

# Empire Life Dividend Growth Mutual Fund

Annual Management Report of Fund Performance

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## Management Discussion of Fund Performance

### Investment objectives and strategies

Empire Life Dividend Growth Mutual Fund (the "Fund") seeks to provide a balance of dividend income and moderate capital appreciation. The Fund invests primarily in the dividend-yielding equity securities of medium to large market capitalization Canadian corporations through a value-oriented approach to stock selection.

### Risk

For the twelve-month period ending December 31, 2021 (the "Period"), the overall level of risk of investing in the Fund remained the same. The Fund remains suitable for the investor who seeks income and modest long-term capital growth, who has a medium tolerance for risk and is comfortable with the risks associated with equity investments.

### Results of operations

For the Period, series A of the Fund returned 20.3%, net of fees. The net returns of other series of this Fund are provided under the section titled "Past Performance." The series have different returns due to the expenses charged to each series. The S&P/TSX Composite Total Return Index, broadly representative of the Canadian equity market, returned 25.1% for the same Period. Fund returns are reported net of all management fees and expenses unlike the performance of an index that does not pay fees or incur expenses.

The Fund underperformed its benchmark over the Period. The Fund's cash position detracted from performance in an environment of rising equity markets. The Fund's exposure to international equities detracted from performance, as these equity markets were relatively weak performers, particularly when factoring in the strong Canadian dollar. An overweight position in the Health Care sector was another notable detractor from the Fund's performance, as was stock selection in the Energy and Materials sectors.

The largest individual detractors from the Fund's performance included overweight positions in Unilever NV, Stella Jones Inc. and Saputo Inc. In the portfolio manager's view, Unilever NV was negatively impacted by investor sensitivity over profit margin volatility. The company's margins contracted as it ramped up its marketing in preparation for the post-pandemic economic environment. Additionally, their sensitivity to raw material inflation in Emerging Markets also weighed on investor sentiment towards its stock. Stella Jones Inc. faced lower demand for their residential lumber products during the Period, a reversal of the strong demand experienced the year prior. Saputo Inc. faced a challenging operating environment over the Period due to volatile global milk prices and decreased demand for their products due to pandemic related shutdowns.

An overweight allocation to U.S. stocks contributed positively to the Fund's performance as U.S. stocks generally outperformed Canadian stocks. From a sector perspective, stock selection within the Communication Services sector contributed positively to the Fund's performance. In particular, overweight positions in Alphabet Inc. and Shaw Communications Inc. contributed to this performance. In the portfolio manager's view, Alphabet Inc. outperformed due to general investor demand for large cap technology related investments, particularly those with perceived insulation against pandemic related shutdowns. Shaw Communications Inc. performed well following a bid from Rogers Communications Inc. An underweight position in the Materials sector, and gold stocks in particular, also contributed to performance. In the portfolio manager's view, in other sectors, an underweight position in Canadian National Railway Co. positively contributed to performance as the company underperformed in response to regulatory uncertainty surrounding its bid for Kansas City Southern. An overweight position in WPT Industrial REIT positively contributed to performance following a takeover bid by Blackstone Real Estate Investment Trust.

During the Period, global equity markets posted gains in response to an economic recovery that picked up speed as the rollout of COVID-19 vaccines continued. Canadian cyclical and value-oriented stocks rebounded, and outperformed Canadian growth stocks, which benefitted the portfolio manager's orientation towards value stocks.

In the portfolio manager's view, inflation rose in response to large fiscal stimulus packages by governments and central banks, as well as a recovery in demand. This, in turn, resulted in tighter credit spreads and rising interest rates. A rise in bond yields bolstered the performance of banks and life insurance companies. The Fund benefitted from exposure to these companies.

The portfolio manager added a number of new positions to the Fund over the Period. Facebook Inc. was purchased in response to what the portfolio manager believed was the company's organic growth potential and widely underappreciated Instagram business. IA Financial Corp. was added to the Fund based on the company's captive sales force in its wealth management business and potential to outperform in a rising interest rate environment. Merck & Co. Inc. was added to the Fund for its potential to achieve margin expansion over the next few years as the company benefits from the rollout of its cancer-fighting drug, Keytruda. The portfolio manager eliminated the Fund's holdings in Onex Corp. and Booking Holdings Inc. after periods of strong share price appreciation.

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At the end of the Period, the Fund's asset mix consisted of 69.1% Canadian equities, 16.1% international equities, 12.3% U.S. equities and 2.5% cash and equivalents.

### Recent developments

Looking ahead, the portfolio manager has a positive outlook for the Fund, particularly as economies in developed markets open up following their pandemic lockdowns, global vaccinations increase, and as new treatments come to market to fight COVID-19.

The Fund continues to have a significant weighting in the Canadian equity market, which is oriented towards cyclically sensitive sectors (such as Energy and Financials). The portfolio manager believes oil prices at their levels near the end of the Period should be supportive of the Fund's Energy sector investments. The portfolio manager also believes potentially higher interest rates should contribute to the performance of the Fund's Canadian bank and life insurance company positions. In the portfolio manager's view, valuations in Financials stocks, however, are somewhat less attractive given their strong performance over the Period. When opportunities arise, the portfolio manager also plans to take advantage of the Fund's ability to invest outside of Canada, allowing for a larger opportunity set of investments that meet the portfolio manager's value and quality criteria.

Potential risks, in the portfolio manager's view, include the U.S. Federal Reserve's reaction to high inflation levels should they raise interest rates too quickly. Additionally, the potential emergence of more transmissible and deadly COVID-19 variants may lead to further economic lockdowns, which may stall the recovery momentum and the Fund's performance.

At the time of writing, events regarding the Russia / Ukraine conflict and ensuing sanctions continue to rapidly evolve. Real-time news updates may cause markets to vacillate between fear and relief and will likely result in continued volatility in equity and credit markets, and potentially Fund performance.

Effective February 1, 2022, the deferred sales charge option and low load options are no longer available for new purchases. Effective on or about May 1, 2022, investors who hold Series A, T6 or T8 units through a discount broker will have their series redesignated as Series F units because trailing commissions are not paid in respect of Series F units, and, in accordance with upcoming regulatory changes, trailing commissions to discount brokers will no longer be paid.

### Related party transactions

Empire Life Investments Inc. (the "Manager") is the manager, trustee and portfolio manager of the Fund. The Manager is a wholly-owned subsidiary of The Empire Life Insurance Company.

The Manager provides or arranges for the provision of all the management and administrative services for the day-to-day operations of the Fund, including providing or arranging the provision of investment advice, record keeping and other administrative services, some of which are provided by an affiliate of the Manager. In consideration of the management and administrative services, the Fund pays the Manager a monthly management fee calculated as a percentage of daily net asset value of each series of the Fund, other than in the case of Series I, where fees are paid directly by the investor to the Manager. The rates for each series are disclosed under "Management fees".

During the Period, the Manager absorbed \$157,160 of total expenses otherwise payable by the Fund, as compared to \$149,319 for the year ended December 31, 2020. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of the Manager and the Manager can terminate the waiver or absorption at any time.

### Series description

The Fund offers the following series: A, T6, T8, F and I. Series A, Series T6 and T8 units are available to all investors other than, effective May 1, 2022, investors who invest through discount brokers. Series T6 and T8 are designed for investors seeking regular monthly cash flows from the Fund. Series F units are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with the Manager. In addition, Series F units may be available to other groups where the Manager does not pay commissions to the dealers, including discount brokers. Management fees are payable by the Funds on all series except Series I. Series I units are available to institutional and high-net-worth investors who meet a minimum investment threshold and who have entered into a Series I Agreement with the Manager. The management fee for Series I units is negotiated between the Manager and the investor and is payable directly to the Manager by the investor. Effective on or about May 1, 2022, investors who hold Series A, T6 or T8 units through a discount broker will have their series redesignated as Series F units. The redesignation of series may begin as early as March 2022.

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### Financial highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the Period and each of the other periods as shown below. This information is derived from the Fund's audited annual financial statements for the periods shown.

#### The Fund's net assets per unit<sup>(1)</sup>

Series A Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Net Assets, beginning of period</b>	\$ 12.44	\$ 13.03	\$ 11.81	\$ 14.43	\$ 14.17
<b>Increase (decrease) from operations:</b>					
Total revenue	0.46	0.38	0.38	0.43	0.42
Total expenses (excluding distributions)	(0.31)	(0.26)	(0.29)	(0.30)	(0.31)
Realized gains (losses)	1.08	(0.68)	(0.31)	0.28	0.79
Unrealized gains (losses)	1.34	(0.02)	1.82	(2.44)	(0.05)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 2.57</b>	<b>\$ (0.58)</b>	<b>\$ 1.60</b>	<b>\$ (2.03)</b>	<b>\$ 0.85</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	–	–	–	–	–
From dividends	(0.09)	(0.10)	(0.11)	(0.08)	(0.10)
From capital gains	–	–	–	(0.46)	(0.46)
Return of capital	–	–	(0.22)	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.09)</b>	<b>\$ (0.10)</b>	<b>\$ (0.33)</b>	<b>\$ (0.54)</b>	<b>\$ (0.56)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 14.88</b>	<b>\$ 12.44</b>	<b>\$ 13.03</b>	<b>\$ 11.81</b>	<b>\$ 14.43</b>

Series T6 Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Net Assets, beginning of period</b>	\$ 7.90	\$ 8.82	\$ 8.23	\$ 10.84	\$ 11.31
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.25	0.26	0.32	0.33
Total expenses (excluding distributions)	(0.19)	(0.17)	(0.19)	(0.22)	(0.24)
Realized gains (losses)	0.66	(0.71)	(0.22)	0.21	0.62
Unrealized gains (losses)	0.85	(1.22)	1.26	(1.84)	(0.05)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 1.61</b>	<b>\$ (1.85)</b>	<b>\$ 1.11</b>	<b>\$ (1.53)</b>	<b>\$ 0.66</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	–	–	–	–	–
From dividends	(0.05)	–	–	(0.06)	(0.08)
From capital gains	–	–	–	(0.36)	(0.37)
Return of capital	(0.47)	(0.53)	(0.49)	(0.65)	(0.68)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.52)</b>	<b>\$ (0.53)</b>	<b>\$ (0.49)</b>	<b>\$ (1.07)</b>	<b>\$ (1.13)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 8.96</b>	<b>\$ 7.90</b>	<b>\$ 8.82</b>	<b>\$ 8.23</b>	<b>\$ 10.84</b>

# Empire Life Dividend Growth Mutual Fund

## Annual Management Report of Fund Performance

Series T8 Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Net Assets, beginning of period</b>	\$ 6.45	\$ 7.43	\$ 7.08	\$ 9.56	\$ 10.20
<b>Increase (decrease) from operations:</b>					
Total revenue	0.23	0.21	0.23	0.28	0.30
Total expenses (excluding distributions)	(0.16)	(0.15)	(0.17)	(0.20)	(0.23)
Realized gains (losses)	0.53	(0.38)	(0.18)	0.16	0.55
Unrealized gains (losses)	0.72	(0.07)	1.08	(1.61)	–
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 1.32</b>	<b>\$ (0.39)</b>	<b>\$ 0.96</b>	<b>\$ (1.37)</b>	<b>\$ 0.62</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	–	–	–	–	–
From dividends	(0.02)	(0.06)	–	(0.08)	(0.07)
From capital gains	–	–	–	(0.31)	(0.33)
Return of capital	(0.52)	(0.59)	(0.57)	(0.76)	(0.82)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.54)</b>	<b>\$ (0.65)</b>	<b>\$ (0.57)</b>	<b>\$ (1.15)</b>	<b>\$ (1.22)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 7.18</b>	<b>\$ 6.45</b>	<b>\$ 7.43</b>	<b>\$ 7.08</b>	<b>\$ 9.56</b>

Series F Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Net Assets, beginning of period</b>	\$ 11.98	\$ 12.58	\$ 11.30	\$ 13.77	\$ 13.44
<b>Increase (decrease) from operations:</b>					
Total revenue	0.45	0.37	0.57	0.41	0.41
Total expenses (excluding distributions)	(0.17)	(0.15)	(0.15)	(0.16)	(0.17)
Realized gains (losses)	1.02	(0.74)	(0.08)	0.27	0.76
Unrealized gains (losses)	1.32	(0.10)	1.96	(2.32)	(0.07)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 2.62</b>	<b>\$ (0.62)</b>	<b>\$ 2.30</b>	<b>\$ (1.80)</b>	<b>\$ 0.93</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	–	–	–	–	–
From dividends	(0.18)	(0.25)	(0.11)	(0.20)	(0.11)
From capital gains	–	–	–	(0.41)	(0.48)
Return of capital	–	–	(0.22)	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.18)</b>	<b>\$ (0.25)</b>	<b>\$ (0.33)</b>	<b>\$ (0.61)</b>	<b>\$ (0.59)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 14.37</b>	<b>\$ 11.98</b>	<b>\$ 12.58</b>	<b>\$ 11.30</b>	<b>\$ 13.77</b>

Series I Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Net Assets, beginning of period</b>	\$ 12.96	\$ 13.58	\$ 12.08	\$ 14.70	\$ 14.13
<b>Increase (decrease) from operations:</b>					
Total revenue	0.49	0.40	0.36	0.44	0.43
Total expenses (excluding distributions)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Realized gains (losses)	1.15	(0.65)	(0.34)	0.34	0.80
Unrealized gains (losses)	1.34	0.06	1.88	(2.52)	(0.16)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 2.96</b>	<b>\$ (0.21)</b>	<b>\$ 1.88</b>	<b>\$ (1.76)</b>	<b>\$ 1.05</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	–	–	–	–	–
From dividends	(0.37)	(0.39)	(0.13)	(0.38)	(0.13)
From capital gains	–	–	–	(0.39)	(0.44)
Return of capital	–	–	(0.24)	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.37)</b>	<b>\$ (0.39)</b>	<b>\$ (0.37)</b>	<b>\$ (0.77)</b>	<b>\$ (0.57)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 15.55</b>	<b>\$ 12.96</b>	<b>\$ 13.58</b>	<b>\$ 12.08</b>	<b>\$ 14.70</b>

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### Ratios and supplemental data

Series A Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 6,662,451	\$ 6,500,430	\$ 8,725,848	\$ 10,194,557	\$ 14,631,183
<b>Number of units outstanding</b>	447,875	522,367	669,766	862,921	1,013,788
Management expense ratio <sup>(6)</sup>	2.16%	2.15%	2.16%	2.16%	2.16%
Management expense ratio before waivers or absorptions	2.97%	2.84%	2.79%	2.65%	2.42%
Trading expense ratio <sup>(7)</sup>	0.07%	0.12%	0.09%	0.10%	0.09%
Portfolio turnover rate <sup>(8)</sup>	27.62%	40.96%	21.63%	38.72%	37.51%
<b>Net Asset Value per unit</b>	<b>\$ 14.88</b>	<b>\$ 12.44</b>	<b>\$ 13.03</b>	<b>\$ 11.81</b>	<b>\$ 14.43</b>

Series T6 Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 274,687	\$ 266,666	\$ 977,466	\$ 1,142,847	\$ 1,691,744
<b>Number of units outstanding</b>	30,666	33,746	110,847	138,836	156,075
Management expense ratio <sup>(6)</sup>	2.12%	2.15%	2.15%	2.16%	2.16%
Management expense ratio before waivers or absorptions	11.16%	7.47%	4.31%	4.05%	3.50%
Trading expense ratio <sup>(7)</sup>	0.07%	0.12%	0.09%	0.10%	0.09%
Portfolio turnover rate <sup>(8)</sup>	27.62%	40.96%	21.63%	38.72%	37.51%
<b>Net Asset Value per unit</b>	<b>\$ 8.96</b>	<b>\$ 7.90</b>	<b>\$ 8.82</b>	<b>\$ 8.23</b>	<b>\$ 10.84</b>

Series T8 Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 564,921	\$ 613,212	\$ 766,492	\$ 915,619	\$ 1,015,911
<b>Number of units outstanding</b>	78,673	95,086	103,134	129,416	106,299
Management expense ratio <sup>(6)</sup>	2.16%	2.15%	2.16%	2.16%	2.16%
Management expense ratio before waivers or absorptions	6.55%	6.28%	5.04%	4.77%	4.48%
Trading expense ratio <sup>(7)</sup>	0.07%	0.12%	0.09%	0.10%	0.09%
Portfolio turnover rate <sup>(8)</sup>	27.62%	40.96%	21.63%	38.72%	37.51%
<b>Net Asset Value per unit</b>	<b>\$ 7.18</b>	<b>\$ 6.45</b>	<b>\$ 7.43</b>	<b>\$ 7.08</b>	<b>\$ 9.56</b>

Series F Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 218,215	\$ 349,978	\$ 323,310	\$ 2,801,859	\$ 3,405,600
<b>Number of units outstanding</b>	15,183	29,209	25,701	247,883	247,356
Management expense ratio <sup>(6)</sup>	1.15%	1.15%	1.13%	1.15%	1.15%
Management expense ratio before waivers or absorptions	8.66%	9.04%	2.79%	1.83%	2.14%
Trading expense ratio <sup>(7)</sup>	0.07%	0.12%	0.09%	0.10%	0.09%
Portfolio turnover rate <sup>(8)</sup>	27.62%	40.96%	21.63%	38.72%	37.51%
<b>Net Asset Value per unit</b>	<b>\$ 14.37</b>	<b>\$ 11.98</b>	<b>\$ 12.58</b>	<b>\$ 11.30</b>	<b>\$ 13.77</b>

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Series I Units	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 687,885	\$ 559,402	\$ 568,314	\$ 490,846	\$ 868,429
<b>Number of units outstanding</b>	44,227	43,152	41,842	40,649	59,064
Management expense ratio <sup>(6)</sup>	–	–	–	–	–
Management expense ratio before waivers or absorptions	3.85%	4.80%	4.21%	3.82%	2.49%
Trading expense ratio <sup>(7)</sup>	0.07%	0.12%	0.09%	0.10%	0.09%
Portfolio turnover rate <sup>(8)</sup>	27.62%	40.96%	21.63%	38.72%	37.51%
<b>Net Asset Value per unit</b>	<b>\$ 15.55</b>	<b>\$ 12.96</b>	<b>\$ 13.58</b>	<b>\$ 12.08</b>	<b>\$ 14.70</b>

(1) This information is derived from the Fund's audited annual financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund, or both.

(4) This is not a reconciliation of the beginning and ending net assets per unit.

(5) This information is provided as of December 31 of the year shown.

(6) Management expense ratio (MER) is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(7) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(8) 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.

### Management fees

The management fee for Series A, T6, T8 and F units is an annualized rate calculated as a percentage of net assets of the applicable series of the Fund and accrued daily and paid monthly to the Manager. The management fee for Series I units is negotiated between the Manager and the investor and paid directly by the investor, not by the Fund.

The Fund's management fees are used by the Manager to pay for the costs of the overall business and affairs of the Fund including activities related to making units of the Fund available to investors, providing or arranging for the provision of investment advisory services and/or marketing services to the Fund. Management fees are also used to pay trailing commissions in connection with Series A, Series T6 and Series T8 to registered dealers.

	As a percentage of management fees		
	Management fee rates	Dealer compensation	General administration, investment advice and profit
Series A	1.85%	48.54%	51.46%
Series T6	1.85%	45.66%	54.34%
Series T8	1.85%	49.22%	50.78%
Series F	0.85%	0.00%	100.00%

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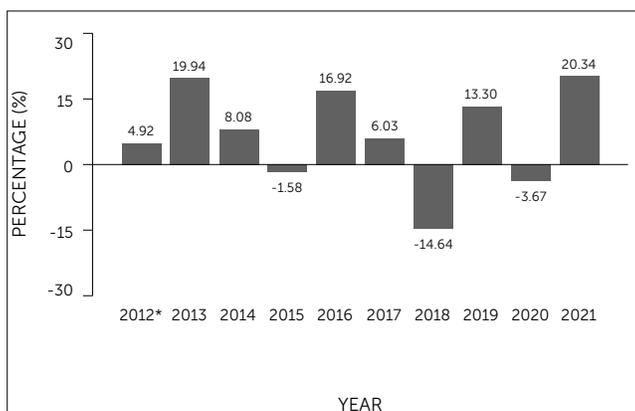
### Past performance

The indicated rates of return assume reinvestment of all distributions in units of the Fund. They do not take into account sales, redemption, distribution or optional sales charges that would have reduced returns or performance. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

### Year-by-year returns

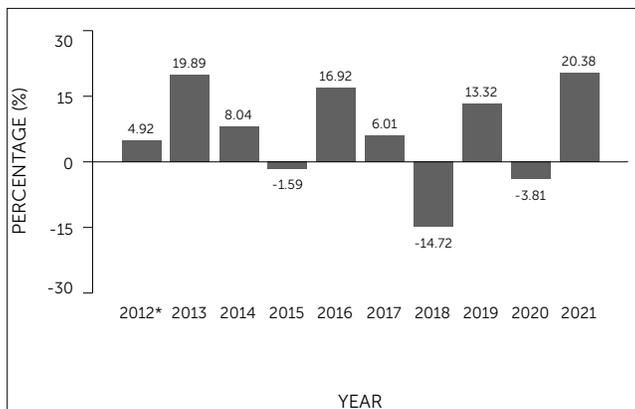
The following bar charts show the annual performance for each series of the Fund and illustrate how each series' performance has varied from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have increased or decreased by the end of the period. For the first year of a series, the percentage shown is the actual return of the series from its commencement of operations.

**Series A**



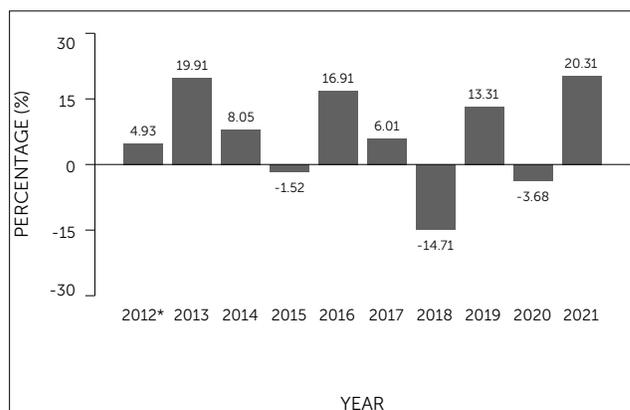
\*From January 9, 2012 to December 31, 2012 (not annualized)

**Series T6**



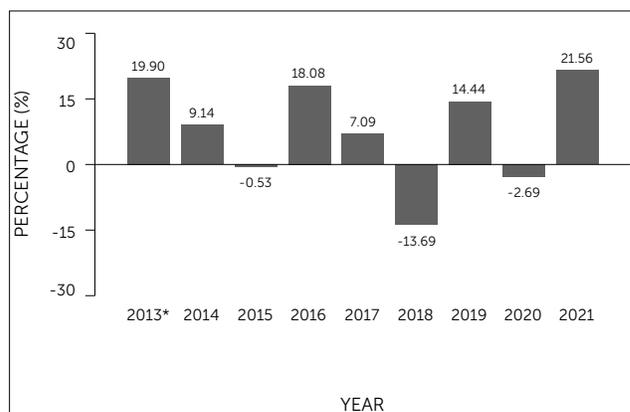
\*From January 9, 2012 to December 31, 2012 (not annualized)

**Series T8**



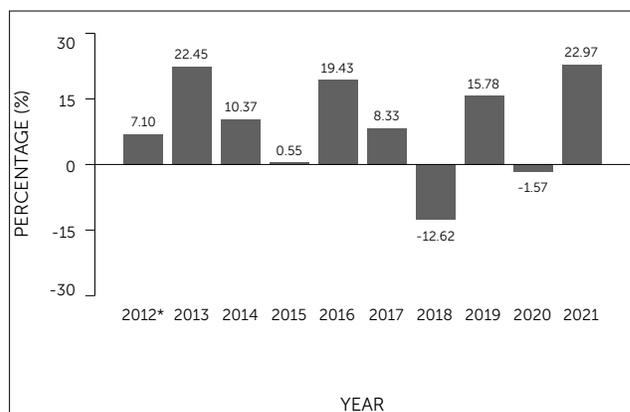
\*From January 9, 2012 to December 31, 2012 (not annualized)

**Series F**



\*From January 15, 2013 to December 31, 2013 (not annualized)

**Series I**



\*From January 9, 2012 to December 31, 2012 (not annualized)

# Empire Life Dividend Growth Mutual Fund

## Annual Management Report of Fund Performance

### Annual compound returns

This table shows the Fund's historical annual compound returns for each series of the Fund for the periods indicated compared to a broad based index, as described below.

	1 Year	3 Years	5 Years	Since Inception*	Inception Date
Series A units <sup>1</sup>	20.3%	9.5%	3.5%	6.4%	January 9, 2012
Series I units <sup>1</sup>	23.0%	11.9%	5.8%	8.7%	January 9, 2012
Series T6 units <sup>1</sup>	20.4%	9.5%	3.5%	6.4%	January 9, 2012
Series T8 units <sup>1</sup>	20.3%	9.5%	3.5%	6.4%	January 9, 2012
Series F units <sup>1</sup>	21.6%	10.6%	4.6%	7.6%	January 15, 2013
S&P/TSX Composite Total Return Index <sup>2</sup>	25.1%	17.5%	10.0%	9.1%	(10 year return)
S&P/TSX 60 TR Index	28.1%	18.1%	10.8%	9.9%	(10 year return)

(1) Net of all fees and expenses paid by the Fund.

(2) The S&P/TSX Composite TR Index is broadly representative of the Canadian equity market. The S&P/TSX Composite TR Index tracks the performance of some of the largest and most widely held stocks listed on the Toronto Stock Exchange. The portfolio manager believes the S&P/TSX Composite TR Index is a better reflection of the composition of the Fund.

### Summary of investment portfolio

The summary of investment portfolio may have changed since December 31, 2021, due to ongoing portfolio transactions of the Fund. Quarterly updates are available within 60 days after quarter-end, except for December 31st, the Fund's fiscal year-end, when they are available within 90 days.

Top 25 Holdings	Percentage of Net Asset Value (%)
Toronto-Dominion Bank	5.6
Bank of Nova Scotia	5.3
Royal Bank of Canada	5.2
Brookfield Asset Management Inc. 'A'	4.1
Emera Inc.	3.5
Bank of Montreal	3.3
Enbridge Inc.	3.3
Canadian Imperial Bank of Commerce	3.1
TC Energy Corporation	3.1
Unilever PLC	3.0
Manulife Financial Corporation	2.8
Rogers Communications Inc. 'B'	2.8
Alphabet Inc. 'C'	2.5
Meta Platforms Inc.	2.4
Merck & Company Inc.	2.3
Canadian National Railway Company	2.2
Open Text Corporation	2.2
Alimentation Couche Tard Inc.	2.1
Parkland Corporation	2.0
Restaurant Brands International Inc.	2.0
Johnson & Johnson	1.9
Winpak Limited	1.9
Philip Morris International Inc.	1.9
Domino's Pizza Group PLC	1.9
Canadian Pacific Railway Limited	1.8
	<b>72.3</b>

### Portfolio by Category

Asset Type	Percentage of Net Asset Value (%)
Equities	97.5
Cash & Cash Equivalents	2.4
Other Net Assets (Liabilities)	0.1
	<b>100.0</b>

Sector	Percentage of Net Asset Value (%)
Financials	31.9
Energy	12.8
Consumer Staples	11.3
Communication Services	10.5
Industrials	9.3
Consumer Discretionary	5.0
Health Care	4.2
Information Technology	3.7
Materials	3.7
Utilities	3.5
Cash & Cash Equivalents	2.4
Real Estate	1.6
Other Net Assets (Liabilities)	0.1
	<b>100.0</b>

Country	Percentage of Net Asset Value (%)
Canada	71.5
United States of America	12.3
United Kingdom	9.3
France	2.9
Japan	0.9
Germany	0.7
Cash	2.4
Other Net Assets (Liabilities)	0.1
	<b>100.0</b>