
Series 5	<b>622</b>	124
Series 6	<b>1,071</b>	195
Series 7	<b>376</b>	140
Series 8	<b>592</b>	200
<b>Number of units outstanding (000)</b>		
Series 5	<b>117</b>	24
Series 6	<b>201</b>	38
Series 7	<b>70</b>	28
Series 8	<b>110</b>	39
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>		
Series 5	<b>2.47</b>	2.47
Series 6	<b>2.13</b>	2.30
Series 7	<b>1.61</b>	1.78
Series 8	<b>1.78</b>	1.95
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>25.80</b>	48.62

\* Beginning of operations in October 2019.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – DIVERSIFIED INCOME – FRANKLIN QUOTENTIAL\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	27.9%
Franklin Bissett Canadian Government Bond Fund	20.4%
Franklin Liberty Global Aggregate Bond ETF	9.3%
Franklin Bissett Short Duration Bond Fund	7.7%
Franklin Strategic Income Fund	4.6%
Templeton Global Bond Fund	4.3%
Franklin U.S. Core Equity Fund	4.3%
Franklin FTSE U.S. Index ETF	3.8%
iShares Core MSCI EAFE ETF	3.0%
Franklin FTSE Canada All Cap Index ETF	2.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,591	5.9%	10,614	6.1%	10,645	6.5%	10,696	7.0%	10,687	6.9%
3 Years	10,804	2.6%	10,878	2.8%	10,939	3.0%	11,101	3.5%	—	—
5 Years	11,140	2.2%	11,270	2.4%	11,385	2.6%	11,676	3.1%	—	—
10 Years	13,337	2.9%	13,643	3.2%	—	—	—	—	—	—
Since Inception	16,120	2.4%	15,101	3.2%	11,880	2.5%	12,300	3.1%	11,200	4.3%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	29,610
Investments at fair value through profit or loss (FVTPL)	<b>134,943,863</b>	147,042,333
Premiums receivable	<b>477</b>	87,585
Receivable for securities sold	<b>195,178</b>	—
	<b>135,139,518</b>	147,159,528
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>67,463</b>	—
Accrued expenses	<b>317,364</b>	346,538
Withdrawals payable	<b>292,820</b>	245,833
Payable for securities purchased	—	59,991
	<b>677,647</b>	652,362
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>134,461,871</b>	146,507,166
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>8.06</b>	7.61
Series 5	<b>8.30</b>	7.82
Series 6	<b>5.94</b>	5.58
Series 7	<b>6.15</b>	5.75
Series 8	<b>5.60</b>	5.24

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	146
Distributions from underlying funds	<b>3,256,357</b>	6,012,140
Changes in fair value:		
Net realized gain (loss) on investments	<b>4,820,184</b>	4,407,498
Net unrealized gain (loss) on investments	<b>4,485,301</b>	3,682,001
	<b>12,561,842</b>	14,101,785
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>3,284,219</b>	3,579,553
Operating expenses	<b>715,767</b>	786,729
	<b>3,999,986</b>	4,366,282
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>8,561,856</b>	9,735,503
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>180,045</b>	256,813
- per unit	<b>0.46</b>	0.47
Average Number of Units	<b>389,014</b>	550,375
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>6,107,847</b>	7,091,017
- per unit	<b>0.48</b>	0.49
Average Number of Units	<b>12,855,607</b>	14,616,305
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,251,934</b>	1,327,699
- per unit	<b>0.35</b>	0.35
Average Number of Units	<b>3,537,503</b>	3,777,003
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>322,335</b>	363,265
- per unit	<b>0.40</b>	0.40
Average Number of Units	<b>808,255</b>	907,858
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>699,695</b>	696,709
- per unit	<b>0.35</b>	0.33
Average Number of Units	<b>1,971,819</b>	2,093,339

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>146,507,166</b>	156,857,648
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>8,561,856</b>	9,735,503
Premiums		
Series 3	295,372	333,844
Series 5	6,356,877	11,106,664
Series 6	1,568,685	2,704,849
Series 7	119,000	96,957
Series 8	1,973,388	2,159,156
	<b>10,313,322</b>	16,401,470
Withdrawals		
Series 3	(1,466,068)	(1,188,429)
Series 5	(22,064,415)	(27,979,820)
Series 6	(4,126,962)	(4,194,189)
Series 7	(466,235)	(916,799)
Series 8	(2,796,793)	(2,208,218)
	<b>(30,920,473)</b>	(36,487,455)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>134,461,871</b>	146,507,166

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>8,561,856</b>	9,735,503
Adjustments for:		
Net realized (gain) loss	<b>(4,820,184)</b>	(4,407,498)
Net unrealized (gain) loss	<b>(4,485,301)</b>	(3,682,001)
Non-cash distribution from investments	<b>(3,256,357)</b>	(6,012,140)
Proceeds from sale/maturity of investments	<b>26,610,989</b>	26,636,422
Investments purchased	<b>(1,950,677)</b>	(2,174,416)
Receivable for securities sold	<b>(195,178)</b>	221,079
Accrued expenses	<b>(29,174)</b>	(24,047)
Payable for securities purchased	<b>(59,991)</b>	59,991
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>20,375,983</b>	20,352,893
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>10,400,430</b>	16,464,309
Amounts paid on withdrawals	<b>(30,873,486)</b>	(36,602,605)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(20,473,056)</b>	(20,138,296)
Increase (decrease) in cash/ bank overdraft	<b>(97,073)</b>	214,597
Cash (bank overdraft), beginning of period	<b>29,610</b>	(184,987)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(67,463)</b>	29,610
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	146

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.4
Franklin Quotential Diversified Income Portfolio, Series O	16,618,088	108,590,389	134,943,863		
<b>Total Investments</b>		<b>108,590,389</b>	<b>134,943,863</b>		
<b>Other Net Assets</b>			(481,992)		(0.4)
<b>Net Assets</b>			<b>134,461,871</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	27.9%
Franklin Bissett Canadian Government Bond Fund	20.4%
Franklin Liberty Global Aggregate Bond ETF	9.3%
Franklin Bissett Short Duration Bond Fund	7.7%
Franklin Strategic Income Fund	4.6%
Templeton Global Bond Fund	4.3%
Franklin U.S. Core Equity Fund	4.3%
Franklin FTSE U.S. Index ETF	3.8%
iShares Core MSCI EAFE ETF	3.0%
Franklin FTSE Canada All Cap Index ETF	2.6%
Franklin U.S. Rising Dividends Fund	2.4%
Franklin Bissett Canadian Equity Fund	2.4%
Franklin U.S. Opportunities Fund	1.9%
Franklin Emerging Market Core Equity Fund	1.8%
Franklin International Core Equity Fund	1.8%
Franklin Canadian Core Equity Fund	1.6%
Templeton Emerging Markets Fund	0.4%
Other Net Assets	-0.2%



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	147,042	—	—	147,042
<b>TOTAL</b>	<b>147,042</b>	<b>—</b>	<b>—</b>	<b>147,042</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (55%)	1.00	823	734
Bloomberg Barclays Multiverse Bond (25%)	1.00	374	334
S&P/TSX (5%)	3.00	224	280
MSCI All Country World Net (15%)	3.00	673	520

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>8.06</b>	7.61	7.17	7.46	7.29
Series 5	<b>8.30</b>	7.82	7.35	7.63	7.44
Series 6	<b>5.94</b>	5.58	5.24	5.43	5.28
Series 7	<b>6.15</b>	5.75	5.37	5.54	5.36
Series 8*	<b>5.60</b>	5.24	4.91	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>2,825</b>	3,815	4,413	5,085	5,643
Series 5	<b>97,176</b>	106,775	116,557	141,848	159,398
Series 6	<b>19,268</b>	20,574	20,736	32,448	30,636
Series 7	<b>4,766</b>	4,791	5,247	6,114	3,737
Series 8*	<b>10,428</b>	10,552	9,904	—	—
Number of units outstanding (000)					
Series 3	<b>350</b>	501	615	682	774
Series 5	<b>11,708</b>	13,662	15,856	18,594	21,424
Series 6	<b>3,246</b>	3,689	3,961	5,980	5,801
Series 7	<b>775</b>	833	977	1,105	697
Series 8*	<b>1,862</b>	2,012	2,019	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.15</b>	3.14	3.15	3.14	3.14
Series 5	<b>2.93</b>	2.92	2.92	2.91	2.91
Series 6	<b>2.67</b>	2.72	2.71	2.70	2.71
Series 7	<b>2.15</b>	2.22	2.22	2.18	2.20
Series 8*	<b>2.32</b>	2.38	2.42	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>3.68</b>	5.31	3.92	5.80	6.52

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

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

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	22.2%
Franklin Bissett Canadian Government Bond Fund	14.0%
Franklin Liberty Global Aggregate Bond ETF	9.6%
Franklin Bissett Short Duration Bond Fund	5.7%
Franklin FTSE U.S. Index ETF	5.7%
Franklin U.S. Core Equity Fund	5.2%
Franklin FTSE Canada All Cap Index ETF	4.4%
Franklin U.S. Rising Dividends Fund	4.1%
Templeton Global Bond Fund	4.0%
Franklin Bissett Canadian Equity Fund	4.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,644	6.4%	10,664	6.6%	10,700	7.0%	10,748	7.5%	10,722	7.2%
3 Years	10,904	2.9%	10,992	3.2%	11,058	3.4%	11,213	3.9%	—	—
5 Years	11,410	2.7%	11,546	2.9%	11,664	3.1%	11,947	3.6%	—	—
10 Years	13,920	3.4%	14,276	3.6%	—	—	—	—	—	—
Since Inception	15,200	2.1%	14,826	3.0%	12,540	3.4%	12,940	3.8%	11,280	4.6%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	63,069
Investments at fair value through profit or loss (FVTPL)	<b>199,176,901</b>	210,090,009
Premiums receivable	<b>1,028</b>	21,033
Receivable for securities sold	<b>385,273</b>	109,958
	<b>199,563,202</b>	210,284,069
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>132,927</b>	—
Accrued expenses	<b>480,524</b>	508,726
Withdrawals payable	<b>396,727</b>	348,494
	<b>1,010,178</b>	857,220
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>198,553,024</b>	209,426,849
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>7.60</b>	7.14
Series 5	<b>7.87</b>	7.38
Series 6	<b>6.27</b>	5.86
Series 7	<b>6.47</b>	6.02
Series 8	<b>5.64</b>	5.26

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>185</b>	914
Distributions from underlying funds	<b>4,197,493</b>	4,553,616
Changes in fair value:		
Net realized gain (loss) on investments	<b>7,799,743</b>	6,792,959
Net unrealized gain (loss) on investments	<b>6,881,443</b>	11,967,988
	<b>18,878,864</b>	23,315,477
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>4,731,483</b>	5,082,307
Operating expenses	<b>1,113,325</b>	1,201,496
	<b>5,844,808</b>	6,283,803
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>13,034,056</b>	17,031,674
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>327,500</b>	474,811
- per unit	<b>0.44</b>	0.56
Average Number of Units	<b>737,290</b>	850,638
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>10,753,209</b>	14,206,805
- per unit	<b>0.48</b>	0.57
Average Number of Units	<b>22,370,735</b>	24,995,933
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,273,654</b>	1,508,353
- per unit	<b>0.40</b>	0.46
Average Number of Units	<b>3,158,481</b>	3,295,824
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>271,328</b>	300,933
- per unit	<b>0.45</b>	0.49
Average Number of Units	<b>607,244</b>	615,038
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>408,365</b>	540,772
- per unit	<b>0.37</b>	0.44
Average Number of Units	<b>1,101,299</b>	1,234,860

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

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>209,426,849</u>	214,428,262
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>13,034,056</u>	17,031,674
Premiums		
Series 3	223,865	140,267
Series 5	10,129,841	17,648,849
Series 6	1,522,954	2,194,606
Series 7	16,089	153,035
Series 8	459,471	1,523,122
	<u>12,352,220</u>	21,659,879
Withdrawals		
Series 3	(1,018,541)	(1,475,742)
Series 5	(30,913,566)	(36,437,845)
Series 6	(3,069,963)	(3,084,418)
Series 7	(178,077)	(160,983)
Series 8	(1,079,954)	(2,533,978)
	<u>(36,260,101)</u>	(43,692,966)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>198,553,024</u>	209,426,849

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	13,034,056	17,031,674
Adjustments for:		
Net realized (gain) loss	(7,799,743)	(6,792,959)
Net unrealized (gain) loss	(6,881,443)	(11,967,988)
Non-cash distribution from investments	(4,197,493)	(4,553,616)
Proceeds from sale/maturity of investments	30,361,752	29,695,114
Investments purchased	(569,965)	(1,364,668)
Receivable for securities sold	(275,315)	39,908
Accrued expenses	(28,202)	(10,868)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>23,643,647</u>	22,076,597
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	12,372,225	21,641,730
Amounts paid on withdrawals	(36,211,868)	(43,683,896)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(23,839,643)</u>	(22,042,166)
Increase (decrease) in cash/ bank overdraft	(195,996)	34,431
Cash (bank overdraft), beginning of period	63,069	28,638
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(132,927)</u>	63,069
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	267	914
Interest paid	82	—

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Franklin Quotential Balanced Income Portfolio, Series O	18,157,336	143,031,056	199,176,901		
<b>Total Investments</b>		<b>143,031,056</b>	<b>199,176,901</b>		
<b>Other Net Assets</b>			(623,877)		(0.3)
<b>Net Assets</b>			<b>198,553,024</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	22.2%
Franklin Bissett Canadian Government Bond Fund	14.0%
Franklin Liberty Global Aggregate Bond ETF	9.6%
Franklin Bissett Short Duration Bond Fund	5.7%
Franklin FTSE U.S. Index ETF	5.7%
Franklin U.S. Core Equity Fund	5.2%
Franklin FTSE Canada All Cap Index ETF	4.4%
Franklin U.S. Rising Dividends Fund	4.1%
Templeton Global Bond Fund	4.0%
Franklin Bissett Canadian Equity Fund	4.0%
iShares Core MSCI EAFE ETF	3.9%
Franklin U.S. Opportunities Fund	3.2%
Franklin International Core Equity Fund	3.2%
Franklin Canadian Core Equity Fund	2.8%
Franklin LibertyQT U.S. Equity Index ETF	2.7%
Templeton Emerging Markets Fund	1.7%
Franklin FTSE Europe Ex U.K. Index ETF	1.3%
iShares Core MSCI Emerging Markets ETF	1.2%
Franklin Emerging Market Core Equity Fund	1.2%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	210,090	—	—	210,090
<b>TOTAL</b>	<b>210,090</b>	<b>—</b>	<b>—</b>	<b>210,090</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (40%)	1.00	836	824
Bloomberg Barclays Multiverse Bond (20%)	1.00	418	412
S&P/TSX (10%)	3.00	627	927
MSCI All Country World Net (30%)	3.00	1,880	1,546

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>7.60</b>	7.14	6.62	6.97	6.72
Series 5	<b>7.87</b>	7.38	6.82	7.16	6.90
Series 6	<b>6.27</b>	5.86	5.41	5.67	5.45
Series 7	<b>6.47</b>	6.02	5.53	5.77	5.51
Series 8*	<b>5.64</b>	5.26	4.84	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>5,092</b>	5,559	6,420	8,106	8,650
Series 5	<b>165,234</b>	175,265	179,847	204,375	215,069
Series 6	<b>18,678</b>	18,952	18,333	26,803	23,360
Series 7	<b>3,826</b>	3,717	3,424	5,137	4,770
Series 8*	<b>5,722</b>	5,934	6,404	—	—
Number of units outstanding (000)					
Series 3	<b>670</b>	779	970	1,164	1,287
Series 5	<b>20,985</b>	23,754	26,354	28,525	31,189
Series 6	<b>2,979</b>	3,232	3,388	4,727	4,289
Series 7	<b>591</b>	617	619	891	865
Series 8*	<b>1,014</b>	1,129	1,324	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.20</b>	3.20	3.20	3.20	3.20
Series 5	<b>2.95</b>	2.95	2.95	2.95	2.95
Series 6	<b>2.69</b>	2.75	2.75	2.75	2.76
Series 7	<b>2.21</b>	2.27	2.27	2.28	2.30
Series 8*	<b>2.33</b>	2.40	2.42	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>2.37</b>	2.74	4.41	5.40	5.26

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN BALANCED – FIDELITY\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Canadian Pacific Railway	4.8%
Royal Bank of Canada	4.7%
Shopify	3.5%
Brookfield Asset Management	3.1%
Toronto-Dominion Bank	2.1%
Thomson Reuters Corporation	2.0%
Dollarama	1.9%
Sun Life Financial	1.8%
Barrick Gold Corporation	1.7%
Brookfield Renewable Corporation	1.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,801	8.0%	10 840	8.4%	10,849	8.5%	10,913	9.1%	10,888	8.9%
3 Years	11,584	5.0%	11 728	5.5%	11,776	5.6%	11,990	6.2%	—	—
5 Years	12,491	4.5%	12 756	5.0%	12,840	5.1%	13,202	5.7%	—	—
10 Years	15,970	4.8%	16 632	5.2%	—	—	—	—	—	—
Since Inception	22,380	6.9%	23 480	7.3%	14,060	5.1%	14,580	5.7%	12,020	7.1%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	322,218	190,254
Investments at fair value through profit or loss (FVTPL)	733,000,949	731,871,077
Premiums receivable	248,335	935,568
Receivable for securities sold	150,905	293,133
	<u>733,722,407</u>	<u>733,290,032</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	1,771,842	1,796,201
Withdrawals payable	1,253,064	2,157,918
Payable for securities purchased	50,215	—
	<u>3,075,121</u>	<u>3,954,119</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>730,647,286</b></u>	<u>729,335,913</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>11.19</u>	10.36
Series 5	<u>11.74</u>	10.83
Series 6	<u>7.03</u>	6.48
Series 7	<u>7.29</u>	6.68
Series 8	<u>6.01</u>	5.52

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	659	3,268
Distributions from underlying funds	39,954,291	37,742,728
Changes in fair value:		
Net realized gain (loss) on investments	14,625,350	15,286,081
Net unrealized gain (loss) on investments	23,681,071	58,815,674
	<u>78,261,371</u>	<u>111,847,751</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	16,830,563	17,540,623
Operating expenses	4,005,153	4,187,171
	<u>20,835,716</u>	<u>21,727,794</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>57,425,655</b></u>	<u>90,119,957</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	607,434	1,007,191
- per unit	0.80	1.21
Average Number of Units	759,731	831,041
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	52,536,035	83,151,259
- per unit	0.89	1.28
Average Number of Units	59,249,282	64,801,191
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,627,618	3,822,171
- per unit	0.55	0.76
Average Number of Units	4,796,901	5,010,168
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	435,781	637,821
- per unit	0.59	0.82
Average Number of Units	740,714	780,494
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,218,787	1,501,515
- per unit	0.47	0.64
Average Number of Units	2,584,691	2,353,016

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>729,335,913</b>	703,673,437
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>57,425,655</u>	90,119,957
Premiums		
Series 3	882,597	1,326,665
Series 5	64,278,165	76,902,045
Series 6	4,015,309	6,083,281
Series 7	23,051	72,402
Series 8	4,304,342	4,718,951
	<u>73,503,464</u>	89,103,344
Withdrawals		
Series 3	(1,299,701)	(2,486,825)
Series 5	(117,933,572)	(141,458,261)
Series 6	(6,384,937)	(6,551,115)
Series 7	(676,334)	(156,531)
Series 8	(3,323,202)	(2,908,093)
	<u>(129,617,746)</u>	(153,560,825)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>730,647,286</u></b>	729,335,913

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>57,425,655</b>	90,119,957
Adjustments for:		
Net realized (gain) loss	<b>(14,625,350)</b>	(15,286,081)
Net unrealized (gain) loss	<b>(23,681,071)</b>	(58,815,674)
Non-cash distribution from investments	<b>(39,954,291)</b>	(37,742,728)
Proceeds from sale/maturity of investments	<b>79,968,061</b>	88,482,108
Investments purchased	<b>(2,837,221)</b>	(2,527,503)
Receivable for securities sold	<b>142,228</b>	238,235
Accrued expenses	<b>(24,359)</b>	63,590
Payable for securities purchased	<b>50,215</b>	—
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>56,463,867</u></b>	64,531,904
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>74,190,697</b>	88,771,370
Amounts paid on withdrawals	<b>(130,522,600)</b>	(153,033,890)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>(56,331,903)</u></b>	(64,262,520)
Increase (decrease) in cash/ bank overdraft	<b>131,964</b>	269,384
Cash (bank overdraft), beginning of period	<b>190,254</b>	(79,130)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>322,218</u></b>	190,254
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>947</b>	3,268
Interest paid	<b>288</b>	—

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Fidelity Canadian Balanced Fund, Series O	28,982,909	582,608,081	733,000,949		
<b>Total Investments</b>		<b>582,608,081</b>	<b>733,000,949</b>		
<b>Other Net Assets</b>			(2,353,663)		(0.3)
<b>Net Assets</b>			<b>730,647,286</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Canadian Pacific Railway	4.8%
Royal Bank of Canada	4.7%
Shopify	3.5%
Brookfield Asset Management	3.1%
Toronto-Dominion Bank	2.1%
Thomson Reuters Corporation	2.0%
Dollarama	1.9%
Sun Life Financial	1.8%
Barrick Gold Corporation	1.7%
Brookfield Renewable Corporation	1.6%
First Quantum Minerals	1.4%
Visa	1.4%
Microsoft Corporation	1.3%
Canadian Natural Resources	1.1%
Canadian Tire Corporation	1.1%
BRP	1.1%
Nutrien	1.1%
Constellation Software	1.0%
Methanex Corporation	1.0%
CGI Group	0.8%
Canada Housing, 1.950%, 2025-12-01	0.8%
Morgan Stanley	0.8%
Ritchie Bros. Auctioneers	0.7%
Gildan Activewear	0.7%
Province of Ontario, 3.450%, 2045-06-02	0.7%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	731,871	—	—	731,871
<b>TOTAL</b>	<b>731,871</b>	<b>—</b>	<b>—</b>	<b>731,871</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	2,923	2,929
Merrill Lynch High Yield Master II (10%)	2.00	1,462	1,465
S&P/TSX Capped (50%)	3.00	10,962	10,986

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

**Liquidity Risk**

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

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



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>11.19</b>	10.36	9.20	9.66	9.33
Series 5	<b>11.74</b>	10.83	9.57	10.01	9.62
Series 6	<b>7.03</b>	6.48	5.72	5.97	5.73
Series 7	<b>7.29</b>	6.68	5.86	6.08	5.81
Series 8*	<b>6.01</b>	5.52	4.86	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>8,383</b>	8,193	8,346	10,023	10,941
Series 5	<b>668,478</b>	669,597	651,002	766,980	827,435
Series 6	<b>32,579</b>	32,321	28,967	43,441	35,640
Series 7	<b>4,955</b>	5,173	4,619	4,505	1,753
Series 8*	<b>16,252</b>	14,052	10,740	—	—
Number of units outstanding (000)					
Series 3	<b>749</b>	791	907	1,038	1,173
Series 5	<b>56,947</b>	61,844	68,010	76,652	85,995
Series 6	<b>4,633</b>	4,991	5,067	7,277	6,218
Series 7	<b>680</b>	775	788	741	302
Series 8*	<b>2,703</b>	2,546	2,212	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.37</b>	3.38	3.38	3.38	3.39
Series 5	<b>2.96</b>	2.96	2.96	2.96	2.96
Series 6	<b>2.70</b>	2.81	2.81	2.81	2.81
Series 7	<b>2.15</b>	2.27	2.27	2.28	2.28
Series 8*	<b>2.36</b>	2.48	2.48	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>6.02</b>	5.45	4.56	4.20	9.00

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

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

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Fidelity U.S. Money Market Fund	2.5%
iShares TIPS Bond ETF	2.4%
JPMorgan Chase & Company	1.5%
iShares Comex Gold Trust ETF	1.4%
Walt Disney Company	1.1%
USTB, 3.000%, 2049-02-15	1.0%
Bank of America Corporation	0.9%
Johnson & Johnson	0.9%
Danaher Corporation	0.8%
Walmart	0.8%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,340	3.4%	10,339	3.4%	10,410	4.1%	10,367	3.7%
3 Years	11,555	4.9%	11,591	5.0%	11,786	5.6%	—	—
5 Years	12,097	3.9%	12,142	4.0%	12,484	4.5%	—	—
Since Inception	12,780	4.8%	12,820	4.9%	13,200	5.5%	11,860	6.6%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	2,358	1,924
Investments at fair value through profit or loss (FVTPL)	20,256,077	21,109,285
Premiums receivable	—	87,314
	<u>20,258,435</u>	<u>21,198,523</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	42,785	47,003
Withdrawals payable	69,337	68,358
Payable for securities purchased	1,636	25,144
	<u>113,758</u>	<u>140,505</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>20,144,677</u>	<u>21,058,018</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>6.39</u>	6.18
Series 6	<u>6.42</u>	6.20
Series 7	<u>6.60</u>	6.34
Series 8	<u>5.93</u>	5.72

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	796,809	696,004
Changes in fair value:		
Net realized gain (loss) on investments	241,963	125,071
Net unrealized gain (loss) on investments	216,983	1,478,628
	<u>1,255,755</u>	<u>2,299,703</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	498,610	467,581
Operating expenses	44,843	41,829
	<u>543,453</u>	<u>509,410</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>712,302</u>	<u>1,790,293</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	70,302	219,332
- per unit	0.20	0.56
Average Number of Units	353,939	389,810
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	259,669	646,609
- per unit	0.21	0.57
Average Number of Units	1,243,494	1,143,023
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	118,101	288,485
- per unit	0.26	0.60
Average Number of Units	456,275	483,688
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	264,230	635,867
- per unit	0.20	0.53
Average Number of Units	1,304,285	1,193,974

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

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>21,058,018</b>	15,844,506
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>712,302</b>	1,790,293
Premiums		
Series 5	231,614	947,764
Series 6	2,017,752	2,712,756
Series 7	110,731	744,911
Series 8	1,538,725	3,153,161
	<b>3,898,822</b>	7,558,592
Withdrawals		
Series 5	(1,085,236)	(639,417)
Series 6	(2,651,917)	(1,601,252)
Series 7	(353,152)	(695,121)
Series 8	(1,434,160)	(1,199,583)
	<b>(5,524,465)</b>	(4,135,373)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>20,144,677</b>	21,058,018

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>712,302</b>	1,790,293
Adjustments for:		
Net realized (gain) loss	<b>(241,963)</b>	(125,071)
Net unrealized (gain) loss	<b>(216,983)</b>	(1,478,628)
Non-cash distribution from investments	<b>(796,809)</b>	(696,004)
Proceeds from sale/maturity of investments	<b>3,936,486</b>	2,215,130
Investments purchased	<b>(1,827,523)</b>	(5,145,545)
Receivable for securities sold	—	14,981
Accrued expenses	<b>(4,218)</b>	12,000
Payable for securities purchased	<b>(23,508)</b>	24,892
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,537,784</b>	(3,387,952)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>3,986,136</b>	7,477,290
Amounts paid on withdrawals	<b>(5,523,486)</b>	(4,087,608)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,537,350)</b>	3,389,682
Increase (decrease) in cash/ bank overdraft	<b>434</b>	1,730
Cash (bank overdraft), beginning of period	<b>1,924</b>	194
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>2,358</b>	1,924

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.6
Fidelity U.S. Monthly Income Fund, Series O	790,679	18,673,053	20,256,077		
<b>Total Investments</b>		<b>18,673,053</b>	<b>20,256,077</b>		
<b>Other Net Assets</b>			(111,400)		(0.6)
<b>Net Assets</b>			<b>20,144,677</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	2.5%
iShares TIPS Bond ETF	2.4%
JPMorgan Chase & Company	1.5%
iShares Comex Gold Trust ETF	1.4%
Walt Disney Company	1.1%
USTB, 3.000%, 2049-02-15	1.0%
Bank of America Corporation	0.9%
Johnson & Johnson	0.9%
Danaher Corporation	0.8%
Walmart	0.8%
Citigroup	0.7%
USTB, 1.625%, 2050-11-15	0.7%
Prologis REIT	0.6%
USTN, 2.250%, 2027-11-15	0.6%
Comcast Corporation	0.6%
Wells Fargo & Company	0.6%
Nextera Energy	0.6%
Capital One Financial Corporation	0.6%
Apple	0.6%
USTN, 2.125%, 2024-07-31	0.6%
Microsoft Corporation	0.6%
Cisco Systems	0.6%
Chevron Corporation	0.6%
Bristol-Myers Squibb Company	0.6%
Exxon Mobil Corporation	0.5%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

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

**Strategy of the Fund**

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

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

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

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

*Fair Value Hierarchy (in \$'000)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	21,109	—	—	21,109
<b>TOTAL</b>	<b>21,109</b>	<b>—</b>	<b>—</b>	<b>21,109</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020 \$	December 31, 2019 \$
Bloomberg Barclays U.S. Aggregate Bond (31%)	1.50	90	95
Bank of America ML all US Convertibles (5%)	1.50	14	15
JP Morgan EMBI Global Diversified (5%)	2.00	19	20
Bank of America ML High Yield Master II Constrained (12%)	2.00	46	49
FTSE NAREIT Equity REITs (7%)	3.00	41	43
S&P 1500 (40%)	3.00	231	245

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>6.39</b>	6.18	5.62	5.53	5.54
Series 6	<b>6.42</b>	6.20	5.62	5.53	5.54
Series 7	<b>6.60</b>	6.34	5.73	5.60	5.58
Series 8*	<b>5.93</b>	5.72	5.17	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>1,991</b>	2,774	2,246	3,013	2,966
Series 6	<b>7,411</b>	7,785	6,027	8,663	5,614
Series 7	<b>2,789</b>	2,914	2,575	2,361	662
Series 8*	<b>7,954</b>	7,585	4,995	—	—
Number of units outstanding (000)					
Series 5	<b>311</b>	449	400	545	535
Series 6	<b>1,155</b>	1,256	1,072	1,566	1,013
Series 7	<b>423</b>	459	450	421	119
Series 8*	<b>1,340</b>	1,327	967	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>3.01</b>	3.01	3.00	2.97	3.10
Series 6	<b>2.73</b>	2.89	2.88	2.89	2.99
Series 7	<b>2.22</b>	2.38	2.37	2.39	2.47
Series 8*	<b>2.39</b>	2.57	2.59	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>13.01</b>	11.80	23.58	12.76	9.39

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.



## DFS GIF – GLOBAL BALANCED – JARISLOWSKY FRASER\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Jarislowsky Fraser International Fund	18.8%
Jarislowsky Fraser Emerging Market Equity Fund	3.0%
Jarislowsky Fraser Money Market Fund	2.1%
Jarislowsky Fraser US Money Market Fund	1.8%
Jarislowsky Fraser Special Equity Fund	1.6%
Microsoft Corporation	1.6%
Toronto-Dominion Bank	1.5%
Canada Housing Trust, 2.550%, 2023-12-15	1.4%
Canadian National Railway Company	1.4%
Brookfield Asset Management	1.3%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,530	5.3%	10,593	5.9%	10,606	6.1%	10,677	6.8%	10,657	6.6%
3 Years	11,146	3.7%	11,311	4.2%	11,372	4.4%	11,554	4.9%	—	—
5 Years	11,880	3.5%	12,193	4.0%	12,295	4.2%	12,610	4.7%	—	—
10 Years	16,670	5.2%	17,529	5.8%	—	—	—	—	—	—
Since Inception	19,060	3.8%	17,262	4.2%	12,600	4.5%	12,940	5.1%	11,680	5.9%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	144,339
Investments at fair value through profit or loss (FVTPL)	<b>248,413,831</b>	255,523,272
Premiums receivable	<b>3,046</b>	1,029,295
Interest, dividends and other receivables	—	554,423
	<b>248,416,877</b>	257,251,329
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>27,824</b>	—
Accrued expenses	<b>709,828</b>	585,254
Withdrawals payable	<b>537,231</b>	1,143,470
	<b>1,274,883</b>	1,728,724
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>247,141,994</b>	255,522,605
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>9.53</b>	9.05
Series 5	<b>10.18</b>	9.61
Series 6	<b>6.30</b>	5.94
Series 7	<b>6.47</b>	6.06
Series 8	<b>5.84</b>	5.48

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>4,266</b>	557,276
Distributions from underlying funds	<b>7,422,064</b>	9,952,197
Changes in fair value:		
Net realized gain (loss) on investments	<b>5,124,429</b>	4,168,380
Net unrealized gain (loss) on investments	<b>8,061,806</b>	20,246,317
	<b>20,612,565</b>	34,924,170
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>5,109,504</b>	5,332,134
Operating expenses	<b>1,553,387</b>	1,662,820
	<b>6,662,891</b>	6,994,954
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>13,949,674</b>	27,929,216
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>367,945</b>	816,110
- per unit	<b>0.46</b>	0.93
Average Number of Units	<b>797,712</b>	881,138
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>8,758,015</b>	18,905,701
- per unit	<b>0.53</b>	1.02
Average Number of Units	<b>16,566,917</b>	18,465,488
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>2,549,674</b>	4,423,185
- per unit	<b>0.36</b>	0.63
Average Number of Units	<b>7,070,571</b>	7,071,915
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>561,906</b>	1,083,008
- per unit	<b>0.39</b>	0.68
Average Number of Units	<b>1,433,971</b>	1,581,866
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,712,134</b>	2,701,212
- per unit	<b>0.34</b>	0.58
Average Number of Units	<b>4,967,496</b>	4,634,883

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>255,522,605</b>	241,056,344
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,949,674</b>	27,929,216
Premiums		
Series 3	374,933	734,864
Series 5	13,505,894	23,413,330
Series 6	5,423,072	9,359,845
Series 7	371,735	235,559
Series 8	4,017,185	8,051,044
	<b>23,692,819</b>	41,794,642
Withdrawals		
Series 3	(1,041,687)	(1,627,519)
Series 5	(32,463,953)	(40,910,460)
Series 6	(8,023,287)	(7,241,713)
Series 7	(964,717)	(1,065,875)
Series 8	(3,529,460)	(4,412,030)
	<b>(46,023,104)</b>	(55,257,597)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>247,141,994</b>	255,522,605

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,949,674</b>	27,929,216
Adjustments for:		
Net realized (gain) loss	<b>(5,124,429)</b>	(4,168,380)
Net unrealized (gain) loss	<b>(8,061,806)</b>	(20,246,317)
Non-cash distribution from investments	<b>(7,422,064)</b>	(9,952,197)
Proceeds from sale/maturity of investments	<b>32,045,972</b>	27,726,001
Investments purchased	<b>(4,328,232)</b>	(6,992,043)
Interest, dividends and other receivables	<b>554,423</b>	(554,423)
Accrued expenses	<b>124,574</b>	28,191
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>21,738,112</b>	13,770,048
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>24,719,068</b>	41,006,145
Amounts paid on withdrawals	<b>(46,629,343)</b>	(54,759,892)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(21,910,275)</b>	(13,753,747)
Increase (decrease) in cash/ bank overdraft	<b>(172,163)</b>	16,301
Cash (bank overdraft), beginning of period	<b>144,339</b>	128,038
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(27,824)</b>	144,339
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>284</b>	1,581
Interest paid	<b>97</b>	—

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.5
Jarislowsky Fraser Global Balanced Fund	16,780,839	199,356,207	248,413,831		
<b>Total Investments</b>		<b>199,356,207</b>	<b>248,413,831</b>		
<b>Other Net Assets</b>			(1,271,837)		(0.5)
<b>Net Assets</b>			<b>247,141,994</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	18.8%
Jarislowsky Fraser Emerging Market Equity Fund	3.0%
Jarislowsky Fraser Money Market Fund	2.1%
Jarislowsky Fraser US Money Market Fund	1.8%
Jarislowsky Fraser Special Equity Fund	1.6%
Microsoft Corporation	1.6%
Toronto-Dominion Bank	1.5%
Canada Housing Trust, 2.550%, 2023-12-15	1.4%
Canadian National Railway Company	1.4%
Brookfield Asset Management	1.3%
Scotiabank	1.1%
Enbridge	1.0%
Province of Ontario, 4.700%, 2037-06-02	1.0%
Province of Alberta, 2.200%, 2026-06-01	1.0%
Province of Ontario, 2.900%, 2028-06-02	1.0%
Amazon.com	0.9%
Manulife Financial Corporation	0.9%
Province of Ontario, 2.400%, 2026-06-02	0.9%
Alimentation Couche-Tard	0.9%
Canadian Imperial Bank of Commerce, 2.300%, 2022-07-11	0.9%
Alphabet	0.9%
UnitedHealth Group	0.9%
Open Text Corporation	0.8%
Facebook	0.8%
Toronto-Dominion Bank, 1.909%, 2023-07-18	0.8%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

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

#### Strategy of the Fund

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

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

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

#### Hierarchy of Financial Instruments Measured at Fair Value

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

#### Fair Value Hierarchy (in \$'000)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	255,523	—	255,523
<b>TOTAL</b>	<b>—</b>	<b>255,523</b>	<b>—</b>	<b>255,523</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada 91 Day Treasury Bill (5%)	0.25	30	42
FTSE Canada Universe Bond (38.5%)	1.00	935	1,127
S&P/TSX (22%)	3.00	1,602	1,860
S&P 500 (16%)	3.00	1,165	1,353
MSCI EAFE Net (16%)	3.00	1,165	1,353
MSCI Emerging Markets Net (2.5%)	3.00	182	N/A

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>9.53</b>	9.05	8.14	8.55	8.22
Series 5	<b>10.18</b>	9.61	8.61	9.00	8.60
Series 6	<b>6.30</b>	5.94	5.31	5.54	5.29
Series 7	<b>6.47</b>	6.06	5.39	5.60	5.31
Series 8*	<b>5.84</b>	5.48	4.88	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 3	<b>7,263</b>	7,561	7,638	8,877	9,346
Series 5	<b>158,791</b>	168,991	167,582	189,277	192,371
Series 6	<b>42,918</b>	42,968	36,427	52,193	32,488
Series 7	<b>9,137</b>	9,168	8,916	9,525	4,377
Series 8*	<b>29,034</b>	26,834	20,494	—	—
<b>Number of units outstanding (000)</b>					
Series 3	<b>762</b>	836	938	1,038	1,137
Series 5	<b>15,598</b>	17,577	19,467	21,042	22,370
Series 6	<b>6,809</b>	7,233	6,860	9,422	6,145
Series 7	<b>1,413</b>	1,512	1,653	1,702	824
Series 8*	<b>4,975</b>	4,894	4,196	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 3	<b>3.37</b>	3.37	3.37	3.37	3.39
Series 5	<b>2.85</b>	2.85	2.85	2.85	2.85
Series 6	<b>2.51</b>	2.67	2.68	2.68	2.63
Series 7	<b>1.99</b>	2.16	2.15	2.18	2.24
Series 8*	<b>2.17</b>	2.33	2.36	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>4.83</b>	6.69	8.92	8.86	9.73

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN BALANCED – FIERA CAPITAL\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS AS OF DECEMBER 31, 2020

Security Name	Percentage
Fiera Global Equity Fund	21.9%
Fiera Active Short Term Canadian Municipal Bond Fund	6.8%
Government of Canada, 2021-11-03	4.2%
Toromont Industries	2.3%
Royal Bank of Canada	2.3%
Canadian Pacific Railway	2.2%
Constellation Software	2.2%
Toronto-Dominion Bank	2.2%
Canadian National Railway Company	2.2%
Brookfield Asset Management	2.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,595	6.0%	10,660	6.6%	10,729	7.3%	10,733	7.3%	10,782	7.8%
3 Years	11,568	5.0%	11,796	5.7%	12,021	6.3%	12,020	6.3%	12,226	6.9%
5 Years	12,632	4.8%	13,040	5.5%	13,458	6.1%	13,446	6.1%	13,794	6.6%
10 Years	14,553	3.8%	15,454	4.4%	16,397	5.1%	—	—	—	—
Since Inception	24,200	3.6%	21,794	3.6%	16,506	3.9%	14,640	5.7%	15,160	6.3%

	Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,765	7.7%
3 Years	—	—
5 Years	—	—
10 Years	—	—
Since Inception	12,380	8.3%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	409,174
Investments at fair value through profit or loss (FVTPL)	<b>190,914,914</b>	164,293,788
Investments at fair value through profit or loss (FVTPL) pledged as collateral	<b>12,904,121</b>	31,063,405
Premiums receivable	<b>3,889</b>	548,271
Cash guarantee received for repurchase transactions	<b>12,388,562</b>	29,106,186
Interest, dividends and other receivables	<b>265,217</b>	225,806
	<b>216,476,703</b>	225,646,630
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>29,399</b>	—
Accrued expenses	<b>428,232</b>	417,148
Withdrawals payable	<b>330,137</b>	316,092
Payable for securities purchased	—	362,883
Commitments related to repurchase transactions	<b>12,388,562</b>	29,106,186
	<b>13,176,330</b>	30,202,309
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>		
	<b>203,300,373</b>	195,444,321
<b>NET ASSETS PER UNIT</b>		
Series 1	<b>12.10</b>	11.42
Series 3	<b>13.73</b>	12.88
Series 5	<b>14.87</b>	13.86
Series 6	<b>7.32</b>	6.82
Series 7	<b>7.58</b>	7.03
Series 8	<b>6.19</b>	5.75

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

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>909,881</b>	1,357,086
Dividends	<b>1,901,262</b>	1,777,950
Distributions from underlying funds	<b>735,449</b>	767,844
Revenue from securities lending activities	<b>39,056</b>	20,336
Foreign exchange gain (loss) on cash	<b>(6,279)</b>	(1,975)
Changes in fair value:		
Net realized gain (loss) on investments	<b>3,293,736</b>	3,750,907
Net unrealized gain (loss) on investments	<b>12,105,872</b>	20,530,003
	<b>18,978,977</b>	28,202,151
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>4,007,517</b>	3,677,105
Operating expenses	<b>1,031,898</b>	989,102
	<b>5,039,415</b>	4,666,207
Commissions and other portfolio transaction costs	<b>18,738</b>	14,700
	<b>5,058,153</b>	4,680,907
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>		
	<b>13,920,824</b>	23,521,244
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	<b>296,897</b>	685,697
- per unit	<b>0.65</b>	1.36
Average Number of Units	<b>457,800</b>	506,047
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>750,041</b>	1,476,623
- per unit	<b>0.80</b>	1.61
Average Number of Units	<b>936,563</b>	918,524
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>9,727,831</b>	18,156,185
- per unit	<b>0.98</b>	1.77
Average Number of Units	<b>9,913,821</b>	10,239,188
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,565,736</b>	1,842,390
- per unit	<b>0.50</b>	0.80
Average Number of Units	<b>3,140,719</b>	2,303,103
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>121,624</b>	222,619
- per unit	<b>0.53</b>	0.92
Average Number of Units	<b>229,967</b>	242,803
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,458,695</b>	1,137,730
- per unit	<b>0.50</b>	0.67
Average Number of Units	<b>2,935,688</b>	1,710,033

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>195,444,321</u>	164,670,618
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>13,920,824</u>	23,521,244
Premiums		
Series 1	155,462	180,295
Series 3	579,508	4,140,191
Series 5	12,966,302	21,282,061
Series 6	7,194,978	10,098,031
Series 7	3,300	341,367
Series 8	6,027,719	8,272,019
	<u>26,927,269</u>	44,313,964
Withdrawals		
Series 1	(628,696)	(812,540)
Series 3	(1,803,907)	(3,938,419)
Series 5	(22,489,276)	(25,555,663)
Series 6	(5,150,315)	(3,939,097)
Series 7	(276,364)	(306,866)
Series 8	(2,643,483)	(2,508,920)
	<u>(32,992,041)</u>	(37,061,505)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>203,300,373</u>	195,444,321

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	13,920,824	23,521,244
Adjustments for:		
Foreign exchange (gain) loss on cash	6,279	1,975
Net realized (gain) loss	(3,293,736)	(3,750,907)
Net unrealized (gain) loss	(12,105,872)	(20,530,003)
Non-cash distribution from investments	(735,449)	(767,844)
Proceeds from sale/maturity of investments	281,747,044	286,418,917
Investments purchased	(274,072,129)	(292,172,113)
Cash guarantee received for repurchase transactions	16,717,624	(12,359,128)
Interest, dividends and other receivables	(39,411)	65,957
Accrued expenses	11,084	(39,735)
Commitments related to repurchase transactions	(16,717,624)	12,359,128
Payable for securities purchased	(362,883)	352,871
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>5,075,751</u>	(6,899,638)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	27,471,651	44,004,489
Amounts paid on withdrawals	(32,977,996)	(36,837,452)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(5,506,345)</u>	7,167,037
Effect of exchange rate changes on foreign cash	(7,979)	(2,561)
Increase (decrease) in cash/bank overdraft	(438,573)	264,838
Cash (bank overdraft), beginning of period	409,174	144,336
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(29,399)</u>	409,174
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	896,503	1,276,236
Dividends received, net of withholding taxes	1,872,353	1,818,549
Interest paid	10	232

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Equities</b>					47.2
<b>Materials</b>					2.8
CCL Industries, Class B	57,100	3,168,112	3,299,809		
Winpak	57,337	2,626,195	2,455,170		
		<u>5,794,307</u>	<u>5,754,979</u>		
<b>Industrials</b>					11.1
CAE	55,725	1,517,772	1,965,421		
Canadian National Railway Company	31,690	2,360,028	4,434,699		
Canadian Pacific Railway	10,195	2,025,234	4,501,398		
Ritchie Bros. Auctioneers	16,500	809,621	1,459,920		
Thomson Reuters	31,178	2,074,134	3,248,124		
Toromont Industries	51,750	3,049,676	4,616,100		
Waste Connections	18,106	1,257,431	2,363,195		
		<u>13,093,896</u>	<u>22,588,857</u>		
<b>Consumer Discretionary</b>					2.8
Dollarama	57,815	1,877,440	2,999,442		
Restaurant Brands International	33,440	2,638,711	2,602,635		
		<u>4,516,151</u>	<u>5,602,077</u>		
<b>Consumer Staples</b>					6.7
Alimentation Couche-Tard, Class B	89,352	2,544,733	3,876,090		
Empire Company, Class A	72,050	2,315,166	2,506,620		
Loblaw Companies	40,557	2,321,296	2,547,385		
Metro	67,675	3,060,990	3,843,940		
Saputo Group	24,750	1,045,981	881,842		
		<u>11,288,166</u>	<u>13,655,877</u>		
<b>Financials</b>					13.0
Bank of Montreal	36,450	3,236,716	3,527,631		
Brookfield Asset Management, Class A	76,800	2,522,047	4,041,216		
Intact Financial Corporation	20,285	2,083,524	3,057,355		
National Bank of Canada	47,825	2,943,460	3,426,183		
Royal Bank of Canada	43,944	3,440,346	4,596,103		
TMX Group	26,500	2,300,254	3,369,210		
Toronto-Dominion Bank	62,362	3,458,168	4,485,075		
		<u>19,984,515</u>	<u>26,502,773</u>		
<b>Information Technology</b>					5.8
CGI, Class A	36,778	2,272,536	3,714,210		
Constellation Software	2,724	2,390,681	4,690,000		
Open Text	59,700	2,531,703	3,453,048		
		<u>7,194,920</u>	<u>11,857,258</u>		
<b>Communication Services</b>					3.9
Québecor, Class B	89,552	2,095,593	2,933,724		
Rogers Communications, Class B	28,556	1,798,631	1,692,229		
Shaw Communications, Class B	21,400	556,566	478,076		
TELUS	106,925	2,549,777	2,695,579		
		<u>7,000,567</u>	<u>7,799,608</u>		

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Utilities</b>					1.1
ATCO, Class I	59,925	2,701,937	2,186,660		
<b>Total Equities</b>		71,574,459	95,948,089		
<b>Investment Funds</b>					28.7
Fiera Capital Active Short Term Canadian Municipal Bond Series A	1,323,052	13,294,078	13,779,982		
Fiera Capital Global Equity Fund, Series A	1,411,648	20,416,701	44,498,523		
<b>Total Investment Funds</b>		33,710,779	58,278,505		
<b>Bonds (13.6%)</b>					13.6
<b>Canadian Bonds</b>					13.6
<b>Government of Canada</b>					3.1
Canada Housing Trust					
Series 48, 2.400%, 2022-12-15	CAD 5,000	5,230	5,209		
Government of Canada					
0.750%, 2021-09-01	CAD 1,461,000	1,468,500	1,466,913		
1.000%, 2022-09-01*	CAD 239,000	242,814	242,318		
2.250%, 2025-06-01*	CAD 1,303,000	1,364,970	1,412,211		
0.500%, 2025-09-01*	CAD 627,000	630,455	630,188		
2.250%, 2029-06-01*	CAD 127,000	144,984	144,321		
1.250%, 2030-06-01*	CAD 98,000	102,936	103,130		
2.000%, 2051-12-01*	CAD 886,000	1,055,536	1,065,788		
Muskrat Falls					
Series C, 3.860%, 2048-12-01	CAD 348,000	456,131	493,379		
Royal Office Finance					
Series A, 5.209%, 2032-11-12	CAD 521,354	549,043	682,048		
		6,020,599	6,245,505		
<b>Provincial Governments and Crown Corporations</b>					5.5
Brock University					
Series B, 3.033%, 2060-05-17	CAD 170,000	170,000	175,650		
Hospital for Sick Children					
Series B, 3.416%, 2057-12-07	CAD 178,000	178,000	217,500		
Hydro-Québec					
stripped, 2029-02-15	CAD 45,000	35,654	40,583		
stripped, 2029-08-15	CAD 44,000	34,317	39,264		
stripped, 2030-02-15	CAD 43,000	33,058	37,797		
stripped, 2030-08-15	CAD 42,000	31,326	36,452		
stripped, 2031-02-15	CAD 41,000	30,515	35,125		
stripped, 2031-08-15	CAD 40,000	28,873	33,787		
stripped, 2032-02-15	CAD 39,000	28,169	32,485		
stripped, 2032-08-15	CAD 39,000	27,207	31,991		
Ontario Infrastructure					
4.700%, 2037-06-01	CAD 70,000	70,093	95,678		
Ontario Power Generation					
3.215%, 2030-04-08	CAD 131,000	131,000	148,462		

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Provincial Governments and Crown Corporations (continued)</b>					
Ontario School Boards Financing, Private Placement					
Series 04A1, 5.483%, 2029-11-26	CAD	285,942	305,162	343,601	
Series 06A1, 5.070%, 2031-04-18	CAD	286,329	286,329	343,821	
Ornge Issuer Trust					
5.727%, 2034-06-11	CAD	102,741	115,389	129,400	
Province of Alberta					
2.050%, 2030-06-01*	CAD	1,027,000	988,898	1,086,108	
3.100%, 2050-06-01	CAD	550,000	631,139	651,551	
Province of Manitoba					
2.050%, 2030-06-02*	CAD	165,000	171,080	175,356	
3.400%, 2048-09-05*	CAD	149,000	151,009	186,378	
3.200%, 2050-03-05	CAD	109,000	135,158	132,822	
Province of New Brunswick					
3.100%, 2048-08-14	CAD	51,000	51,543	60,234	
3.050%, 2050-08-14*	CAD	51,000	50,733	60,310	
Province of Newfoundland and Labrador					
2.850%, 2029-06-02*	CAD	267,000	286,323	298,829	
1.750%, 2030-06-02	CAD	93,000	92,625	95,264	
3.700%, 2048-10-17*	CAD	15,000	16,073	18,858	
2.650%, 2050-10-17	CAD	209,000	203,433	219,171	
Province of Ontario					
4.650%, 2041-06-02*	CAD	1,905,000	2,777,921	2,780,920	
3.500%, 2043-06-02*	CAD	325,000	413,238	414,092	
2.650%, 2050-12-02*	CAD	1,845,000	2,066,913	2,108,552	
Province of Saskatchewan					
2.200%, 2030-06-02*	CAD	452,000	479,048	486,149	
3.100%, 2050-06-02*	CAD	193,000	229,268	232,212	
TCHC Issuer Trust					
4.877%, 2037-05-11	CAD	59,000	59,000	81,167	
Series B, 5.395%, 2040-02-22	CAD	110,000	112,200	163,865	
University of Ottawa					
Series C, 2.635%, 2060-02-13	CAD	129,000	129,000	129,217	
University of Western Ontario					
Series B, 3.388%, 2057-12-04	CAD	88,000	88,000	101,123	
			<u>10,637,694</u>	<u>11,223,774</u>	
<b>Municipalities and Semi-Public Institutions</b>					
City of Ottawa					
2.500%, 2051-05-11	CAD	138,000	137,262	145,308	0.1
<b>Corporations</b>					
407 International					
4.190%, 2042-04-25	CAD	80,000	87,400	101,218	4.9
3.670%, 2049-03-08	CAD	11,000	13,130	13,430	
Aéroports de Montréal					
Series R, 3.030%, 2050-04-21	CAD	104,000	108,068	114,747	

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES		COST	FAIR VALUE	
			\$	\$	%
<b>Corporations (continued)</b>					
Bell Canada					
Series M45, 4.450%, 2047-02-27*	CAD	85,000	89,766	103,282	
Canadian National Railway Company					
3.600%, 2049-02-08	CAD	59,000	64,260	71,326	
3.050%, 2050-02-08	CAD	82,000	81,458	90,454	
CHIP Mortgage Trust					
1.738%, 2025-12-15	CAD	129,000	129,000	130,029	
Choice Properties Real Estate Investment Trust					
Series P, 2.848%, 2027-05-21	CAD	192,000	192,000	205,067	
Series N, 2.981%, 2030-03-04*	CAD	123,000	123,000	131,075	
CU					
4.543%, 2041-10-24	CAD	78,000	88,448	103,133	
4.085%, 2044-09-02	CAD	29,000	34,368	36,844	
3.964%, 2045-07-27	CAD	107,000	112,121	134,344	
Enbridge					
3.200%, 2027-06-08	CAD	222,000	229,510	242,552	
3.520%, 2029-02-22	CAD	155,000	156,341	175,594	
2.990%, 2029-10-03	CAD	271,000	273,165	292,927	
4.330%, 2049-02-22	CAD	135,000	130,199	159,725	
Enbridge Gas					
3.650%, 2050-04-01	CAD	117,000	116,746	143,300	
Enbridge Pipelines					
4.550%, 2045-09-29	CAD	349,000	341,987	420,906	
EPCOR Utilities					
3.949%, 2048-11-26	CAD	8,000	9,341	10,237	
First Capital Real Estate Investment Trust					
3.447%, 2028-03-01	CAD	66,000	66,000	69,765	
Greater Toronto Airports Authority					
Series 1999-1, 6.450%, 2029-07-30		15	17	19	
Great-West Lifeco					
3.337%, 2028-02-28	CAD	316,000	318,200	357,734	
5.998%, 2039-11-16	CAD	62,000	84,893	90,521	
H&R Real Estate Investment Trust					
Series R, 2.906%, 2026-06-02	CAD	114,000	114,000	115,818	
Health Montréal Collective, Private Placement					
Series 144A, 6.721%, 2049-09-30	CAD	234,829	288,896	344,803	
Hydro One					
6.930%, 2032-06-01	CAD	30,000	42,932	45,274	
3.720%, 2047-11-18	CAD	1,000	1,010	1,233	
3.630%, 2049-06-25	CAD	60,000	60,749	73,432	
iA Financial Group					
2.400%, (floating rate from 2025-02-21), 2030-02-21	CAD	254,000	254,000	265,330	
3.072%, (floating rate from 2026-09-24), 2031-09-24*	CAD	137,000	137,000	148,650	
IGM Financial					
4.115%, 2047-12-09	CAD	20,000	20,115	23,488	

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	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	161,000	161,000	167,036	
Intact Financial Corporation					
2.850%, 2027-06-07*	CAD	51,000	51,200	55,375	
1.928%, 2030-12-16	CAD	251,000	251,000	253,434	
2.954%, 2050-12-16	CAD	57,000	57,000	58,189	
Integrated Team Solutions SJHC					
5.946%, 2042-11-30	CAD	49,457	49,805	66,691	
Melancthon Wolfe Wind					
3.834%, 2028-12-31	CAD	65,311	65,319	70,451	
Newfoundland Power					
Series AQ, 3.608%, 2060-04-20	CAD	137,000	137,000	152,160	
North Battleford Power					
Series A, 4.958%, 2032-12-31	CAD	92,636	92,642	110,991	
North West Redwater Partnership					
Series E, 3.200%, 2026-04-24	CAD	44,000	43,906	47,988	
Series J, 2.800%, 2027-06-01	CAD	39,000	41,429	41,935	
Series F, 4.250%, 2029-06-01*	CAD	116,000	131,348	136,999	
Series B, 4.050%, 2044-07-22	CAD	26,000	28,045	30,187	
Nova Scotia Power					
5.610%, 2040-06-15	CAD	20,000	28,389	28,831	
Series 2020, 3.307%, 2050-04-25	CAD	157,000	158,744	175,889	
Pembina Pipeline					
Series 12, 3.620%, 2029-04-03	CAD	203,000	203,988	225,066	
Series 15, 3.310%, 2030-02-01	CAD	77,000	81,646	83,466	
Series 3, 4.750%, 2043-04-30	CAD	158,000	136,958	179,753	
Series 4, 4.810%, 2044-03-25	CAD	83,000	83,068	95,406	
Plenary Health Care Partnerships Humber					
4.895%, 2039-05-31	CAD	113,117	113,117	141,893	
Royal Bank of Canada					
2.328%, 2027-01-28	CAD	503,000	518,215	536,573	
SGTP Highway Bypass					
Series A, 4.105%, 2045-01-31	CAD	163,015	163,015	190,480	
Sinai Health System					
Series A, 3.527%, 2056-06-09	CAD	55,000	55,000	62,710	
SmartCentres Real Estate Investment Trust					
Series V, 3.192%, 2027-06-11	CAD	147,000	147,000	157,688	
Series U, 3.526%, 2029-12-20	CAD	212,000	212,000	230,447	
Sun Life Financial					
2.580%, (floating rate from 2027-05-10), 2032-05-10	CAD	465,000	464,823	499,156	
2.060%, (floating rate from 2030-10-01), 2035-10-01*	CAD	108,000	107,913	109,334	
Suncor Energy					
5.000%, 2030-04-09*	CAD	212,000	211,358	259,603	

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	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	118,872	
Series CY, 3.300%, 2029-05-02*	CAD	294,000	293,637	328,299	
Series CAB, 3.950%, 2050-02-16	CAD	94,000	93,205	105,009	
<b>Toronto-Dominion Bank</b>					
3.105%, (floating rate from 2025-04-22), 2030-04-22	CAD	124,000	124,000	133,953	
3.060%, (floating rate from 2027-01-26), 2032-01-26*	CAD	200,000	216,551	218,529	
<b>TransCanada PipeLines</b>					
3.800%, 2027-04-05	CAD	425,000	428,715	479,082	
4.340%, 2049-10-15	CAD	18,000	20,241	20,691	
<b>TransCanada Trust</b>					
Series 2017-A, 4.650%, (floating rate from 2027-05-18) 2077-05-18	CAD	161,000	160,922	165,930	
			9,013,008	9,954,353	
<b>Total Canadian Bonds</b>			25,808,563	27,568,940	
<b>U.S. Bonds</b>					0.0
<b>Corporations</b>					
<b>Athene Global Funding</b>					
2.100%, 2025-09-24	CAD	62,000	61,924	62,538	
<b>Total Bonds</b>			25,870,487	27,631,478	
<b>Money Market Securities</b>					
<b>Canada Treasury Bills</b>					
2021-02-18	CAD	2,750,000	2,749,672	2,749,672	
2021-03-04	CAD	800,000	799,839	799,839	
2021-03-11	CAD	8,650,000	8,648,295	8,648,295	
2021-03-18	CAD	2,000,000	1,999,493	1,999,493	
<b>Ontario Treasury Bills</b>					
2021-01-20	CAD	3,225,000	3,224,781	3,224,781	
2021-03-11	CAD	2,865,000	2,864,035	2,864,035	
<b>Province of Alberta, notes</b>					
2021-01-25	CAD	1,675,000	1,674,848	1,674,848	
<b>Total Money Market Securities</b>			21,960,963	21,960,963	
<b>Total Investments</b>			<b>153,116,688</b>	<b>203,819,035</b>	100.3
<b>Other Net Assets</b>				(518,662)	(0.3)
<b>Net Assets</b>				<b>203,300,373</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 21.9%</b>	
Moody's Corporation	6.3%
Keyence Corporation	5.4%
Taiwan Semiconductor Manufacturing Company	5.2%
Mastercard	5.0%
Alphabet	4.8%
<b>FIERA CAPITAL ACTIVE SHORT TERM CANADIAN MUNICIPAL BOND 6.8%</b>	
Province of Ontario, 2.050%, 2030-06-02	3.2%
Province of Ontario, 2.700%, 2029-06-02	1.7%
City of Pointe-Claire, 2.200%, 2024-07-24	1.6%
Laval Transport, 2.300%, 2022-11-15	1.5%
City of Waterloo, 2,750%, 2023-07-31	1.2%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

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

**Strategy of the Fund**

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

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

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

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

*Fair Value Hierarchy (in \$'000)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial Assets at FVTPL</b>				
Equities	84,673	—	—	84,673
Bonds	19,245	6,923	—	26,168
Non-Related Investment Funds	—	54,284	—	54,284
Money Market Securities	30,232	—	—	30,232
<b>TOTAL</b>	<b>134,150</b>	<b>61,207</b>	<b>—</b>	<b>195,357</b>

*Transfers between Levels 1 and 2*

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

#### Interest Rate Risk (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
	\$	\$	\$	\$	\$	\$
December 31, 2020	<b>23,398</b>	<b>2,882</b>	<b>8,960</b>	<b>14,323</b>	<b>49,563</b>	<b>1,370</b>
December 31, 2019	30,641	2,610	14,943	8,615	56,809	1,251

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:

December 31, 2020		December 31, 2019	
Market Segment	%	Market Segment	%
Equities		Equities	
Financials	13.0	Financials	13.8
Industrials	11.1	Industrials	8.5
Consumer Staples	6.7	Consumer Staples	5.8
Information Technology	5.8	Information Technology	5.1
Communication Services	3.9	Communication Services	3.2
Materials	2.8	Materials	2.4
Consumer Discretionary	2.8	Consumer Discretionary	2.2
Utilities	1.1	Utilities	1.3
Investment Funds		Energy	1.0
Growth	21.9	Investment Funds	
Income	6.8	Growth	20.7
Canadian Bonds	13.6	Income	7.1
U.S. Bonds	—	Money Market Securities	15.5
Money Market Securities	10.8	Bonds	13.4
Other Net Assets	(0.3)	<b>TOTAL</b>	<b>100</b>
<b>TOTAL</b>			

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

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

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

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

	Change in Price	Impact on Net Assets Attributable to Contract Owners	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada 91 Day Treasury Bill (10%)	0.25	39	45
FTSE Canada Universe Bond (30%)	1.00	465	540
S&P/TSX Capped (40%)	3.00	1,860	2,162
MSCI World Net (20%)	3.00	930	1,081

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**

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	
	December 31, 2020	December 31, 2019
	<b>%</b>	<b>%</b>
AAA	23	26
AA	33	48
A	23	13
BBB	21	13
<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	
	December 31, 2020	December 31, 2019
	<b>%</b>	<b>%</b>
R-1 (High)	65	76
R-1 (Middle)	35	24
<b>TOTAL</b>	<b>100</b>	<b>100</b>

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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:

	\$
December 31, 2020	<b>12,363,669</b>
December 31, 2019	28,862,655

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

The fair value of those financial assets is:

	\$
December 31, 2020	<b>2,323,570</b>
December 31, 2019	2,597,030

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

	\$
December 31, 2020	<b>2,634</b>
December 31, 2019	—

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

### Liquidity Risk

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

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

## DERECOGNITION OF FINANCIAL ASSETS

### Securities Lending and Repurchase Transactions

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

	December 31, 2020	December 31, 2019
	\$	\$
Investments at FVTPL pledged as collateral	<b>12,904,121</b>	31,063,405
Value of Collateral received	<b>13,162,203</b>	31,685,225

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

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

	December 31, 2020	December 31, 2019
	Fair Value*	Fair Value*
	\$	\$
Financial assets	<b>12,363,669</b>	28,862,655
Related liabilities	<b>12,385,928</b>	29,106,186

\* The fair value equals carrying amount.

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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.

	December 31, 2020		December 31, 2019	
	\$	%	\$	%
Total Income	<b>65,093</b>	<b>100</b>	33,893	100
Net Income received by the Fund	<b>39,056</b>	<b>60</b>	20,336	60
Net Income received by Desjardins Trust	<b>26,037</b>	<b>40</b>	13,557	40

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1	<b>12.10</b>	11.42	10.11	10.46	10.09
Series 3	<b>13.73</b>	12.88	11.32	11.64	11.16
Series 5	<b>14.87</b>	13.86	12.11	12.37	11.78
Series 6	<b>7.32</b>	6.82	5.96	6.09	5.80
Series 7	<b>7.58</b>	7.03	6.10	6.20	5.88
Series 8*	<b>6.19</b>	5.75	5.01	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 1	<b>5,279</b>	5,455	5,402	6,504	7,258
Series 3	<b>12,251</b>	12,726	11,047	12,813	14,379
Series 5	<b>141,928</b>	141,723	127,840	143,568	148,882
Series 6	<b>23,414</b>	19,804	11,803	17,422	13,242
Series 7	<b>1,592</b>	1,743	1,486	1,357	918
Series 8*	<b>18,837</b>	13,994	7,093	—	—
Number of units outstanding (000)					
Series 1	<b>436</b>	478	535	622	719
Series 3	<b>892</b>	988	976	1,101	1,289
Series 5	<b>9,546</b>	10,224	10,560	11,608	12,639
Series 6	<b>3,201</b>	2,903	1,981	2,861	2,283
Series 7	<b>210</b>	248	243	219	156
Series 8*	<b>3,045</b>	2,434	1,417	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 1	<b>3.83</b>	3.83	3.83	3.83	3.83
Series 3	<b>3.19</b>	3.19	3.19	3.18	3.19
Series 5	<b>2.55</b>	2.55	2.55	2.55	2.55
Series 6	<b>2.40</b>	2.57	2.57	2.57	2.57
Series 7	<b>1.86</b>	2.04	2.03	2.08	2.08
Series 8*	<b>2.08</b>	2.25	2.25	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>50.78</b>	60.93	49.23	145.33	117.30

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

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

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Franklin Bissett Core Plus Bond Fund	14.1%
Franklin Bissett Canadian Government Bond Fund	8.9%
Franklin FTSE U.S. Index ETF	8.3%
Franklin U.S. Core Equity Fund	7.6%
Franklin FTSE Canada All Cap Index ETF	6.5%
Franklin Liberty Global Aggregate Bond ETF	6.1%
Franklin U.S. Rising Dividends Fund	5.9%
Franklin Bissett Canadian Equity Fund	5.9%
iShares Core MSCI EAFE ETF	5.6%
Franklin U.S. Opportunities Fund	4.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,700	7.0%	10,743	7.4%	10,755	7.6%	10,813	8.1%	10,794	7.9%
3 Years	11,054	3.4%	11,166	3.7%	11,216	3.9%	11,414	4.5%	—	—
5 Years	11,769	3.3%	11,950	3.6%	12,055	3.8%	12,372	4.3%	—	—
10 Years	14,815	4.0%	15,273	4.3%	—	—	—	—	—	—
Since Inception	14,680	2.8%	15,117	3.2%	13,100	4.0%	13,560	4.5%	11,420	5.1%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	26,585
Investments at fair value through profit or loss (FVTPL)	<b>440,790,040</b>	453,484,207
Premiums receivable	<b>133,424</b>	265,311
Receivable for securities sold	<b>439,076</b>	257,746
	<b>441,362,540</b>	454,033,849
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>377,380</b>	—
Accrued expenses	<b>1,076,923</b>	1,110,281
Withdrawals payable	<b>518,299</b>	857,665
Payable for securities purchased	—	25,150
	<b>1,972,602</b>	1,993,096
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>439,389,938</b>	452,040,753
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>7.34</b>	6.86
Series 5	<b>7.66</b>	7.13
Series 6	<b>6.55</b>	6.09
Series 7	<b>6.78</b>	6.27
Series 8	<b>5.71</b>	5.29

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	419
Distributions from underlying funds	<b>7,201,971</b>	8,409,780
Changes in fair value:		
Net realized gain (loss) on investments	<b>19,308,748</b>	16,150,354
Net unrealized gain (loss) on investments	<b>17,404,423</b>	35,197,898
	<b>43,915,142</b>	59,758,451
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>10,364,970</b>	10,940,913
Operating expenses	<b>2,451,416</b>	2,593,410
	<b>12,816,386</b>	13,534,323
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>31,098,756</b>	46,224,128
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>532,864</b>	864,345
- per unit	<b>0.47</b>	0.68
Average Number of Units	<b>1,132,137</b>	1,279,726
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>27,329,185</b>	40,886,294
- per unit	<b>0.51</b>	0.70
Average Number of Units	<b>53,570,322</b>	58,701,402
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>2,146,836</b>	3,057,105
- per unit	<b>0.45</b>	0.60
Average Number of Units	<b>4,822,695</b>	5,091,400
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>232,296</b>	353,438
- per unit	<b>0.51</b>	0.66
Average Number of Units	<b>457,353</b>	533,394
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>857,575</b>	1,062,946
- per unit	<b>0.43</b>	0.53
Average Number of Units	<b>1,984,181</b>	2,019,607

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

Periods Ended December 31

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>452,040,753</u>	445,462,406
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>31,098,756</u>	46,224,128
Premiums		
Series 3	157,766	261,744
Series 5	26,239,786	38,577,277
Series 6	1,888,700	3,287,443
Series 7	33,614	18,623
Series 8	1,349,664	2,041,540
	<u>29,669,530</u>	44,186,627
Withdrawals		
Series 3	(1,082,917)	(2,056,726)
Series 5	(65,419,954)	(74,680,281)
Series 6	(4,810,746)	(4,591,423)
Series 7	(159,500)	(870,984)
Series 8	(1,945,984)	(1,632,994)
	<u>(73,419,101)</u>	(83,832,408)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>439,389,938</u>	452,040,753

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	31,098,756	46,224,128
Adjustments for:		
Net realized (gain) loss	(19,308,748)	(16,150,354)
Net unrealized (gain) loss	(17,404,423)	(35,197,898)
Non-cash distribution from investments	(7,201,971)	(8,409,780)
Proceeds from sale/maturity of investments	58,574,292	54,091,162
Investments purchased	(1,964,983)	(937,069)
Receivable for securities sold	(181,330)	23,252
Accrued expenses	(33,358)	14,224
Payable for securities purchased	(25,150)	11,619
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>43,553,085</u>	39,669,284
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	29,801,417	43,960,156
Amounts paid on withdrawals	(73,758,467)	(83,614,108)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(43,957,050)</u>	(39,653,952)
Increase (decrease) in cash/bank overdraft	(403,965)	15,332
Cash (bank overdraft), beginning of period	26,585	11,253
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(377,380)</u>	26,585
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	—	443
Interest paid	—	24

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Franklin Quotential Balanced Growth Portfolio, Series O	33,383,827	281,940,236	440,790,040		
<b>Total Investments</b>		<b>281,940,236</b>	<b>440,790,040</b>		
<b>Other Net Assets</b>			(1,400,102)		(0.3)
<b>Net Assets</b>			<b>439,389,938</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	14.1%
Franklin Bissett Canadian Government Bond Fund	8.9%
Franklin FTSE U.S. Index ETF	8.3%
Franklin U.S. Core Equity Fund	7.6%
Franklin FTSE Canada All Cap Index ETF	6.5%
Franklin Liberty Global Aggregate Bond ETF	6.1%
Franklin U.S. Rising Dividends Fund	5.9%
Franklin Bissett Canadian Equity Fund	5.9%
iShares Core MSCI EAFE ETF	5.6%
Franklin U.S. Opportunities Fund	4.6%
Franklin International Core Equity Fund	4.6%
Franklin Canadian Core Equity Fund	4.1%
Franklin LibertyQT U.S. Equity Index ETF	3.9%
Franklin Bissett Short Duration Bond Fund	3.7%
Templeton Global Bond Fund	2.5%
Templeton Emerging Markets Fund	2.5%
Franklin FTSE Europe Ex U.K. Index ETF	2.0%
iShares Core MSCI Emerging Markets ETF	1.8%
Franklin Emerging Market Core Equity Fund	1.6%
Other Net Assets	-0.1%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	453,484	—	—	453,484
<b>TOTAL</b>	<b>453,484</b>	<b>—</b>	<b>—</b>	<b>453,484</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (28%)	1.00	1,249	1,370
Bloomberg Barclays Multiverse Bond (12%)	1.00	535	457
S&P/TSX (15%)	3.00	2,008	2,740
MSCI All Country World Net (45%)	3.00	6,024	5,479

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>7.34</b>	6.86	6.22	6.64	6.32
Series 5	<b>7.66</b>	7.13	6.45	6.86	6.51
Series 6	<b>6.55</b>	6.09	5.49	5.84	5.53
Series 7	<b>6.78</b>	6.27	5.62	5.94	5.60
Series 8*	<b>5.71</b>	5.29	4.76	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>7,686</b>	8,078	9,009	10,448	11,499
Series 5	<b>388,199</b>	400,050	395,267	457,210	470,236
Series 6	<b>29,579</b>	30,354	28,601	38,969	32,581
Series 7	<b>3,001</b>	2,894	3,393	4,699	4,108
Series 8*	<b>10,926</b>	10,664	9,193	—	—
Number of units outstanding (000)					
Series 3	<b>1,047</b>	1,177	1,448	1,573	1,821
Series 5	<b>50,679</b>	56,074	61,291	66,604	72,244
Series 6	<b>4,515</b>	4,984	5,206	6,675	5,896
Series 7	<b>443</b>	462	603	791	734
Series 8*	<b>1,912</b>	2,015	1,932	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.28</b>	3.28	3.27	3.26	3.26
Series 5	<b>2.98</b>	2.98	2.97	2.97	2.97
Series 6	<b>2.73</b>	2.78	2.78	2.79	2.80
Series 7	<b>2.20</b>	2.27	2.27	2.29	2.34
Series 8*	<b>2.37</b>	2.44	2.48	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>2.10</b>	2.04	3.49	5.12	3.18

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN BALANCED – CI SIGNATURE\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Manulife Financial Corporation	5.1%
Scotiabank	2.1%
Microsoft Corporation	2.1%
Power Corporation of Canada	2.0%
Nestlé SA	2.0%
Shopify	1.9%
Government of Canada, 0.000%, 2021-04-29	1.9%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.7%
Sony Corporation	1.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,649	6.5%	10,656	6.6%	10,731	7.3%	10,683	6.8%
3 Years	10,890	2.9%	10,954	3.1%	11,129	3.6%	—	—
5 Years	12,423	4.4%	12,538	4.6%	12,878	5.2%	—	—
10 Years	15,371	4.4%	—	—	—	—	—	—
Since Inception	16,400	4.7%	13,320	4.3%	13,800	4.8%	11,260	4.5%

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

## DFS GIF – CANADIAN BALANCED – CI SIGNATURE (continued)

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	135,847
Investments at fair value through profit or loss (FVTPL)	<b>113,747,241</b>	119,849,496
Premiums receivable	<b>6,143</b>	—
Receivable for securities sold	<b>27,880</b>	224,607
	<b>113,781,264</b>	120,209,950
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>21,159</b>	—
Accrued expenses	<b>263,901</b>	285,573
Withdrawals payable	<b>76,436</b>	288,459
Payable for securities purchased	—	134,728
	<b>361,496</b>	708,760
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>113,419,768</b>	119,501,190
<b>NET ASSETS PER UNIT</b>		
Series 5	<b>8.20</b>	7.70
Series 6	<b>6.66</b>	6.25
Series 7	<b>6.90</b>	6.43
Series 8	<b>5.63</b>	5.27

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	116
Distributions from underlying funds	<b>2,629,753</b>	3,905,828
Changes in fair value:		
Net realized gain (loss) on investments	<b>(11,845)</b>	(285,152)
Net unrealized gain (loss) on investments	<b>7,239,386</b>	14,294,596
	<b>9,857,294</b>	17,915,388
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>2,562,799</b>	2,839,126
Operating expenses	<b>590,496</b>	670,590
	<b>3,153,295</b>	3,509,716
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>6,703,999</b>	14,405,672
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>3,990,833</b>	9,487,581
- per unit	<b>0.43</b>	0.87
Average Number of Units	<b>9,224,928</b>	10,903,787
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,548,690</b>	2,913,616
- per unit	<b>0.40</b>	0.71
Average Number of Units	<b>3,849,845</b>	4,117,029
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>338,632</b>	686,997
- per unit	<b>0.42</b>	0.76
Average Number of Units	<b>810,042</b>	900,860
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>825,844</b>	1,317,478
- per unit	<b>0.37</b>	0.60
Average Number of Units	<b>2,225,254</b>	2,200,559

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



STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>119,501,190</b>	118,316,086
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>6,703,999</u>	14,405,672
Premiums		
Series 5	3,207,350	7,414,389
Series 6	1,689,388	2,956,840
Series 7	160,000	6,691
Series 8	1,518,616	2,099,093
	<u>6,575,354</u>	12,477,013
Withdrawals		
Series 5	(13,247,440)	(19,242,818)
Series 6	(3,933,497)	(4,316,029)
Series 7	(795,450)	(365,965)
Series 8	(1,384,388)	(1,772,769)
	<u>(19,360,775)</u>	(25,697,581)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b><u>113,419,768</u></b>	119,501,190

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,703,999</b>	14,405,672
Adjustments for:		
Net realized (gain) loss	<b>11,845</b>	285,152
Net unrealized (gain) loss	<b>(7,239,386)</b>	(14,294,596)
Non-cash distribution from investments	<b>(2,629,753)</b>	(3,905,828)
Proceeds from sale/maturity of investments	<b>16,800,783</b>	18,271,002
Investments purchased	<b>(841,234)</b>	(1,530,645)
Receivable for securities sold	<b>196,727</b>	(198,613)
Accrued expenses	<b>(21,672)</b>	(581)
Payable for securities purchased	<b>(134,728)</b>	133,595
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b><u>12,846,581</u></b>	13,165,158
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>6,569,211</b>	12,609,471
Amounts paid on withdrawals	<b>(19,572,798)</b>	(25,639,310)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b><u>(13,003,587)</u></b>	(13,029,839)
Increase (decrease) in cash/ bank overdraft	<b>(157,006)</b>	135,319
Cash (bank overdraft), beginning of period	<b>135,847</b>	528
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b><u>(21,159)</u></b>	135,847
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	116

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

## DFS GIF – CANADIAN BALANCED – CI SIGNATURE (continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Signature Canadian Balanced Fund, Class I	11,256,865	105,666,939	113,747,241		
<b>Total Investments</b>		<b>105,666,939</b>	<b>113,747,241</b>		
<b>Other Net Assets</b>			(327,473)		(0.3)
<b>Net Assets</b>			<b>113,419,768</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Manulife Financial Corporation	5.1%
Scotiabank	2.1%
Microsoft Corporation	2.1%
Power Corporation of Canada	2.0%
Nestlé SA	2.0%
Shopify	1.9%
Government of Canada, 0.000%, 2021-04-29	1.9%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.7%
Sony Corporation	1.6%
Povince of Ontario, 2.600%, 2025-06-02	1.5%
Wheaton Precious Metals	1.4%
Canadian Pacific Railway	1.4%
Enbridge	1.3%
Advanced Micro Devices	1.3%
Suncor Energy	1.3%
Mondelez International	1.3%
Nutrien	1.2%
Province of Québec, 2.500%, 2026-09-01	1.2%
Fairfax Financial Holdings	1.2%
Alimentation Couche-Tard	1.2%
Apple	1.2%
Canadian Natural Resources	1.1%
Amazon.com	1.1%
SPDR Gold Shares	1.0%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	119,849	—	—	119,849
<b>TOTAL</b>	<b>119,849</b>	<b>—</b>	<b>—</b>	<b>119,849</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

## DFS GIF – CANADIAN BALANCED – CI SIGNATURE (continued)

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	458	506
S&P/TSX (30%)	3.00	1,030	1,138
MSCI All Country World Net (30%)	3.00	1,030	1,138

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>8.20</b>	7.70	6.85	7.53	6.93
Series 6	<b>6.66</b>	6.25	5.54	6.08	5.59
Series 7	<b>6.90</b>	6.43	5.68	6.20	5.66
Series 8*	<b>5.63</b>	5.27	4.66	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>71,035</b>	77,084	79,425	97,640	83,488
Series 6	<b>24,423</b>	25,119	23,564	35,197	27,445
Series 7	<b>5,305</b>	5,602	5,274	3,703	2,407
Series 8*	<b>12,656</b>	11,696	10,052	—	—
Number of units outstanding (000)					
Series 5	<b>8,668</b>	10,010	11,597	12,966	12,051
Series 6	<b>3,667</b>	4,021	4,250	5,786	4,914
Series 7	<b>769</b>	871	929	598	425
Series 8*	<b>2,246</b>	2,221	2,159	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>3.00</b>	3.00	3.00	2.99	2.99
Series 6	<b>2.69</b>	2.79	2.78	2.78	2.79
Series 7	<b>2.14</b>	2.24	2.25	2.28	2.29
Series 8*	<b>2.34</b>	2.44	2.48	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>3.13</b>	4.45	12.48	6.42	7.84

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – INCOME AND GROWTH – CI SIGNATURE\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Manulife Financial Corporation	5.1%
Nestlé SA	2.2%
Scotiabank	2.1%
Microsoft Corporation	2.1%
Government of Canada, 0.000%, 2021-04-29	2.0%
Power Corporation of Canada	2.0%
Shopify	1.9%
Sony Corporation	1.7%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,421	4.2%	10,444	4.4%	10,493	4.9%	10,472	4.7%
3 Years	10,771	2.5%	10,822	2.7%	11,002	3.2%	—	—
5 Years	12,596	4.7%	12,683	4.9%	13,020	5.4%	—	—
Since Inception	15,360	5.3%	13,160	4.1%	13,620	4.6%	11,100	4.0%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	7,880	3,790
Investments at fair value through profit or loss (FVTPL)	115,629,601	113,719,250
Premiums receivable	887	151,757
Receivable for securities sold	—	23,502
	<u>115,638,368</u>	<u>113,898,299</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	265,071	267,963
Withdrawals payable	93,496	253,106
Payable for securities purchased	373	—
	<u>358,940</u>	<u>521,069</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>115,279,428</b></u>	<u>113,377,230</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.68</u>	7.37
Series 6	<u>6.58</u>	6.30
Series 7	<u>6.81</u>	6.49
Series 8	<u>5.55</u>	5.30

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	176
Distributions from underlying funds	3,600,328	3,992,041
Changes in fair value:		
Net realized gain (loss) on investments	21,266	(149,441)
Net unrealized gain (loss) on investments	4,771,020	13,537,924
	<u>8,392,614</u>	<u>17,380,700</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	2,776,837	2,827,788
Operating expenses	352,618	353,362
	<u>3,129,455</u>	<u>3,181,150</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>5,263,159</b></u>	<u>14,199,550</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	2,690,661	6,057,600
- per unit	<u>0.39</u>	0.89
Average Number of Units	<u>6,918,277</u>	6,809,453
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	1,306,803	4,279,946
- per unit	<u>0.25</u>	0.77
Average Number of Units	<u>5,162,634</u>	5,575,212
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	303,127	984,534
- per unit	<u>0.29</u>	0.83
Average Number of Units	<u>1,055,533</u>	1,187,712
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	962,568	2,877,470
- per unit	<u>0.22</u>	0.65
Average Number of Units	<u>4,347,415</u>	4,417,266

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>113,377,230</b>	102,319,975
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,263,159</b>	14,199,550
Premiums		
Series 5	10,514,560	10,489,829
Series 6	2,369,801	6,532,027
Series 7	66,743	345,878
Series 8	2,744,074	5,951,692
	<b>15,695,178</b>	23,319,426
Withdrawals		
Series 5	(9,117,602)	(12,397,607)
Series 6	(5,057,521)	(8,152,653)
Series 7	(875,137)	(1,194,017)
Series 8	(4,005,879)	(4,717,444)
	<b>(19,056,139)</b>	(26,461,721)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>115,279,428</b>	113,377,230

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>5,263,159</b>	14,199,550
Adjustments for:		
Net realized (gain) loss	(21,266)	149,441
Net unrealized (gain) loss	(4,771,020)	(13,537,924)
Non-cash distribution from investments	(3,600,328)	(3,992,041)
Proceeds from sale/maturity of investments	<b>13,283,873</b>	12,815,305
Investments purchased	(6,801,610)	(6,572,110)
Receivable for securities sold	<b>23,502</b>	172,325
Accrued expenses	(2,892)	25,448
Payable for securities purchased	<b>373</b>	(23,368)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>3,373,791</b>	3,236,626
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>15,846,048</b>	23,359,997
Amounts paid on withdrawals	(19,215,749)	(26,404,611)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(3,369,701)</b>	(3,044,614)
Increase (decrease) in cash/bank overdraft	<b>4,090</b>	192,012
Cash (bank overdraft), beginning of period	<b>3,790</b>	(188,222)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>7,880</b>	3,790
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	176

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Signature Income & Growth Fund, Class I	12,409,938	105,097,277	115,629,601		
<b>Total Investments</b>		<b>105,097,277</b>	<b>115,629,601</b>		
<b>Other Net Assets</b>			(350,173)		(0.3)
<b>Net Assets</b>			<b>115,279,428</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Manulife Financial Corporation	5.1%
Nestlé SA	2.2%
Scotiabank	2.1%
Microsoft Corporation	2.1%
Government of Canada, 0.000%, 2021-04-29	2.0%
Power Corporation of Canada	2.0%
Shopify	1.9%
Sony Corporation	1.7%
Canadian Imperial Bank of Commerce	1.7%
Toronto-Dominion Bank	1.6%
Wheaton Precious Metals	1.5%
Canadian Pacific Railway	1.4%
Advanced Micro Devices	1.3%
Enbridge	1.3%
Mondelez International	1.3%
Alimentation Couche-Tard	1.3%
Suncor Energy	1.3%
Apple	1.3%
Amazon.com	1.3%
Nutrien	1.2%
Fairfax Financial Holdings	1.2%
Canadian Natural Resources	1.1%
Canadian Government Bond, 2.000%, 2051-12-01	1.0%
SPDR Gold Shares	1.0%
Saputo Group	1.0%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	113,719	—	—	113,719
<b>TOTAL</b>	<b>113,719</b>	<b>—</b>	<b>—</b>	<b>113,719</b>

*Transfers between Levels 1 and 2*

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (20%)	1.00	204	166
Merrill Lynch High Yield Master II (20%)	2.00	407	332
S&P/TSX (35%)	3.00	1,069	995
MSCI All Country World Net (25%)	3.00	764	995
S&P/TSX Composite High Dividend (0%)	3.00	N/A	332

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>7.68</b>	7.37	6.48	7.13	6.53
Series 6	<b>6.58</b>	6.30	5.53	6.08	5.56
Series 7	<b>6.81</b>	6.49	5.67	6.19	5.63
Series 8*	<b>5.55</b>	5.30	4.64	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>52,747</b>	48,660	44,510	44,345	40,197
Series 6	<b>32,358</b>	33,739	31,080	42,007	30,855
Series 7	<b>6,605</b>	7,110	6,974	6,640	1,972
Series 8*	<b>23,568</b>	23,868	19,756	—	—
Number of units outstanding (000)					
Series 5	<b>6,869</b>	6,603	6,871	6,220	6,159
Series 6	<b>4,919</b>	5,354	5,618	6,906	5,549
Series 7	<b>970</b>	1,095	1,231	1,072	350
Series 8*	<b>4,248</b>	4,505	4,261	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>3.05</b>	3.04	3.04	3.04	3.05
Series 6	<b>2.73</b>	2.90	2.90	2.89	2.90
Series 7	<b>2.18</b>	2.35	2.34	2.36	2.36
Series 8*	<b>2.40</b>	2.57	2.59	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>12.09</b>	11.53	5.37	7.42	19.52

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GROWTH AND INCOME – NEI\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
NEI Global Equity Fund	35.0%
NEI Canadian Bond Fund	25.4%
Toronto-Dominion Bank	3.4%
Colliers International Group	2.6%
Magna International	2.4%
First Quantum Minerals	2.4%
Scotiabank	2.2%
GFL Environmental	2.2%
FirstService Corporation	2.1%
Brookfield Asset Management	1.8%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,473	4.7%	10,545	5.5%	10,559	5.6%	10,617	6.2%	10,587	5.9%
3 Years	10,831	2.7%	11,045	3.4%	11,095	3.5%	11,262	4.0%	—	—
5 Years	12,574	4.7%	12,994	5.4%	13,069	5.5%	13,399	6.0%	—	—
10 Years	16,738	5.3%	17,827	6.0%	—	—	—	—	—	—
Since Inception	14,600	2.7%	16,204	3.7%	13,980	5.0%	14,460	5.5%	11,180	4.2%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	357,988	806,520
Investments at fair value through profit or loss (FVTPL)	224,521,653	231,867,135
Premiums receivable	7,444	136,587
Receivable for securities sold	66,125	—
	<u>224,953,210</u>	<u>232,810,242</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	520,642	547,189
Withdrawals payable	236,987	252,994
Payable for securities purchased	—	454,653
	<u>757,629</u>	<u>1,254,836</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>224,195,581</b></u>	<u>231,555,406</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>7.30</u>	6.97
Series 5	<u>7.93</u>	7.52
Series 6	<u>6.99</u>	6.62
Series 7	<u>7.23</u>	6.81
Series 8	<u>5.59</u>	5.28

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	1,059	3,833
Distributions from underlying funds	5,351,280	5,438,302
Changes in fair value:		
Net realized gain (loss) on investments	6,820,999	5,170,345
Net unrealized gain (loss) on investments	5,402,491	22,129,490
	<u>17,575,829</u>	<u>32,741,970</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	5,098,989	5,428,330
Operating expenses	942,973	1,023,076
	<u>6,041,962</u>	<u>6,451,406</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>11,533,867</b></u>	<u>26,290,564</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	71,208	213,205
- per unit	0.28	0.73
Average Number of Units	254,677	290,815
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	6,942,087	17,266,625
- per unit	0.37	0.86
Average Number of Units	18,550,572	20,062,595
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,484,284	4,970,870
- per unit	0.36	0.73
Average Number of Units	6,901,497	6,827,349
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	322,556	1,173,235
- per unit	0.30	0.86
Average Number of Units	1,075,007	1,363,700
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,713,732	2,666,629
- per unit	0.31	0.56
Average Number of Units	5,495,908	4,795,186

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>231,555,406</b>	205,772,143
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>11,533,867</b>	26,290,564
Premiums		
Series 3	244,714	502,610
Series 5	10,997,690	20,040,441
Series 6	6,353,809	15,932,854
Series 7	60,625	318,753
Series 8	5,959,549	13,917,993
	<b>23,616,387</b>	50,712,651
Withdrawals		
Series 3	(329,885)	(673,978)
Series 5	(23,399,103)	(29,605,513)
Series 6	(11,080,938)	(11,251,615)
Series 7	(1,832,978)	(2,661,597)
Series 8	(5,867,175)	(7,027,249)
	<b>(42,510,079)</b>	(51,219,952)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>224,195,581</b>	231,555,406

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>11,533,867</b>	26,290,564
Adjustments for:		
Net realized (gain) loss	<b>(6,820,999)</b>	(5,170,345)
Net unrealized (gain) loss	<b>(5,402,491)</b>	(22,129,490)
Non-cash distribution from investments	<b>(5,351,280)</b>	(5,438,302)
Proceeds from sale/maturity of investments	<b>27,893,348</b>	19,786,202
Investments purchased	<b>(2,973,096)</b>	(13,737,693)
Receivable for securities sold	<b>(66,125)</b>	—
Accrued expenses	<b>(26,547)</b>	59,087
Payable for securities purchased	<b>(454,653)</b>	403,867
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>18,332,024</b>	63,890
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>23,745,530</b>	51,625,795
Amounts paid on withdrawals	<b>(42,526,086)</b>	(51,312,193)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(18,780,556)</b>	313,602
Increase (decrease) in cash/ bank overdraft	<b>(448,532)</b>	377,492
Cash (bank overdraft), beginning of period	<b>806,520</b>	429,028
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>357,988</b>	806,520
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>1,080</b>	3,833
Interest paid	<b>21</b>	—

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
NEI Growth & Income Fund, Series I	26,018,223	156,115,760	224,521,653		
<b>Total Investments</b>		<b>156,115,760</b>	<b>224,521,653</b>		
<b>Other Net Assets</b>			(326,072)		(0.1)
<b>Net Assets</b>			<b>224,195,581</b>		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	35.0%
NEI Canadian Bond Fund	25.4%
Toronto-Dominion Bank	3.4%
Colliers International Group	2.6%
Magna International	2.4%
First Quantum Minerals	2.4%
Scotiabank	2.2%
GFL Environmental	2.2%
FirstService Corporation	2.1%
Brookfield Asset Management	1.8%
Brookfield Property Partners	1.7%
Sun Life Financial	1.7%
Air Canada	1.7%
Manulife Financial Corporation	1.7%
TELUS Corporation	1.6%
Québecor	1.6%
TMX Group	1.5%
Empire Company	1.5%
SmartCentres Real Estate Investment Trust	1.4%
Canadian Imperial Bank of Commerce	1.4%
Equitable Group	1.2%
NorthWest Healthcare Properties Real Estate Investment Trust	1.2%
BCE	0.9%
Husky Energy	0.4%
Great Canadian Gaming Corporation	0.4%



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>

  

December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	231,867	—	—	231,867
<b>TOTAL</b>	<b>231,867</b>	<b>—</b>	<b>—</b>	<b>231,867</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (25%)	1.00	571	629
S&P/TSX (55%)	3.00	3,770	4,150
MSCI World Net (20%)	3.00	1,371	1,509

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>7.30</b>	6.97	6.22	6.74	6.21
Series 5	<b>7.93</b>	7.52	6.67	7.18	6.57
Series 6	<b>6.99</b>	6.62	5.86	6.30	5.76
Series 7	<b>7.23</b>	6.81	6.01	6.42	5.84
Series 8*	<b>5.59</b>	5.28	4.66	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 3	<b>1,828</b>	1,842	1,800	2,005	1,998
Series 5	<b>140,544</b>	146,003	138,301	148,789	144,329
Series 6	<b>45,234</b>	47,477	37,825	36,292	20,094
Series 7	<b>6,577</b>	8,027	9,196	3,835	1,475
Series 8*	<b>30,013</b>	28,207	18,649	—	—
<b>Number of units outstanding (000)</b>					
Series 3	<b>250</b>	264	289	298	322
Series 5	<b>17,714</b>	19,415	20,727	20,722	21,971
Series 6	<b>6,473</b>	7,176	6,450	5,758	3,488
Series 7	<b>909</b>	1,178	1,530	597	253
Series 8*	<b>5,364</b>	5,342	3,998	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 3	<b>3.59</b>	3.59	3.62	3.63	3.64
Series 5	<b>2.94</b>	2.94	2.94	2.94	2.94
Series 6	<b>2.73</b>	2.84	2.83	2.84	2.85
Series 7	<b>2.23</b>	2.34	2.28	2.29	2.30
Series 8*	<b>2.41</b>	2.50	2.53	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>3.91</b>	8.52	4.83	7.78	8.67

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GROWTH – NEI SELECT\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
NEI International Equity Fund	13.2%
NEI Global Equity RS Fund	13.1%
NEI Global Value Fund	11.0%
NEI Global Equity Fund	9.1%
NEI Emerging Markets Fund	7.1%
NEI U.S. Equity Fund	7.0%
NEI Canadian Equity Fund	6.0%
NEI Global High Yield Bond Fund	5.9%
NEI Global Total Return Bond Fund	5.9%
NEI Canadian Small Cap Equity Fund	5.9%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,705	7.1%	10,787	7.9%	10,797	8.0%	10,863	8.6%	10,843	8.4%
3 Years	11,157	3.7%	11,393	4.4%	11,433	4.6%	11,646	5.2%	—	—
5 Years	12,713	4.9%	13,164	5.7%	13,250	5.8%	13,633	6.4%	—	—
10 Years	16,269	5.0%	17,435	5.7%	—	—	—	—	—	—
Since Inception	18,520	3.3%	15,832	3.5%	14,360	5.4%	14,860	6.0%	11,580	5.6%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	49,112	10,244
Investments at fair value through profit or loss (FVTPL)	140,145,142	140,989,638
Premiums receivable	21,081	115,156
Receivable for securities sold	5,613	35,101
	<u>140,220,948</u>	<u>141,150,139</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	344,581	354,727
Withdrawals payable	129,537	159,152
Payable for securities purchased	3,658	44,639
	<u>477,776</u>	<u>558,518</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>139,743,172</b></u>	<u>140,591,621</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>9.26</u>	8.65
Series 5	<u>10.14</u>	9.40
Series 6	<u>7.18</u>	6.65
Series 7	<u>7.43</u>	6.84
Series 8	<u>5.79</u>	5.34

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	116	560
Distributions from underlying funds	2,862,854	3,088,626
Changes in fair value:		
Net realized gain (loss) on investments	1,576,706	959,030
Net unrealized gain (loss) on investments	9,589,627	18,056,330
	<u>14,029,303</u>	<u>22,104,546</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	3,353,927	3,521,466
Operating expenses	611,834	654,219
	<u>3,965,761</u>	<u>4,175,685</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>10,063,542</b></u>	<u>17,928,861</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	143,724	318,985
- per unit	0.57	1.02
Average Number of Units	251,722	311,777
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	5,983,743	11,296,284
- per unit	0.68	1.16
Average Number of Units	8,814,090	9,718,649
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	2,244,073	3,570,209
- per unit	0.50	0.82
Average Number of Units	4,452,286	4,350,689
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	402,804	872,591
- per unit	0.61	0.90
Average Number of Units	661,095	970,430
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	1,289,198	1,870,792
- per unit	0.44	0.68
Average Number of Units	2,921,941	2,769,971

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

Periods Ended December 31

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>140,591,621</u>	128,372,219
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>10,063,542</u>	17,928,861
Premiums		
Series 3	117,470	183,137
Series 5	7,356,389	12,034,997
Series 6	3,354,499	6,453,463
Series 7	8,002	12,701
Series 8	<u>2,640,001</u>	<u>4,038,039</u>
	<u>13,476,361</u>	22,722,337
Withdrawals		
Series 3	(548,245)	(628,997)
Series 5	(14,185,824)	(19,392,048)
Series 6	(4,631,307)	(4,909,304)
Series 7	(2,337,450)	(691,569)
Series 8	<u>(2,685,526)</u>	<u>(2,809,878)</u>
	<u>(24,388,352)</u>	(28,431,796)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>139,743,172</u>	140,591,621

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	10,063,542	17,928,861
Adjustments for:		
Net realized (gain) loss	(1,576,706)	(959,030)
Net unrealized (gain) loss	(9,589,627)	(18,056,330)
Non-cash distribution from investments	(2,862,854)	(3,088,626)
Proceeds from sale/maturity of investments	17,498,606	14,680,645
Investments purchased	(2,624,923)	(4,882,686)
Receivable for securities sold	29,488	(35,101)
Accrued expenses	(10,146)	31,208
Payable for securities purchased	(40,981)	(67,007)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>10,886,399</u>	5,551,934
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	13,570,436	22,894,534
Amounts paid on withdrawals	(24,417,967)	(28,519,570)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(10,847,531)</u>	(5,625,036)
Increase (decrease) in cash/bank overdraft	38,868	(73,102)
Cash (bank overdraft), beginning of period	<u>10,244</u>	83,346
CASH (BANK OVERDRAFT), END OF PERIOD	<u>49,112</u>	10,244
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	171	560
Interest paid	<u>55</u>	—

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.3
NEI Select Growth Portfolio, Series I	10,377,893	116,725,780	140,145,142		
Total Investments		<b>116,725,780</b>	<b>140,145,142</b>		
Other Net Assets			(401,970)		(0.3)
Net Assets			<b>139,743,172</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 International Equity Fund	13.2%
NEI Global Equity RS Fund	13.1%
NEI Global Value Fund	11.0%
NEI Global Equity Fund	9.1%
NEI Emerging Markets Fund	7.1%
NEI U.S. Equity Fund	7.0%
NEI Canadian Equity Fund	6.0%
NEI Global High Yield Bond Fund	5.9%
NEI Global Total Return Bond Fund	5.9%
NEI Canadian Small Cap Equity Fund	5.9%
NEI Canadian Dividend Fund	5.8%
NEI U.S. Dividend Fund	4.9%
NEI Canadian Bond Fund	3.0%
NEI Canadian Equity RS Fund	1.9%
Other Net Assets	0.2%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	140,990	—	—	140,990
<b>TOTAL</b>	<b>140,990</b>	<b>—</b>	<b>—</b>	<b>140,990</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (20%)	1.00	299	283
S&P/TSX (16%)	3.00	717	680
MSCI World Net (64%)	3.00	2,868	2,718

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>9.26</b>	8.65	7.64	8.30	7.69
Series 5	<b>10.14</b>	9.40	8.25	8.90	8.19
Series 6	<b>7.18</b>	6.65	5.83	6.28	5.77
Series 7	<b>7.43</b>	6.84	5.96	6.38	5.83
Series 8*	<b>5.79</b>	5.34	4.67	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>2,173</b>	2,460	2,587	3,625	3,699
Series 5	<b>85,501</b>	86,347	82,408	77,936	71,103
Series 6	<b>30,903</b>	29,936	24,822	27,648	17,041
Series 7	<b>4,428</b>	6,354	6,160	5,588	1,977
Series 8*	<b>16,738</b>	15,494	12,395	—	—
Number of units outstanding (000)					
Series 3	<b>235</b>	284	339	437	481
Series 5	<b>8,436</b>	9,184	9,991	8,755	8,683
Series 6	<b>4,302</b>	4,499	4,259	4,403	2,954
Series 7	<b>596</b>	929	1,034	876	339
Series 8*	<b>2,892</b>	2,899	2,656	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.82</b>	3.82	3.82	3.83	3.85
Series 5	<b>3.13</b>	3.13	3.13	3.13	3.13
Series 6	<b>2.88</b>	2.99	3.00	2.99	2.98
Series 7	<b>2.31</b>	2.42	2.37	2.46	2.40
Series 8*	<b>2.57</b>	2.67	2.70	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>4.18</b>	5.80	6.30	5.72	11.51

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – ASSET ALLOCATION – CAMBRIDGE\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Cambridge Bond Fund	40.8%
Cambridge Cdn Short Term Bond Fund	8.4%
Cambridge Canadian Long Term Bond Fund	6.1%
Fairfax Financial Holdings	1.4%
Power Corporation of Canada	1.4%
Enbridge	1.3%
DuPont de Nemours	1.3%
Anthem	1.1%
Alphabet	1.1%
Empire Company	1.1%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,193	1.9%	10,205	2.1%	10,261	2.6%	10,239	2.4%
3 Years	10,777	2.5%	10,819	2.7%	10,985	3.2%	—	—
5 Years	11,611	3.0%	11,712	3.2%	12,021	3.8%	—	—
Since Inception	15,820	5.7%	12,940	3.8%	13,380	4.3%	11,140	4.1%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	30,897
Investments at fair value through profit or loss (FVTPL)	12,144,235	14,551,067
Premiums receivable	202	501
	<u>12,144,437</u>	<u>14,582,465</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	41,246	—
Accrued expenses	25,744	31,373
Withdrawals payable	2,252	3,466
Payable for securities purchased	200	30,950
	<u>69,442</u>	<u>65,789</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>12,074,995</u>	14,516,676
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.91</u>	7.76
Series 6	<u>6.47</u>	6.34
Series 7	<u>6.69</u>	6.52
Series 8	<u>5.57</u>	5.44

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	(225)	—
Distributions from underlying funds	673,788	424,535
Changes in fair value:		
Net realized gain (loss) on investments	137,535	315,612
Net unrealized gain (loss) on investments	(312,787)	1,365,541
	<u>498,311</u>	<u>2,105,688</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	302,507	354,438
Operating expenses	32,679	38,307
	<u>335,186</u>	<u>392,745</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>163,125</u>	1,712,943
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	52,233	512,188
- per unit	0.10	0.82
Average Number of Units	537,169	626,441
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	64,861	496,471
- per unit	0.10	0.69
Average Number of Units	648,872	716,017
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	33,494	320,164
- per unit	0.11	0.80
Average Number of Units	300,401	400,310
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	12,537	384,120
- per unit	0.02	0.57
Average Number of Units	544,615	670,045

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>14,516,676</b>	15,108,119
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>163,125</b>	1,712,943
Premiums		
Series 5	482,949	589,817
Series 6	524,190	1,099,412
Series 7	92,887	388,742
Series 8	582,873	918,240
	<b>1,682,899</b>	2,996,211
Withdrawals		
Series 5	(1,037,724)	(1,155,135)
Series 6	(1,181,742)	(1,581,473)
Series 7	(859,203)	(1,537,155)
Series 8	(1,209,036)	(1,026,834)
	<b>(4,287,705)</b>	(5,300,597)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>12,074,995</b>	14,516,676

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>163,125</b>	1,712,943
Adjustments for:		
Net realized (gain) loss	(137,535)	(315,612)
Net unrealized (gain) loss	312,787	(1,365,541)
Non-cash distribution from investments	(673,788)	(424,535)
Proceeds from sale/maturity of investments	<b>3,246,807</b>	4,442,829
Investments purchased	(341,439)	(1,744,556)
Receivable for securities sold	—	13,813
Accrued expenses	(5,629)	(1,281)
Payable for securities purchased	(30,750)	23,894
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>2,533,578</b>	2,341,954
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>1,683,198</b>	2,996,611
Amounts paid on withdrawals	(4,288,919)	(5,315,152)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(2,605,721)</b>	(2,318,541)
Increase (decrease) in cash/ bank overdraft	<b>(72,143)</b>	23,413
Cash (bank overdraft), beginning of period	<b>30,897</b>	7,484
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(41,246)</b>	30,897
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	7	—
Interest paid	<b>232</b>	—

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.6
Cambridge Canadian Asset Allocation Corporate Class, I-Class	624,283	11,125,226	12,144,235		
<b>Total Investments</b>		<b>11,125,226</b>	<b>12,144,235</b>		
<b>Other Net Assets</b>			(69,240)		(0.6)
<b>Net Assets</b>			<b>12,074,995</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	40.8%
Cambridge Cdn Short Term Bond Fund	8.4%
Cambridge Canadian Long Term Bond Fund	6.1%
Fairfax Financial Holdings	1.4%
Power Corporation of Canada	1.4%
Enbridge	1.3%
DuPont de Nemours	1.3%
Anthem	1.1%
Alphabet	1.1%
Empire Company	1.1%
Facebook	1.0%
LKQ Corporation	1.0%
Manulife Financial Corporation	0.9%
Berry Plastics Group	0.9%
Brookfield Asset Management	0.9%
Ferguson	0.9%
Magna International	0.9%
CGI Group	0.9%
Alimentation Couche-Tard	0.9%
Philip Morris International	0.9%
Franco-Nevada Corporation	0.9%
Fortis	0.8%
Royal Bank of Canada	0.8%
Dollarama	0.8%
Microsoft Corporation	0.8%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To achieve a superior total investment return directly or indirectly, in a combination of primarily equity and fixed-income securities of Canadian companies. Indirect investments may include convertible securities, derivatives, equity-related securities and securities of other mutual funds.

#### Strategy of the Fund

The Fund is actively managed with a disciplined bottom-up selection process. The strategy uses exposure in equity, fixed-income instruments and cash and cash equivalents to achieve the Fund objective. The investments in each asset class will vary dependent on market conditions. The Canadian fixed-income securities portion of the portfolio will consist mainly of high quality government and corporate bonds while foreign securities can make up part of the equity portion of the portfolio.

The principal risk factors for this Fund are market risk, credit risk, currency risk, derivatives risk and interest rate risk.

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

#### Hierarchy of Financial Instruments Measured at Fair Value

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

#### Fair Value Hierarchy (in \$'000)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	14,551	—	—	14,551
<b>TOTAL</b>	<b>14,551</b>	<b>—</b>	<b>—</b>	<b>14,551</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
FTSE Canada Universe Bond (40%)	1.00	40	44
S&P/TSX (60%)	3.00	179	196

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

**Liquidity Risk**

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

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



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>7.91</b>	7.76	6.96	7.34	7.23
Series 6	<b>6.47</b>	6.34	5.67	5.98	5.87
Series 7	<b>6.69</b>	6.52	5.81	6.09	5.95
Series 8*	<b>5.57</b>	5.44	4.85	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>4,019</b>	4,522	4,575	6,031	6,188
Series 6	<b>3,850</b>	4,442	4,428	8,483	6,986
Series 7	<b>1,432</b>	2,165	2,993	1,910	447
Series 8*	<b>2,774</b>	3,388	3,112	—	—
Number of units outstanding (000)					
Series 5	<b>508</b>	582	657	821	856
Series 6	<b>595</b>	701	780	1,419	1,190
Series 7	<b>214</b>	332	515	314	75
Series 8*	<b>498</b>	623	642	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>2.88</b>	2.89	2.90	2.89	2.90
Series 6	<b>2.59</b>	2.71	2.71	2.70	2.70
Series 7	<b>2.09</b>	2.21	2.20	2.21	2.19
Series 8*	<b>2.26</b>	2.37	2.42	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>7.85</b>	14.36	16.46	13.93	13.34

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GROWTH – FRANKLIN QUOTENTIAL\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Franklin FTSE U.S. Index ETF	10.8%
Franklin U.S. Core Equity Fund	9.9%
Franklin FTSE Canada All Cap Index ETF	8.5%
Franklin U.S. Rising Dividends Fund	7.7%
Franklin Bissett Canadian Equity Fund	7.7%
iShares Core MSCI EAFE ETF	7.3%
Franklin U.S. Opportunities Fund	6.0%
Franklin Bissett Core Plus Bond Fund	6.0%
Franklin International Core Equity Fund	5.9%
Franklin Canadian Core Equity Fund	5.4%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,731	7.3%	10,754	7.5%	10,794	7.9%	10,850	8.5%	10,847	8.5%
3 Years	11,102	3.5%	11,225	3.9%	11,333	4.3%	11,508	4.8%	—	—
5 Years	11,902	3.5%	12,123	3.9%	12,319	4.3%	12,621	4.8%	—	—
10 Years	15,397	4.4%	15,988	4.8%	—	—	—	—	—	—
Since Inception	14,100	1.7%	14,740	3.0%	13,600	4.6%	14,040	5.1%	11,520	5.4%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<b>48,244,118</b>	49,517,022
Premiums receivable	<b>277</b>	40,057
Receivable for securities sold	<b>4,054</b>	160,964
	<b>48,248,449</b>	49,718,043
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>3,870</b>	50,528
Accrued expenses	<b>126,026</b>	130,373
Withdrawals payable	<b>34,598</b>	186,107
	<b>164,494</b>	367,008
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>48,083,955</b>	49,351,035
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>7.05</b>	6.57
Series 5	<b>7.42</b>	6.90
Series 6	<b>6.80</b>	6.30
Series 7	<b>7.02</b>	6.47
Series 8	<b>5.76</b>	5.31

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	<b>636,119</b>	1,410,027
Changes in fair value:		
Net realized gain (loss) on investments	<b>2,441,289</b>	2,796,412
Net unrealized gain (loss) on investments	<b>1,851,432</b>	3,517,670
	<b>4,928,840</b>	7,724,109
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>1,247,326</b>	1,344,691
Operating expenses	<b>241,651</b>	261,400
	<b>1,488,977</b>	1,606,091
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>3,439,863</b>	6,118,018
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>124,844</b>	224,708
- per unit	<b>0.45</b>	0.74
Average Number of Units	<b>276,580</b>	303,073
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>2,945,024</b>	5,343,614
- per unit	<b>0.50</b>	0.81
Average Number of Units	<b>5,884,900</b>	6,602,859
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>221,040</b>	360,422
- per unit	<b>0.50</b>	0.73
Average Number of Units	<b>442,755</b>	492,590
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>9,687</b>	27,712
- per unit	<b>0.55</b>	0.79
Average Number of Units	<b>17,573</b>	35,261
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>139,268</b>	161,562
- per unit	<b>0.45</b>	0.61
Average Number of Units	<b>306,870</b>	263,224

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

Periods Ended December 31	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	49,351,035	48,804,531
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,439,863	6,118,018
Premiums		
Series 3	125,415	55,874
Series 5	1,293,386	3,678,445
Series 6	195,981	520,451
Series 7	—	31,093
Series 8	135,256	489,438
	1,750,038	4,775,301
Withdrawals		
Series 3	(317,816)	(226,392)
Series 5	(5,724,988)	(8,841,349)
Series 6	(340,909)	(919,633)
Series 7	(384)	(187,569)
Series 8	(72,884)	(171,872)
	(6,456,981)	(10,346,815)
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	48,083,955	49,351,035

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	3,439,863	6,118,018
Adjustments for:		
Net realized (gain) loss	(2,441,289)	(2,796,412)
Net unrealized (gain) loss	(1,851,432)	(3,517,670)
Non-cash distribution from investments	(636,119)	(1,410,027)
Proceeds from sale/maturity of investments	6,566,858	7,835,751
Investments purchased	(365,114)	(631,708)
Receivable for securities sold	156,910	(148,292)
Accrued expenses	(4,347)	941
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	4,865,330	5,450,601
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,789,818	4,735,761
Amounts paid on withdrawals	(6,608,490)	(10,227,309)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	(4,818,672)	(5,491,548)
Increase (decrease) in cash/ bank overdraft	46,658	(40,947)
Cash (bank overdraft), beginning of period	(50,528)	(9,581)
CASH (BANK OVERDRAFT), END OF PERIOD	(3,870)	(50,528)

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.3
Franklin Quotential Growth Portfolio, Series O	3,662,210	28,386,493	48,244,118		
<b>Total Investments</b>		<b>28,386,493</b>	<b>48,244,118</b>		
Other Net Assets			(160,163)		(0.3)
<b>Net Assets</b>			<b>48,083,955</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	10.8%
Franklin U.S. Core Equity Fund	9.9%
Franklin FTSE Canada All Cap Index ETF	8.5%
Franklin U.S. Rising Dividends Fund	7.7%
Franklin Bissett Canadian Equity Fund	7.7%
iShares Core MSCI EAFE ETF	7.3%
Franklin U.S. Opportunities Fund	6.0%
Franklin Bissett Core Plus Bond Fund	6.0%
Franklin International Core Equity Fund	5.9%
Franklin Canadian Core Equity Fund	5.4%
Franklin LibertyQT U.S. Equity Index ETF	5.1%
Franklin Bissett Canadian Government Bond Fund	3.8%
Templeton Emerging Markets Fund	3.3%
Franklin Liberty Global Aggregate Bond ETF	2.6%
Franklin FTSE Europe Ex U.K. Index ETF	2.6%
iShares Core MSCI Emerging Markets ETF	2.4%
Franklin Emerging Market Core Equity Fund	2.2%
Franklin Bissett Short Duration Bond Fund	1.6%
Templeton Global Bond Fund	1.1%
Other Net Assets	0.4%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets at FVTPL				
Non-Related Investment Funds	49,517	—	—	49,517
<b>TOTAL</b>	<b>49,517</b>	<b>—</b>	<b>—</b>	<b>49,517</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (14%)	1.00	66	74
Bloomberg Barclays Multiverse Bond (6%)	1.00	28	25
S&P/TSX (20%)	3.00	282	370
MSCI All Country World Net (60%)	3.00	847	813

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>7.05</b>	6.57	5.84	6.35	5.98
Series 5	<b>7.42</b>	6.90	6.11	6.61	6.20
Series 6	<b>6.80</b>	6.30	5.56	6.00	5.61
Series 7	<b>7.02</b>	6.47	5.68	6.10	5.67
Series 8*	<b>5.76</b>	5.31	4.67	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>1,826</b>	1,893	1,839	2,367	2,366
Series 5	<b>41,475</b>	42,962	42,781	50,922	50,997
Series 6	<b>2,879</b>	2,803	2,842	3,841	3,135
Series 7	<b>123</b>	114	243	74	41
Series 8*	<b>1,780</b>	1,579	1,100	—	—
Number of units outstanding (000)					
Series 3	<b>259</b>	288	315	373	396
Series 5	<b>5,586</b>	6,229	7,007	7,701	8,230
Series 6	<b>423</b>	445	511	640	559
Series 7	<b>18</b>	18	43	12	7
Series 8*	<b>309</b>	297	235	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.60</b>	3.60	3.60	3.60	3.61
Series 5	<b>3.22</b>	3.22	3.22	3.22	3.22
Series 6	<b>2.84</b>	2.89	2.89	2.89	2.89
Series 7	<b>2.34</b>	2.40	2.46	2.45	2.45
Series 8*	<b>2.50</b>	2.55	2.59	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>2.14</b>	4.06	4.66	5.81	3.47

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.



## DFS GIF – DIVIDEND INCOME – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Royal Bank of Canada	6.5%
Toronto-Dominion Bank	5.7%
Canadian National Railway Company	3.8%
Scotiabank	3.7%
Enbridge	3.4%
Brookfield Asset Management	3.0%
Canadian Pacific Railway	2.8%
Other Net Assets	2.4%
Agnico-Eagle Mines	2.3%
TELUS Corporation	2.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,900	-1.0%	9,960	-0.4%	9,980	-0.2%	10,020	0.2%	10,000	0.0%
Since Inception	9,940	-0.5%	10,020	0.2%	10,040	0.3%	10,100	0.8%	10,080	0.6%

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

\*\* Beginning of operations in October 2019.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	453,621
Investments at fair value through profit or loss (FVTPL)	<b>130,765,527</b>	148,695,799
Premiums receivable	<b>951</b>	203,359
Receivable for securities sold	<b>19,873</b>	69,824
Interest, dividends and other receivables	<b>68,937</b>	—
	<b>130,855,288</b>	149,422,603
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>16,825</b>	—
Accrued expenses	<b>294,119</b>	350,803
Withdrawals payable	<b>46,334</b>	352,377
	<b>357,278</b>	703,180
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>130,498,010</b>	148,719,423
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>4.97</b>	5.02
Series 5	<b>5.01</b>	5.03
Series 6	<b>5.02</b>	5.03
Series 7	<b>5.05</b>	5.04
Series 8	<b>5.04</b>	5.04

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019*
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>(1,001)</b>	—
Distributions from underlying funds	<b>4,044,612</b>	694,857
Changes in fair value:		
Net realized gain (loss) on investments	<b>(754,298)</b>	128,998
Net unrealized gain (loss) on investments	<b>(1,342,158)</b>	2,678,485
	<b>1,947,155</b>	3,502,340
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>3,250,607</b>	918,783
Operating expenses	<b>290,569</b>	80,999
	<b>3,541,176</b>	999,782
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>(1,594,021)</b>	2,502,558
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>(402,321)</b>	378,078
- per unit	<b>(0.09)</b>	0.09
Average Number of Units	<b>4,467,496</b>	4,188,460
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>(1,091,014)</b>	1,870,196
- per unit	<b>(0.05)</b>	0.10
Average Number of Units	<b>20,410,281</b>	19,131,101
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>(71,382)</b>	145,617
- per unit	<b>(0.04)</b>	0.10
Average Number of Units	<b>1,622,852</b>	1,477,374
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>(17,597)</b>	13,964
- per unit	<b>(0.14)</b>	0.10
Average Number of Units	<b>127,894</b>	134,277
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>(11,707)</b>	94,703
- per unit	<b>(0.01)</b>	0.10
Average Number of Units	<b>1,155,685</b>	940,615

\* Beginning of operations in October 2019.

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019*
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>148,719,423</b>	—
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>(1,594,021)</u>	2,502,558
Premiums		
Series 3	396,357	25,336,566
Series 5	5,666,865	117,553,550
Series 6	873,079	9,136,997
Series 7	—	851,787
Series 8	911,006	6,075,028
	<u>7,847,307</u>	158,953,928
Withdrawals		
Series 3	(3,854,800)	(1,619,353)
Series 5	(18,022,593)	(9,874,735)
Series 6	(1,639,899)	(635,610)
Series 7	(185,084)	(96,209)
Series 8	(772,323)	(511,156)
	<u>(24,474,699)</u>	(12,737,063)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>130,498,010</b>	148,719,423

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019*
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	(1,594,021)	2,502,558
Adjustments for:		
Net realized (gain) loss	754,298	(128,998)
Net unrealized (gain) loss	1,342,158	(2,678,485)
Non-cash distribution from investments	(4,044,612)	(694,857)
Proceeds from sale/maturity of investments	20,673,026	8,792,630
Investments purchased	(794,598)	(153,986,089)
Receivable for securities sold	49,951	(69,824)
Interest, dividends and other receivables	(68,937)	—
Accrued expenses	(56,684)	350,803
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>16,260,581</b>	(145,912,262)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	8,049,715	158,750,569
Amounts paid on withdrawals	(24,780,742)	(12,384,686)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(16,731,027)</b>	146,365,883
Increase (decrease) in cash/ bank overdraft	(470,446)	453,621
Cash (bank overdraft), beginning of period	453,621	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(16,825)</b>	453,621
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	55	—
Interest paid	56	—

\* Beginning of operations in October 2019.

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Desjardins Dividend Income Fund, I-Class	12,832,731	129,429,200	130,765,527		
<b>Total Investments</b>		<b>129,429,200</b>	<b>130,765,527</b>		
<b>Other Net Assets</b>			(267,517)		(0.2)
<b>Net Assets</b>			<b>130,498,010</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	6.5%
Toronto-Dominion Bank	5.7%
Canadian National Railway Company	3.8%
Scotiabank	3.7%
Enbridge	3.4%
Brookfield Asset Management	3.0%
Canadian Pacific Railway	2.8%
Other Net Assets	2.4%
Agnico-Eagle Mines	2.3%
TELUS Corporation	2.0%
Waste Connections	1.9%
Sun Life Financial	1.8%
Manulife Financial Corporation	1.8%
BCE	1.7%
Canadian Natural Resources	1.7%
TC Energy	1.7%
Alimentation Couche-Tard	1.7%
Newmont Goldcorp	1.6%
Canadian Imperial Bank of Commerce	1.5%
iShares S&P/TSX Global Gold ETF	1.3%
Microsoft Corporation	1.2%
Nutrien	1.2%
Constellation Software	1.2%
Restaurant Brands International	1.1%
Suncor Energy	1.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

The objective of this Fund is to provide a high level of income, mostly in the form of dividends, and, to a lesser degree, long-term capital appreciation by investing primarily in Canadian, and to a lesser extent, foreign income-producing securities.

#### Strategy of the Fund

The Fund invests in income-producing securities which may include, but are not limited to, dividend paying equity securities, government and corporate bonds, income trusts and other securities primarily of Canadian issuers.

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

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Note 7)

#### Hierarchy of Financial Instruments Measured at Fair Value

The following 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	148,696	—	—	148,696
<b>TOTAL</b>	<b>148,696</b>	<b>—</b>	<b>—</b>	<b>148,696</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
FTSE Canada Universe Bond (17.5%)	1.00	228	260
S&P/TSX Preferred Share (10%)	3.00	391	446
S&P/TSX Dividend (72.5%)	3.00	2,838	3,235

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past two periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>		
Series 3	<b>4.97</b>	5.02
Series 5	<b>5.01</b>	5.03
Series 6	<b>5.02</b>	5.03
Series 7	<b>5.05</b>	5.04
Series 8	<b>5.04</b>	5.04
<b>Ratios and Supplemental Data</b>		
<b>Net Asset Value (\$000's)</b>		
Series 3	<b>20,235</b>	24,095
Series 5	<b>96,102</b>	109,549
Series 6	<b>7,809</b>	8,647
Series 7	<b>567</b>	770
Series 8	<b>5,786</b>	5,659
<b>Number of units outstanding (000)</b>		
Series 3	<b>4,070</b>	4,803
Series 5	<b>19,181</b>	21,770
Series 6	<b>1,556</b>	1,718
Series 7	<b>112</b>	153
Series 8	<b>1,149</b>	1,123
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>		
Series 3	<b>3.11</b>	3.11
Series 5	<b>2.65</b>	2.66
Series 6	<b>2.39</b>	2.55
Series 7	<b>1.87</b>	2.04
Series 8	<b>2.09</b>	2.24
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>3.68</b>	7.76

\* Beginning of operations in October 2019.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN DIVIDEND – NEI\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Toronto-Dominion Bank	5.5%
Royal Bank of Canada	5.1%
Power Corporation of Canada	4.2%
Enbridge	3.3%
Hydro One	3.3%
Canadian Imperial Bank of Commerce	3.2%
BCE	3.2%
Scotiabank	3.1%
Nutrien	3.0%
Other Net Assets	3.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,152	-8.5%	9,165	-8.3%	9,214	-7.9%	9,199	-8.0%
3 Years	9,569	-1.5%	9,609	-1.3%	9,769	-0.8%	—	—
5 Years	11,365	2.6%	11,459	2.8%	11,735	3.3%	—	—
Since Inception	15,980	5.8%	12,300	3.1%	12,660	3.5%	10,100	0.4%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	60,747	55,066
Investments at fair value through profit or loss (FVTPL)	19,409,779	23,224,478
Premiums receivable	809	1,471
Receivable for securities sold	—	3,684
	<u>19,471,335</u>	<u>23,284,699</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	45,539	55,893
Withdrawals payable	17,512	6,391
Payable for securities purchased	2,437	1,470
	<u>65,488</u>	<u>63,754</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>19,405,847</b></u>	<u>23,220,945</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>7.99</u>	8.73
Series 6	<u>6.15</u>	6.71
Series 7	<u>6.33</u>	6.87
Series 8	<u>5.05</u>	5.49

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	167	582
Distributions from underlying funds	835,977	1,252,623
Changes in fair value:		
Net realized gain (loss) on investments	(521,661)	103,509
Net unrealized gain (loss) on investments	(1,820,083)	2,671,327
	<u>(1,505,600)</u>	<u>4,028,041</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	488,367	597,334
Operating expenses	60,071	75,732
	<u>548,438</u>	<u>673,066</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(2,054,038)</b></u>	<u>3,354,975</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	(1,297,036)	2,073,703
- per unit	(0.98)	1.25
Average Number of Units	1,326,299	1,652,356
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	(357,745)	664,407
- per unit	(0.48)	0.91
Average Number of Units	739,439	726,895
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	(27,321)	83,477
- per unit	(0.56)	1.23
Average Number of Units	48,449	67,943
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	(371,936)	533,388
- per unit	(0.39)	0.68
Average Number of Units	956,486	790,171

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>23,220,945</b>	21,593,707
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(2,054,038)</b>	3,354,975
Premiums		
Series 5	400,896	674,377
Series 6	1,441,790	1,580,161
Series 7	6,411	2,402
Series 8	1,254,286	2,594,333
	<b>3,103,383</b>	4,851,273
Withdrawals		
Series 5	(2,582,805)	(3,783,803)
Series 6	(1,214,207)	(1,614,267)
Series 7	(32,802)	(319,185)
Series 8	(1,034,629)	(861,755)
	<b>(4,864,443)</b>	(6,579,010)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>19,405,847</b>	23,220,945

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(2,054,038)</b>	3,354,975
Adjustments for:		
Net realized (gain) loss	<b>521,661</b>	(103,509)
Net unrealized (gain) loss	<b>1,820,083</b>	(2,671,327)
Non-cash distribution from investments	<b>(835,977)</b>	(1,252,623)
Proceeds from sale/maturity of investments	<b>3,727,579</b>	4,470,990
Investments purchased	<b>(1,418,647)</b>	(2,084,443)
Receivable for securities sold	<b>3,684</b>	(3,684)
Accrued expenses	<b>(10,354)</b>	2,752
Payable for securities purchased	<b>967</b>	(359)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,754,958</b>	1,712,772
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>3,104,045</b>	4,860,618
Amounts paid on withdrawals	<b>(4,853,322)</b>	(6,576,979)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,749,277)</b>	(1,716,361)
Increase (decrease) in cash/ bank overdraft	<b>5,681</b>	(3,589)
Cash (bank overdraft), beginning of period	<b>55,066</b>	58,655
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>60,747</b>	55,066
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>160</b>	582

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.0
NEI Canadian Dividend Fund, Series I	1,286,771	20,337,191	19,409,779		
<b>Total Investments</b>		<b>20,337,191</b>	<b>19,409,779</b>		
<b>Other Net Assets</b>			(3,932)		(0.0)
<b>Net Assets</b>			<b>19,405,847</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Toronto-Dominion Bank	5.5%
Royal Bank of Canada	5.1%
Power Corporation of Canada	4.2%
Enbridge	3.3%
Hydro One	3.3%
Canadian Imperial Bank of Commerce	3.2%
BCE	3.2%
Scotiabank	3.1%
Nutrien	3.0%
Other Net Assets	3.0%
Empire Company	2.5%
Shaw Communications	2.4%
Rogers Communications	2.4%
TELUS Corporation	2.4%
Intact Financial Corporation	2.4%
Canadian Tire Corporation	2.3%
Magna International	2.3%
Brookfield Property Partners	2.2%
Metro	2.1%
Brookfield Asset Management	2.0%
Suncor Energy	1.9%
Canadian Natural Resources	1.8%
Canadian National Railway Company	1.7%
Sun Life Financial	1.7%
Chartwell Retirement Residences	1.7%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	23,224	—	—	23,224
<b>TOTAL</b>	<b>23,224</b>	<b>—</b>	<b>—</b>	<b>23,224</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
MSCI World Net (20%)	3.00	110	N/A
S&P/TSX (80%)	3.00	440	590

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>7.99</b>	8.73	7.55	8.35	8.17
Series 6	<b>6.15</b>	6.71	5.79	6.40	6.24
Series 7	<b>6.33</b>	6.87	5.90	6.48	6.30
Series 8*	<b>5.05</b>	5.49	4.72	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 5	<b>9,573</b>	13,052	14,087	18,701	19,304
Series 6	<b>4,637</b>	4,767	4,137	5,375	3,830
Series 7	<b>290</b>	344	577	296	128
Series 8*	<b>4,906</b>	5,058	2,792	—	—
Number of units outstanding (000)					
Series 5	<b>1,198</b>	1,495	1,867	2,240	2,364
Series 6	<b>753</b>	710	714	840	613
Series 7	<b>46</b>	50	98	46	20
Series 8*	<b>972</b>	922	592	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 5	<b>3.06</b>	3.07	3.07	3.07	3.08
Series 6	<b>2.71</b>	2.87	2.87	2.88	2.87
Series 7	<b>2.18</b>	2.36	2.39	2.39	2.41
Series 8*	<b>2.39</b>	2.56	2.53	—	—
Portfolio turnover rate <sup>2</sup> (%)					
	<b>11.80</b>	14.62	16.91	10.24	9.35

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN EQUITY – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
Scotiabank	3.7%
Brookfield Asset Management	3.3%
Bank of Montreal	2.8%
Canadian Pacific Railway	2.8%
Barrick Gold Corporation	2.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,220	2.2%	10,220	2.2%	10,220	2.2%	10,220	2.2%	10,240	2.4%

	Series 8		Series IGP	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
Since Inception	10,220	2.2%	10,280	2.8%

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

\*\* Beginning of operations in November 2020.

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020
	\$
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	80,338
Investments at fair value through profit or loss (FVTPL)	<u>702,984</u>
	<u>783,322</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accrued expenses	<u>2,579</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>780,743</b></u>
<b>NET ASSETS PER UNIT</b>	
Series 1	<u>5.11</u>
Series 3	<u>5.11</u>
Series 5	<u>5.11</u>
Series 6	<u>5.11</u>
Series 7	<u>5.12</u>
Series 8	<u>5.11</u>
Series IGP	<u>5.14</u>

## STATEMENT OF COMPREHENSIVE INCOME

Period Ended December 31

	2020*
	\$
<b>INCOME</b>	
Interest for attribution purposes	(786)
Distributions from underlying funds	32,119
Changes in fair value:	
Net realized gain (loss) on investments	(895)
Net unrealized gain (loss) on investments	<u>(17,524)</u>
	<u>12,914</u>
<b>EXPENSES</b>	
Management fees and guarantee charge	1,952
Operating expenses	<u>203</u>
	<u>2,155</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>10,759</b></u>
<b>DATA PER SERIES</b>	
<b>SERIES 1</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,521</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>17,226</u>
<b>SERIES 3</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,573</u>
- per unit	<u>0.09</u>
Average Number of Units	<u>17,153</u>
<b>SERIES 5</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,637</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>17,153</u>
<b>SERIES 6</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,675</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>17,153</u>
<b>SERIES 7</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,731</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>17,153</u>
<b>SERIES 8</b>	
Increase (Decrease) in Net Assets from Operations	<u>1,713</u>
- per unit	<u>0.10</u>
Average Number of Units	<u>17,153</u>
<b>SERIES IGP</b>	
Increase (Decrease) in Net Assets from Operations	<u>909</u>
- per unit	<u>0.05</u>
Average Number of Units	<u>16,986</u>

\* 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

Period Ended December 31

	2020*
	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<u>—</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>10,759</u>
Premiums	
Series 1	110,763
Series 3	109,873
Series 5	109,871
Series 6	109,873
Series 7	109,870
Series 8	109,873
Series IGP	<u>109,861</u>
	<u>769,984</u>
Withdrawals	
Series 1	—
Series 3	—
Series 5	—
Series 6	—
Series 7	—
Series 8	—
Series IGP	<u>—</u>
	<u>—</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<u><b>780,743</b></u>

STATEMENT OF CASH FLOWS

Period Ended December 31

	2020*
	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets from operations attributable to contract owners	10,759
Adjustments for:	
Net realized (gain) loss	895
Net unrealized (gain) loss	17,524
Non-cash distribution from investments	(32,119)
Proceeds from sale/maturity of investments	30,362
Investments purchased	(719,646)
Accrued expenses	2,579
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<u>(689,646)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	
Premium payments	769,984
Increase (decrease) in cash/ bank overdraft	80,338
Cash (bank overdraft), beginning of period	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u><b>80,338</b></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

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					90.0
Desjardins Canadian Equity Fund, I-Class	69,900	720,508	702,984		
<b>Total Investments</b>		<b>720,508</b>	<b>702,984</b>		
<b>Other Net Assets</b>			77,759		10.0
<b>Net Assets</b>			<b>780,743</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Shopify	6.4%
Royal Bank of Canada	6.1%
Toronto-Dominion Bank	5.6%
Canadian National Railway Company	4.2%
Enbridge	3.9%
Scotiabank	3.7%
Brookfield Asset Management	3.3%
Bank of Montreal	2.8%
Canadian Pacific Railway	2.8%
Barrick Gold Corporation	2.6%
Alimentation Couche-Tard	2.1%
Canadian Imperial Bank of Commerce	2.1%
Manulife Financial Corporation	2.1%
Waste Connections	1.9%
TC Energy	1.9%
TELUS Corporation	1.8%
Franco-Nevada Corporation	1.7%
Sun Life Financial	1.7%
BCE	1.7%
Suncor Energy	1.6%
Wheaton Precious Metals	1.6%
Constellation Software	1.6%
CGI Group	1.6%
Canadian Natural Resources	1.5%
Other Net Assets	1.4%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020

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

#### Fair Value Hierarchy (in \$'000)

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 period ended 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

As at December 31, 2020

**Currency Risk**

As at 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 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 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
		December 31, 2020
<b>Benchmarks</b>	%	\$
S&P/TSX	3.00	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 this sensitivity analysis and the difference could be significant.

**Credit Risk**

As at 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 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".

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past period. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>	
Series 1	<b>5.11</b>
Series 3	<b>5.11</b>
Series 5	<b>5.11</b>
Series 6	<b>5.11</b>
Series 7	<b>5.12</b>
Series 8	<b>5.11</b>
Series IGP	<b>5.14</b>
<b>Ratios and Supplemental Data</b>	
Net Asset Value (\$000's)	
Series 1	<b>112</b>
Series 3	<b>111</b>
Series 5	<b>112</b>
Series 6	<b>112</b>
Series 7	<b>112</b>
Series 8	<b>112</b>
Series IGP	<b>111</b>
Number of units outstanding (000)	
Series 1	<b>22</b>
Series 3	<b>22</b>
Series 5	<b>22</b>
Series 6	<b>22</b>
Series 7	<b>22</b>
Series 8	<b>22</b>
Series IGP	<b>22</b>
Management expense ratio (MER) <sup>1</sup> (%)	
Series 1	<b>3.91</b>
Series 3	<b>3.51</b>
Series 5	<b>2.93</b>
Series 6	<b>2.59</b>
Series 7	<b>2.07</b>
Series 8	<b>2.24</b>
Series IGP	<b>2.30</b>
Portfolio turnover rate <sup>2</sup> (%)	<b>5.10</b>

\* Beginning of operations in November 2020.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN EQUITY – JARISLOWSKY FRASER\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Jarislowky Fraser Special Equity Fund	7.3%
Toronto-Dominion Bank	6.6%
Canadian National Railway Company	6.3%
Brookfield Asset Management	5.8%
Scotiabank	5.1%
Enbridge	4.7%
Manulife Financial Corporation	4.2%
Alimentation Couche-Tard	4.0%
Open Text Corporation	3.8%
CAE	3.7%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,112	1.1%	10,184	1.8%	10,192	1.9%	10,235	2.4%	10,213	2.1%
3 Years	10,627	2.0%	10,858	2.8%	10,872	2.8%	11,032	3.3%	—	—
5 Years	12,493	4.6%	12,911	5.2%	12,939	5.3%	13,256	5.8%	—	—
10 Years	14,721	3.9%	15,697	4.6%	—	—	—	—	—	—
Since Inception	16,260	3.3%	14,892	3.1%	12,720	4.7%	13,040	5.2%	11,500	5.3%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Investments at fair value through profit or loss (FVTPL)	<b>107,185,124</b>	116,905,841
Premiums receivable	<b>232</b>	277
Interest, dividends and other receivables	<b>17,907</b>	43,049
	<b>107,203,263</b>	116,949,167
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>54,686</b>	50,043
Accrued expenses	<b>260,639</b>	284,426
Withdrawals payable	<b>59,561</b>	182,295
	<b>374,886</b>	516,764
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>106,828,377</b>	116,432,403
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>8.13</b>	8.04
Series 5	<b>8.86</b>	8.70
Series 6	<b>6.36</b>	6.24
Series 7	<b>6.52</b>	6.37
Series 8	<b>5.75</b>	5.63

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>18,070</b>	38,356
Distributions from underlying funds	<b>5,011,310</b>	6,654,689
Changes in fair value:		
Net realized gain (loss) on investments	<b>110,713</b>	1,094,744
Net unrealized gain (loss) on investments	<b>(1,023,931)</b>	14,428,633
	<b>4,116,162</b>	22,216,422
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>2,182,059</b>	2,565,332
Operating expenses	<b>795,342</b>	933,739
	<b>2,977,401</b>	3,499,071
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>1,138,761</b>	18,717,351
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>(1,415)</b>	408,000
- per unit	<b>(0.01)</b>	1.24
Average Number of Units	<b>263,975</b>	329,387
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,145,298</b>	17,851,082
- per unit	<b>0.09</b>	1.31
Average Number of Units	<b>12,084,251</b>	13,643,307
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>13,863</b>	224,741
- per unit	<b>0.06</b>	0.97
Average Number of Units	<b>224,501</b>	232,390
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>4,725</b>	137,239
- per unit	<b>0.05</b>	1.08
Average Number of Units	<b>88,998</b>	127,428
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>(23,710)</b>	96,289
- per unit	<b>(0.21)</b>	0.82
Average Number of Units	<b>114,817</b>	117,527

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>116,432,403</b>	113,602,425
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,138,761</b>	18,717,351
Premiums		
Series 3	86,072	85,193
Series 5	4,194,014	8,246,491
Series 6	181,857	405,627
Series 7	1,080	46,706
Series 8	209,950	157,159
	<b>4,672,973</b>	8,941,176
Withdrawals		
Series 3	(383,037)	(807,682)
Series 5	(14,406,579)	(22,906,292)
Series 6	(257,564)	(561,074)
Series 7	(117,749)	(419,738)
Series 8	(250,831)	(133,763)
	<b>(15,415,760)</b>	(24,828,549)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>106,828,377</b>	116,432,403

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>1,138,761</b>	18,717,351
Adjustments for:		
Net realized (gain) loss	<b>(110,713)</b>	(1,094,744)
Net unrealized (gain) loss	<b>1,023,931</b>	(14,428,633)
Non-cash distribution from investments	<b>(5,011,310)</b>	(6,654,689)
Proceeds from sale/maturity of investments	<b>14,092,638</b>	19,485,685
Investments purchased	<b>(273,829)</b>	(231,959)
Interest, dividends and other receivables	<b>25,142</b>	(43,049)
Accrued expenses	<b>(23,787)</b>	8,406
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>10,860,833</b>	15,758,368
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>4,673,018</b>	9,075,761
Amounts paid on withdrawals	<b>(15,538,494)</b>	(24,845,898)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(10,865,476)</b>	(15,770,137)
Increase (decrease) in cash/bank overdraft	<b>(4,643)</b>	(11,769)
Cash (bank overdraft), beginning of period	<b>(50,043)</b>	(38,274)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(54,686)</b>	(50,043)
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>66</b>	169
Interest paid	<b>46</b>	—

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Jarislowsky Fraser Canadian Equity Fund	3,276,851	100,674,725	107,185,124		
<b>Total Investments</b>		<b>100,674,725</b>	<b>107,185,124</b>		
<b>Other Net Assets</b>			(356,747)		(0.3)
<b>Net Assets</b>			<b>106,828,377</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	7.3%
Toronto-Dominion Bank	6.6%
Canadian National Railway Company	6.3%
Brookfield Asset Management	5.8%
Scotiabank	5.1%
Enbridge	4.7%
Manulife Financial Corporation	4.2%
Alimentation Couche-Tard	4.0%
Open Text Corporation	3.8%
CAE	3.7%
CGI Group	3.5%
Magna International	3.5%
Nutrien	3.5%
Thomson Reuters Corporation	3.4%
Restaurant Brands International	3.4%
CCL Industries	3.3%
Shopify	3.1%
Intact Financial Corporation	2.8%
Gildan Activewear	2.8%
WSP Global	2.4%
SNC-Lavalin Group	2.4%
Stantec	2.2%
Metro	2.1%
Saputo	1.9%
iA Financial Corporation	1.5%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	116,906	—	116,906
<b>TOTAL</b>	<b>—</b>	<b>116,906</b>	<b>—</b>	<b>116,906</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX	3.00	3,081	3,294

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>8.13</b>	8.04	6.91	7.65	7.44
Series 5	<b>8.86</b>	8.70	7.43	8.16	7.90
Series 6	<b>6.36</b>	6.24	5.33	5.85	5.65
Series 7	<b>6.52</b>	6.37	5.41	5.91	5.69
Series 8*	<b>5.75</b>	5.63	4.78	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>2,017</b>	2,316	2,630	3,416	3,912
Series 5	<b>102,365</b>	111,432	108,241	140,959	150,111
Series 6	<b>1,358</b>	1,420	1,351	1,812	892
Series 7	<b>498</b>	610	846	501	36
Series 8*	<b>591</b>	655	536	—	—
Number of units outstanding (000)					
Series 3	<b>248</b>	288	380	447	526
Series 5	<b>11,558</b>	12,805	14,565	17,265	19,011
Series 6	<b>214</b>	227	254	310	158
Series 7	<b>76</b>	96	156	85	6
Series 8*	<b>103</b>	116	112	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.59</b>	3.60	3.60	3.60	3.59
Series 5	<b>2.92</b>	2.92	2.92	2.92	2.92
Series 6	<b>2.68</b>	2.84	2.82	2.82	2.93
Series 7	<b>2.21</b>	2.37	2.33	2.41	2.41
Series 8*	<b>2.33</b>	2.50	2.53	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>5.18</b>	5.78	8.55	6.96	10.34

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN EQUITY – FIDELITY TRUE NORTH®\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020. section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Royal Bank of Canada	6.9%
Toronto-Dominion Bank	5.2%
Shopify	3.7%
Barrick Gold Corporation	3.3%
Canadian National Railway Company	3.2%
Brookfield Asset Management	3.0%
Dollarama	3.0%
Suncor Energy	3.0%
Canadian Natural Resources	2.7%
Alimentation Couche-Tard	2.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,860	8.6%	10,900	9.0%	10,923	9.2%	10,968	9.7%	10,951	9.5%
3 Years	11,784	5.6%	11,903	6.0%	11,973	6.2%	12,143	6.7%	—	—
5 Years	13,242	5.8%	13,482	6.2%	13,592	6.3%	13,952	6.9%	—	—
10 Years	16,844	5.4%	17,501	5.8%	—	—	—	—	—	—
Since Inception	25,760	8.1%	26,900	8.5%	14,440	5.5%	14,960	6.1%	12,440	8.5%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	31,664
Investments at fair value through profit or loss (FVTPL)	<b>38,414,561</b>	36,726,625
Premiums receivable	<b>14,827</b>	94,810
Receivable for securities sold	<b>17,265</b>	—
	<b>38,446,653</b>	36,853,099
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>16,974</b>	—
Accrued expenses	<b>93,943</b>	93,212
Withdrawals payable	<b>19,111</b>	101,572
Payable for securities purchased	<b>14,194</b>	33,609
	<b>144,222</b>	228,393
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>38,302,431</b>	36,624,706
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>12.88</b>	11.86
Series 5	<b>13.45</b>	12.34
Series 6	<b>7.22</b>	6.61
Series 7	<b>7.48</b>	6.82
Series 8	<b>6.22</b>	5.68

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	<b>2,961,978</b>	1,875,774
Changes in fair value:		
Net realized gain (loss) on investments	<b>1,052,031</b>	872,922
Net unrealized gain (loss) on investments	<b>396,578</b>	3,606,622
	<b>4,410,587</b>	6,355,318
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>932,906</b>	935,940
Operating expenses	<b>152,924</b>	159,255
	<b>1,085,830</b>	1,095,195
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>3,324,757</b>	5,260,123
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>95,978</b>	156,494
- per unit	<b>1.04</b>	1.68
Average Number of Units	<b>92,333</b>	92,950
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,424,334</b>	2,581,802
- per unit	<b>1.09</b>	1.76
Average Number of Units	<b>1,301,348</b>	1,470,614
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>982,292</b>	1,491,622
- per unit	<b>0.61</b>	0.93
Average Number of Units	<b>1,599,060</b>	1,606,534
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>86,907</b>	150,427
- per unit	<b>0.67</b>	1.06
Average Number of Units	<b>129,467</b>	142,308
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>735,246</b>	879,778
- per unit	<b>0.57</b>	0.78
Average Number of Units	<b>1,295,214</b>	1,133,060

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>36,624,706</b>	32,601,952
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>3,324,757</b>	5,260,123
Premiums		
Series 3	235,117	85,837
Series 5	1,429,360	1,135,201
Series 6	2,618,296	2,130,905
Series 7	46,296	10,000
Series 8	2,289,165	2,835,807
	<b>6,618,234</b>	6,197,750
Withdrawals		
Series 3	(189,022)	(256,757)
Series 5	(3,362,984)	(3,143,843)
Series 6	(2,985,333)	(2,180,636)
Series 7	(109,481)	(256,987)
Series 8	(1,618,446)	(1,596,896)
	<b>(8,265,266)</b>	(7,435,119)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>38,302,431</b>	36,624,706

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>3,324,757</b>	5,260,123
Adjustments for:		
Net realized (gain) loss	<b>(1,052,031)</b>	(872,922)
Net unrealized (gain) loss	<b>(396,578)</b>	(3,606,622)
Non-cash distribution from investments	<b>(2,961,978)</b>	(1,875,774)
Proceeds from sale/maturity of investments	<b>5,504,006</b>	4,492,970
Investments purchased	<b>(2,781,355)</b>	(2,168,692)
Receivable for securities sold	<b>(17,265)</b>	17,462
Accrued expenses	<b>731</b>	9,418
Payable for securities purchased	<b>(19,415)</b>	32,570
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,600,872</b>	1,288,533
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>6,698,217</b>	6,114,967
Amounts paid on withdrawals	<b>(8,347,727)</b>	(7,354,629)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,649,510)</b>	(1,239,662)
Increase (decrease) in cash/ bank overdraft	<b>(48,638)</b>	48,871
Cash (bank overdraft), beginning of period	<b>31,664</b>	(17,207)
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(16,974)</b>	31,664

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$		%
Investment Funds					100.3
Fidelity True North® Fund, Series O	705,429	31,166,277	38,414,561		
Total Investments		<b>31,166,277</b>	<b>38,414,561</b>		
Other Net Assets			(112,130)		(0.3)
Net Assets			<b>38,302,431</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Royal Bank of Canada	6.9%
Toronto-Dominion Bank	5.2%
Shopify	3.7%
Barrick Gold Corporation	3.3%
Canadian National Railway Company	3.2%
Brookfield Asset Management	3.0%
Dollarama	3.0%
Suncor Energy	3.0%
Canadian Natural Resources	2.7%
Alimentation Couche-Tard	2.6%
Constellation Software	2.5%
Thomson Reuters Corporation	2.5%
CGI Group	2.4%
Power Corporation of Canada	2.1%
Manulife Financial Corporation	1.9%
Metro	1.8%
Intact Financial Corporation	1.7%
TMX Group	1.7%
TC Energy	1.7%
Fidelity Canadian Money Market Fund	1.5%
BCE	1.5%
Canadian Pacific Railway	1.5%
Boralex	1.4%
Franco-Nevada Corporation	1.4%
Brookfield Property Partners	1.3%



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	36,727	—	—	36,727
<b>TOTAL</b>	<b>36,727</b>	<b>—</b>	<b>—</b>	<b>36,727</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
S&P/TSX Capped	3.00	872	758

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>12.88</b>	11.86	10.25	10.93	10.57
Series 5	<b>13.45</b>	12.34	10.63	11.30	10.88
Series 6	<b>7.22</b>	6.61	5.68	6.03	5.80
Series 7	<b>7.48</b>	6.82	5.83	6.16	5.88
Series 8*	<b>6.22</b>	5.68	4.87	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>1,203</b>	1,061	1,075	1,329	1,377
Series 5	<b>16,586</b>	17,095	16,522	20,479	21,561
Series 6	<b>11,169</b>	10,554	9,112	13,638	10,218
Series 7	<b>916</b>	892	989	1,169	849
Series 8*	<b>8,430</b>	7,024	4,905	—	—
Number of units outstanding (000)					
Series 3	<b>93</b>	89	105	122	130
Series 5	<b>1,233</b>	1,385	1,555	1,813	1,982
Series 6	<b>1,547</b>	1,596	1,603	2,261	1,762
Series 7	<b>122</b>	131	170	190	144
Series 8*	<b>1,355</b>	1,237	1,008	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.57</b>	3.57	3.58	3.57	3.56
Series 5	<b>3.21</b>	3.21	3.21	3.20	3.20
Series 6	<b>2.93</b>	3.03	3.04	3.03	3.04
Series 7	<b>2.41</b>	2.53	2.55	2.48	2.46
Series 8*	<b>2.61</b>	2.72	2.70	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>15.42</b>	11.35	12.64	12.75	11.95

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN EQUITY – FRANKLIN BISSETT\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Royal Bank of Canada	5.3%
Brookfield Asset Management	5.2%
Toronto-Dominion Bank	4.9%
Canadian Pacific Railway	4.4%
Canadian National Railway Company	4.1%
Alimentation Couche-Tard	3.9%
Loblaw Companies	3.6%
Scotiabank	3.6%
Open Text Corporation	3.5%
Metro	3.5%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,565	-4.3%	9,604	-4.0%	9,660	-3.4%	9,662	-3.4%	9,718	-2.8%
3 Years	9,768	-0.8%	9,870	-0.4%	10,051	0.2%	10,084	0.3%	10,248	0.8%
5 Years	—	—	12,155	4.0%	12,528	4.6%	12,610	4.7%	12,919	5.3%
10 Years	—	—	14,590	3.8%	15,452	4.4%	—	—	—	—
Since Inception	10,120	0.3%	25,740	4.7%	15,877	3.6%	12,020	2.7%	12,420	3.2%

	Series 8		Series IGP	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,695	-3.0%	9,712	-2.9%
3 Years	—	—	10,227	0.8%
5 Years	—	—	—	—
10 Years	—	—	—	—
Since Inception	10,820	3.0%	10,790	1.9%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	121,575	85,318
Investments at fair value through profit or loss (FVTPL)	38,891,917	46,742,876
Premiums receivable	240	35,151
Receivable for securities sold	46,240	31,299
	<u>39,059,972</u>	<u>46,894,644</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	110,250	130,777
Withdrawals payable	34,665	31,167
Payable for securities purchased	—	6,137
	<u>144,915</u>	<u>168,081</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b><u>38,915,057</u></b>	<b><u>46,726,563</u></b>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>5.06</u>	5.29
Series 3	<u>12.87</u>	13.40
Series 5	<u>13.93</u>	14.42
Series 6	<u>6.01</u>	6.22
Series 7	<u>6.21</u>	6.39
Series 8	<u>5.41</u>	5.58
Series IGP	<u>10.79</u>	11.11

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	1,075	2,251
Distributions from underlying funds	1,088,739	1,471,455
Changes in fair value:		
Net realized gain (loss) on investments	1,444,887	2,187,233
Net unrealized gain (loss) on investments	(3,086,496)	5,920,335
	<u>(551,795)</u>	<u>9,581,274</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	1,174,872	1,430,310
Operating expenses	179,063	219,956
	<u>1,353,935</u>	<u>1,650,266</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b><u>(1,905,730)</u></b>	<b><u>7,931,008</u></b>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	<u>(465,803)</u>	1,680,370
- per unit	<u>(0.25)</u>	0.78
Average Number of Units	<u>1,861,659</u>	2,151,191
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<u>(770,472)</u>	3,069,763
- per unit	<u>(0.63)</u>	2.08
Average Number of Units	<u>1,230,497</u>	1,473,484
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>(425,941)</u>	1,996,036
- per unit	<u>(0.59)</u>	2.32
Average Number of Units	<u>718,110</u>	860,456
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>(105,160)</u>	484,275
- per unit	<u>(0.22)</u>	0.95
Average Number of Units	<u>468,195</u>	507,512
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>(4,242)</u>	22,079
- per unit	<u>(0.25)</u>	0.90
Average Number of Units	<u>17,263</u>	24,519
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>(57,014)</u>	275,502
- per unit	<u>(0.19)</u>	0.86
Average Number of Units	<u>298,063</u>	319,902
<b>SERIES IGP</b>		
Increase (Decrease) in Net Assets from Operations	<u>(77,098)</u>	402,983
- per unit	<u>(0.37)</u>	1.79
Average Number of Units	<u>205,829</u>	225,113

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>46,726,563</b>	46,812,619
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(1,905,730)</b>	7,931,008
Premiums		
Series 1	340,375	229,442
Series 3	423,285	541,023
Series 5	812,022	848,663
Series 6	225,361	589,561
Series 7	—	133,738
Series 8	174,770	460,162
Series IGP	13,161	12,879
	<b>1,988,974</b>	2,815,468
Withdrawals		
Series 1	(1,238,024)	(1,960,384)
Series 3	(3,237,238)	(4,147,290)
Series 5	(2,341,133)	(3,276,961)
Series 6	(610,759)	(558,743)
Series 7	(21,889)	(129,980)
Series 8	(283,085)	(510,207)
Series IGP	(162,622)	(248,967)
	<b>(7,894,750)</b>	(10,832,532)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>38,915,057</b>	46,726,563

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(1,905,730)</b>	7,931,008
Adjustments for:		
Net realized (gain) loss	<b>(1,444,887)</b>	(2,187,233)
Net unrealized (gain) loss	<b>3,086,496</b>	(5,920,335)
Non-cash distribution from investments	<b>(1,088,739)</b>	(1,471,455)
Proceeds from sale/maturity of investments	<b>7,827,155</b>	10,322,853
Investments purchased	<b>(529,066)</b>	(653,739)
Receivable for securities sold	<b>(14,941)</b>	(30,088)
Accrued expenses	<b>(20,527)</b>	(2,324)
Payable for securities purchased	<b>(6,137)</b>	3,383
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>5,903,624</b>	7,992,070
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>2,023,885</b>	2,787,147
Amounts paid on withdrawals	<b>(7,891,252)</b>	(10,807,050)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(5,867,367)</b>	(8,019,903)
Increase (decrease) in cash/bank overdraft	<b>36,257</b>	(27,833)
Cash (bank overdraft), beginning of period	<b>85,318</b>	113,151
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>121,575</b>	85,318
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>324</b>	1,148

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					99.9
Franklin Bissett Canadian Equity Fund, Series O	247,613	31,501,730	38,891,917		
<b>Total Investments</b>		<b>31,501,730</b>	<b>38,891,917</b>		
<b>Other Net Assets</b>			23,140		0.1
<b>Net Assets</b>			<b>38,915,057</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	5.3%
Brookfield Asset Management	5.2%
Toronto-Dominion Bank	4.9%
Canadian Pacific Railway	4.4%
Canadian National Railway Company	4.1%
Alimentation Couche-Tard	3.9%
Loblaw Companies	3.6%
Scotiabank	3.6%
Open Text Corporation	3.5%
Metro	3.5%
Bank of Montreal	3.2%
Fortis	3.1%
TELUS Corporation	3.1%
CGI Group	2.9%
Wheaton Precious Metals	2.9%
Enbridge	2.8%
Nutrien	2.6%
Dollarama	2.5%
Atco	2.5%
Waste Connections	2.5%
BCE	2.4%
Manulife Financial Corporation	2.4%
Saputo	2.3%
Emera	2.2%
First Capital Real Estate Investment Trust	1.8%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

The fundamental investment objective of this Fund is to achieve long-term capital appreciation while continuing to emphasize the preservation of capital by investing primarily in Canadian equity securities.

**Strategy of the Fund**

To invest primarily in mid to large cap Canadian equity securities of growth-oriented companies. The Fund may also have a foreign equity component.

The principal risk factors of this Fund are market and minor foreign currency risk.

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

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

*Fair Value Hierarchy (in \$'000)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	46,743	—	—	46,743
<b>TOTAL</b>	<b>46,743</b>	<b>—</b>	<b>—</b>	<b>46,743</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX	3.00	979	1,303

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1	<b>5.06</b>	5.29	4.52	5.18	5.05
Series 3	<b>12.87</b>	13.40	11.42	13.04	12.65
Series 5	<b>13.93</b>	14.42	12.21	13.86	13.37
Series 6	<b>6.01</b>	6.22	5.25	5.96	5.74
Series 7	<b>6.21</b>	6.39	5.38	6.06	5.82
Series 8*	<b>5.41</b>	5.58	4.70	—	—
Series IGP	<b>10.79</b>	11.11	9.35	10.55	10.12
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 1	<b>8,887</b>	10,251	10,301	13,965	15,860
Series 3	<b>14,380</b>	17,964	18,501	24,209	26,914
Series 5	<b>9,201</b>	11,156	11,589	17,045	17,245
Series 6	<b>2,647</b>	3,137	2,622	5,043	4,529
Series 7	<b>92</b>	118	92	260	189
Series 8*	<b>1,585</b>	1,750	1,525	—	—
Series IGP	<b>2,123</b>	2,350	2,183	2,786	2,783
Number of units outstanding (000)					
Series 1	<b>1,757</b>	1,938	2,278	2,693	3,140
Series 3	<b>1,117</b>	1,340	1,620	1,856	2,127
Series 5	<b>661</b>	774	949	1,230	1,290
Series 6	<b>440</b>	505	499	847	790
Series 7	<b>15</b>	18	17	43	33
Series 8*	<b>293</b>	314	325	—	—
Series IGP	<b>197</b>	212	233	264	275
Management expense ratio (MER) <sup>1</sup> (%)					
Series 1	<b>3.96</b>	3.97	3.97	3.97	3.98
Series 3	<b>3.58</b>	3.58	3.59	3.58	3.59
Series 5	<b>2.97</b>	2.97	2.97	2.97	2.97
Series 6	<b>2.75</b>	2.80	2.80	2.80	2.80
Series 7	<b>2.35</b>	2.39	2.27	2.41	2.41
Series 8*	<b>2.44</b>	2.49	2.53	—	—
Series IGP	<b>2.38</b>	2.39	2.38	2.39	2.38
Portfolio turnover rate <sup>2</sup> (%)	<b>4.02</b>	4.37	3.00	3.26	14.66

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – CANADIAN SMALL CAP EQUITY – NEI\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Premium Brands Holdings	5.6%
ATS Automation Tooling Systems	5.4%
Equitable Group	4.8%
Canadian Western Bank	4.8%
Kinaxis	4.1%
Intertape Polymer Group	4.1%
Guardian Capital Group	4.1%
Morneau Shepell	4.0%
Spin Master	3.9%
Winpak	3.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,747	7.5%	10,798	8.0%	10,802	8.0%	10,844	8.4%	10,825	8.2%
3 Years	9,881	-0.4%	10,056	0.2%	10,059	0.2%	10,193	0.6%	—	—
5 Years	12,092	3.9%	12,419	4.4%	12,439	4.5%	12,717	4.9%	—	—
10 Years	10,208	0.2%	10,797	0.8%	—	—	—	—	—	—
Since Inception	13,240	2.0%	11,757	1.2%	10,240	0.3%	10,540	0.8%	10,240	0.9%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	27,226	25,610
Investments at fair value through profit or loss (FVTPL)	10,534,356	11,180,434
Premiums receivable	85	19,855
Receivable for securities sold	—	5,987
Interest, dividends and other receivables	—	418
	<u>10,561,667</u>	<u>11,232,304</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	29,058	30,912
Withdrawals payable	5,099	26,166
	<u>34,157</u>	<u>57,078</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>10,527,510</b></u>	<u>11,175,226</u>
<b>NET ASSETS PER UNIT</b>		
Series 3	<u>6.62</u>	6.16
Series 5	<u>7.17</u>	6.64
Series 6	<u>5.12</u>	4.74
Series 7	<u>5.27</u>	4.86
Series 8	<u>5.12</u>	4.73

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	264
Distributions from underlying funds	195,437	202,948
Changes in fair value:		
Net realized gain (loss) on investments	53,737	14,327
Net unrealized gain (loss) on investments	802,756	1,608,667
	<u>1,051,930</u>	<u>1,826,206</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	288,852	332,496
Operating expenses	37,347	43,771
	<u>326,199</u>	<u>376,267</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>725,731</b></u>	<u>1,449,939</u>
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	123,502	236,162
- per unit	0.44	0.74
Average Number of Units	280,672	318,223
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	452,039	996,820
- per unit	0.45	0.84
Average Number of Units	1,010,204	1,188,639
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	66,545	124,777
- per unit	0.33	0.56
Average Number of Units	200,677	222,198
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	2,297	3,431
- per unit	0.42	0.62
Average Number of Units	5,522	5,522
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	81,348	88,749
- per unit	0.40	0.46
Average Number of Units	201,422	191,490

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>11,175,226</b>	10,756,600
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>725,731</b>	1,449,939
Premiums		
Series 3	59,555	39,727
Series 5	277,461	297,439
Series 6	98,808	596,431
Series 7	—	6,723
Series 8	193,245	529,910
	<b>629,069</b>	1,470,230
Withdrawals		
Series 3	(298,777)	(219,674)
Series 5	(1,225,823)	(1,543,663)
Series 6	(293,255)	(613,892)
Series 7	—	(6,723)
Series 8	(184,661)	(117,591)
	<b>(2,002,516)</b>	(2,501,543)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>10,527,510</b>	11,175,226

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>725,731</b>	1,449,939
Adjustments for:		
Net realized (gain) loss	(53,737)	(14,327)
Net unrealized (gain) loss	(802,756)	(1,608,667)
Non-cash distribution from investments	(195,437)	(202,948)
Proceeds from sale/maturity of investments	<b>1,855,733</b>	2,065,369
Investments purchased	(157,725)	(620,625)
Receivable for securities sold	<b>5,987</b>	(5,987)
Interest, dividends and other receivables	<b>418</b>	(418)
Accrued expenses	(1,854)	984
Payable for securities purchased	—	(620)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,376,360</b>	1,062,700
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>648,839</b>	1,450,897
Amounts paid on withdrawals	(2,023,583)	(2,515,070)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,374,744)</b>	(1,064,173)
Increase (decrease) in cash/ bank overdraft	<b>1,616</b>	(1,473)
Cash (bank overdraft), beginning of period	<b>25,610</b>	27,083
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>27,226</b>	25,610
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	264

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
NEI Canadian Small Cap Equity Fund, Series I	540,567	9,105,803	10,534,356		
<b>Total Investments</b>		<b>9,105,803</b>	<b>10,534,356</b>		
<b>Other Net Assets</b>			(6,846)		(0.1)
<b>Net Assets</b>			<b>10,527,510</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	5.6%
ATS Automation Tooling Systems	5.4%
Equitable Group	4.8%
Canadian Western Bank	4.8%
Kinaxis	4.1%
Intertape Polymer Group	4.1%
Guardian Capital Group	4.1%
Morneau Shepell	4.0%
Spin Master	3.9%
Winpak	3.6%
Descartes Systems Group	3.5%
NFI Group	3.5%
Stella-Jones	3.5%
Enghouse Systems	3.4%
Badger Daylighting	3.3%
E-L Financial Corporation	3.2%
Slate Grocery REIT	2.9%
Jamieson Wellness	2.9%
First National Financial	2.8%
Richelieu Hardware	2.8%
HLS Therapeutics	2.7%
Real Matters	2.7%
Altus Group	2.5%
Tecsys	2.2%
Ag Growth International	2.1%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	11,180	—	—	11,180
<b>TOTAL</b>	<b>11,180</b>	<b>—</b>	<b>—</b>	<b>11,180</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
S&P/TSX Small Cap (100%)	3.00	257	140
S&P/TSX Completion (0%)	3.00	N/A	140

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

**Liquidity Risk**

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

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



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>6.62</b>	6.16	5.43	6.70	6.42
Series 5	<b>7.17</b>	6.64	5.82	7.13	6.80
Series 6	<b>5.12</b>	4.74	4.15	5.09	4.85
Series 7	<b>5.27</b>	4.86	4.24	5.17	4.90
Series 8*	<b>5.12</b>	4.73	4.13	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>1,747</b>	1,863	1,807	2,726	3,145
Series 5	<b>6,793</b>	7,289	7,538	11,399	12,083
Series 6	<b>887</b>	1,015	907	1,866	1,432
Series 7	<b>29</b>	27	23	29	20
Series 8*	<b>1,072</b>	982	481	—	—
Number of units outstanding (000)					
Series 3	<b>264</b>	302	333	407	490
Series 5	<b>948</b>	1,098	1,296	1,598	1,777
Series 6	<b>173</b>	214	218	367	295
Series 7	<b>6</b>	6	6	6	4
Series 8*	<b>209</b>	208	117	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.81</b>	3.81	3.83	3.82	3.82
Series 5	<b>3.27</b>	3.27	3.28	3.28	3.28
Series 6	<b>3.03</b>	3.20	3.23	3.24	3.21
Series 7	<b>2.59</b>	2.76	2.76	2.76	2.76
Series 8*	<b>2.72</b>	2.91	2.87	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>3.56</b>	7.30	13.44	1.74	5.11

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – SMALL CAP – FRANKLIN BISSETT\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Methanex Corporation	3.0%
Intertape Polymer Group	3.0%
Trican Well Service	2.9%
Calian Group	2.8%
Kinaxis	2.8%
FirstService Corporation	2.8%
Boyd Group Services	2.7%
Blackline Safety Corporation	2.7%
Major Drilling Group International	2.6%
Equitable Group	2.6%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,009	0.1%	10,073	0.7%	10,092	0.9%	10,121	1.2%	10,109	1.1%
3 Years	6,788	-12.1%	6,922	-11.5%	6,920	-11.5%	7,008	-11.2%	—	—
5 Years	8,418	-3.4%	8,680	-2.8%	8,679	-2.8%	8,834	-2.4%	—	—
10 Years	8,652	-1.4%	9,184	-0.8%	—	—	—	—	—	—
Since Inception	22,780	4.1%	9,945	0.0%	6,560	-6.0%	6,700	-5.7%	7,400	-10.6%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	1,618
Investments at fair value through profit or loss (FVTPL)	<b>7,318,542</b>	8,416,110
Premiums receivable	<b>152</b>	3,912
Receivable for securities sold	<b>13,981</b>	2,675
	<b>7,332,675</b>	8,424,315
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>12,993</b>	—
Accrued expenses	<b>20,012</b>	22,695
Withdrawals payable	<b>400</b>	7,214
Payable for securities purchased	—	631
	<b>33,405</b>	30,540
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>7,299,270</b>	8,393,775
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>11.39</b>	11.38
Series 5	<b>12.37</b>	12.28
Series 6	<b>3.28</b>	3.25
Series 7	<b>3.35</b>	3.31
Series 8	<b>3.70</b>	3.66

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	127
Distributions from underlying funds	<b>109,404</b>	216,451
Changes in fair value:		
Net realized gain (loss) on investments	<b>(675,058)</b>	(796,524)
Net unrealized gain (loss) on investments	<b>796,182</b>	477,982
	<b>230,528</b>	(101,964)
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>198,478</b>	275,138
Operating expenses	<b>28,240</b>	39,982
	<b>226,718</b>	315,120
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>3,810</b>	(417,084)
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>(47,160)</b>	(146,139)
- per unit	<b>(0.20)</b>	(0.52)
Average Number of Units	<b>233,118</b>	278,632
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>14,521</b>	(189,845)
- per unit	<b>0.05</b>	(0.56)
Average Number of Units	<b>266,560</b>	337,943
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>19,746</b>	(62,719)
- per unit	<b>0.04</b>	(0.12)
Average Number of Units	<b>492,179</b>	519,436
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>512</b>	(2,195)
- per unit	<b>0.04</b>	(0.13)
Average Number of Units	<b>14,492</b>	17,259
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>16,191</b>	(16,186)
- per unit	<b>0.18</b>	(0.15)
Average Number of Units	<b>89,766</b>	109,861

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>8,393,775</b>	10,642,632
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>3,810</b>	(417,084)
Premiums		
Series 3	44,300	98,775
Series 5	363,551	619,497
Series 6	189,864	289,824
Series 7	—	—
Series 8	128,181	40,114
	<b>725,896</b>	1,048,210
Withdrawals		
Series 3	(373,277)	(821,253)
Series 5	(912,825)	(1,616,638)
Series 6	(339,488)	(352,704)
Series 7	(167)	(9,445)
Series 8	(198,454)	(79,943)
	<b>(1,824,211)</b>	(2,879,983)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>7,299,270</b>	8,393,775

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>3,810</b>	(417,084)
Adjustments for:		
Net realized (gain) loss	<b>675,058</b>	796,524
Net unrealized (gain) loss	<b>(796,182)</b>	(477,982)
Non-cash distribution from investments	<b>(109,404)</b>	(216,451)
Proceeds from sale/maturity of investments	<b>1,712,622</b>	2,570,381
Investments purchased	<b>(384,526)</b>	(406,558)
Receivable for securities sold	<b>(11,306)</b>	(2,046)
Accrued expenses	<b>(2,683)</b>	(6,719)
Payable for securities purchased	<b>(631)</b>	631
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,086,758</b>	1,840,696
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>729,656</b>	1,045,157
Amounts paid on withdrawals	<b>(1,831,025)</b>	(2,884,947)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,101,369)</b>	(1,839,790)
Increase (decrease) in cash/bank overdraft	<b>(14,611)</b>	906
Cash (bank overdraft), beginning of period	<b>1,618</b>	712
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(12,993)</b>	1,618
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	21

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.3
Franklin Bissett Small Cap Fund, Series O	126,234	8,877,455	7,318,542		
<b>Total Investments</b>		<b>8,877,455</b>	<b>7,318,542</b>		
<b>Other Net Assets</b>			(19,272)		(0.3)
<b>Net Assets</b>			<b>7,299,270</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Methanex Corporation	3.0%
Intertape Polymer Group	3.0%
Trican Well Service	2.9%
Calian Group	2.8%
Kinaxis	2.8%
FirstService Corporation	2.8%
Boyd Group Services	2.7%
Blackline Safety Corporation	2.7%
Major Drilling Group International	2.6%
Equitable Group	2.6%
Sylogist	2.5%
GDI Integrated Facility Services	2.5%
Atco	2.5%
Canadian Western Bank	2.5%
Bird Construction	2.4%
Descartes Systems Group	2.4%
Empire Company	2.4%
Killaim Apartment Real Estate Investment Trust	2.4%
Transcontinental	2.3%
Corby Spirit and Wine	2.3%
InterRent Real Estate Investment Trust	2.3%
Martinrea International	2.2%
Photon Control	2.2%
Dexterra Group	2.2%
Jamieson Wellness	2.2%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	8,416	—	—	8,416
<b>TOTAL</b>	<b>8,416</b>	<b>—</b>	<b>—</b>	<b>8,416</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
S&P/TSX Small Cap	3.00	178	196

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>11.39</b>	11.38	11.85	16.78	17.26
Series 5	<b>12.37</b>	12.28	12.70	17.87	18.27
Series 6	<b>3.28</b>	3.25	3.37	4.74	4.84
Series 7	<b>3.35</b>	3.31	3.41	4.78	4.88
Series 8*	<b>3.70</b>	3.66	3.77	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>2,454</b>	2,831	3,699	6,088	7,231
Series 5	<b>2,998</b>	3,533	4,720	8,307	9,211
Series 6	<b>1,494</b>	1,624	1,750	2,980	2,764
Series 7	<b>48</b>	48	60	258	34
Series 8*	<b>304</b>	358	414	—	—
Number of units outstanding (000)					
Series 3	<b>215</b>	249	312	363	419
Series 5	<b>242</b>	288	372	465	504
Series 6	<b>456</b>	499	520	629	571
Series 7	<b>14</b>	15	18	54	7
Series 8*	<b>82</b>	98	110	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.77</b>	3.77	3.76	3.76	3.76
Series 5	<b>3.14</b>	3.14	3.14	3.14	3.14
Series 6	<b>3.12</b>	3.14	3.14	3.14	3.14
Series 7	<b>2.67</b>	2.73	2.45	2.74	2.74
Series 8*	<b>2.77</b>	2.82	2.87	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>7.19</b>	6.57	4.76	13.53	9.69

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.



## DFS GIF – AMERICAN EQUITY – MFS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	5.1%
Alphabet	4.1%
Apple	2.6%
JPMorgan Chase & Company	2.5%
Johnson & Johnson	2.5%
Visa	2.4%
Medtronic	2.3%
Mastercard	2.2%
Honeywell International	2.2%
Comcast Corporation	2.1%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,829	8.3%	10,914	9.1%	10,922	9.2%	10,971	9.7%	10,962	9.6%
3 Years	13,115	9.5%	13,401	10.2%	13,424	10.3%	13,615	10.8%	—	—
5 Years	14,986	8.4%	15,570	9.3%	15,604	9.3%	15,973	9.8%	—	—
10 Years	29,446	11.4%	31,628	12.2%	—	—	—	—	—	—
Since Inception	20,380	3.5%	26,322	7.6%	20,620	11.1%	21,240	11.6%	13,440	11.6%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	8,744
Investments at fair value through profit or loss (FVTPL)	<b>51,712,518</b>	44,998,719
Premiums receivable	<b>41,710</b>	18,095
Receivable for securities sold	<b>12,666</b>	—
	<b>51,766,894</b>	45,025,558
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>6,405</b>	—
Accrued expenses	<b>115,095</b>	105,930
Withdrawals payable	<b>30,856</b>	14,821
Payable for securities purchased	—	2,491
	<b>152,356</b>	123,242
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>51,614,538</b>	44,902,316
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>10.19</b>	9.41
Series 5	<b>11.23</b>	10.29
Series 6	<b>10.31</b>	9.44
Series 7	<b>10.62</b>	9.68
Series 8	<b>6.72</b>	6.13

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	—	765
Distributions from underlying funds	<b>2,293,639</b>	3,700,315
Changes in fair value:		
Net realized gain (loss) on investments	<b>599,978</b>	543,618
Net unrealized gain (loss) on investments	<b>2,884,839</b>	4,647,949
	<b>5,778,456</b>	8,892,647
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>1,170,713</b>	982,381
Operating expenses	<b>179,227</b>	160,321
	<b>1,349,940</b>	1,142,702
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>4,428,516</b>	7,749,945
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>352,295</b>	763,368
- per unit	<b>0.79</b>	1.67
Average Number of Units	<b>445,575</b>	456,581
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,241,199</b>	2,638,077
- per unit	<b>0.94</b>	1.90
Average Number of Units	<b>1,317,209</b>	1,390,568
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,516,181</b>	2,484,610
- per unit	<b>0.91</b>	1.71
Average Number of Units	<b>1,675,118</b>	1,449,401
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>102,610</b>	261,301
- per unit	<b>1.02</b>	1.99
Average Number of Units	<b>101,009</b>	131,539
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>1,216,231</b>	1,602,589
- per unit	<b>0.59</b>	1.12
Average Number of Units	<b>2,076,763</b>	1,435,133

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>44,902,316</b>	34,012,025
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,428,516</b>	7,749,945
Premiums		
Series 3	799,499	674,931
Series 5	2,484,515	2,361,172
Series 6	5,337,097	6,571,614
Series 7	188,003	90,088
Series 8	5,258,897	6,501,466
	<b>14,068,011</b>	16,199,271
Withdrawals		
Series 3	(688,208)	(880,780)
Series 5	(3,031,551)	(3,194,537)
Series 6	(3,773,340)	(5,349,644)
Series 7	(143,172)	(729,034)
Series 8	(4,148,034)	(2,904,930)
	<b>(11,784,305)</b>	(13,058,925)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>51,614,538</b>	44,902,316

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>4,428,516</b>	7,749,945
Adjustments for:		
Net realized (gain) loss	(599,978)	(543,618)
Net unrealized (gain) loss	(2,884,839)	(4,647,949)
Non-cash distribution from investments	(2,293,639)	(3,700,315)
Proceeds from sale/maturity of investments	<b>5,834,855</b>	5,368,844
Investments purchased	(6,770,198)	(7,459,692)
Receivable for securities sold	(12,666)	—
Accrued expenses	<b>9,165</b>	23,351
Payable for securities purchased	(2,491)	(1,508)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(2,291,275)</b>	(3,210,942)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>14,044,396</b>	16,261,399
Amounts paid on withdrawals	(11,768,270)	(13,051,248)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>2,276,126</b>	3,210,151
Increase (decrease) in cash/ bank overdraft	<b>(15,149)</b>	(791)
Cash (bank overdraft), beginning of period	<b>8,744</b>	9,535
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(6,405)</b>	8,744
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	—	96

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
MFS U.S. Equity Core Fund	2,811,976	44,906,870	51,712,518		
Total Investments		<b>44,906,870</b>	<b>51,712,518</b>		
Other Net Assets			(97,980)		(0.2)
Net Assets			<b>51,614,538</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	5.1%
Alphabet	4.1%
Apple	2.6%
JPMorgan Chase & Company	2.5%
Johnson & Johnson	2.5%
Visa	2.4%
Medtronic	2.3%
Mastercard	2.2%
Honeywell International	2.2%
Comcast Corporation	2.1%
Bank of America Corporation	2.1%
Facebook	2.0%
Fidelity National Information Services	2.0%
Becton, Dickinson and Company	1.9%
Thermo Fisher Scientific	1.9%
American Tower Corporation (REIT)	1.8%
Adobe	1.8%
Texas Instruments	1.8%
Electronic Arts	1.7%
Goldman Sachs Group	1.7%
Target Corporation	1.6%
Eli Lilly and Company	1.6%
Home Depot	1.6%
Nasdaq	1.5%
Alphabet	1.5%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>

  

December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	44,999	—	44,999
<b>TOTAL</b>	<b>—</b>	<b>44,999</b>	<b>—</b>	<b>44,999</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
S&P 500	3.00	1,486	1,261

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>10.19</b>	9.41	7.75	7.77	6.95
Series 5	<b>11.23</b>	10.29	8.40	8.38	7.43
Series 6	<b>10.31</b>	9.44	7.71	7.68	6.81
Series 7	<b>10.62</b>	9.68	7.87	7.80	6.88
Series 8*	<b>6.72</b>	6.13	4.99	—	—
<b>Ratios and Supplemental Data</b>					
Net Asset Value (\$000's)					
Series 3	<b>4,698</b>	4,234	3,677	3,978	4,052
Series 5	<b>14,746</b>	14,052	12,247	12,290	11,107
Series 6	<b>17,491</b>	14,411	10,705	10,754	6,382
Series 7	<b>1,080</b>	932	1,310	581	162
Series 8*	<b>13,600</b>	11,272	6,073	—	—
Number of units outstanding (000)					
Series 3	<b>461</b>	450	475	512	583
Series 5	<b>1,313</b>	1,366	1,457	1,467	1,496
Series 6	<b>1,697</b>	1,527	1,389	1,400	938
Series 7	<b>102</b>	96	167	75	24
Series 8*	<b>2,025</b>	1,839	1,217	—	—
Management expense ratio (MER) <sup>1</sup> (%)					
Series 3	<b>3.69</b>	3.70	3.73	3.74	3.75
Series 5	<b>2.92</b>	2.93	2.94	2.93	2.93
Series 6	<b>2.68</b>	2.90	2.90	2.88	2.87
Series 7	<b>2.19</b>	2.42	2.43	2.44	2.44
Series 8*	<b>2.35</b>	2.57	2.59	—	—
Portfolio turnover rate <sup>2</sup> (%)	<b>12.38</b>	13.63	11.30	22.68	26.82

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – AMERICAN EQUITY VALUE – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
JPMorgan Chase & Company	4.7%
Bank of America Corporation	4.0%
Verizon Communications	3.3%
Other Net Assets	2.6%
Pfizer	2.6%
Comcast Corporation	2.4%
Medtronic	2.4%
Chevron Corporation	2.3%
PNC Financial Services Group	2.3%
Raytheon Technologies	2.2%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,692	-3.1%	9,751	-2.5%	9,764	-2.4%	9,782	-2.2%	9,844	-1.6%
3 Years	11,015	3.3%	11,227	3.9%	11,269	4.1%	11,332	4.3%	11,556	4.9%
5 Years	12,183	4.0%	12,557	4.7%	12,646	4.8%	12,766	5.0%	13,143	5.6%
10 Years	23,062	8.7%	24,336	9.3%	24,619	9.4%	—	—	—	—
Since Inception	19,540	2.7%	14,485	1.7%	20,317	5.5%	17,020	8.1%	17,680	8.7%

	Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,811	-1.9%
3 Years	—	—
5 Years	—	—
10 Years	—	—
Since Inception	11,440	5.1%

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



## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	103,351	96,948
Investments at fair value through profit or loss (FVTPL)	23,763,204	26,390,524
Premiums receivable	618	1,256
	<u>23,867,173</u>	<u>26,488,728</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	56,923	65,102
Withdrawals payable	9,975	6,148
Payable for securities purchased	2,381	32,187
	<u>69,279</u>	<u>103,437</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>23,797,894</b></u>	<u>26,385,291</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>9.77</u>	10.08
Series 3	<u>10.98</u>	11.26
Series 5	<u>11.19</u>	11.46
Series 6	<u>8.51</u>	8.70
Series 7	<u>8.84</u>	8.98
Series 8	<u>5.72</u>	5.83

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	175	1,268
Distributions from underlying funds	616,061	1,049,412
Changes in fair value:		
Net realized gain (loss) on investments	1,057,973	1,234,671
Net unrealized gain (loss) on investments	<u>(1,605,051)</u>	<u>3,011,327</u>
	<u>69,158</u>	<u>5,296,678</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	599,400	654,325
Operating expenses	95,789	107,741
	<u>695,189</u>	<u>762,066</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>(626,031)</b></u>	<u>4,534,612</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	<u>(73,245)</u>	380,536
- per unit	<u>(0.34)</u>	1.60
Average Number of Units	<u>217,451</u>	238,092
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<u>(93,525)</u>	474,019
- per unit	<u>(0.42)</u>	1.88
Average Number of Units	<u>220,637</u>	252,207
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<u>(281,887)</u>	1,826,137
- per unit	<u>(0.35)</u>	1.92
Average Number of Units	<u>800,239</u>	951,815
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<u>(116,309)</u>	1,114,607
- per unit	<u>(0.15)</u>	1.47
Average Number of Units	<u>763,944</u>	757,374
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<u>(6,623)</u>	41,725
- per unit	<u>(0.44)</u>	1.82
Average Number of Units	<u>15,168</u>	22,921
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<u>(54,442)</u>	697,588
- per unit	<u>(0.07)</u>	0.94
Average Number of Units	<u>835,216</u>	738,361

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

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>26,385,291</b>	24,175,698
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(626,031)</b>	4,534,612
Premiums		
Series 1	73,485	21,024
Series 3	106,970	223,199
Series 5	882,708	1,036,288
Series 6	1,608,933	1,068,718
Series 7	2,358	—
Series 8	1,105,631	1,630,899
	<b>3,780,085</b>	3,980,128
Withdrawals		
Series 1	(207,163)	(779,537)
Series 3	(629,321)	(547,618)
Series 5	(2,519,855)	(2,656,452)
Series 6	(1,430,129)	(1,420,255)
Series 7	(58,053)	(154,364)
Series 8	(896,930)	(746,921)
	<b>(5,741,451)</b>	(6,305,147)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>23,797,894</b>	26,385,291

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(626,031)</b>	4,534,612
Adjustments for:		
Net realized (gain) loss	<b>(1,057,973)</b>	(1,234,671)
Net unrealized (gain) loss	<b>1,605,051</b>	(3,011,327)
Non-cash distribution from investments	<b>(616,061)</b>	(1,049,412)
Proceeds from sale/maturity of investments	<b>4,263,086</b>	4,495,702
Investments purchased	<b>(1,565,043)</b>	(1,425,067)
Receivable for securities sold	—	1,044
Accrued expenses	<b>(8,179)</b>	3,715
Payable for securities purchased	<b>(29,806)</b>	31,234
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>1,965,044</b>	2,345,830
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>3,780,723</b>	3,991,951
Amounts paid on withdrawals	<b>(5,737,624)</b>	(6,306,477)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(1,956,901)</b>	(2,314,526)
Effect of exchange rate changes on foreign cash	<b>(1,740)</b>	(328)
Increase (decrease) in cash/bank overdraft	<b>6,403</b>	30,976
Cash (bank overdraft), beginning of period	<b>96,948</b>	65,972
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>103,351</b>	96,948
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>168</b>	641

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					99.9
Desjardins American Equity Value Fund, I-Class	759,426	17,361,674	23,763,204		
<b>Total Investments</b>		<b>17,361,674</b>	<b>23,763,204</b>		
<b>Other Net Assets</b>			34,690		0.1
<b>Net Assets</b>			<b>23,797,894</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	4.7%
Bank of America Corporation	4.0%
Verizon Communications	3.3%
Other Net Assets	2.6%
Pfizer	2.6%
Comcast Corporation	2.4%
Medtronic	2.4%
Chevron Corporation	2.3%
PNC Financial Services Group	2.3%
Raytheon Technologies	2.2%
Broadcom	2.0%
Chubb Corporation	1.9%
Honeywell International	1.9%
Target Corporation	1.9%
Johnson Controls International	1.8%
American Express Company	1.8%
Celanese	1.8%
Philip Morris International	1.8%
McDonald's Corporation	1.7%
Deere & Company	1.6%
Eaton Corporation	1.6%
Cisco Systems	1.6%
UnitedHealth Group	1.5%
Mondelez International	1.5%
Accenture	1.5%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

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

To provide investors with long-term capital growth by investing primarily in U.S. equities.

**Strategy of the Fund**

To invest primarily in the common shares of high quality, publicly traded mid to large United States companies across a wide range of market sectors.

The principal risk factors of this Fund are foreign currency, derivatives and market risk.

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

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

*Fair Value Hierarchy (in \$'000)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	26,391	—	—	26,391
<b>TOTAL</b>	<b>26,391</b>	<b>—</b>	<b>—</b>	<b>26,391</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI USA Value Index	3.00	665	N/A
S&P 500	3.00	N/A	713

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1	<b>9.77</b>	10.08	8.49	8.87	8.60
Series 3	<b>10.98</b>	11.26	9.42	9.78	9.42
Series 5	<b>11.19</b>	11.46	9.57	9.93	9.55
Series 6	<b>8.51</b>	8.70	7.25	7.51	7.21
Series 7	<b>8.84</b>	8.98	7.45	7.65	7.32
Series 8*	<b>5.72</b>	5.83	4.84	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 1	<b>2,017</b>	2,224	2,602	3,102	2,900
Series 3	<b>2,143</b>	2,759	2,610	3,016	3,380
Series 5	<b>8,166</b>	10,085	9,879	11,972	11,989
Series 6	<b>6,496</b>	6,434	5,671	7,762	6,237
Series 7	<b>91</b>	154	266	526	285
Series 8*	<b>4,884</b>	4,730	3,148	—	—
<b>Number of units outstanding (000)</b>					
Series 1	<b>207</b>	221	307	350	337
Series 3	<b>195</b>	245	277	308	359
Series 5	<b>730</b>	880	1,032	1,206	1,255
Series 6	<b>763</b>	739	782	1,034	865
Series 7	<b>10</b>	17	36	69	39
Series 8*	<b>854</b>	811	650	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 1	<b>3.82</b>	3.83	3.82	3.82	3.82
Series 3	<b>3.19</b>	3.20	3.20	3.21	3.22
Series 5	<b>3.06</b>	3.06	3.06	3.06	3.05
Series 6	<b>2.68</b>	2.84	2.84	2.84	2.83
Series 7	<b>2.13</b>	2.33	2.22	2.38	2.27
Series 8*	<b>2.37</b>	2.54	2.53	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>					
	<b>9.33</b>	9.76	10.63	12.45	17.24

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GLOBAL DIVIDEND – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUNDS AS OF DECEMBER 31, 2020

Security Name	Percentage
Other Net Assets	2.7%
Verizon Communications	1.9%
Microsoft Corporation	1.8%
Samsung Electronics	1.8%
Allianz	1.8%
AbbVie	1.7%
Taiwan Semiconductor Manufacturing Company	1.7%
Snam	1.6%
Nutrien	1.6%
Muenchener Rueckversicherung	1.5%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	9,492	-5.1%	9,491	-5.1%	9,533	-4.7%	9,534	-4.7%
3 Years	10,292	1.0%	10,276	0.9%	10,436	1.4%	—	—
5 Years	11,260	2.4%	11,213	2.3%	11,504	2.8%	—	—
Since Inception	18,320	7.6%	13,420	4.4%	13,880	4.9%	10,640	2.3%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	2,940	268
Investments at fair value through profit or loss (FVTPL)	26,773,715	30,922,637
Premiums receivable	2,627	17,372
Receivable for securities sold	6,836	766
	<u>26,786,118</u>	<u>30,941,043</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	58,008	70,170
Withdrawals payable	13,884	37,722
Payable for securities purchased	1,906	7,071
	<u>73,798</u>	<u>114,963</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>26,712,320</u>	<u>30,826,080</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>9.16</u>	9.65
Series 6	<u>6.71</u>	7.07
Series 7	<u>6.94</u>	7.28
Series 8	<u>5.32</u>	5.58

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	923,183	1,337,615
Changes in fair value:		
Net realized gain (loss) on investments	103,284	353,313
Net unrealized gain (loss) on investments	(1,988,242)	2,567,383
	<u>(961,775)</u>	<u>4,258,311</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	672,182	734,522
Operating expenses	59,662	64,753
	<u>731,844</u>	<u>799,275</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>(1,693,619)</u>	<u>3,459,036</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	(454,749)	991,403
- per unit	(0.59)	1.09
Average Number of Units	<u>771,412</u>	<u>910,006</u>
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	(599,176)	1,252,968
- per unit	(0.38)	0.79
Average Number of Units	<u>1,566,057</u>	<u>1,583,164</u>
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	(128,360)	296,115
- per unit	(0.40)	0.85
Average Number of Units	<u>318,294</u>	<u>348,399</u>
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	(511,334)	918,550
- per unit	(0.33)	0.63
Average Number of Units	<u>1,562,750</u>	<u>1,459,041</u>

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



STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>30,826,080</b>	26,819,104
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(1,693,619)</b>	3,459,036
Premiums		
Series 5	<b>930,426</b>	1,354,830
Series 6	<b>1,370,236</b>	4,018,728
Series 7	<b>61,219</b>	7,874
Series 8	<b>1,542,111</b>	2,403,916
	<b>3,903,992</b>	7,785,348
Withdrawals		
Series 5	<b>(1,918,510)</b>	(2,720,093)
Series 6	<b>(2,387,536)</b>	(3,170,412)
Series 7	<b>(352,576)</b>	(174,643)
Series 8	<b>(1,665,511)</b>	(1,172,260)
	<b>(6,324,133)</b>	(7,237,408)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>26,712,320</b>	30,826,080

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>(1,693,619)</b>	3,459,036
Adjustments for:		
Net realized (gain) loss	<b>(103,284)</b>	(353,313)
Net unrealized (gain) loss	<b>1,988,242</b>	(2,567,383)
Non-cash distribution from investments	<b>(923,183)</b>	(1,337,615)
Proceeds from sale/maturity of investments	<b>4,268,947</b>	3,343,673
Investments purchased	<b>(1,081,800)</b>	(3,120,662)
Receivable for securities sold	<b>(6,070)</b>	(766)
Accrued expenses	<b>(12,162)</b>	9,271
Payable for securities purchased	<b>(5,165)</b>	(32,755)
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>2,431,906</b>	(600,514)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>3,918,737</b>	7,907,799
Amounts paid on withdrawals	<b>(6,347,971)</b>	(7,310,137)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(2,429,234)</b>	597,662
Increase (decrease) in cash/ bank overdraft	<b>2,672</b>	(2,852)
Cash (bank overdraft), beginning of period	<b>268</b>	3,120
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>2,940</b>	268

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
Desjardins Global Dividend Fund, I-Class	1,315,275	25,268,506	26,772,415		
Desjardins SocieTerra Emerging Markets Equity Fund, A-Class	106	1,111	1,300		
<b>Total Investments</b>		<b>25,269,617</b>	<b>26,773,715</b>		
<b>Other Net Assets</b>			(61,395)		(0.2)
<b>Net Assets</b>			<b>26,712,320</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>DESJARDINS GLOBAL DIVIDEND FUND 100.2%</b>	
Verizon Communications	1.9%
Microsoft Corporation	1.8%
Samsung Electronics	1.8%
Allianz	1.8%
AbbVie	1.7%
<b>DESJARDINS SOCIETERRA EMERGING MARKETS EQUITY FUND 0.0%</b>	
Samsung Electronics	7.4%
Ping An Insurance (Group) Company of China	6.3%
Taiwan Semiconductor Manufacturing Company	5.9%
Housing Development Finance	5.0%
NCSoft	4.6%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### STRATEGY IN USING FINANCIAL INSTRUMENTS

#### Objective of the Fund

To provide dividend income and long term capital appreciation through the investment in equity and equity related securities of companies around the world, including, when deemed appropriate, emerging markets.

#### Strategy of the Fund

To invests 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	30,923	—	—	30,923
<b>TOTAL</b>	<b>30,923</b>	<b>—</b>	<b>—</b>	<b>30,923</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Funds Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI World Net	3.00	673	683

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>9.16</b>	9.65	8.57	8.90	8.31
Series 6	<b>6.71</b>	7.07	6.28	6.53	6.11
Series 7	<b>6.94</b>	7.28	6.43	6.65	6.19
Series 8*	<b>5.32</b>	5.58	4.94	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>6,701</b>	8,144	8,518	9,032	9,170
Series 6	<b>9,920</b>	11,537	9,436	14,783	10,511
Series 7	<b>2,020</b>	2,439	2,310	2,581	904
Series 8*	<b>8,071</b>	8,706	6,556	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>732</b>	844	994	1,015	1,104
Series 6	<b>1,478</b>	1,631	1,502	2,262	1,721
Series 7	<b>291</b>	335	359	388	146
Series 8*	<b>1,518</b>	1,559	1,326	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>2.81</b>	2.82	2.81	2.80	2.80
Series 6	<b>2.73</b>	2.89	2.89	2.89	2.87
Series 7	<b>2.23</b>	2.39	2.37	2.37	2.34
Series 8*	<b>2.39</b>	2.56	2.59	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>7.46</b>	11.49	10.28	8.85	12.24

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GLOBAL EQUITY – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Thermo Fisher Scientific	3.2%
Microsoft Corporation	3.1%
Alphabet	2.9%
Other Net Assets	2.8%
Wolters Kluwer	2.5%
IQVIA Holdings	2.5%
Aon	2.3%
Zoetis	2.3%
Unilever	2.3%
Tencent Holdings	2.3%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020\*\*

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,143	11.4%	11,143	11.4%	11,221	12.2%	11,202	12.0%
Since Inception	11,500	11.6%	11,500	11.6%	11,580	12.2%	11,560	12.1%

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

\*\* Beginning of operations in October 2019.

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,006	1,001
Investments at fair value through profit or loss (FVTPL)	1,002,878	630,439
Premiums receivable	13,420	—
	<u>1,017,304</u>	<u>631,440</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	2,074	1,400
Withdrawals payable	89	—
Payable for securities purchased	13,420	—
	<u>15,583</u>	<u>1,400</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>1,001,721</b></u>	<u>630,040</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>5.75</u>	5.16
Series 6	<u>5.75</u>	5.16
Series 7	<u>5.79</u>	5.16
Series 8	<u>5.78</u>	5.16

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019*
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	13,554	11,413
Changes in fair value:		
Net realized gain (loss) on investments	1,296	16
Net unrealized gain (loss) on investments	111,734	12,489
	<u>126,584</u>	<u>23,918</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	18,564	4,014
Operating expenses	1,750	370
	<u>20,314</u>	<u>4,384</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>106,270</b></u>	<u>19,534</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	31,337	4,775
- per unit	<u>0.82</u>	0.16
Average Number of Units	<u>38,070</u>	29,641
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	25,860	4,799
- per unit	<u>0.71</u>	0.16
Average Number of Units	<u>36,441</u>	29,641
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	19,102	5,016
- per unit	<u>0.63</u>	0.17
Average Number of Units	<u>30,525</u>	29,640
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	29,971	4,944
- per unit	<u>0.75</u>	0.17
Average Number of Units	<u>39,860</u>	29,641

\* Beginning of operations in October 2019.

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

Periods Ended December 31

	2020	2019*
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>630,040</b>	—
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>106,270</b>	19,534
Premiums		
Series 5	50,807	152,627
Series 6	182,966	152,627
Series 7	—	152,625
Series 8	102,793	152,627
	<b>336,566</b>	610,506
Withdrawals		
Series 5	(4,914)	—
Series 6	(62,026)	—
Series 7	—	—
Series 8	(4,215)	—
	<b>(71,155)</b>	—
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>1,001,721</b>	630,040

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019*
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>106,270</b>	19,534
Adjustments for:		
Net realized (gain) loss	<b>(1,296)</b>	(16)
Net unrealized (gain) loss	<b>(111,734)</b>	(12,489)
Non-cash distribution from investments	<b>(13,554)</b>	(11,413)
Proceeds from sale/maturity of investments	<b>19,265</b>	3,988
Investments purchased	<b>(265,120)</b>	(610,509)
Accrued expenses	<b>674</b>	1,400
Payable for securities purchased	<b>13,420</b>	—
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(252,075)</b>	(609,505)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>323,146</b>	610,506
Amounts paid on withdrawals	<b>(71,066)</b>	—
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>252,080</b>	610,506
Increase (decrease) in cash/ bank overdraft	<b>5</b>	1,001
Cash (bank overdraft), beginning of period	<b>1,001</b>	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>1,006</b>	1,001

\* Beginning of operations in October 2019.

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



## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.1
Desjardins Global Equity Fund, I-Class	82,183	878,657	1,002,878		
<b>Total Investments</b>		<b>878,657</b>	<b>1,002,878</b>		
<b>Other Net Assets</b>			(1,157)		(0.1)
<b>Net Assets</b>			<b>1,001,721</b>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
Thermo Fisher Scientific	3.2%
Microsoft Corporation	3.1%
Alphabet	2.9%
Other Net Assets	2.8%
Wolters Kluwer	2.5%
IQVIA Holdings	2.5%
Aon	2.3%
Zoetis	2.3%
Unilever	2.3%
Tencent Holdings	2.3%
Accenture	2.3%
Taiwan Semiconductor Manufacturing Company	2.2%
Coca-Cola Consolidated	2.1%
Alibaba Group Holding	2.1%
Johnson & Johnson	2.1%
Visa	2.1%
Intercontinental Exchange Group	2.0%
AIA Group	1.8%
Diageo	1.8%
Dollar General Corporation	1.8%
Tesco Corporation	1.7%
Epiroc	1.7%
China Gas Holdings	1.6%
Texas Instruments	1.6%
RELX	1.6%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	630	—	—	630
<b>TOTAL</b>	<b>630</b>	<b>—</b>	<b>—</b>	<b>630</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	<b>%</b>	<b>\$</b>	<b>\$</b>
MSCI All Country World Net	3.00	30	19

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past two periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019*
<b>Net Assets and Net Asset Value Per Unit (\$)</b>		
Series 5	<b>5.75</b>	5.16
Series 6	<b>5.75</b>	5.16
Series 7	<b>5.79</b>	5.16
Series 8	<b>5.78</b>	5.16
<b>Ratios and Supplemental Data</b>		
Net Asset Value (\$000's)		
Series 5	<b>235</b>	157
Series 6	<b>304</b>	157
Series 7	<b>177</b>	158
Series 8	<b>286</b>	158
Number of units outstanding (000)		
Series 5	<b>41</b>	31
Series 6	<b>53</b>	31
Series 7	<b>31</b>	31
Series 8	<b>50</b>	31
Management expense ratio (MER) <sup>1</sup> (%)		
Series 5	<b>2.93</b>	2.93
Series 6	<b>2.70</b>	2.87
Series 7	<b>2.18</b>	2.36
Series 8	<b>2.36</b>	2.53
Portfolio turnover rate <sup>2</sup> (%)	<b>2.53</b>	0.64

\* Beginning of operations in October 2019.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – GLOBAL EQUITY – MFS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Microsoft Corporation	4.1%
Amazon.com	3.0%
Tencent Holdings	1.9%
Facebook	1.7%
Apple	1.6%
salesforce.com	1.6%
AIA Group	1.5%
Visa	1.5%
Roche Holding AG	1.5%
Adobe	1.4%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 3		Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	11,107	11.1%	11,164	11.6%	11,158	11.6%	11,210	12.1%	11,205	12.1%
3 Years	13,109	9.4%	13,283	9.9%	13,271	9.9%	13,456	10.4%	—	—
5 Years	14,858	8.2%	15,194	8.7%	15,167	8.7%	15,517	9.2%	—	—
10 Years	21,257	7.8%	22,267	8.3%	—	—	—	—	—	—
Since Inception	24,794	7.8%	13,980	2.6%	18,500	9.4%	19,080	9.9%	13,200	10.9%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	—	26,568
Investments at fair value through profit or loss (FVTPL)	<b>63,984,596</b>	61,406,750
Premiums receivable	<b>1,473</b>	8,785
Receivable for securities sold	<b>127,115</b>	—
	<b>64,113,184</b>	61,442,103
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdraft	<b>90,194</b>	—
Accrued expenses	<b>148,632</b>	145,530
Withdrawals payable	<b>28,182</b>	19,212
Payable for securities purchased	—	498
	<b>267,008</b>	165,240
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>63,846,176</b>	61,276,863
<b>NET ASSETS PER UNIT</b>		
Series 3	<b>6.62</b>	5.96
Series 5	<b>7.00</b>	6.27
Series 6	<b>9.25</b>	8.29
Series 7	<b>9.54</b>	8.51
Series 8	<b>6.60</b>	5.89

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	<b>701</b>	703
Distributions from underlying funds	<b>4,679,655</b>	5,280,367
Changes in fair value:		
Net realized gain (loss) on investments	<b>691,452</b>	803,888
Net unrealized gain (loss) on investments	<b>2,982,358</b>	7,965,455
	<b>8,354,166</b>	14,050,413
<b>EXPENSES</b>		
Management fees and guarantee charge	<b>1,339,319</b>	1,343,425
Operating expenses	<b>372,562</b>	378,452
	<b>1,711,881</b>	1,721,877
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<b>6,642,285</b>	12,328,536
<b>DATA PER SERIES</b>		
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	<b>361,671</b>	658,158
- per unit	<b>0.66</b>	1.12
Average Number of Units	<b>548,848</b>	586,506
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	<b>5,373,689</b>	10,223,763
- per unit	<b>0.71</b>	1.19
Average Number of Units	<b>7,615,195</b>	8,561,944
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	<b>422,599</b>	709,179
- per unit	<b>0.92</b>	1.57
Average Number of Units	<b>460,623</b>	450,544
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	<b>81,095</b>	197,473
- per unit	<b>0.99</b>	1.53
Average Number of Units	<b>81,806</b>	128,918
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	<b>403,231</b>	539,963
- per unit	<b>0.70</b>	1.08
Average Number of Units	<b>579,822</b>	500,924

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>61,276,863</b>	56,384,069
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,642,285</b>	12,328,536
Premiums		
Series 3	250,094	179,226
Series 5	1,641,534	2,974,796
Series 6	940,284	1,004,421
Series 7	3,269	548,418
Series 8	997,404	819,211
	<b>3,832,585</b>	5,526,072
Withdrawals		
Series 3	(333,719)	(750,667)
Series 5	(6,089,793)	(9,874,291)
Series 6	(908,483)	(1,123,861)
Series 7	(117,140)	(908,056)
Series 8	(456,422)	(304,939)
	<b>(7,905,557)</b>	(12,961,814)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>63,846,176</b>	61,276,863

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>6,642,285</b>	12,328,536
Adjustments for:		
Net realized (gain) loss	<b>(691,452)</b>	(803,888)
Net unrealized (gain) loss	<b>(2,982,358)</b>	(7,965,455)
Non-cash distribution from investments	<b>(4,679,655)</b>	(5,280,367)
Proceeds from sale/maturity of investments	<b>7,109,436</b>	10,224,538
Investments purchased	<b>(1,333,817)</b>	(1,025,065)
Receivable for securities sold	<b>(127,115)</b>	12,163
Accrued expenses	<b>3,102</b>	9,798
Payable for securities purchased	<b>(498)</b>	498
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>3,939,928</b>	7,500,758
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>3,839,897</b>	5,518,289
Amounts paid on withdrawals	<b>(7,896,587)</b>	(13,005,623)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(4,056,690)</b>	(7,487,334)
Increase (decrease) in cash/ bank overdraft	<b>(116,762)</b>	13,424
Cash (bank overdraft), beginning of period	<b>26,568</b>	13,144
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>(90,194)</b>	26,568
<b>SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Interest received	<b>93</b>	298
Interest paid	<b>20</b>	—

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
MFS Global Research Fund	3,151,143	55,627,196	63,984,596		
Total Investments		<b>55,627,196</b>	<b>63,984,596</b>		
Other Net Assets			(138,420)		(0.2)
Net Assets			<b>63,846,176</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	4.1%
Amazon.com	3.0%
Tencent Holdings	1.9%
Facebook	1.7%
Apple	1.6%
salesforce.com	1.6%
AIA Group	1.5%
Visa	1.5%
Roche Holding AG	1.5%
Adobe	1.4%
Taiwan Semiconductor Manufacturing Company	1.4%
Goldman Sachs Group	1.3%
Julius Baer Group	1.3%
Alphabet	1.3%
BNP Paribas	1.3%
Honeywell International	1.3%
Aon	1.2%
Schneider Electric	1.2%
Charles Schwab Corporation	1.2%
Danaher Corporation	1.1%
Truist Financial Corporation	1.1%
HDFC Bank	1.1%
Fiserv	1.1%
Fidelity National Information Services	1.1%
NXP Semiconductor	1.1%



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>

  

December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	61,407	—	61,407
<b>TOTAL</b>	<b>—</b>	<b>61,407</b>	<b>—</b>	<b>61,407</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
<b>Benchmarks</b>	%	\$	\$
MSCI All Country World Net	3.00	1,798	1,824

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

**Liquidity Risk**

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 3	<b>6.62</b>	5.96	4.86	5.05	4.42
Series 5	<b>7.00</b>	6.27	5.10	5.27	4.59
Series 6	<b>9.25</b>	8.29	6.74	6.97	6.07
Series 7	<b>9.54</b>	8.51	6.89	7.09	6.15
Series 8*	<b>6.60</b>	5.89	4.78	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 3	<b>3,614</b>	3,336	3,249	3,238	2,850
Series 5	<b>51,199</b>	50,273	46,949	53,619	50,538
Series 6	<b>4,202</b>	3,748	3,158	3,600	1,993
Series 7	<b>709</b>	742	904	399	183
Series 8*	<b>4,122</b>	3,178	2,124	—	—
<b>Number of units outstanding (000)</b>					
Series 3	<b>546</b>	560	668	641	645
Series 5	<b>7,312</b>	8,015	9,206	10,175	11,014
Series 6	<b>454</b>	452	468	516	328
Series 7	<b>74</b>	87	131	56	30
Series 8*	<b>625</b>	539	444	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 3	<b>3.34</b>	3.36	3.37	3.37	3.36
Series 5	<b>2.90</b>	2.90	2.90	2.90	2.92
Series 6	<b>2.67</b>	2.95	2.94	2.94	2.93
Series 7	<b>2.18</b>	2.46	2.43	2.46	2.53
Series 8*	<b>2.35</b>	2.63	2.64	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>10.06</b>	10.52	12.40	21.60	10.45

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – INTERNATIONAL EQUITY – MFS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
Nestlé SA	3.7%
Schneider Electric	3.5%
Roche Holding AG	3.1%
AIA Group	3.0%
Air Liquide	2.8%
Hoya Corporation	2.5%
Daikin Industries	2.4%
LVMH Moët Hennessy Louis Vuitton	2.3%
SAP SE	2.3%
Canadian National Railway Company	2.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 1		Series 3		Series 5		Series 6		Series 7	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,548	5.5%	10,563	5.6%	10,669	6.7%	10,626	6.3%	10,690	6.9%
3 Years	11,764	5.6%	11,822	5.7%	12,147	6.7%	12,050	6.4%	12,229	6.9%
5 Years	12,890	5.2%	13,005	5.4%	13,604	6.3%	13,411	6.0%	13,750	6.6%
10 Years	17,015	5.5%	17,210	5.6%	18,796	6.5%	—	—	—	—
Since Inception	16,540	2.0%	13,591	1.4%	12,318	1.6%	15,280	6.4%	15,800	6.9%

	Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	10,676	6.8%
3 Years	—	—
5 Years	—	—
10 Years	—	—
Since Inception	12,000	7.0%

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	12,276	3,772
Investments at fair value through profit or loss (FVTPL)	12,352,064	12,526,764
Premiums receivable	1,252	1,043
	<u>12,365,592</u>	<u>12,531,579</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	31,428	32,501
Withdrawals payable	1,696	1,614
Payable for securities purchased	1,493	778
	<u>34,617</u>	<u>34,893</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>12,330,975</u>	<u>12,496,686</u>
<b>NET ASSETS PER UNIT</b>		
Series 1	<u>8.27</u>	7.84
Series 3	<u>8.63</u>	8.17
Series 5	<u>9.73</u>	9.12
Series 6	<u>7.64</u>	7.19
Series 7	<u>7.90</u>	7.39
Series 8	<u>6.00</u>	5.62

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Interest for attribution purposes	7,799	—
Distributions from underlying funds	339,651	718,927
Changes in fair value:		
Net realized gain (loss) on investments	215,921	382,745
Net unrealized gain (loss) on investments	494,981	1,448,480
	<u>1,058,352</u>	<u>2,550,152</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	302,510	324,046
Operating expenses	62,860	69,451
	<u>365,370</u>	<u>393,497</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u>692,982</u>	<u>2,156,655</u>
<b>DATA PER SERIES</b>		
<b>SERIES 1</b>		
Increase (Decrease) in Net Assets from Operations	63,895	242,591
- per unit	0.37	1.21
Average Number of Units	170,955	200,830
<b>SERIES 3</b>		
Increase (Decrease) in Net Assets from Operations	190,235	669,981
- per unit	0.42	1.28
Average Number of Units	455,979	525,081
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	179,066	623,615
- per unit	0.52	1.50
Average Number of Units	346,409	415,018
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	128,366	348,069
- per unit	0.45	1.17
Average Number of Units	283,081	297,042
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	10,212	61,602
- per unit	0.43	1.30
Average Number of Units	23,505	47,415
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	121,208	210,797
- per unit	0.41	0.90
Average Number of Units	292,642	233,698

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

Periods Ended December 31

	2020	2019
	\$	\$
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD	<u>12,496,686</u>	<u>12,373,317</u>
Increase (Decrease) in Net Assets from operations attributable to contract owners	<u>692,982</u>	<u>2,156,655</u>
Premiums		
Series 1	10,386	28,530
Series 3	243,583	300,070
Series 5	296,162	454,662
Series 6	442,972	296,280
Series 7	11,620	171,423
Series 8	250,738	509,678
	<u>1,255,461</u>	<u>1,760,643</u>
Withdrawals		
Series 1	(132,573)	(292,463)
Series 3	(814,830)	(874,678)
Series 5	(678,845)	(1,362,388)
Series 6	(352,699)	(639,039)
Series 7	(67,155)	(437,337)
Series 8	(68,052)	(188,024)
	<u>(2,114,154)</u>	<u>(3,793,929)</u>
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD	<u>12,330,975</u>	<u>12,496,686</u>

## STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets from operations attributable to contract owners	692,982	2,156,655
Adjustments for:		
Net realized (gain) loss	(215,921)	(382,745)
Net unrealized (gain) loss	(494,981)	(1,448,480)
Non-cash distribution from investments	(339,651)	(718,927)
Proceeds from sale/maturity of investments	1,680,620	2,937,462
Investments purchased	(455,367)	(511,727)
Accrued expenses	(1,073)	876
Payable for securities purchased	715	347
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	<u>867,324</u>	<u>2,033,461</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Premium payments	1,255,252	1,767,558
Amounts paid on withdrawals	(2,114,072)	(3,800,631)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	<u>(858,820)</u>	<u>(2,033,073)</u>
Increase (decrease) in cash/ bank overdraft	8,504	388
Cash (bank overdraft), beginning of period	3,772	3,384
CASH (BANK OVERDRAFT), END OF PERIOD	<u>12,276</u>	<u>3,772</u>
SUPPLEMENTAL INFORMATION ON CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Interest received	12	—
Interest paid	6	—

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
<b>Investment Funds</b>					100.2
MFS International Equity Fund	848,141	9,995,293	12,352,064		
<b>Total Investments</b>		<b>9,995,293</b>	<b>12,352,064</b>		
<b>Other Net Assets</b>			(21,089)		(0.2)
<b>Net Assets</b>			<b>12,330,975</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	3.5%
Roche Holding AG	3.1%
AIA Group	3.0%
Air Liquide	2.8%
Hoya Corporation	2.5%
Daikin Industries	2.4%
LVMH Moët Hennessy Louis Vuitton	2.3%
SAP SE	2.3%
Canadian National Railway Company	2.0%
Novo Nordisk	1.9%
Taiwan Semiconductor Manufacturing Company	1.8%
Pernod Ricard	1.7%
Terumo Corporation	1.7%
Novartis AG	1.7%
Capgemini	1.6%
Amadeus IT Group	1.6%
Olympus Corporation	1.6%
Beiersdorf AG	1.6%
Kubota Corporation	1.6%
Hitachi	1.6%
Koninklijke Philips Electronics NV	1.6%
UBS Group AG	1.6%
Akzo Nobel NV	1.5%
Diageo	1.5%

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**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)*

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	—	12,527	—	12,527
<b>TOTAL</b>	<b>—</b>	<b>12,527</b>	<b>—</b>	<b>12,527</b>

*Transfers between Levels 1 and 2*

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

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

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### Currency Risk

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

### Interest Rate Risk

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

### Concentration Risk

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

### Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	339	382

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

### Liquidity Risk

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

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

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

## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 1	<b>8.27</b>	7.84	6.64	7.03	6.04
Series 3	<b>8.63</b>	8.17	6.90	7.30	6.25
Series 5	<b>9.73</b>	9.12	7.64	8.01	6.80
Series 6	<b>7.64</b>	7.19	6.04	6.34	5.40
Series 7	<b>7.90</b>	7.39	6.18	6.46	5.47
Series 8*	<b>6.00</b>	5.62	4.71	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 1	<b>1,346</b>	1,404	1,426	2,097	1,617
Series 3	<b>3,626</b>	4,007	3,912	4,175	4,112
Series 5	<b>3,205</b>	3,409	3,693	4,304	3,672
Series 6	<b>2,177</b>	1,958	1,953	1,677	830
Series 7	<b>163</b>	208	412	197	195
Series 8*	<b>1,814</b>	1,510	977	—	—
<b>Number of units outstanding (000)</b>					
Series 1	<b>163</b>	179	215	298	268
Series 3	<b>420</b>	491	567	572	658
Series 5	<b>330</b>	374	483	537	540
Series 6	<b>285</b>	272	323	264	154
Series 7	<b>21</b>	28	67	31	36
Series 8*	<b>302</b>	269	207	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 1	<b>3.85</b>	3.84	3.84	3.83	3.82
Series 3	<b>3.61</b>	3.62	3.64	3.65	3.65
Series 5	<b>2.73</b>	2.73	2.75	2.75	2.75
Series 6	<b>2.97</b>	3.03	3.00	3.02	3.01
Series 7	<b>2.46</b>	2.52	2.50	2.55	2.55
Series 8*	<b>2.65</b>	2.72	2.70	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>					
	<b>6.82</b>	9.83	18.90	16.90	10.33

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

## DFS GIF – INTERNATIONAL EQUITY GROWTH – DESJARDINS\*

## SUMMARY FACTS STATEMENT — unaudited

The following unaudited section shows the Top holdings of the Fund and performance data for the period ending December 31, 2020. The current objective and strategy of the Fund can be found in the audited Notes to the Financial Statements – Specific Information as at December 31, 2020 section of this document under the section heading "Strategy in using Financial Instruments".

For a 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) is available upon request by writing to the Company at 1 Complexe Desjardins, P.O. Box 9000, Montréal, Québec, H5B 1H5.

## TOP MAJOR HOLDINGS OF THE UNDERLYING FUND AS OF DECEMBER 31, 2020

Security Name	Percentage
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
Kering	3.7%
Adyen	3.5%
Spotify Technology	3.5%
Meituan-Dianping	3.2%
Ferrari	3.0%

## PERFORMANCE INFORMATION FOR THE PERIOD ENDING DECEMBER 31, 2020

	Series 5		Series 6		Series 7		Series 8	
	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)	\$10,000 Lump Sum Value	Total Gain (Annualized)
1 Year	17,279	72.8%	17,296	73.0%	17,396	74.0%	17,352	73.5%
3 Years	19,626	25.2%	19,727	25.4%	20,000	26.0%	—	—
5 Years	24,779	19.9%	24,975	20.1%	25,554	20.6%	—	—
Since Inception	39,880	18.2%	27,500	15.9%	28,320	16.4%	18,740	26.3%

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

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

## STATEMENT OF FINANCIAL POSITION

As at December 31

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	140,129	1,668
Investments at fair value through profit or loss (FVTPL)	35,056,903	15,468,928
Premiums receivable	48,419	1,581
	<u>35,245,451</u>	<u>15,472,177</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	74,469	35,940
Withdrawals payable	22,770	7,146
Payable for securities purchased	175,332	1,899
	<u>272,571</u>	<u>44,985</u>
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>34,972,880</b></u>	<u>15,427,192</u>
<b>NET ASSETS PER UNIT</b>		
Series 5	<u>19.94</u>	11.54
Series 6	<u>13.75</u>	7.95
Series 7	<u>14.16</u>	8.14
Series 8	<u>9.37</u>	5.40

## STATEMENT OF COMPREHENSIVE INCOME

Periods Ended December 31

	2020	2019
	\$	\$
<b>INCOME</b>		
Distributions from underlying funds	93,467	219,032
Changes in fair value:		
Net realized gain (loss) on investments	704,445	(23,080)
Net unrealized gain (loss) on investments	12,947,640	3,398,507
	<u>13,745,552</u>	<u>3,594,459</u>
<b>EXPENSES</b>		
Management fees and guarantee charge	575,824	369,766
Operating expenses	57,327	37,387
	<u>633,151</u>	<u>407,153</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS ATTRIBUTABLE TO CONTRACT OWNERS</b>	<u><b>13,112,401</b></u>	<u>3,187,306</u>
<b>DATA PER SERIES</b>		
<b>SERIES 5</b>		
Increase (Decrease) in Net Assets from Operations	2,659,503	779,009
- per unit	<u>8.70</u>	2.32
Average Number of Units	<u>305,560</u>	336,153
<b>SERIES 6</b>		
Increase (Decrease) in Net Assets from Operations	5,235,115	1,298,479
- per unit	<u>6.04</u>	1.62
Average Number of Units	<u>866,321</u>	801,732
<b>SERIES 7</b>		
Increase (Decrease) in Net Assets from Operations	263,550	95,040
- per unit	<u>5.93</u>	1.62
Average Number of Units	<u>44,429</u>	58,785
<b>SERIES 8</b>		
Increase (Decrease) in Net Assets from Operations	4,954,233	1,014,778
- per unit	<u>4.15</u>	1.09
Average Number of Units	<u>1,192,373</u>	930,648

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

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO CONTRACT OWNERS

Periods Ended December 31

	2020	2019
	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, BEGINNING OF PERIOD</b>	<b>15,427,192</b>	12,089,752
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,112,401</b>	3,187,306
Premiums		
Series 5	1,420,549	692,711
Series 6	4,926,063	2,053,504
Series 7	67,951	139,176
Series 8	6,153,879	1,783,476
	<b>12,568,442</b>	4,668,867
Withdrawals		
Series 5	(1,631,593)	(1,456,852)
Series 6	(2,681,630)	(1,766,415)
Series 7	(231,499)	(210,302)
Series 8	(1,590,433)	(1,085,164)
	<b>(6,135,155)</b>	(4,518,733)
<b>NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS, END OF PERIOD</b>	<b>34,972,880</b>	15,427,192

STATEMENT OF CASH FLOWS

Periods Ended December 31

	2020	2019
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets from operations attributable to contract owners	<b>13,112,401</b>	3,187,306
Adjustments for:		
Net realized (gain) loss	(704,445)	23,080
Net unrealized (gain) loss	(12,947,640)	(3,398,507)
Non-cash distribution from investments	(93,467)	(219,032)
Proceeds from sale/maturity of investments	<b>2,392,126</b>	2,603,146
Investments purchased	(8,234,549)	(2,362,541)
Receivable for securities sold	—	11,404
Accrued expenses	<b>38,529</b>	6,903
Payable for securities purchased	<b>173,433</b>	905
<b>NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(6,263,612)</b>	(147,336)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Premium payments	<b>12,521,604</b>	4,676,195
Amounts paid on withdrawals	(6,119,531)	(4,528,664)
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>6,402,073</b>	147,531
Increase (decrease) in cash/ bank overdraft	<b>138,461</b>	195
Cash (bank overdraft), beginning of period	<b>1,668</b>	1,473
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>140,129</b>	1,668

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

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

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2020

	PAR VALUE / NUMBER OF SECURITIES	COST		FAIR VALUE	
		\$	\$	\$	%
Investment Funds					100.2
Desjardins Overseas Equity Growth Fund, I-Class	753,410	20,551,910	35,056,903		
Total Investments		<u>20,551,910</u>	<u>35,056,903</u>		
Other Net Assets			(84,023)		(0.2)
Net Assets			<u>34,972,880</u>		100

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

## TOP 25 HOLDINGS OF THE UNDERLYING FUND – unaudited

Security Name	Percentage
M3	6.8%
ASML Holding	6.4%
Tesla	6.2%
Zalando	4.3%
MercadoLibre	4.1%
Kering	3.7%
Adyen	3.5%
Spotify Technology	3.5%
Meituan-Dianping	3.2%
Ferrari	3.0%
Alibaba Group Holding	3.0%
Delivery Hero	2.7%
Tencent Holdings	2.6%
Nidec Corporation	2.6%
NIO	2.1%
Other Net Assets	2.1%
Ocado Group	2.1%
Genmab	2.1%
HelloFresh	1.9%
Wix.com	1.8%
AIA Group	1.7%
Inditex	1.5%
Atlas Copco	1.5%
SMC Corporation	1.5%
L'Oréal	1.5%

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

### 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)

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>
December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets at FVTPL				
Non-Related Investment Funds	15,469	—	—	15,469
<b>TOTAL</b>	<b>15,469</b>	<b>—</b>	<b>—</b>	<b>15,469</b>

#### Transfers between Levels 1 and 2

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

### FINANCIAL INSTRUMENTS RISKS (Note 7)

#### Underlying Fund Risk Management

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

As at December 31, 2020 and 2019

**Currency Risk**

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

**Interest Rate Risk**

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

**Concentration Risk**

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

**Price Risk (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	
		December 31, 2020	December 31, 2019
Benchmarks	%	\$	\$
MSCI EAFE Net	3.00	1,124	643

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

**Liquidity Risk**

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

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



## FINANCIAL HIGHLIGHTS — unaudited

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five periods. This information is derived from the Fund's audited annual financial statements.

As at December 31	2020	2019	2018	2017	2016
<b>Net Assets and Net Asset Value Per Unit (\$)</b>					
Series 5	<b>19.94</b>	11.54	9.17	10.16	7.61
Series 6	<b>13.75</b>	7.95	6.31	6.97	5.21
Series 7	<b>14.16</b>	8.14	6.43	7.08	5.27
Series 8*	<b>9.37</b>	5.40	4.27	—	—
<b>Ratios and Supplemental Data</b>					
<b>Net Asset Value (\$000's)</b>					
Series 5	<b>5,811</b>	3,363	3,348	2,287	1,334
Series 6	<b>13,850</b>	6,370	4,785	3,222	1,154
Series 7	<b>512</b>	412	388	516	22
Series 8*	<b>14,800</b>	5,283	3,569	—	—
<b>Number of units outstanding (000)</b>					
Series 5	<b>291</b>	291	365	225	175
Series 6	<b>1,007</b>	802	758	462	221
Series 7	<b>36</b>	51	60	73	4
Series 8*	<b>1,580</b>	979	836	—	—
<b>Management expense ratio (MER)<sup>1</sup> (%)</b>					
Series 5	<b>3.09</b>	3.08	3.11	3.10	3.10
Series 6	<b>2.78</b>	2.94	2.94	2.94	2.93
Series 7	<b>2.31</b>	2.47	2.44	2.53	2.53
Series 8*	<b>2.46</b>	2.62	2.64	—	—
<b>Portfolio turnover rate<sup>2</sup> (%)</b>	<b>10.64</b>	18.19	9.50	6.78	24.69

\* Beginning of operations in April 2018.

<sup>1</sup> The management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratios reflected are those presented in the Fund Facts for each series.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# NOTES TO THE FINANCIAL STATEMENTS

Periods Ended December 31, 2020 and 2019

## 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. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Moderate	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Maximum Growth	—	—	Oct. 19, 2015	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>							
Conservative – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
Moderate – Desjardins SocieTerra	—	—	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	Nov. 16, 2020	—
Balanced – Desjardins SocieTerra	—	—	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Growth – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
Maximum Growth – Desjardins SocieTerra	—	—	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	Apr. 30, 2018	—
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. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	Nov. 7, 2014
Canadian Bond	Nov. 16, 2020	Nov. 16, 2020	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Global Tactical Bond – Desjardins	—	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
<b>Balanced and Asset Allocation</b>							
Diversified Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced Income – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Balanced – Fidelity	—	Dec. 1, 2008	Dec. 1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
U.S. Monthly Income – Fidelity	—	—	Oct. 19, 2015	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Global Balanced – Jarislowsky Fraser	—	Nov. 17, 2003	Oct. 29, 2007	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Canadian Balanced – Fiera Capital	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Balanced Growth – Franklin Quotential	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Balanced – CI Signature	—	—	May 3, 2010	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Income and Growth – CI Signature	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth and Income – NEI	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth – NEI Select	—	Jan. 14, 2002	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Asset Allocation – Cambridge	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Growth – Franklin Quotential	—	Oct. 30, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
<b>Canadian Equity</b>							
Dividend Income – Desjardins	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
Canadian Dividend – NEI	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 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. 29, 2007	Oct. 19, 2015	Oct. 19, 2015	Apr. 30, 2018	—
Canadian Equity – Fidelity True North®	—	Dec.1, 2008	Dec.1, 2008	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Canadian Equity – Franklin Bissett	Nov. 25, 2016	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	Nov. 25, 2016
Canadian Small Cap Equity – NEI	—	Dec. 11, 2006	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Small Cap – Franklin Bissett	—	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
<b>Foreign Equity</b>							
American Equity – MFS	—	Apr. 17, 2000	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
American Equity Value – Desjardins	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Global Dividend – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
Global Equity – Desjardins	—	—	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	Oct. 7, 2019	—
Global Equity – MFS	—	Dec.1, 2008	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
International Equity – MFS	Nov. 15, 1995	Dec. 14, 1998	Oct. 29, 2007	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—
International Equity Growth – Desjardins	—	—	Sept. 24, 2012	Feb. 24, 2014	Feb. 24, 2014	Apr. 30, 2018	—

The information provided in these financial statements and notes thereto is as at December 31, 2020 and 2019 and for the 12-month periods ended on those dates. For Funds established in either period, the "period" represents the period from the establishment date to December 31 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
October 7, 2019	DFS GIF – Global Tactical Bond – Desjardins	5, 6, 7 and 8
	DFS GIF – Dividend Income – Desjardins	3, 5, 6, 7 and 8
	DFS GIF – Global Equity – Desjardins	5, 6, 7 and 8
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	NAMES OF THE FUNDS
October 4, 2019	DFS GIF – Dividend Income – Franklin Bissett
	DFS GIF – Canadian Balanced – Franklin Bissett
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.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 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 April 8, 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 December 31, 2020 and 2019, there are no differences between the Funds' net asset value per unit for transactions and their net assets attributable to Contract Owners per unit.

#### Impairment

As for the impairment model, it is applicable to financial assets, loan commitments and financial collateral contracts, except for financial instruments at FVTPL or designated at fair value through other comprehensive income.

With respect to other financial assets measured at amortized cost, the Funds consider both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statement date, all financial assets measured at amortized cost are due to be settled within the short term. The Funds consider 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.

### ***Bonds, Mortgage-Backed Securities and Asset-Backed Securities***

Bonds, mortgage-backed securities and asset-backed securities are valued based on prices obtained from recognized securities dealers.

### ***Investment Funds***

The underlying funds' units are generally valued based on the net asset value per unit provided by the underlying fund's manager on each valuation day.

### ***Derivative Financial Instruments***

Certain Funds may use an array of derivative financial instruments such as foreign currency forward contracts, forward contracts and standardized futures contracts for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements, if applicable. Refer to the section "Offsetting Financial Assets and Financial Liabilities" for further information about the Funds' offsetting.

### **Foreign Currency Forward Contracts and Forward Contracts**

The fair value of these instruments corresponds to the gains or losses that would result from the contract close-out on the valuation date; this value is recorded in "Unrealized appreciation (depreciation) on derivatives" in the Statement of Financial Position.

### **Standardized Futures Contracts**

Standardized futures contracts are valued at fair value and are settled daily through brokers acting as intermediaries. Any amounts receivable (payable) from the settlement of standardized futures contracts are recorded in "Receivable (Payable) on standardized futures contracts" in the Statement of Financial Position.

### ***Valuation of Unlisted Securities and Other Investments***

When the valuation principles of the aforementioned investments are not appropriate, fair value is determined according to the Company's best estimates, based on established valuation procedures and on prevailing market conditions on each valuation date. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. For further information, refer to Note 3 "Critical Accounting Judgments, Estimates and Assumptions".

### ***Investment Transactions***

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which the cost is determined using the First In First Out method. The average cost does not include amortization of premiums or discounts on fixed-income securities with the exception of stripped bonds. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Funds, are recognized in the Statement of Comprehensive Income. The difference between the unrealized appreciation (depreciation) of investments at the beginning and at the end of the period is included in "Net unrealized gain (loss) on investments" in the Statement of Comprehensive Income. On disposal of an investment, the difference between the fair value and the cost of the investment is included in "Net realized gain (loss) on investments" in the Statement of Comprehensive Income.

### ***Securities Lending Activities***

Certain Funds may enter into securities lending, repurchase transactions and reverse repurchase transactions through the securities lending program of the Funds' custodian, Desjardins Trust Inc. (Trust).

The securities loaned and repurchased are not derecognized in the Statement of Financial Position as substantially all the risks and rewards of ownership of these securities are retained.

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day's securities loaned or repurchase transactions. The collateral for reverse repurchase transactions is at least 100%. Securities received as collateral in securities lending transactions are not recognized in the Statement of Financial Position as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds. Cash guarantees received for securities lending and repurchase transactions are recognized as financial assets in the Statement of Financial Position, in "Cash guarantee received for securities lending" or "Cash guarantee received for repurchase transactions", as appropriate. A liability representing the obligation to return the securities is recognized in "Commitments related to securities lending" or "Commitments related to repurchase transactions", as appropriate.

Trust, as the Funds' custodian, may use those amounts to buy investments. Revenue generated through 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.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Other Assets and Liabilities

Premiums receivable, receivable for investments sold, cash guarantee received for securities lending and repurchase transactions as well as interest, dividends and other receivables are measured at amortized cost.

Similarly, accrued expenses, withdrawals payable, payable for investments purchased, commitments related to securities lending and repurchase transactions as well as interest, dividends and other payables are measured at amortized cost.

Given the short-term nature of other assets and liabilities, their carrying amount approximates their fair value.

### Income

Interest for attribution purposes from investments in debt securities presented in the Statement of Comprehensive Income is recognized as it is earned. 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.

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.

### 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 Management of the Company to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Funds have made 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.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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 December 31, 2020 and 2019, and the number of units attributed to and withdrawn from Contracts during each period are as follows:

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
<b>INVESTMENT SOLUTIONS</b>						
Conservative						
Series 5	2,595,899	1,389,411	1,786,365	627,857	(579,877)	(175,007)
Series 6	3,197,006	3,064,802	1,162,306	1,337,749	(1,030,102)	(563,595)
Series 7	373,617	291,541	126,164	81,827	(44,088)	(111,033)
Series 8	1,768,279	1,164,209	962,730	714,207	(358,660)	(235,061)
Moderate						
Series 5	1,210,537	917,159	663,838	595,001	(370,460)	(168,490)
Series 6	5,557,232	5,427,180	1,238,094	2,249,604	(1,108,042)	(1,476,133)
Series 7	889,717	1,251,227	134,293	47,773	(495,803)	(350,306)
Series 8	2,935,485	2,853,699	624,456	1,778,038	(542,670)	(702,214)
Balanced						
Series 5	19,474,335	20,529,980	2,882,214	21,284,247	(3,937,859)	(1,753,522)
Series 6	14,261,525	14,170,615	2,362,007	7,325,544	(2,271,097)	(2,194,293)
Series 7	2,462,466	2,412,619	695,602	769,831	(645,755)	(348,019)
Series 8	9,376,215	8,837,940	1,670,663	4,912,732	(1,132,388)	(957,940)
Growth						
Series 5	4,404,935	3,509,363	1,683,474	1,376,597	(787,902)	(644,109)
Series 6	7,480,839	7,397,026	1,460,626	1,979,143	(1,376,813)	(1,107,899)
Series 7	1,090,835	1,109,493	19,277	25,651	(37,935)	(105,760)
Series 8	5,339,047	4,587,612	1,346,647	1,337,917	(595,212)	(282,735)
Maximum Growth						
Series 5	164,098	123,477	83,946	66,961	(43,325)	(20,323)
Series 6	867,982	750,463	365,174	246,745	(247,655)	(145,165)
Series 7	310,816	315,388	743	43,627	(5,315)	(12,311)
Series 8	633,715	367,242	314,214	119,686	(47,741)	(15,799)
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>						
Conservative – Desjardins SocieTerra						
Series 5	382,238	379,555	352,558	352,976	(349,875)	(11,638)
Series 6	769,352	471,101	634,696	357,031	(336,445)	(53,534)
Series 7	56,926	29,984	32,250	13,320	(5,308)	(11,336)
Series 8	830,669	464,506	596,479	371,069	(230,316)	(119,760)
Moderate – Desjardins SocieTerra						
Series 5	16,001	—	16,001	—	—	—
Series 6	16,861	—	16,861	—	—	—
Series 7	16,000	—	16,000	—	—	—
Series 8	16,001	—	16,001	—	—	—
Balanced – Desjardins SocieTerra						
Series 5	1,867,832	1,480,766	750,934	439,498	(363,868)	(293,684)
Series 6	2,719,917	1,855,419	1,471,672	642,780	(607,174)	(431,342)
Series 7	626,647	829,442	10,612	106,399	(213,407)	(159,635)
Series 8	1,938,838	1,076,970	1,080,719	515,105	(218,851)	(227,436)



	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
<b>Growth – Desjardins SocieTerra</b>						
Series 5 .....	<b>923,868</b>	315,284	<b>746,072</b>	305,845	<b>(137,488)</b>	(111,542)
Series 6 .....	<b>1,667,436</b>	921,071	<b>1,132,262</b>	942,631	<b>(385,897)</b>	(280,818)
Series 7 .....	<b>53,567</b>	28,000	<b>25,586</b>	—	<b>(19)</b>	—
Series 8 .....	<b>1,403,924</b>	750,216	<b>713,953</b>	476,768	<b>(60,245)</b>	(21,563)
<b>Maximum Growth – Desjardins SocieTerra</b>						
Series 5 .....	<b>52,977</b>	38,302	<b>19,511</b>	5,627	<b>(4,836)</b>	(3,707)
Series 6 .....	<b>331,286</b>	249,792	<b>175,827</b>	160,274	<b>(94,333)</b>	(21,461)
Series 7 .....	<b>28,000</b>	28,000	—	—	—	—
Series 8 .....	<b>127,255</b>	49,130	<b>81,924</b>	5,022	<b>(3,799)</b>	(5,526)
<b>100% Equity – Desjardins SocieTerra</b>						
Series 5 .....	<b>25,411</b>	—	<b>25,419</b>	—	<b>(8)</b>	—
Series 6 .....	<b>38,291</b>	—	<b>38,302</b>	—	<b>(11)</b>	—
Series 7 .....	<b>16,000</b>	—	<b>16,000</b>	—	—	—
Series 8 .....	<b>43,099</b>	—	<b>43,113</b>	—	<b>(14)</b>	—
<b>WISE ETF PORTFOLIOS</b>						
<b>Fixed Income – Desjardins Wise ETF</b>						
Series 5 .....	<b>10,001</b>	—	<b>10,001</b>	—	—	—
Series 6 .....	<b>10,001</b>	—	<b>10,001</b>	—	—	—
Series 7 .....	<b>10,000</b>	—	<b>10,000</b>	—	—	—
Series 8 .....	<b>32,550</b>	—	<b>32,948</b>	—	<b>(398)</b>	—
<b>Conservative – Desjardins Wise ETF</b>						
Series 5 .....	<b>17,943</b>	—	<b>17,999</b>	—	<b>(56)</b>	—
Series 6 .....	<b>26,638</b>	—	<b>26,638</b>	—	—	—
Series 7 .....	<b>16,000</b>	—	<b>16,000</b>	—	—	—
Series 8 .....	<b>51,448</b>	—	<b>51,448</b>	—	—	—
<b>Balanced – Desjardins Wise ETF</b>						
Series 5 .....	<b>20,414</b>	—	<b>20,468</b>	—	<b>(54)</b>	—
Series 6 .....	<b>27,877</b>	—	<b>27,882</b>	—	<b>(5)</b>	—
Series 7 .....	<b>16,000</b>	—	<b>16,000</b>	—	—	—
Series 8 .....	<b>16,001</b>	—	<b>16,001</b>	—	—	—
<b>Growth – Desjardins Wise ETF</b>						
Series 5 .....	<b>43,435</b>	—	<b>43,488</b>	—	<b>(53)</b>	—
Series 6 .....	<b>64,184</b>	—	<b>64,229</b>	—	<b>(45)</b>	—
Series 7 .....	<b>16,000</b>	—	<b>16,000</b>	—	—	—
Series 8 .....	<b>73,795</b>	—	<b>73,795</b>	—	—	—
<b>Maximum Growth – Desjardins Wise ETF</b>						
Series 5 .....	<b>16,001</b>	—	<b>16,001</b>	—	—	—
Series 6 .....	<b>16,997</b>	—	<b>16,997</b>	—	—	—
Series 7 .....	<b>16,000</b>	—	<b>16,000</b>	—	—	—
Series 8 .....	<b>39,808</b>	—	<b>39,808</b>	—	—	—
<b>100% Equity – Desjardins Wise ETF</b>						
Series 5 .....	<b>10,001</b>	—	<b>10,001</b>	—	—	—
Series 6 .....	<b>10,997</b>	—	<b>10,997</b>	—	—	—
Series 7 .....	<b>10,000</b>	—	<b>10,000</b>	—	—	—
Series 8 .....	<b>10,001</b>	—	<b>10,001</b>	—	—	—
<b>INDIVIDUAL FUNDS</b>						
<b>Income</b>						
<b>Money Market</b>						
Series 1 .....	<b>47,447</b>	51,938	<b>117,972</b>	25,036	<b>(122,463)</b>	(29,053)
Series 3 .....	<b>315,105</b>	271,837	<b>729,250</b>	172,476	<b>(685,982)</b>	(183,815)
Series 5 .....	<b>2,257,629</b>	2,972,092	<b>4,384,519</b>	2,537,795	<b>(5,098,982)</b>	(1,555,974)
Series 6 .....	<b>2,429,589</b>	1,963,546	<b>3,382,988</b>	1,521,657	<b>(2,916,945)</b>	(1,588,516)
Series 7 .....	<b>273,844</b>	206,518	<b>447,652</b>	238,986	<b>(380,326)</b>	(361,759)
Series 8 .....	<b>1,602,014</b>	1,296,675	<b>2,929,629</b>	1,790,968	<b>(2,624,290)</b>	(1,124,677)
Series IGP	<b>100,501</b>	108,204	<b>1,956</b>	683	<b>(9,659)</b>	(26,340)

# NOTES TO THE FINANCIAL STATEMENTS (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
<b>Canadian Bond</b>						
Series 1 .....	175,410	—	177,064	—	(1,654)	—
Series 3 .....	1,034,401	—	1,077,716	—	(43,315)	—
Series 5 .....	11,593,122	3,858,739	9,122,685	312,405	(1,388,302)	(1,208,903)
Series 6 .....	2,704,391	984,557	2,141,070	177,417	(421,236)	(180,316)
Series 7 .....	868,853	163,902	737,761	140,060	(32,810)	(42,063)
Series 8 .....	1,268,334	259,842	1,136,197	72,889	(127,705)	(35,953)
<b>Global Tactical Bond – Desjardins</b>						
Series 5 .....	116,673	24,396	147,752	24,437	(55,475)	(41)
Series 6 .....	200,741	38,345	225,152	48,319	(62,756)	(9,974)
Series 7 .....	69,955	27,530	57,628	27,530	(15,203)	—
Series 8 .....	110,452	39,258	96,189	97,520	(24,995)	(58,262)
<b>Balanced and Asset Allocation</b>						
<b>Diversified Income – Franklin Quotential</b>						
Series 3 .....	350,340	501,391	37,687	43,907	(188,738)	(157,774)
Series 5 .....	11,708,133	13,661,509	791,261	1,440,484	(2,744,637)	(3,634,906)
Series 6 .....	3,246,329	3,688,543	277,989	491,896	(720,203)	(763,979)
Series 7 .....	774,731	832,956	20,511	16,958	(78,736)	(160,955)
Series 8 .....	1,862,297	2,012,123	370,822	418,843	(520,648)	(425,624)
<b>Balanced Income – Franklin Quotential</b>						
Series 3 .....	670,154	778,830	30,473	19,864	(139,149)	(211,091)
Series 5 .....	20,985,227	23,754,397	1,347,731	2,439,518	(4,116,901)	(5,039,570)
Series 6 .....	2,978,981	3,232,407	257,899	379,921	(511,325)	(535,194)
Series 7 .....	591,249	617,171	2,580	25,744	(28,502)	(27,482)
Series 8 .....	1,014,102	1,128,807	85,730	295,809	(200,435)	(491,321)
<b>Canadian Balanced – Fidelity</b>						
Series 3 .....	749,157	790,534	82,473	129,983	(123,850)	(246,527)
Series 5 .....	56,947,375	61,844,486	5,817,493	7,322,201	(10,714,604)	(13,487,562)
Series 6 .....	4,632,553	4,990,641	612,161	966,816	(970,249)	(1,042,823)
Series 7 .....	679,898	774,936	3,287	11,047	(98,325)	(24,250)
Series 8 .....	2,702,944	2,546,267	746,283	876,503	(589,606)	(542,143)
<b>U.S. Monthly Income – Fidelity</b>						
Series 5 .....	311,479	448,534	37,596	156,594	(174,651)	(108,031)
Series 6 .....	1,155,255	1,255,701	327,926	451,039	(428,372)	(267,145)
Series 7 .....	422,697	459,233	18,141	122,267	(54,677)	(112,874)
Series 8 .....	1,340,198	1,326,896	270,666	576,030	(257,364)	(215,707)
<b>Global Balanced – Jarislowsky Fraser</b>						
Series 3 .....	762,013	835,655	41,128	84,461	(114,770)	(186,647)
Series 5 .....	15,597,656	17,577,163	1,401,578	2,529,653	(3,381,085)	(4,419,982)
Series 6 .....	6,809,441	7,232,861	928,831	1,632,202	(1,352,251)	(1,259,331)
Series 7 .....	1,412,814	1,511,812	60,931	40,970	(159,929)	(182,404)
Series 8 .....	4,975,029	4,893,950	735,171	1,528,296	(654,092)	(830,230)
<b>Canadian Balanced – Fiera Capital</b>						
Series 1 .....	436,349	477,511	13,242	15,962	(54,404)	(72,972)
Series 3 .....	892,432	987,937	43,846	326,594	(139,351)	(314,456)
Series 5 .....	9,545,578	10,224,074	926,823	1,577,614	(1,605,319)	(1,913,622)
Series 6 .....	3,200,560	2,903,331	1,056,855	1,513,596	(759,626)	(591,122)
Series 7 .....	210,049	248,056	456	49,388	(38,463)	(44,722)
Series 8 .....	3,045,044	2,434,005	1,059,504	1,468,219	(448,465)	(450,963)
<b>Balanced Growth – Franklin Quotential</b>						
Series 3 .....	1,046,504	1,177,408	22,527	38,926	(153,431)	(309,679)
Series 5 .....	50,678,686	56,073,927	3,648,383	5,572,097	(9,043,624)	(10,788,885)
Series 6 .....	4,514,813	4,984,324	308,113	556,874	(777,624)	(778,060)
Series 7 .....	442,837	461,933	5,503	3,049	(24,599)	(144,469)
Series 8 .....	1,911,906	2,014,885	253,313	401,718	(356,292)	(318,576)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
Canadian Balanced – CI Signature						
Series 5 .....	8,668,007	10,009,727	410,854	994,081	(1,752,574)	(2,581,076)
Series 6 .....	3,666,732	4,021,377	273,576	489,418	(628,221)	(718,518)
Series 7 .....	769,227	870,977	24,769	1,117	(126,519)	(59,209)
Series 8 .....	2,246,071	2,221,160	287,435	414,029	(262,524)	(351,370)
Income and Growth – CI Signature						
Series 5 .....	6,869,259	6,603,178	1,544,287	1,499,674	(1,278,206)	(1,767,192)
Series 6 .....	4,919,450	5,353,910	387,506	1,085,106	(821,966)	(1,349,576)
Series 7 .....	969,522	1,095,368	10,715	54,959	(136,561)	(190,154)
Series 8 .....	4,247,841	4,504,824	526,911	1,172,617	(783,894)	(929,132)
Growth and Income – NEI						
Series 3 .....	250,311	264,383	35,215	74,060	(49,287)	(98,996)
Series 5 .....	17,713,747	19,414,717	1,525,783	2,740,874	(3,226,753)	(4,053,625)
Series 6 .....	6,473,301	7,176,397	1,045,678	2,478,285	(1,748,774)	(1,752,173)
Series 7 .....	909,201	1,177,952	10,150	48,268	(278,901)	(400,577)
Series 8 .....	5,364,408	5,342,427	1,190,429	2,717,608	(1,168,448)	(1,373,586)
Growth – NEI Select						
Series 3 .....	234,627	284,364	13,535	22,004	(63,272)	(76,193)
Series 5 .....	8,436,234	9,183,520	788,842	1,341,204	(1,536,128)	(2,149,040)
Series 6 .....	4,302,225	4,499,291	518,096	1,011,728	(715,162)	(771,373)
Series 7 .....	596,223	929,071	1,113	1,934	(333,961)	(107,048)
Series 8 .....	2,892,001	2,899,151	501,448	797,735	(508,598)	(554,674)
Asset Allocation – Cambridge						
Series 5 .....	507,982	582,394	63,810	78,779	(138,222)	(153,437)
Series 6 .....	594,842	700,790	88,511	181,514	(194,459)	(260,995)
Series 7 .....	213,951	331,847	14,774	61,728	(132,670)	(244,936)
Series 8 .....	498,136	623,186	109,889	176,999	(234,939)	(195,336)
Growth – Franklin Quotential						
Series 3 .....	258,942	287,964	20,050	8,912	(49,072)	(35,773)
Series 5 .....	5,586,246	6,228,522	183,519	553,225	(825,795)	(1,331,757)
Series 6 .....	423,207	444,954	31,238	85,802	(52,985)	(152,214)
Series 7 .....	17,541	17,601	—	4,944	(60)	(30,087)
Series 8 .....	309,211	297,119	25,932	95,878	(13,840)	(34,145)
Canadian Equity						
Dividend Income – Desjardins						
Series 3 .....	4,069,692	4,803,321	83,186	5,127,377	(816,815)	(324,056)
Series 5 .....	19,181,129	21,770,286	1,188,855	23,741,230	(3,778,012)	(1,970,944)
Series 6 .....	1,556,375	1,717,930	183,819	1,844,551	(345,374)	(126,621)
Series 7 .....	112,285	152,701	—	172,038	(40,416)	(19,337)
Series 8 .....	1,148,756	1,123,310	189,709	1,224,793	(164,263)	(101,483)
Canadian Dividend – NEI						
Series 5 .....	1,198,405	1,495,464	54,198	81,854	(351,257)	(452,988)
Series 6 .....	753,464	710,425	258,061	248,142	(215,022)	(252,170)
Series 7 .....	45,816	50,057	1,344	387	(5,585)	(48,197)
Series 8 .....	972,218	922,200	277,870	492,976	(227,852)	(162,535)
Canadian Equity – Desjardins						
Series 1 .....	21,991	—	21,991	—	—	—
Series 3 .....	21,818	—	21,818	—	—	—
Series 5 .....	21,818	—	21,818	—	—	—
Series 6 .....	21,818	—	21,818	—	—	—
Series 7 .....	21,818	—	21,818	—	—	—
Series 8 .....	21,818	—	21,818	—	—	—
Series IGP	21,543	—	21,543	—	—	—

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
<b>Canadian Equity – Jarislowsky Fraser</b>						
Series 3 .....	<b>248,199</b>	288,009	<b>10,928</b>	11,079	<b>(50,738)</b>	(103,553)
Series 5 .....	<b>11,558,204</b>	12,804,579	<b>516,294</b>	991,982	<b>(1,762,669)</b>	(2,752,398)
Series 6 .....	<b>213,555</b>	227,435	<b>30,744</b>	66,971	<b>(44,624)</b>	(93,066)
Series 7 .....	<b>76,342</b>	95,695	<b>168</b>	7,653	<b>(19,521)</b>	(68,194)
Series 8 .....	<b>102,692</b>	116,459	<b>38,274</b>	28,947	<b>(52,041)</b>	(24,450)
<b>Canadian Equity – Fidelity True North®</b>						
Series 3 .....	<b>93,412</b>	89,458	<b>20,044</b>	7,530	<b>(16,090)</b>	(22,993)
Series 5 .....	<b>1,233,181</b>	1,385,256	<b>119,105</b>	97,002	<b>(271,180)</b>	(266,549)
Series 6 .....	<b>1,546,713</b>	1,595,827	<b>404,654</b>	337,707	<b>(453,768)</b>	(344,796)
Series 7 .....	<b>122,384</b>	130,830	<b>7,133</b>	1,473	<b>(15,579)</b>	(40,202)
Series 8 .....	<b>1,355,331</b>	1,236,868	<b>412,678</b>	522,287	<b>(294,215)</b>	(293,500)
<b>Canadian Equity – Franklin Bissett</b>						
Series 1 .....	<b>1,757,208</b>	1,938,478	<b>67,909</b>	44,727	<b>(249,179)</b>	(384,092)
Series 3 .....	<b>1,117,462</b>	1,340,255	<b>33,339</b>	42,102	<b>(256,132)</b>	(321,991)
Series 5 .....	<b>660,612</b>	773,714	<b>59,687</b>	62,328	<b>(172,789)</b>	(237,749)
Series 6 .....	<b>439,997</b>	504,686	<b>38,720</b>	99,857	<b>(103,409)</b>	(94,177)
Series 7 .....	<b>14,776</b>	18,443	<b>—</b>	22,166	<b>(3,667)</b>	(20,823)
Series 8 .....	<b>292,891</b>	313,952	<b>32,022</b>	86,374	<b>(53,083)</b>	(96,992)
Series IGP	<b>196,722</b>	211,547	<b>1,287</b>	1,227	<b>(16,112)</b>	(23,139)
<b>Canadian Small Cap Equity – NEI</b>						
Series 3 .....	<b>264,024</b>	302,362	<b>9,608</b>	6,816	<b>(47,946)</b>	(37,159)
Series 5 .....	<b>947,846</b>	1,098,370	<b>45,972</b>	47,146	<b>(196,496)</b>	(244,595)
Series 6 .....	<b>173,152</b>	214,140	<b>23,662</b>	131,646	<b>(64,650)</b>	(135,978)
Series 7 .....	<b>5,522</b>	5,522	<b>—</b>	1,468	<b>—</b>	(1,468)
Series 8 .....	<b>209,284</b>	207,883	<b>41,961</b>	117,590	<b>(40,560)</b>	(26,275)
<b>Small Cap – Franklin Bissett</b>						
Series 3 .....	<b>215,433</b>	248,628	<b>4,600</b>	8,725	<b>(37,795)</b>	(72,273)
Series 5 .....	<b>242,402</b>	287,675	<b>37,843</b>	48,525	<b>(83,116)</b>	(132,447)
Series 6 .....	<b>455,956</b>	498,931	<b>73,494</b>	88,699	<b>(116,469)</b>	(109,480)
Series 7 .....	<b>14,461</b>	14,520	<b>—</b>	—	<b>(59)</b>	(2,986)
Series 8 .....	<b>82,246</b>	97,897	<b>44,538</b>	10,422	<b>(60,189)</b>	(22,329)
<b>Foreign Equity</b>						
<b>American Equity – MFS</b>						
Series 3 .....	<b>460,864</b>	450,114	<b>83,371</b>	77,178	<b>(72,621)</b>	(101,773)
Series 5 .....	<b>1,312,659</b>	1,365,992	<b>240,331</b>	250,171	<b>(293,664)</b>	(341,413)
Series 6 .....	<b>1,696,743</b>	1,527,260	<b>565,045</b>	749,962	<b>(395,562)</b>	(611,645)
Series 7 .....	<b>101,646</b>	96,354	<b>19,790</b>	10,125	<b>(14,498)</b>	(80,312)
Series 8 .....	<b>2,024,773</b>	1,839,341	<b>854,960</b>	1,130,676	<b>(669,528)</b>	(508,365)
<b>American Equity Value – Desjardins</b>						
Series 1 .....	<b>206,502</b>	220,551	<b>7,862</b>	2,235	<b>(21,911)</b>	(88,287)
Series 3 .....	<b>195,297</b>	245,079	<b>10,250</b>	20,950	<b>(60,032)</b>	(52,982)
Series 5 .....	<b>730,038</b>	880,032	<b>88,233</b>	98,106	<b>(238,227)</b>	(250,168)
Series 6 .....	<b>762,982</b>	739,238	<b>204,746</b>	133,045	<b>(181,002)</b>	(175,551)
Series 7 .....	<b>10,344</b>	17,115	<b>299</b>	—	<b>(7,070)</b>	(18,646)
Series 8 .....	<b>853,829</b>	811,366	<b>211,363</b>	298,311	<b>(168,900)</b>	(136,885)
<b>Global Dividend – Desjardins</b>						
Series 5 .....	<b>731,591</b>	844,229	<b>105,829</b>	148,507	<b>(218,467)</b>	(298,747)
Series 6 .....	<b>1,478,341</b>	1,631,313	<b>217,487</b>	599,709	<b>(370,459)</b>	(470,004)
Series 7 .....	<b>291,081</b>	335,280	<b>9,536</b>	1,104	<b>(53,735)</b>	(24,935)
Series 8 .....	<b>1,518,305</b>	1,559,222	<b>303,580</b>	452,989	<b>(344,497)</b>	(219,584)
<b>Global Equity – Desjardins</b>						
Series 5 .....	<b>40,825</b>	30,525	<b>11,228</b>	30,525	<b>(928)</b>	—
Series 6 .....	<b>52,903</b>	30,525	<b>34,049</b>	30,525	<b>(11,671)</b>	—
Series 7 .....	<b>30,525</b>	30,525	<b>—</b>	30,525	<b>—</b>	—
Series 8 .....	<b>49,537</b>	30,525	<b>19,758</b>	30,525	<b>(746)</b>	—

	Outstanding Units		Attributed Units		Withdrawn Units	
	2020	2019	2020	2019	2020	2019
Global Equity – MFS						
Series 3	546,027	560,134	40,962	32,618	(55,069)	(140,389)
Series 5	7,311,714	8,015,043	255,145	512,852	(958,474)	(1,704,110)
Series 6	454,366	452,240	113,250	130,361	(111,124)	(146,511)
Series 7	74,302	87,179	395	69,663	(13,272)	(113,696)
Series 8	624,681	539,140	166,882	150,536	(81,341)	(55,710)
International Equity – MFS						
Series 1	162,850	179,161	1,355	4,117	(17,666)	(39,657)
Series 3	420,063	490,629	31,289	39,475	(101,855)	(115,388)
Series 5	329,551	373,758	32,613	55,813	(76,820)	(165,247)
Series 6	284,849	272,469	63,260	44,063	(50,880)	(94,959)
Series 7	20,607	28,155	1,758	24,685	(9,306)	(63,267)
Series 8	302,390	268,500	46,570	96,620	(12,680)	(35,582)
International Equity Growth						
– Desjardins						
Series 5	291,397	291,453	104,533	68,101	(104,589)	(141,580)
Series 6	1,006,906	801,683	466,362	288,899	(261,139)	(245,568)
Series 7	36,121	50,533	5,063	19,142	(19,475)	(28,848)
Series 8	1,579,530	979,029	820,036	366,412	(219,535)	(223,213)

#### Management of Risks Associated with Units Attributable to Contract Owners

Units attributed and outstanding are considered as the Funds' capital. The Funds are not subject to specific capital requirements on the premiums and withdrawals, other than certain minimum deposit requirements. Contract Owners are entitled to require payment of the net asset value per unit for all or any of the notional units they hold by giving an official notice to the Company at any time. Units attributable to Contract Owners are redeemable for cash equal to a pro rata share of the Funds' net asset value.

## 5. MANAGEMENT FEES AND OTHER EXPENSES

### Management Fees

In return for investment management, Desjardins Financial Security is paid a management fee from the Funds based on the net asset value of the units attributed to each series of each Fund and calculated daily.

The management fees, as a percentage of the daily average net assets, are as follows:

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
<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	—
<b>WISE ETF PORTFOLIOS</b>							
Fixed Income – Desjardins Wise ETF	—	—	2.00	1.25	0.80	0.95	—
Conservative – Desjardins Wise ETF	—	—	2.00	1.75	1.30	1.45	—
Balanced – Desjardins Wise ETF	—	—	2.05	1.75	1.30	1.45	—
Growth – Desjardins Wise ETF	—	—	2.10	1.80	1.35	1.50	—
Maximum Growth – Desjardins Wise ETF	—	—	2.10	1.80	1.35	1.50	—
100% Equity – Desjardins Wise ETF	—	—	2.10	1.80	1.35	1.50	—

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	Series 1	Series 3	Series 5	Series 6	Series 7	Series 8	Series IGP
	%	%	%	%	%	%	%
<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	—	2.33	2.10	2.20	1.75	1.90	—
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	—

### 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 44 basis points higher if these expenses had been charged to the Funds. The Company does not intend to change its method of allocating costs.

The management expense ratios for the past five periods, which include management, guarantee, operating expenses and taxes are as follows:

	December 31 2020 %	December 31 2019 %	December 31 2018 %	December 31 2017 %	December 31 2016 %
<b>INVESTMENT SOLUTIONS</b>					
Conservative**					
Series 5 .....	<b>2.60</b>	2.61	2.61	2.59	2.59
Series 6 .....	<b>2.25</b>	2.47	2.46	2.47	2.47
Series 7 .....	<b>1.68</b>	1.87	1.90	1.91	1.88
Series 8 .....	<b>1.88</b>	2.11	2.14*	—	—
Moderate**					
Series 5 .....	<b>2.60</b>	2.61	2.68	2.67	2.70
Series 6 .....	<b>2.29</b>	2.51	2.50	2.50	2.49
Series 7 .....	<b>1.73</b>	1.96	1.95	1.95	1.90
Series 8 .....	<b>1.95</b>	2.16	2.19*	—	—
Balanced**					
Series 5 .....	<b>2.67</b>	2.73	2.73	2.73	2.76
Series 6 .....	<b>2.34</b>	2.56	2.56	2.56	2.54
Series 7 .....	<b>1.82</b>	2.04	2.05	2.07	2.08
Series 8 .....	<b>2.00</b>	2.23	2.25*	—	—
Growth**					
Series 5 .....	<b>2.77</b>	2.78	2.79	2.78	2.82
Series 6 .....	<b>2.37</b>	2.58	2.58	2.58	2.59
Series 7 .....	<b>1.87</b>	2.06	2.05	2.07	2.10
Series 8 .....	<b>2.03</b>	2.25	2.31*	—	—
Maximum Growth**					
Series 5 .....	<b>2.71</b>	2.75	2.76	2.76	2.87
Series 6 .....	<b>2.45</b>	2.69	2.70	2.70	2.67
Series 7 .....	<b>1.88</b>	2.11	2.06	2.24	2.24
Series 8 .....	<b>2.13</b>	2.35	2.36*	—	—
<b>RESPONSIBLE INVESTMENT PORTFOLIOS</b>					
Conservative – Desjardins SocieTerra					
Series 5 .....	<b>2.77</b>	2.82	2.76*	—	—
Series 6 .....	<b>2.33</b>	2.70	2.64*	—	—
Series 7 .....	<b>1.83</b>	2.18	2.14*	—	—
Series 8 .....	<b>1.96</b>	2.36	2.31*	—	—
Moderate – Desjardins SocieTerra					
Series 5 .....	<b>2.87*</b>	—	—	—	—
Series 6 .....	<b>2.41*</b>	—	—	—	—
Series 7 .....	<b>1.90*</b>	—	—	—	—
Series 8 .....	<b>2.07*</b>	—	—	—	—
Balanced – Desjardins SocieTerra					
Series 5 .....	<b>2.82</b>	2.82	2.81	2.81	2.81
Series 6 .....	<b>2.38</b>	2.70	2.68	2.70	2.76
Series 7 .....	<b>1.81</b>	2.12	2.13	2.11	2.30
Series 8 .....	<b>2.05</b>	2.38	2.42*	—	—
Growth – Desjardins SocieTerra					
Series 5 .....	<b>2.84</b>	2.83	2.93*	—	—
Series 6 .....	<b>2.49</b>	2.85	2.81*	—	—
Series 7 .....	<b>2.01</b>	2.36	2.31*	—	—
Series 8 .....	<b>2.09</b>	2.42	2.48*	—	—
Maximum Growth – Desjardins SocieTerra					
Series 5 .....	<b>3.14</b>	3.16	3.09*	—	—
Series 6 .....	<b>2.62</b>	3.02	2.98*	—	—
Series 7 .....	<b>2.13</b>	2.53	2.48*	—	—
Series 8 .....	<b>2.30</b>	2.70	2.64*	—	—

# NOTES TO THE FINANCIAL STATEMENTS (continued)

	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%
100% Equity – Desjardins SocieTerra					
Series 5 .....	3.22*	—	—	—	—
Series 6 .....	2.76*	—	—	—	—
Series 7 .....	2.24*	—	—	—	—
Series 8 .....	2.41*	—	—	—	—
<b>WISE ETF PORTFOLIOS</b>					
Fixed Income – Desjardins Wise ETF					
Series 5 .....	2.59*	—	—	—	—
Series 6 .....	1.72*	—	—	—	—
Series 7 .....	1.21*	—	—	—	—
Series 8 .....	1.38*	—	—	—	—
Conservative – Desjardins Wise ETF					
Series 5 .....	2.64*	—	—	—	—
Series 6 .....	2.30*	—	—	—	—
Series 7 .....	1.78*	—	—	—	—
Series 8 .....	1.95*	—	—	—	—
Balanced – Desjardins Wise ETF					
Series 5 .....	2.70*	—	—	—	—
Series 6 .....	2.36*	—	—	—	—
Series 7 .....	1.84*	—	—	—	—
Series 8 .....	2.01*	—	—	—	—
Growth – Desjardins Wise ETF					
Series 5 .....	2.76*	—	—	—	—
Series 6 .....	2.41*	—	—	—	—
Series 7 .....	1.90*	—	—	—	—
Series 8 .....	2.07*	—	—	—	—
Maximum Growth – Desjardins Wise ETF					
Series 5 .....	2.82*	—	—	—	—
Series 6 .....	2.47*	—	—	—	—
Series 7 .....	1.95*	—	—	—	—
Series 8 .....	2.13*	—	—	—	—
100% Equity – Desjardins Wise ETF					
Series 5 .....	2.87*	—	—	—	—
Series 6 .....	2.53*	—	—	—	—
Series 7 .....	2.01*	—	—	—	—
Series 8 .....	2.18*	—	—	—	—
<b>INDIVIDUALS FUNDS</b>					
<b>Income</b>					
Money Market**					
Series 1 .....	1.71	1.72	1.73	1.72	1.72
Series 3 .....	1.74	1.73	1.73	1.73	1.71
Series 5 .....	1.40	1.39	1.39	1.38	1.38
Series 6 .....	1.07	1.13	1.13	1.13	1.12
Series 7 .....	0.52	0.59	0.59	0.58	0.61
Series 8 .....	0.73	0.80	0.79*	—	—
Series IGP	1.65	1.66	1.66	1.65	1.66
Canadian Bond**					
Series 1 .....	3.05*	—	—	—	—
Series 3 .....	2.68*	—	—	—	—
Series 5 .....	1.97	1.97	1.96	1.96	1.96
Series 6 .....	1.69	1.80	1.80	1.78	1.77
Series 7 .....	1.16	1.23	1.22	1.22	1.22
Series 8 .....	1.36	1.48	1.46*	—	—



	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%
Global Tactical Bond – Desjardins					
Series 5 .....	<b>2.47</b>	2.47*	—	—	—
Series 6 .....	<b>2.13</b>	2.30*	—	—	—
Series 7 .....	<b>1.61</b>	1.78*	—	—	—
Series 8 .....	<b>1.78</b>	1.95*	—	—	—
<b>Balanced and Asset Allocation</b>					
Diversified Income – Franklin Quotential					
Series 3 .....	<b>3.15</b>	3.14	3.15	3.14	3.14
Series 5 .....	<b>2.93</b>	2.92	2.92	2.91	2.91
Series 6 .....	<b>2.67</b>	2.72	2.71	2.70	2.71
Series 7 .....	<b>2.15</b>	2.22	2.22	2.18	2.20
Series 8 .....	<b>2.32</b>	2.38	2.42*	—	—
Balanced Income – Franklin Quotential					
Series 3 .....	<b>3.20</b>	3.20	3.20	3.20	3.20
Series 5 .....	<b>2.95</b>	2.95	2.95	2.95	2.95
Series 6 .....	<b>2.69</b>	2.75	2.75	2.75	2.76
Series 7 .....	<b>2.21</b>	2.27	2.27	2.28	2.30
Series 8 .....	<b>2.33</b>	2.40	2.42*	—	—
Canadian Balanced – Fidelity					
Series 3 .....	<b>3.37</b>	3.38	3.38	3.38	3.39
Series 5 .....	<b>2.96</b>	2.96	2.96	2.96	2.96
Series 6 .....	<b>2.70</b>	2.81	2.81	2.81	2.81
Series 7 .....	<b>2.15</b>	2.27	2.27	2.28	2.28
Series 8 .....	<b>2.36</b>	2.48	2.48*	—	—
U.S. Monthly Income – Fidelity					
Series 5 .....	<b>3.01</b>	3.01	3.00	2.97	3.10
Series 6 .....	<b>2.73</b>	2.89	2.88	2.89	2.99
Series 7 .....	<b>2.22</b>	2.38	2.37	2.39	2.47
Series 8 .....	<b>2.39</b>	2.57	2.59*	—	—
Global Balanced – Jarislowsky Fraser					
Series 3 .....	<b>3.37</b>	3.37	3.37	3.37	3.39
Series 5 .....	<b>2.85</b>	2.85	2.85	2.85	2.85
Series 6 .....	<b>2.51</b>	2.67	2.68	2.68	2.63
Series 7 .....	<b>1.99</b>	2.16	2.15	2.18	2.24
Series 8 .....	<b>2.17</b>	2.33	2.36*	—	—
Canadian Balanced – Fiera Capital**					
Series 1 .....	<b>3.83</b>	3.83	3.83	3.83	3.83
Series 3 .....	<b>3.19</b>	3.19	3.19	3.18	3.19
Series 5 .....	<b>2.55</b>	2.55	2.55	2.55	2.55
Series 6 .....	<b>2.40</b>	2.57	2.57	2.57	2.57
Series 7 .....	<b>1.86</b>	2.04	2.03	2.08	2.08
Series 8 .....	<b>2.08</b>	2.25	2.25*	—	—
Balanced Growth – Franklin Quotential					
Series 3 .....	<b>3.28</b>	3.28	3.27	3.26	3.26
Series 5 .....	<b>2.98</b>	2.98	2.97	2.97	2.97
Series 6 .....	<b>2.73</b>	2.78	2.78	2.79	2.80
Series 7 .....	<b>2.20</b>	2.27	2.27	2.29	2.34
Series 8 .....	<b>2.37</b>	2.44	2.48*	—	—
Canadian Balanced – CI Signature					
Series 5 .....	<b>3.00</b>	3.00	3.00	2.99	2.99
Series 6 .....	<b>2.69</b>	2.79	2.78	2.78	2.79
Series 7 .....	<b>2.14</b>	2.24	2.25	2.28	2.29
Series 8 .....	<b>2.34</b>	2.44	2.48*	—	—

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%
Income and Growth – CI Signature					
Series 5 .....	<b>3.05</b>	3.04	3.04	3.04	3.05
Series 6 .....	<b>2.73</b>	2.90	2.90	2.89	2.90
Series 7 .....	<b>2.18</b>	2.35	2.34	2.36	2.36
Series 8 .....	<b>2.40</b>	2.57	2.59*	—	—
Growth and Income – NEI					
Series 3 .....	<b>3.59</b>	3.59	3.62	3.63	3.64
Series 5 .....	<b>2.94</b>	2.94	2.94	2.94	2.94
Series 6 .....	<b>2.73</b>	2.84	2.83	2.84	2.85
Series 7 .....	<b>2.23</b>	2.34	2.28	2.29	2.30
Series 8 .....	<b>2.41</b>	2.50	2.53*	—	—
Growth – NEI Select					
Series 3 .....	<b>3.82</b>	3.82	3.82	3.83	3.85
Series 5 .....	<b>3.13</b>	3.13	3.13	3.13	3.13
Series 6 .....	<b>2.88</b>	2.99	3.00	2.99	2.98
Series 7 .....	<b>2.31</b>	2.42	2.37	2.46	2.40
Series 8 .....	<b>2.57</b>	2.67	2.70*	—	—
Asset Allocation – Cambridge					
Series 5 .....	<b>2.88</b>	2.89	2.90	2.89	2.90
Series 6 .....	<b>2.59</b>	2.71	2.71	2.70	2.70
Series 7 .....	<b>2.09</b>	2.21	2.20	2.21	2.19
Series 8 .....	<b>2.26</b>	2.37	2.42*	—	—
Growth – Franklin Quotential					
Series 3 .....	<b>3.60</b>	3.60	3.60	3.60	3.61
Series 5 .....	<b>3.22</b>	3.22	3.22	3.22	3.22
Series 6 .....	<b>2.84</b>	2.89	2.89	2.89	2.89
Series 7 .....	<b>2.34</b>	2.40	2.46	2.45	2.45
Series 8 .....	<b>2.50</b>	2.55	2.59*	—	—
Canadian Equity					
Dividend Income – Desjardins					
Series 3 .....	<b>3.11</b>	3.11*	—	—	—
Series 5 .....	<b>2.65</b>	2.66*	—	—	—
Series 6 .....	<b>2.39</b>	2.55*	—	—	—
Series 7 .....	<b>1.87</b>	2.04*	—	—	—
Series 8 .....	<b>2.09</b>	2.24*	—	—	—
Canadian Dividend – NEI					
Series 5 .....	<b>3.06</b>	3.07	3.07	3.07	3.08
Series 6 .....	<b>2.71</b>	2.87	2.87	2.88	2.87
Series 7 .....	<b>2.18</b>	2.36	2.39	2.39	2.41
Series 8 .....	<b>2.39</b>	2.56	2.53*	—	—
Canadian Equity – Desjardins					
Series 1 .....	<b>3.91*</b>	—	—	—	—
Series 3 .....	<b>3.51*</b>	—	—	—	—
Series 5 .....	<b>2.93*</b>	—	—	—	—
Series 6 .....	<b>2.59*</b>	—	—	—	—
Series 7 .....	<b>2.07*</b>	—	—	—	—
Series 8 .....	<b>2.24*</b>	—	—	—	—
Series IGP .....	<b>2.30*</b>	—	—	—	—
Canadian Equity – Jarislowsky Fraser**					
Series 3 .....	<b>3.59</b>	3.60	3.60	3.60	3.59
Series 5 .....	<b>2.92</b>	2.92	2.92	2.92	2.92
Series 6 .....	<b>2.68</b>	2.84	2.82	2.82	2.93
Series 7 .....	<b>2.21</b>	2.37	2.33	2.41	2.41
Series 8 .....	<b>2.33</b>	2.50	2.53*	—	—

	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%
<b>Canadian Equity – Fidelity True North®</b>					
Series 3 .....	<b>3.57</b>	3.57	3.58	3.57	3.56
Series 5 .....	<b>3.21</b>	3.21	3.21	3.20	3.20
Series 6 .....	<b>2.93</b>	3.03	3.04	3.03	3.04
Series 7 .....	<b>2.41</b>	2.53	2.55	2.48	2.46
Series 8 .....	<b>2.61</b>	2.72	2.70*	—	—
<b>Canadian Equity – Franklin Bissett</b>					
Series 1 .....	<b>3.96</b>	3.97	3.97	3.97	3.98*
Series 3 .....	<b>3.58</b>	3.58	3.59	3.58	3.59
Series 5 .....	<b>2.97</b>	2.97	2.97	2.97	2.97
Series 6 .....	<b>2.75</b>	2.80	2.80	2.80	2.80
Series 7 .....	<b>2.35</b>	2.39	2.27	2.41	2.41
Series 8 .....	<b>2.44</b>	2.49	2.53*	—	—
Series IGP .....	<b>2.38</b>	2.39	2.38	2.39	2.38*
<b>Canadian Small Cap Equity – NEI</b>					
Series 3 .....	<b>3.81</b>	3.81	3.83	3.82	3.82
Series 5 .....	<b>3.27</b>	3.27	3.28	3.28	3.28
Series 6 .....	<b>3.03</b>	3.20	3.23	3.24	3.21
Series 7 .....	<b>2.59</b>	2.76	2.76	2.76	2.76
Series 8 .....	<b>2.72</b>	2.91	2.87*	—	—
<b>Small Cap – Franklin Bissett</b>					
Series 3 .....	<b>3.77</b>	3.77	3.76	3.76	3.76
Series 5 .....	<b>3.14</b>	3.14	3.14	3.14	3.14
Series 6 .....	<b>3.12</b>	3.14	3.14	3.14	3.14
Series 7 .....	<b>2.67</b>	2.73	2.45	2.74	2.74
Series 8 .....	<b>2.77</b>	2.82	2.87*	—	—
<b>Foreign Equity</b>					
<b>American Equity – MFS**</b>					
Series 3 .....	<b>3.69</b>	3.70	3.73	3.74	3.75
Series 5 .....	<b>2.92</b>	2.93	2.94	2.93	2.93
Series 6 .....	<b>2.68</b>	2.90	2.90	2.88	2.87
Series 7 .....	<b>2.19</b>	2.42	2.43	2.44	2.44
Series 8 .....	<b>2.35</b>	2.57	2.59*	—	—
<b>American Equity Value – Desjardins</b>					
Series 1 .....	<b>3.82</b>	3.83	3.82	3.82	3.82
Series 3 .....	<b>3.19</b>	3.20	3.20	3.21	3.22
Series 5 .....	<b>3.06</b>	3.06	3.06	3.06	3.05
Series 6 .....	<b>2.68</b>	2.84	2.84	2.84	2.83
Series 7 .....	<b>2.13</b>	2.33	2.22	2.38	2.27
Series 8 .....	<b>2.37</b>	2.54	2.53*	—	—
<b>Global Dividend – Desjardins</b>					
Series 5 .....	<b>2.81</b>	2.82	2.81	2.80	2.80
Series 6 .....	<b>2.73</b>	2.89	2.89	2.89	2.87
Series 7 .....	<b>2.23</b>	2.39	2.37	2.37	2.34
Series 8 .....	<b>2.39</b>	2.56	2.59*	—	—
<b>Global Equity – Desjardins</b>					
Series 5 .....	<b>2.93</b>	2.93*	—	—	—
Series 6 .....	<b>2.70</b>	2.87*	—	—	—
Series 7 .....	<b>2.18</b>	2.36*	—	—	—
Series 8 .....	<b>2.36</b>	2.53*	—	—	—
<b>Global Equity – MFS**</b>					
Series 3 .....	<b>3.34</b>	3.36	3.37	3.37	3.36
Series 5 .....	<b>2.90</b>	2.90	2.90	2.90	2.92
Series 6 .....	<b>2.67</b>	2.95	2.94	2.94	2.93
Series 7 .....	<b>2.18</b>	2.46	2.43	2.46	2.53
Series 8 .....	<b>2.35</b>	2.63	2.64*	—	—

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
	%	%	%	%	%
International Equity – MFS**					
Series 1 .....	<b>3.85</b>	3.84	3.84	3.83	3.82
Series 3 .....	<b>3.61</b>	3.62	3.64	3.65	3.65
Series 5 .....	<b>2.73</b>	2.73	2.75	2.75	2.75
Series 6 .....	<b>2.97</b>	3.03	3.00	3.02	3.01
Series 7 .....	<b>2.46</b>	2.52	2.50	2.55	2.55
Series 8 .....	<b>2.65</b>	2.72	2.70*	—	—
International Equity Growth – Desjardins					
Series 5 .....	<b>3.09</b>	3.08	3.11	3.10	3.10
Series 6 .....	<b>2.78</b>	2.94	2.94	2.94	2.93
Series 7 .....	<b>2.31</b>	2.47	2.44	2.53	2.53
Series 8 .....	<b>2.46</b>	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 November 27, 2020, the management expense ratios for Series 6, 7 and 8 of the existing Funds in October 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:

	December 31, 2020	December 31, 2019
	\$	\$
Conservative	—	24,152
Moderate	—	25,285
Balanced	—	26,460
Growth	—	27,758
Maximum Growth	—	331,322
Conservative – Desjardins SocieTerra	<b>330,960</b>	612,630
Moderate – Desjardins SocieTerra	<b>325,920</b>	—
Balanced – Desjardins SocieTerra	—	26,564
Growth – Desjardins SocieTerra	<b>177,520</b>	623,337
Maximum Growth – Desjardins SocieTerra	<b>737,136</b>	635,443
100% Equity – Desjardins SocieTerra	<b>330,080</b>	—
Fixed Income – Desjardins Wise ETF	<b>203,500</b>	—
Conservative – Desjardins Wise ETF	<b>323,520</b>	—
Balanced – Desjardins Wise ETF	<b>324,480</b>	—
Growth – Desjardins Wise ETF	<b>324,800</b>	—
Maximum Growth – Desjardins Wise ETF	<b>325,760</b>	—
100% Equity – Desjardins Wise ETF	<b>204,100</b>	—
Money Market	—	86,817
Canadian Bond	<b>2,014</b>	24,234
Global Tactical Bond – Desjardins	<b>385,200</b>	366,120
Diversified Income – Franklin Quotential	—	24,820
Balanced Income – Franklin Quotential	—	25,768
Canadian Balanced – Fidelity	—	28,097
U.S. Monthly Income – Fidelity	—	525,304
Global Balanced – Jarislowsky Fraser	—	26,755
Canadian Balanced – Fiera Capital	—	29,410
Balanced Growth – Franklin Quotential	—	26,707
Canadian Balanced – CI Signature	—	26,554
Income and Growth – CI Signature	—	26,972
Growth and Income – NEI	—	28,915

	December 31, 2020	December 31, 2019
	\$	\$
Growth – NEI Select	—	29,298
Asset Allocation – Cambridge	—	27,437
Growth – Franklin Quotential	<b>27,353</b>	27,532
Dividend Income – Desjardins	—	5,032
Canadian Dividend – NEI	<b>23,253</b>	27,677
Canadian Equity – Desjardins	<b>779,874</b>	—
Canadian Equity – Jarislowsky Fraser	—	27,854
Canadian Equity – Fidelity True North®	—	28,271
Canadian Equity – Franklin Bissett	<b>69,434</b>	75,063
Canadian Small Cap Equity – NEI	<b>296,756</b>	277,852
Small Cap – Franklin Bissett	<b>13,224</b>	14,448
American Equity – MFS	—	40,693
American Equity Value – Desjardins	<b>999,612</b>	1,033,706
Global Dividend – Desjardins	—	30,637
Global Equity – Desjardins	<b>704,208</b>	630,032
Global Equity – MFS	—	36,367
International Equity – MFS	<b>31,965</b>	32,463
International Equity Growth – Desjardins	<b>58,765</b>	382,652

The related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 7. FINANCIAL INSTRUMENTS DISCLOSURES

### DFS Preliminary Information

The net assets of the DFS Guaranteed Investment Funds are held by the Company. These Funds are not separate legal entities. The Contract Owners do not own any of the assets of the Funds nor own an interest in the Funds. However, the financial instrument risks resulting from the Funds are assumed by the Contract Owners. The value of the segregated funds may increase or decrease according to market fluctuations.

Moreover, the Funds are offered with a deposit guarantee of 75 to 100% that protects the deposits until specific maturity dates.

For the Funds of funds, details regarding the top holdings of the underlying fund(s) are shown in the appendix of the Schedule of Investment Portfolio.

### Hierarchy of Financial Instruments 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.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### *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.

### *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, Repurchase Transactions and Reverse Repurchase Transactions*

Securities lending, repurchase transactions and reverse repurchase transactions expose the Funds to credit risk. These transactions are governed by Investment Industry Regulatory Organization of Canada participation agreements. The Funds also use netting agreements with counterparties to mitigate credit risk and require a percentage of collateralization (a pledge) on these transactions. The Funds only accept pledges from counterparties that comply with the eligibility criteria defined in their policies. These criteria promote quick realization, if necessary, of collateral in case of default. The collateral received and given by the Funds are mainly cash and government securities. Further information on assets pledged and received as collateral is presented in the "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

### *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).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Some Funds may invest in derivative financial instruments, debt securities and unlisted equity investments that are not traded in an active market. As a result, some Funds may not be able to quickly liquidate their investments at amounts approximating their fair values or be able to respond to specific effects such as deterioration in the creditworthiness of any particular issuer.

Units attributable to Contract Owners are redeemable upon request at the owner's option. However, the Company does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as Contract Owners of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### Additional Information

For further information on the risks associated with financial instruments to which each Fund is exposed, refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund. Details on risks and various documents on underlying funds (detailed description of each Fund's investment policy and, where applicable, the investment policy and/or prospectus and financial statements of the underlying fund(s)) are available upon request by writing to the Company at the following address:

1 Complexe Desjardins  
P.O. Box 9000  
Montréal, Québec  
H5B 1H5

### 8. EVENT SUBSEQUENT TO THE DATE OF THE STATEMENT OF FINANCIAL POSITION

Following the announcement of certain NEI Funds' merger, which will occur on April 23, 2021, the DFS GIF – Growth – NEI Select Fund will replace its investment in the NEI Select Growth Portfolio with the NEI Select Growth RS Portfolio.



# INDEPENDENT AUDITOR'S REPORT

To the Contract Owners and Desjardins Financial Security Life Assurance Company of

DFS GIF – Conservative	DFS GIF – Global Balanced – Jarislowsky Fraser
DFS GIF – Moderate	DFS GIF – Canadian Balanced – Fiera Capital
DFS GIF – Balanced	DFS GIF – Balanced Growth – Franklin Quotential
DFS GIF – Growth	DFS GIF – Canadian Balanced – CI Signature
DFS GIF – Maximum Growth	DFS GIF – Income and Growth – CI Signature
DSF GIF – Conservative – Desjardins SocieTerra	DFS GIF – Growth and Income – NEI
DFS GIF – Moderate – Desjardins SocieTerra	DFS GIF – Growth – NEI Select
DFS GIF – Balanced – Desjardins SocieTerra	DFS GIF – Asset Allocation – Cambridge
DFS GIF – Growth – Desjardins SocieTerra	DFS GIF – Growth – Franklin Quotential
DFS GIF – Maximum Growth – Desjardins SocieTerra	DFS GIF – Dividend Income – Desjardins
DFS GIF – 100% Equity – Desjardins SocieTerra	DFS GIF – Canadian Dividend – NEI
DFS GIF – Fixed Income – Desjardins Wise ETF	DFS GIF – Canadian Equity – Desjardins
DFS GIF – Conservative – Desjardins Wise ETF	DFS GIF – Canadian Equity – Jarislowsky Fraser
DFS GIF – Balanced – Desjardins Wise ETF	DFS GIF – Canadian Equity – Fidelity True North®
DFS GIF – Growth – Desjardins Wise ETF	DFS GIF – Canadian Equity – Franklin Bissett
DFS GIF – Maximum Growth – Desjardins Wise ETF	DFS GIF – Canadian Small Cap Equity – NEI
DFS GIF – 100% Equity – Desjardins Wise ETF	DFS GIF – Small Cap – Franklin Bissett
DFS GIF – Money Market	DFS GIF – American Equity – MFS
DFS GIF – Canadian Bond	DFS GIF – American Equity Value – Desjardins
DFS GIF – Global Tactical Bond – Desjardins	DFS GIF – Global Dividend – Desjardins
DFS GIF – Diversified Income – Franklin Quotential	DFS GIF – Global Equity – Desjardins
DFS GIF – Balanced Income – Franklin Quotential	DFS GIF – Global Equity – MFS
DFS GIF – Canadian Balanced – Fidelity	DFS GIF – International Equity – MFS
DFS GIF – U.S. Monthly Income – Fidelity	DFS GIF – International Equity Growth – Desjardins

(individually, a Fund)

## Our opinion

In our opinion, the accompanying December 31, 2020 financial statements of each Fund present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards (IFRS).

## What we have audited

The financial statements of each Fund comprise:

- the statements of financial position as at the period-end dates indicated in note 1;
- the statements of comprehensive income for the periods indicated in note 1;
- the statements of changes in net assets attributable to contract owners for the periods indicated in note 1;
- the statements of cash flows for the periods indicated in note 1; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of each Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Other matter – unaudited information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the unaudited information which is comprised of the Summary Facts Statement, Top Five Holdings of the Underlying Funds or Top Five Holdings of the Underlying Fund, Top 25 Holdings of the Underlying Fund, Top Major Holdings of the Underlying Funds as of December 31, 2020 or Top Major Holdings as of December 31, 2020 or Top Underlying Holdings as of December 31, 2020 or Top Major Holdings of the Underlying Fund, Financial Highlights and Performance Information for the period ending December 31, 2020 of each Fund. Accordingly, this auditor's report and our opinion does not cover the aforementioned unaudited information.

# INDEPENDENT AUDITOR'S REPORT (continued)

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each Fund in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the financial reporting process of each Fund.

## Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Montréal, Québec  
April 8, 2021

*PricewaterhouseCoopers LLP*<sup>1</sup>  
<sup>1</sup>CPA auditor, CA, public accountancy permit No. A123633

# MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING IN THE AUDITED ANNUAL FINANCIAL STATEMENTS

## Management

The accompanying financial statements have been prepared by the management of Desjardins Financial Security Life Assurance Company (Desjardins Financial Security), in accordance with International Financial Reporting Standards. Management is responsible for the information contained in the financial statements.

Desjardins Financial Security maintains an appropriate system of internal control to ensure that relevant and reliable financial information is produced and that the Funds' assets are appropriately accounted for and safeguarded. A summary of the significant accounting policies applicable to the Funds can be found in Note 2 of the Notes to the Financial Statements.

## External Auditor

PricewaterhouseCoopers LLP has been appointed by the shareholder, Desjardins Financial Corporation Inc., as the external auditor of the Funds. Their responsibility is to audit the annual financial statements in accordance with Canadian generally accepted auditing standards and to report to the contract owners of the fairness of the Funds' financial position and results of operations as reflected in the annual financial statements.

**Denis Dubois**

President and Chief Operating Officer

**François Drouin**

Senior Vice-President,  
Finance

**Éric Landry**

Senior Vice-President,  
Investment Solutions

Lévis, Québec  
April 8, 2021



# 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.

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

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[desjardinslifeinsurance.com](https://desjardinslifeinsurance.com)