



Interim Management Report of Fund Performance | As at June 30, 2022

# EMPIRE LIFE MUTUAL FUNDS<sup>®</sup>

**Empire Life Emblem Diversified Income Portfolio**

This interim management report of fund performance contains financial highlights, but does not contain either the complete interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling the toll-free number 1 855 823-6883, by writing to us at 165 University Avenue, 9th Floor, Toronto, Ontario M5H 3B8 or by visiting our website at [www.empirelifeinvestments.ca](http://www.empirelifeinvestments.ca) or SEDAR at [www.sedar.com](http://www.sedar.com). Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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# Empire Life Emblem Diversified Income Portfolio

## Interim Management Report of Fund Performance

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### Management Discussion of Fund Performance

#### Results of operations

For the six-month period ending June 30, 2022 (the "Period"), Series A of Empire Life Diversified Income Portfolio (the "Fund") returned -11.5%, 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 Fund's benchmark, the FTSE Canada Universe Bond Index, broadly representative of the Canadian bond market, returned -12.2% for the same Period. The Fund's mandate is to invest in a diversified target asset mix of equity securities (20%) and fixed-income securities and cash (80%). 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's blended benchmark returned -12.5% for the Period. The blended benchmark is composed of 80% FTSE Canada Universe Bond Index, 10% S&P/TSX Composite Total Return Index, 5% S&P 500 Index (CAD) and 5% MSCI EAFE Index (CAD). In the portfolio manager's view, this blended benchmark provides a more useful comparison to the performance of the Fund because it reflects the asset classes and market sectors in which the Fund invests.

The Fund outperformed its benchmark over the Period. The Fund's cash weighting, which averaged around 5.8%, contributed to its relative performance, as its benchmark posted a loss. The Fund's exposure to Canadian equities also contributed positively to its performance, as Canadian bond markets took a steeper path lower than Canadian equities. In the face of rising inflation, fixed income portfolio's shorter duration positioning mitigated the negative impact of the rising interest rates in the Period. The fixed income outperformance also came from a diversified asset allocation strategy including deploying capital into a mix of short dated high quality investment grade and BB-rated short term corporate bonds, floating rate notes, and preferred shares.

In the portfolio manager's view, global equity and bond markets generally experienced losses during the Period as a result of the conflict between Russia and Ukraine, its effect in further stoking inflation concerns, and central banks raising interest rates in an attempt to combat inflation. These events negatively impacted the Fund's absolute returns.

Early in the Period, the portfolio manager reduced the Fund's weighting in international equities and increased its exposure to bonds tactically recalibrating the portfolio to a more conservative stance. The rebalance aided the performance of the Fund, as bonds outperformed during the period.

#### Recent developments

Accelerating inflation and rapidly tightening monetary policy fueled a sharp sell-off in fixed income markets that see the worst drawdown in more than 40 years. Bond yields are currently at some of the highest levels since the great financial crisis and are at levels that have historically been an attractive entry point for long-term investors; however, inflation remains the biggest headwind for fixed-income returns in the short term. In the portfolio manager's view, inflation is unlikely to be permanent; however, it has remained stubbornly persistent and broad-based. As a result, central banks around the world continue to maintain hawkish stances and try to balance combating inflation without hampering growth. The portfolio manager believes that the current strong employment and consumer demand should prevent a recession in the near term, but there are economic indicators, including both consumer sentiment and businesses and manufacturing activities, pointing to greater uncertainty and to a potential slowdown in activity.

Despite the relatively low-duration positioning overall, the Fund remains diversified, given the softer economic outlook. When government bond yields increased and became more attractive in recent months, the portfolio manager began to make opportunistic additions of longer-duration government bonds, which typically outperform in a risk-off or a recessionary environment.

From a credit risk perspective, spreads have become wider and valuations have become cheaper, but the portfolio manager is aware of the worsening economic conditions and has accordingly been shifting the allocations to higher-grade issues in the portfolio and moving higher up the credit quality spectrum, positioning the Fund to take advantage of medium term opportunities without taking undue risk.

Longer-term, the portfolio manager remains confident in the overall credit quality and ultimate recovery value of the Fund's longer-dated holdings. As well, the portfolio manager remains positive about the Fund's equity investments over the medium to longer term period due to what the portfolio manager believes are attractive fundamentals and reasonable valuations.

At the end of the Period, the Fund's asset mix consisted of 72.5% bonds, 12.6% Canadian equities, 5.3% U.S. equities, 3.3% international equities and 6.3% cash and cash equivalents and short-term investments.

# Empire Life Emblem Diversified Income Portfolio

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### 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 average daily net assets 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 \$76,897 of total expenses otherwise payable by the Fund, as compared to \$77,623 for the six month period ended June 30, 2021. 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, F and I. Series A and T6 units are available to all investors other than, effective May 1, 2022, investors who invested through discount brokers. Series T6 is 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 Fund 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 held Series A or T6 units through a discount broker had their series redesignated as Series F units.

### 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 unaudited interim and audited annual financial statements for the periods shown.

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

	For the 6 months ended June 30, 2022	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>Series A Units</b>						
<b>Net Assets, beginning of period</b>	\$ 9.19	\$ 9.48	\$ 9.35	\$ 9.04	\$ 9.74	\$ 9.84
<b>Increase (decrease) from operations:</b>						
Total revenue	0.11	0.24	0.25	0.28	0.29	0.27
Total expenses (excluding distributions)	(0.08)	(0.18)	(0.18)	(0.18)	(0.19)	(0.19)
Realized gains (losses)	0.02	0.23	0.07	0.03	(0.02)	0.04
Unrealized gains (losses)	(1.10)	(0.20)	0.39	0.55	(0.37)	0.19
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ (1.05)</b>	<b>\$ 0.09</b>	<b>\$ 0.53</b>	<b>\$ 0.68</b>	<b>\$ (0.29)</b>	<b>\$ 0.31</b>
<b>Distributions:</b>						
From net investment income (excluding dividends)	(0.14)	(0.29)	(0.23)	(0.22)	(0.23)	(0.22)
From dividends	(0.03)	(0.06)	(0.05)	(0.04)	(0.04)	(0.05)
From capital gains	—	(0.02)	—	—	—	—
Return of capital	(0.02)	(0.03)	(0.10)	(0.10)	(0.12)	(0.13)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.19)</b>	<b>\$ (0.40)</b>	<b>\$ (0.38)</b>	<b>\$ (0.36)</b>	<b>\$ (0.39)</b>	<b>\$ (0.40)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 7.96</b>	<b>\$ 9.19</b>	<b>\$ 9.48</b>	<b>\$ 9.35</b>	<b>\$ 9.04</b>	<b>\$ 9.74</b>

# Empire Life Emblem Diversified Income Portfolio

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Series T6 Units	For the 6 months ended June 30, 2022	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>	\$ 7.65	\$ 8.05	\$ 8.11	\$ 8.00	\$ 8.80	\$ 9.08
<b>Increase (decrease) from operations:</b>						
Total revenue	0.09	0.20	0.22	0.25	0.26	0.25
Total expenses (excluding distributions)	(0.07)	(0.15)	(0.16)	(0.16)	(0.17)	(0.18)
Realized gains (losses)	0.01	0.19	0.06	0.02	(0.02)	0.04
Unrealized gains (losses)	(0.90)	(0.15)	0.32	0.50	(0.37)	0.16
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ (0.87)</b>	<b>\$ 0.09</b>	<b>\$ 0.44</b>	<b>\$ 0.61</b>	<b>\$ (0.30)</b>	<b>\$ 0.27</b>
<b>Distributions:</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	—	—	—	—	—
From capital gains	—	(0.02)	—	—	—	—
Return of capital	(0.23)	(0.48)	(0.49)	(0.48)	(0.53)	(0.54)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.23)</b>	<b>\$ (0.50)</b>	<b>\$ (0.49)</b>	<b>\$ (0.48)</b>	<b>\$ (0.53)</b>	<b>\$ (0.54)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 6.55</b>	<b>\$ 7.65</b>	<b>\$ 8.05</b>	<b>\$ 8.11</b>	<b>\$ 8.00</b>	<b>\$ 8.80</b>

Series F Units	For the 6 months ended June 30, 2022	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>	\$ 9.83	\$ 10.05	\$ 9.83	\$ 9.42	\$ 10.06	\$ 10.08
<b>Increase (decrease) from operations:</b>						
Total revenue	0.12	0.25	0.27	0.30	0.30	0.28
Total expenses (excluding distributions)	(0.05)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Realized gains (losses)	0.02	0.25	0.07	0.03	(0.02)	0.07
Unrealized gains (losses)	(1.17)	(0.24)	0.40	0.60	(0.40)	0.12
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ (1.08)</b>	<b>\$ 0.15</b>	<b>\$ 0.63</b>	<b>\$ 0.82</b>	<b>\$ (0.23)</b>	<b>\$ 0.36</b>
<b>Distributions:</b>						
From net investment income (excluding dividends)	(0.15)	(0.31)	(0.24)	(0.23)	(0.24)	(0.23)
From dividends	(0.03)	(0.06)	(0.05)	(0.04)	(0.04)	(0.05)
From capital gains	—	(0.02)	—	—	—	—
Return of capital	(0.02)	(0.03)	(0.11)	(0.10)	(0.12)	(0.13)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.20)</b>	<b>\$ (0.42)</b>	<b>\$ (0.40)</b>	<b>\$ (0.37)</b>	<b>\$ (0.40)</b>	<b>\$ (0.41)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 8.54</b>	<b>\$ 9.83</b>	<b>\$ 10.05</b>	<b>\$ 9.83</b>	<b>\$ 9.42</b>	<b>\$ 10.06</b>

Series I Units	For the 6 months ended June 30, 2022	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>	\$ 10.68	\$ 10.80	\$ 10.45	\$ 9.91	\$ 10.47	\$ 10.37
<b>Increase (decrease) from operations:</b>						
Total revenue	0.13	0.27	0.28	0.31	0.31	0.29
Total expenses (excluding distributions)	—	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses)	0.02	0.26	0.08	0.03	(0.03)	0.06
Unrealized gains (losses)	(1.28)	(0.18)	0.43	0.59	(0.42)	0.16
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ (1.13)</b>	<b>\$ 0.34</b>	<b>\$ 0.78</b>	<b>\$ 0.92</b>	<b>\$ (0.15)</b>	<b>\$ 0.50</b>
<b>Distributions:</b>						
From net investment income (excluding dividends)	(0.16)	(0.33)	(0.25)	(0.24)	(0.25)	(0.23)
From dividends	(0.03)	(0.07)	(0.05)	(0.04)	(0.04)	(0.05)
From capital gains	—	(0.03)	—	—	—	—
Return of capital	(0.02)	(0.04)	(0.12)	(0.11)	(0.13)	(0.13)
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ (0.21)</b>	<b>\$ (0.47)</b>	<b>\$ (0.42)</b>	<b>\$ (0.39)</b>	<b>\$ (0.42)</b>	<b>\$ (0.41)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>\$ 9.34</b>	<b>\$ 10.68</b>	<b>\$ 10.80</b>	<b>\$ 10.45</b>	<b>\$ 9.91</b>	<b>\$ 10.47</b>

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### Ratios and supplemental data

	For the 6 months ended June 30, 2022	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>Series A Units</b>						
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 2,004,262	\$ 2,546,182	\$ 3,423,900	\$ 3,185,150	\$ 3,272,063	\$ 4,837,471
<b>Number of units outstanding</b>	251,871	277,028	361,186	340,786	361,981	496,758
Management expense ratio <sup>(6)</sup>	1.90%	1.90%	1.90%	1.90%	1.90%	1.91%
Management expense ratio before waivers or absorptions	3.61%	3.35%	3.08%	3.20%	3.17%	2.54%
Trading expense ratio <sup>(7)</sup>	0.02%	0.02%	0.04%	0.03%	0.03%	0.03%
Portfolio turnover rate <sup>(8)</sup>	20.38%	44.70%	42.32%	31.71%	48.17%	110.13%
<b>Net Asset Value per unit</b>	<b>\$ 7.96</b>	<b>\$ 9.19</b>	<b>\$ 9.48</b>	<b>\$ 9.35</b>	<b>\$ 9.04</b>	<b>\$ 9.74</b>

	For the 6 months ended June 30, 2022	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>Series T6 Units</b>						
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 374,292	\$ 439,962	\$ 503,592	\$ 639,420	\$ 692,743	\$ 973,018
<b>Number of units outstanding</b>	57,158	57,533	62,527	78,881	86,628	110,513
Management expense ratio <sup>(6)</sup>	1.90%	1.90%	1.90%	1.91%	1.90%	1.91%
Management expense ratio before waivers or absorptions	9.16%	8.13%	7.58%	6.11%	5.55%	4.50%
Trading expense ratio <sup>(7)</sup>	0.02%	0.02%	0.04%	0.03%	0.03%	0.03%
Portfolio turnover rate <sup>(8)</sup>	20.38%	44.70%	42.32%	31.71%	48.17%	110.13%
<b>Net Asset Value per unit</b>	<b>\$ 6.55</b>	<b>\$ 7.65</b>	<b>\$ 8.05</b>	<b>\$ 8.11</b>	<b>\$ 8.00</b>	<b>\$ 8.80</b>

	For the 6 months ended June 30, 2022	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>Series F Units</b>						
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 525,683	\$ 777,117	\$ 1,774,451	\$ 1,720,723	\$ 2,167,240	\$ 2,655,581
<b>Number of units outstanding</b>	61,584	79,027	176,489	175,117	230,003	263,905
Management expense ratio <sup>(6)</sup>	1.05%	1.05%	1.05%	1.05%	1.05%	1.05%
Management expense ratio before waivers or absorptions	6.37%	3.55%	2.85%	2.60%	2.35%	2.33%
Trading expense ratio <sup>(7)</sup>	0.02%	0.02%	0.04%	0.03%	0.03%	0.03%
Portfolio turnover rate <sup>(8)</sup>	20.38%	44.70%	42.32%	31.71%	48.17%	110.13%
<b>Net Asset Value per unit</b>	<b>\$ 8.54</b>	<b>\$ 9.83</b>	<b>\$ 10.05</b>	<b>\$ 9.83</b>	<b>\$ 9.42</b>	<b>\$ 10.06</b>

	For the 6 months ended June 30, 2022	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>Series I Units</b>						
<b>Total Net Asset Value<sup>(5)</sup></b>	\$ 45,244,416	\$ 51,702,919	\$ 53,230,585	\$ 47,924,179	\$ 41,292,625	\$ 40,659,083
<b>Number of units outstanding</b>	4,845,617	4,840,210	4,927,093	4,587,819	4,167,476	3,884,569
Management expense ratio <sup>(6)</sup>	-	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.12%	0.11%	0.14%	0.13%	0.16%	0.15%
Trading expense ratio <sup>(7)</sup>	0.02%	0.02%	0.04%	0.03%	0.03%	0.03%
Portfolio turnover rate <sup>(8)</sup>	20.38%	44.70%	42.32%	31.71%	48.17%	110.13%
<b>Net Asset Value per unit</b>	<b>\$ 9.34</b>	<b>\$ 10.68</b>	<b>\$ 10.80</b>	<b>\$ 10.45</b>	<b>\$ 9.91</b>	<b>\$ 10.47</b>

(1) This information is derived from the Fund's unaudited interim and 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 presented as of June 30 and December 31 of the years 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.

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(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 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 and Series T6 to registered dealers.

	As a percentage of management fees		
	Management fee rates	Dealer compensation	General administration, investment advice and profit
Series A	1.60%	52.38%	47.62%
Series T6	1.60%	41.05%	58.95%
Series F	0.75%	0.00%	100.00%

# Empire Life Emblem Diversified Income Portfolio

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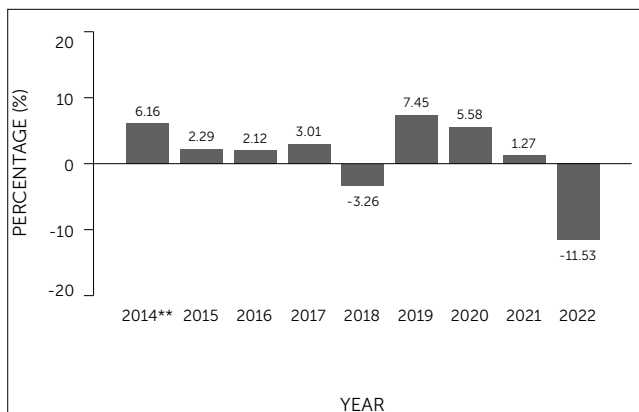
### Past performance

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

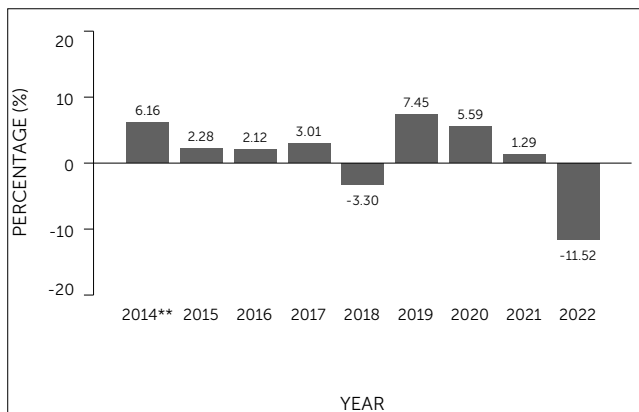
The following bar charts show the annual performance for each series of the Fund for each of the years ended December 31st, and includes the performance for the six months ended June 30, 2022. The charts illustrate how each series' performance has varied from year to year and show, in percentage terms, 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**



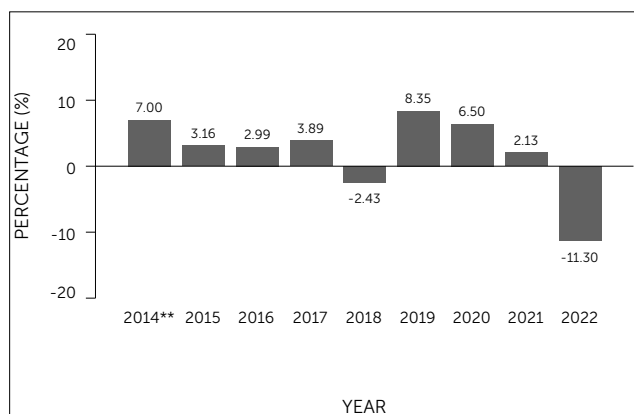
\*\*From January 17, 2014 to December 31, 2014 (cumulative performance return)

**Series T6**



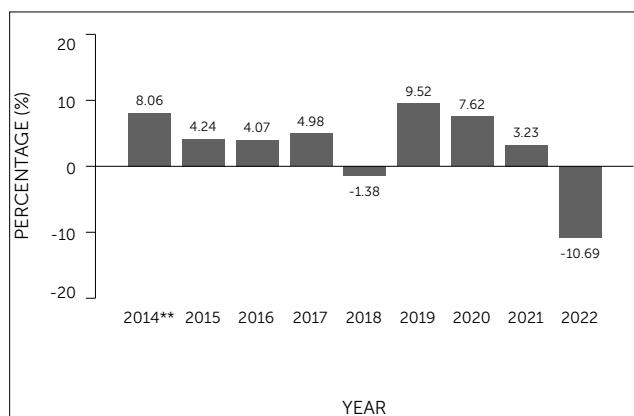
\*\*From January 17, 2014 to December 31, 2014 (cumulative performance return)

**Series F**



\*\*From January 17, 2014 to December 31, 2014 (cumulative performance return)

**Series I**



\*\*From January 17, 2014 to December 31, 2014 (cumulative performance return)



# Empire Life Emblem Diversified Income Portfolio

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### Summary of investment portfolio

The summary of investment portfolio may have changed since June 30, 2022, 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 (%)
Royal Bank of Canada 1.450% July 4, 2022*	5.8
Government of Canada 1.250% June 1, 2030*	3.6
Canada Housing Trust 1.800% December 15, 2024*	2.6
Government of Canada 2.000% December 1, 2051*	2.6
Canada Housing Trust 2.550% December 15, 2023*	2.1
Government of Canada 2.250% June 1, 2029*	2.1
Canada Housing Trust 2.350% June 15, 2023*	1.3
Bank of Nova Scotia 2.380% May 1, 2023*	1.3
Province of New Brunswick 3.550% June 3, 2043*	1.0
Royal Bank of Canada	0.9
Gibson Energy Inc. 3.600% September 17, 2029*	0.9
Government of Canada 1.500% June 1, 2026*	0.9
Toronto-Dominion Bank Floating Rate 3.600% October 31, 2081*	0.9
Canada Housing Trust 1.600% December 15, 2031*	0.9
Canada Housing Trust 2.350% September 15, 2023*	0.9
Province of Alberta 1.650% June 1, 2031*	0.9
Canada Housing Trust 2.650% March 15, 2028*	0.8
Government of Canada 1.000% June 1, 2027*	0.8
Province of Alberta 2.350% June 1, 2025*	0.8
Province of Ontario 2.400% June 2, 2026*	0.8
Province of Alberta 3.050% December 1, 2048*	0.8
Province of Ontario 2.650% December 2, 2050*	0.8
General Motors Financial of Canada Limited 3.250% November 7, 2023*	0.8
Province of Quebec 3.750% September 1, 2024*	0.8
Toronto-Dominion Bank	0.7
	<b>35.8</b>

\* Debt instruments

### Portfolio by Category

Asset Type	Percentage of Net Asset Value (%)
Bonds	72.5
Equities	21.2
Short-Term Investments	5.8
Cash & Cash Equivalents	0.1
Other Net Assets (Liabilities)	0.4
	<b>100.0</b>

Sector	Percentage of Net Asset Value (%)
Canadian Corporate Bonds	29.8
Government Bonds	23.6
Provincial Bonds	16.4
Term Deposit Receipts	5.8
Financials	5.3
Energy	2.8
Information Technology	2.4
Industrials	2.4
U.S. Corporate Bonds	2.1
Consumer Discretionary	1.6
Communication Services	1.5
Consumer Staples	1.4
Materials	1.4
Health Care	1.2
Other	2.3
	<b>100.0</b>

Country	Percentage of Net Asset Value (%)
Canada	88.8
United States of America	7.4
United Kingdom	0.7
Japan	0.5
France	0.4
Switzerland	0.3
Germany	0.3
Cash & Cash Equivalents	0.1
Australia	0.1
Italy	0.1
India	0.1
Ireland	0.1
Cayman Islands	0.1
Spain	0.1
Netherlands	0.1
Other	0.8
	<b>100.0</b>

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#### A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement.

Forward-looking statements are the opinions and views of Empire Life Investments Inc. based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors and are subject to change without notice. Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and pandemics and other catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and avoid placing undue reliance on forward-looking statements. The Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.

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