



## Annual Financial Statements

for the financial year ended December 31, 2020

### Statements of Financial Position (in 000s, except per unit amounts)

As at December 31, 2020 and 2019 (note 1)

	December 31, 2020	December 31, 2019
<b>Assets</b>		
<b>Current assets</b>		
Investments (non-derivative financial assets) † (notes 2 and 3)	\$ 3,790,997	\$ 3,513,266
Cash including foreign currency holdings, at fair value	20,107	–
Margin	39	39
Cash collateral received for securities on loan (note 2j)	89,799	73,219
Dividends receivable	9,443	7,348
Receivable for portfolio securities sold	3,347	2,312
Receivable for units issued	1,340	1,658
<b>Total Assets</b>	<b>3,915,072</b>	<b>3,597,842</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Bank overdraft	–	557
Obligation to repay cash collateral under securities lending (note 2j)	89,799	73,219
Payable for portfolio securities purchased	4,464	2,712
Payable for units redeemed	1,269	1,129
<b>Total Liabilities</b>	<b>95,532</b>	<b>77,617</b>
<b>Net Assets Attributable to Holders of Redeemable Units</b> (note 5)	<b>\$ 3,819,540</b>	<b>\$ 3,520,225</b>
<b>Net Assets Attributable to Holders of Redeemable Units per Class</b>		
Class A	\$ 3,819,540	\$ 3,520,225
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b> (note 5)		
Class A	\$ 25.42	\$ 25.11

### † Securities Lending

The tables that follow indicate the Pool had assets involved in securities lending transactions outstanding as at December 31, 2020 and 2019.

	Aggregate Value of Securities on Loan (\$000s)	Aggregate Value of Collateral for Loan (\$000s)
December 31, 2020	446,771	467,984
December 31, 2019	279,578	292,673

### Collateral Type\* (\$000s)

	i	ii	iii	iv
December 31, 2020	89,799	378,185	–	–
December 31, 2019	73,219	219,454	–	–

\* See note 2j for Collateral Type definitions.

### Organization of the Fund (note 1)

The Pool was established on February 1, 1991 (referred to as *Date Established*).

	Inception Date
Class A	October 15, 1998

## Imperial Canadian Equity Pool

### Statements of Comprehensive Income (in 000s, except per unit amounts)

For the periods ended December 31, 2020 and 2019 (note 1)

	December 31, 2020	December 31, 2019
<b>Net Gain (loss) on Financial Instruments</b>		
Interest for distribution purposes	\$ 3,773	\$ 4,644
Dividend revenue	98,322	91,913
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments and derivatives	(96,331)	44,518
Net realized gain (loss) on foreign currency (notes 2f and g)	(22)	13
Net change in unrealized appreciation (depreciation) of investments and derivatives	182,990	516,478
<b>Net Gain (loss) on Financial Instruments</b>	<b>188,732</b>	<b>657,566</b>
<b>Other Income</b>		
Foreign exchange gain (loss) on cash	13	(8)
Securities lending revenue ±	405	845
	418	837
<b>Expenses</b> (note 6)		
Management fees ±±	9,434	9,296
Audit fees	10	9
Custodial fees	191	188
Independent review committee fees	11	6
Legal fees	17	16
Regulatory fees	86	68
Transaction costs ±±±	3,948	4,031
Unitholder reporting costs	295	369
Withholding taxes (note 7)	43	23
Other expenses	49	57
	14,084	14,063
Expenses waived/absorbed by the Manager	(4,260)	(4,339)
	9,824	9,724
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)</b>	<b>179,326</b>	<b>648,679</b>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class (excluding distributions)</b>		
Class A	\$ 179,326	\$ 648,679
<b>Average Number of Units Outstanding for the period per Class</b>		
Class A	145,246	138,930
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit (excluding distributions)</b>		
Class A	\$ 1.24	\$ 4.67

### ± Securities Lending Revenue (note 2j)

	December 31, 2020		December 31, 2019	
	(in 000s)	% of Gross securities lending revenue	(in 000s)	% of Gross securities lending revenue
Gross securities lending revenue	\$ 1,077	100.0	\$ 2,501	100.0
Interest paid on collateral	(523)	(48.6)	(1,359)	(54.3)
Withholding taxes	(14)	(1.3)	(15)	(0.6)
Agent fees - Bank of New York Mellon Corp. (The)	(135)	(12.5)	(282)	(11.3)
<b>Securities lending revenue</b>	<b>\$ 405</b>	<b>37.6</b>	<b>\$ 845</b>	<b>33.8</b>

### ±± Maximum Chargeable Annual Management Fee Rates (note 6)

Class A	0.25%
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### ±±± Brokerage Commissions and Fees (notes 8 and 9)

	2020	2019
<b>Brokerage commissions and other fees</b> (\$000s)		
Total Paid	3,948	4,031
Paid to CIBC World Markets Inc.	671	510
Paid to CIBC World Markets Corp.	-	-
<b>Soft dollars</b> (\$000s)		
Total Paid	1,845	1,937
Paid to CIBC World Markets Inc. and CIBC World Markets Corp.	316	210

### Service Provider (note 9)

The amounts paid by the Pool (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees, and to CIBC Mellon Global Securities Services Company (referred to as *CIBC GSS*) for securities lending, fund accounting and reporting, and portfolio valuation (all net of absorptions) for the periods ended December 31, 2020 and 2019 were as follows:

	2020	2019
(\$000s)	135	362

*Imperial Canadian Equity Pool*

**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units  
(in 000s)**

For the periods ended December 31, 2020 and 2019 (note 1)

	Class A Units	
	December 31, 2020	December 31, 2019
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)</b>	<b>\$ 179,326</b>	\$ 648,679
<b>Distributions Paid or Payable to Holders of Redeemable Units ‡</b>		
From net investment income	(97,124)	(92,098)
	<b>(97,124)</b>	(92,098)
<b>Redeemable Unit Transactions</b>		
Amount received from the issuance of units	662,453	586,259
Amount received from reinvestment of distributions	96,258	91,206
Amount paid on redemptions of units	(541,598)	(600,835)
	<b>217,113</b>	76,630
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<b>299,315</b>	633,211
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>	<b>3,520,225</b>	2,887,014
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<b>\$ 3,819,540</b>	\$ 3,520,225

**Redeemable Units Issued and Outstanding** (note 5)

As at December 31, 2020 and 2019

Balance - beginning of period	140,193	137,002
Redeemable units issued	29,669	24,430
Redeemable units issued on reinvestments	3,788	3,621
	<b>173,650</b>	165,053
Redeemable units redeemed	(23,410)	(24,860)
Balance - end of period	<b>150,240</b>	140,193

**‡ Net Capital and Non-Capital Losses** (note 7)

As at December 2020, the Pool had net capital and non-capital losses (in \$000s) for income tax purposes available to be carried forward as follows:

Total Net Capital Losses	Total Non-Capital Losses that Expire in: 2030 to 2040
18,906	—

*Imperial Canadian Equity Pool*

**Statements of Cash Flows**  
**(in 000s)**

For the periods ended December 31, 2020 and 2019 (note 1)

	December 31, 2020	December 31, 2019
<b>Cash Flows from Operating Activities</b>		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units from Operations (excluding distributions)	\$ 179,326	\$ 648,679
Adjustments for:		
Foreign exchange loss (gain) on cash	(13)	8
Net realized (gain) loss on sale of investments and derivatives	96,331	(44,518)
Net change in unrealized (appreciation) depreciation of investments and derivatives	(182,990)	(516,478)
Purchase of investments	(6,349,254)	(4,896,671)
Proceeds from the sale of investments	6,158,899	4,824,242
Dividends receivable	(2,095)	1,468
Other accrued expenses and liabilities	-	(1)
	<b>(99,796)</b>	<b>16,729</b>
<b>Cash Flows from Financing Activities</b>		
Amount received from the issuance of units	662,771	585,579
Amount paid on redemptions of units	(541,458)	(602,448)
Distributions paid to unitholders	(866)	(892)
	<b>120,447</b>	<b>(17,761)</b>
<b>Increase (Decrease) in Cash during the Period</b>	<b>20,651</b>	<b>(1,032)</b>
<b>Foreign exchange loss (gain) on cash</b>	<b>13</b>	<b>(8)</b>
<b>Cash (Bank Overdraft) at Beginning of Period</b>	<b>(557)</b>	<b>483</b>
<b>Cash (Bank Overdraft) at End of Period</b>	<b>\$ 20,107</b>	<b>\$ (557)</b>
Interest received	\$ 3,773	\$ 4,644
Dividends received, net of withholding taxes	\$ 96,184	\$ 93,358

## Imperial Canadian Equity Pool

### Schedule of Investment Portfolio As at December 31, 2020

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
<b>CANADIAN EQUITIES</b>				
<b>Communication Services</b>				
Aimia Inc.	240,900	916	995	
BCE Inc.	850,014	48,840	46,266	
Cogeco Communications Inc.	73,600	6,192	7,202	
Cogeco Inc.	16,200	1,485	1,328	
Corus Entertainment Inc., Class 'B'	645,800	3,657	2,764	
Quebecor Inc., Class 'B', Subordinate Voting Shares	555,000	11,437	18,182	
Rogers Communications Inc., Class 'B'	13,900	837	824	
Shaw Communications Inc., Class 'B'	1,090,627	27,416	24,365	
TELUS Corp.	2,247,305	52,556	56,655	
		153,336	158,581	4.1%
<b>Consumer Discretionary</b>				
A&W Revenue Royalties Income Fund	1,400	47	48	
AutoCanada Inc.	88,400	2,221	2,087	
BRP Inc., Subordinate Voting Shares	445,552	29,065	37,466	
Canada Goose Holdings Inc.	140,529	5,120	5,318	
Canadian Tire Corp. Ltd., Class 'A'	146,859	20,283	24,574	
Dollarama Inc.	187,300	9,175	9,717	
Exco Technologies Ltd.	8,600	61	79	
Gildan Activewear Inc.	61,300	2,008	2,182	
Leon's Furniture Ltd.	5,800	107	120	
Linamar Corp.	39,300	1,793	2,650	
Magna International Inc.	518,771	35,462	46,746	
Martinrea International Inc.	1,323,383	15,749	19,665	
Pizza Pizza Royalty Corp.	3,700	34	34	
Pollard Banknote Ltd.	1,400	33	50	
Reitmans (Canada) Ltd.	66,681	297	17	
Reitmans (Canada) Ltd., Class 'A'	782,423	3,478	188	
Restaurant Brands International Inc.	200,687	15,421	15,619	
Roots Corp.	700	2	2	
Sleep Country Canada Holdings Inc.	10,300	254	273	
Zungui Haixi Corp.	46,477	151	-	
		140,761	166,835	4.4%
<b>Consumer Staples</b>				
Alcanna Inc.	34,200	198	202	
Alimentation Couche-Tard Inc., Class 'B'	1,694,401	65,751	73,503	
Andrew Peller Ltd., Class 'A'	3,800	34	40	
Corby Spirit and Wine Ltd.	13,000	245	220	
Empire Co. Ltd., Class 'A'	649,519	19,468	22,597	
George Weston Ltd.	18,300	1,821	1,740	
High Liner Foods Inc.	200	1	2	
Jamieson Wellness Inc.	380,484	14,705	13,747	
Lassonde Industries Inc., Class 'A'	1,200	288	208	
Loblaw Cos. Ltd.	172,834	12,244	10,856	
Maple Leaf Foods Inc.	66,800	1,727	1,885	
Metro Inc.	72,000	4,144	4,090	
North West Co. Inc. (The)	74,300	2,205	2,410	
Rogers Sugar Inc.	14,800	77	83	
SunOpta Inc.	103,200	680	1,534	
		123,588	133,117	3.5%
<b>Energy</b>				
Cameco Corp.	244,819	3,199	4,174	
Canacol Energy Ltd.	300	1	1	
Canadian Natural Resources Ltd.	1,371,364	41,245	41,950	
Cenovus Energy Inc.	1,853,268	12,834	14,363	
CES Energy Solutions Corp.	4,000	5	5	
Crescent Point Energy Corp.	769,600	1,639	2,286	
Enbridge Inc.	3,328,960	150,031	135,522	
Enerplus Corp.	130,000	505	517	
Gibson Energy Inc.	903,252	18,311	18,571	
Husky Energy Inc.	143,100	639	902	
Imperial Oil Ltd.	222,100	5,178	5,366	
Keyera Corp.	1,176,609	27,369	26,615	
MEG Energy Corp.	1,981,780	7,932	8,819	
Parex Resources Inc.	351,500	5,820	6,158	
Pembina Pipeline Corp.	407,230	12,466	12,258	
Peyto Exploration & Development Corp.	5,700	17	17	
Pinnacle Renewable Energy Inc.	7,200	61	65	
Precision Drilling Corp.	3,300	70	69	
Seven Generations Energy Ltd., Class 'A'	189,500	697	1,253	
ShawCor Ltd.	3,400	12	12	
Storm Resources Ltd.	1,900	4	4	
Suncor Energy Inc.	1,538,054	44,260	32,837	
TC Energy Corp.	1,057,360	63,637	54,718	
Total Energy Services Inc.	700	2	2	
Tourmaline Oil Corp.	290,839	4,310	4,991	
Vermilion Energy Inc.	15,800	101	90	
Whitecap Resources Inc.	138,900	550	675	
		400,895	372,240	9.7%

## Imperial Canadian Equity Pool

### Schedule of Investment Portfolio As at December 31, 2020 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
<b>Financials</b>				
AGF Management Ltd., Class 'B'	4,900	29	30	
Atrium Mortgage Investment Corp.	300	4	4	
Bank of Montreal	894,886	76,302	86,607	
Bank of Nova Scotia	1,263,379	78,051	86,920	
Brookfield Asset Management Inc., Class 'A'	1,894,044	78,693	99,665	
Canaccord Genuity Group Inc.	399,400	2,446	4,457	
Canadian Imperial Bank of Commerce	654,104	63,524	71,114	
Canadian Western Bank	120,500	3,251	3,449	
CI Financial Corp.	316,800	6,112	4,999	
Element Fleet Management Corp.	2,602,072	25,884	34,816	
Fairfax Financial Holdings Ltd.	33,359	19,298	14,473	
Fiera Capital Corp.	203,600	2,483	2,174	
Firm Capital Mortgage Investment Corp.	400	5	5	
First National Financial Corp.	5,500	212	228	
Genworth MI Canada Inc.	17,300	683	751	
Guardian Capital Group Ltd., Class 'A'	3,200	79	86	
Home Capital Group Inc.	708,181	14,823	21,033	
iA Financial Corp. Inc.	339,400	18,472	18,728	
IGM Financial Inc.	156,300	5,634	5,394	
Intact Financial Corp.	308,402	37,318	46,482	
Intact Financial Corp., Subscription Receipts, Restricted	48,101	6,470	6,470	
Manulife Financial Corp.	1,429,232	29,646	32,372	
National Bank of Canada	933,782	59,134	66,896	
Onex Corp.	600	43	44	
Power Corp. of Canada	583,106	15,848	17,044	
RF Capital Group Inc.	1,800	3	3	
Royal Bank of Canada	2,082,231	177,940	217,781	
Sun Life Financial Inc.	692,402	36,456	39,190	
Timbercreek Financial Corp.	17,800	170	154	
TMX Group Ltd.	153,600	14,258	19,529	
Toronto-Dominion Bank (The)	2,844,939	183,256	204,608	
Trisura Group Ltd.	18,950	1,111	1,688	
		957,638	1,107,194	29.0%
<b>Health Care</b>				
Canopy Growth Corp.	180,915	5,073	5,666	
CRH Medical Corp.	233,200	1,128	695	
Extendicare Inc.	9,800	66	65	
Sienna Senior Living Inc.	20,600	286	291	
Trillium Therapeutics Inc.	29,500	665	553	
Viemed Healthcare Inc.	34,800	347	346	
		7,565	7,616	0.2%
<b>Industrials</b>				
Aecon Group Inc.	126,800	2,212	2,074	
Air Canada	989,752	24,600	22,537	
ATS Automation Tooling Systems Inc.	253,900	4,674	5,675	
Black Diamond Group Ltd.	1,600	3	4	
Boyd Group Services Inc.	128,874	24,394	28,296	
Brookfield Business Partners L.P.	200,030	8,617	9,659	
CAE Inc.	48,800	1,371	1,721	
Calian Technologies Ltd.	4,900	235	324	
Canadian National Railway Co.	884,062	96,103	123,716	
Canadian Pacific Railway Ltd.	271,794	75,346	120,005	
CanWel Building Materials Group Ltd.	214,800	1,415	1,648	
Cargojet Inc.	59,415	11,646	12,764	
Cervus Equipment Corp.	1,900	18	24	
Dexterra Group Inc.	8,100	46	53	
Finning International Inc.	19,500	435	527	
GDI Integrated Facility Services Inc.	300	12	13	
GFL Environmental Inc.	25,200	913	935	
Hardwoods Distribution Inc.	22,200	504	562	
Héroux-Devtek Inc.	1,700	24	24	
IBI Group Inc.	2,500	16	21	
Mullen Group Ltd.	157,100	1,506	1,712	
Richelieu Hardware Ltd.	60,500	2,185	1,999	
Ritchie Bros. Auctioneers Inc.	26,700	2,197	2,362	
Russel Metals Inc.	83,400	1,693	1,896	
SNC-Lavalin Group Inc.	1,073,250	26,961	23,322	
Stantec Inc.	69,900	2,760	2,885	
TFI International Inc.	289,600	12,693	18,978	
Thomson Reuters Corp.	5,400	580	563	
Toromont Industries Ltd.	113,000	7,903	10,080	
Transcontinental Inc., Class 'A'	100	2	2	
Wajax Corp.	600	11	10	
Waste Connections Inc.	293,996	35,319	38,372	
Westport Innovations Inc.	104,600	499	708	
Westshore Terminals Investment Corp.	419,107	8,170	6,534	
WSP Global Inc.	259,780	22,730	31,327	
		377,793	471,332	12.3%

## Imperial Canadian Equity Pool

### Schedule of Investment Portfolio As at December 31, 2020 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
<b>Information Technology</b>				
Absolute Software Corp.	171,200	2,228	2,594	
BlackBerry Ltd.	100	—	1	
Celestica Inc.	323,269	2,459	3,320	
CGI Inc.	194,200	15,335	19,612	
Constellation Software Inc.	35,606	36,057	58,854	
Descartes Systems Group Inc. (The)	203,900	9,889	15,180	
Dye & Durham Ltd.	946,000	19,251	47,792	
Dye & Durham Ltd., Restricted	188,119	6,518	9,171	
Enghouse Systems Ltd.	180,700	9,736	11,140	
Evertz Technologies Ltd.	17,100	295	226	
Kinaxis Inc.	25,800	4,130	4,653	
Lightspeed POS Inc.	89,550	6,596	8,045	
Nuvei Corp.	74,598	2,564	5,803	
Open Text Corp.	20,700	1,207	1,197	
Photon Control Inc.	47,500	81	96	
Quarterhill Inc.	1,200	3	3	
Shopify Inc., Class 'A'	164,458	127,713	236,379	
Topicus.Com Inc.	66,220	319	319	
		244,381	424,385	11.1%
<b>Materials</b>				
5N Plus Inc.	1,600	4	5	
Acadian Timber Corp.	2,500	38	40	
Agnico Eagle Mines Ltd.	383,385	26,333	34,347	
AirBoss of America Corp.	92,600	1,802	1,459	
Alamos Gold Inc., Class 'A'	1,908,789	24,942	21,226	
Altius Minerals Corp.	22,600	176	309	
Argonaut Gold Inc.	618,692	1,417	1,695	
Barrick Gold Corp.	2,736,791	81,841	79,367	
Belo Sun Mining Corp.	82,400	62	80	
Canfor Corp.	121,200	1,791	2,785	
Canfor Pulp Products Inc.	1,000	6	8	
Capstone Mining Corp.	564,100	928	1,343	
Cascades Inc.	316,700	4,287	4,608	
CCL Industries Inc., Class 'B'	200	12	12	
Centerra Gold Inc.	564,000	6,093	8,313	
China Gold International Resources Corp. Ltd.	700	1	1	
Copper Mountain Mining Corp.	22,400	25	41	
Dundee Precious Metals Inc.	718,691	3,892	6,576	
Eldorado Gold Corp.	341,800	3,799	5,766	
ERO Copper Corp.	404,737	7,624	8,265	
First Majestic Silver Corp.	239,300	3,458	4,087	
First Mining Gold Corp.	1,500	1	1	
First Quantum Minerals Ltd.	2,440,274	24,525	55,760	
Franco-Nevada Corp.	38,600	6,817	6,161	
Galiano Gold Inc.	700	1	1	
Golden Star Resources Ltd.	78,100	374	368	
Gran Colombia Gold Corp.	8,700	62	70	
Great Panther Resources Ltd.	15,900	17	17	
Hudbay Minerals Inc.	627,600	2,907	5,592	
IAMGOLD Corp.	200	1	1	
Imperial Metals Corp.	500	2	3	
Interfor Corp.	269,882	4,155	6,415	
International Tower Hill Mines Ltd.	3,500	8	6	
Intertape Polymer Group Inc.	125,000	1,974	3,018	
Ivanhoe Mines Ltd., Class 'A'	306,500	1,590	2,103	
Kinross Gold Corp.	7,300	69	68	
Kirkland Lake Gold Ltd.	829,039	43,348	43,607	
Labrador Iron Ore Royalty Corp.	500,700	9,449	16,328	
Largo Resources Ltd.	1,500	3	2	
Lundin Gold Inc.	129,800	1,124	1,419	
Lundin Mining Corp.	1,332,900	9,968	15,062	
Major Drilling Group International Inc.	27,500	170	212	
Maverix Metals Inc.	2,200	15	15	
Methanex Corp.	187,400	5,930	10,961	
Mountain Province Diamonds Inc.	2,500	2	2	
Neo Performance Materials Inc.	1,100	11	15	
New Gold Inc.	1,175,700	1,619	3,292	
Norbord Inc.	91,200	3,685	5,012	
NovaGold Resources Inc.	59,000	768	727	
Nutrien Ltd.	693,617	40,797	42,477	
Orla Mining Ltd.	44,000	263	302	
Osisko Mining Inc.	112,900	412	418	
Pan American Silver Corp.	7,800	211	342	
Pretium Resources Inc.	300	4	4	
Resolute Forest Products Inc.	32,000	159	266	
Richards Packaging Income Fund	700	48	54	
Roxgold Inc.	221,300	272	356	
Sandstorm Gold Ltd.	30,800	299	281	
Seabridge Gold Inc.	100	3	3	
Silvercorp Metals Inc.	576,431	4,233	4,905	
SSR Mining Inc.	1,054,887	27,804	26,963	
Stelco Holdings Inc.	43,300	716	984	

## Imperial Canadian Equity Pool

### Schedule of Investment Portfolio As at December 31, 2020 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets			
Stella-Jones Inc.	40,900	1,811	1,893				
Taseko Mines Ltd.	503,961	565	837				
Teck Resources Ltd., Class 'B'	1,213,105	20,666	28,023				
Teranga Gold Corp.	475,700	4,390	6,498				
Torex Gold Resources Inc.	161,600	2,543	3,085				
Turquoise Hill Resources Ltd.	79,680	963	1,261				
Wesdome Gold Mines Ltd.	581,700	2,953	6,178				
West Fraser Timber Co. Ltd.	99,100	6,541	8,104				
Western Forest Products Inc.	7,000	9	9				
Wheaton Precious Metals Corp.	97,300	5,464	5,172				
Winpak Ltd.	14,300	656	612				
Yamana Gold Inc.	1,049,561	5,673	7,630				
		414,581	503,228	13.2%			
<b>Real Estate</b>							
Allied Properties REIT	415,957	16,698	15,736				
Altus Group Ltd.	17,700	936	870				
Artis REIT	2,400	25	26				
Canadian Apartment Properties REIT	533,208	25,435	26,655				
CT REIT	7,300	108	114				
Dream Industrial REIT	362,629	4,190	4,769				
Dream Unlimited Corp., Class 'A'	2,700	57	57				
First Capital REIT	19,200	269	260				
FirstService Corp.	23,600	4,168	4,112				
Granite REIT	549,670	33,329	42,819				
Inovalis REIT	900	8	8				
InterRent REIT	1,088,010	14,667	14,895				
Killam Apartment REIT	440,000	7,342	7,528				
Real Matters Inc.	834,640	16,102	16,033				
RioCan REIT	818,049	14,121	13,702				
Slate Office REIT	700	3	3				
SmartCentres REIT	5,400	125	125				
StorageVault Canada Inc.	1,455,929	5,749	5,882				
Summit Industrial Income REIT	418,200	4,538	5,708				
Tricon Residential Inc.	100	1	1				
WPT Industrial REIT	100	2	2				
		147,873	159,305	4.2%			
<b>Utilities</b>							
Algonquin Power & Utilities Corp.	1,015,624	18,041	21,277				
AltaGas Ltd.	959,318	16,710	17,958				
ATCO Ltd., Class 'I'	286,400	13,094	10,451				
Atlantic Power Corp.	172,600	529	461				
Boralex Inc., Class 'A'	300	14	14				
Brookfield Infrastructure Partners L.P.	319,662	16,329	20,132				
Brookfield Renewable Corp.	100	8	8				
Brookfield Renewable Partners L.P.	486,405	16,256	26,728				
Canadian Utilities Ltd., Class 'A'	162,431	6,046	5,050				
Capital Power Corp.	385,100	10,736	13,471				
Emera Inc.	1,200	66	65				
Fortis Inc.	59,000	3,115	3,068				
Hydro One Ltd.	63,300	1,833	1,814				
Northland Power Inc.	995,651	31,623	45,471				
Polaris Infrastructure Inc.	27,400	313	485				
Superior Plus Corp.	280,500	3,400	3,417				
TransAlta Corp.	2,385,077	19,500	23,064				
TransAlta Renewables Inc.	207,320	3,038	4,511				
		160,651	197,445	5.2%			
<b>TOTAL CANADIAN EQUITIES</b>		<b>3,129,062</b>	<b>3,701,278</b>	<b>96.9%</b>			
<b>INTERNATIONAL EQUITIES</b>							
<b>Australia</b>							
Champion Iron Ltd.	3,831,793	9,580	17,664				
OceanaGold Corp.	788,900	1,597	1,940				
		11,177	19,604	0.5%			
<b>United States</b>							
Bausch Health Cos. Inc.	20,100	524	531				
		524	531	0.1%			
<b>TOTAL INTERNATIONAL EQUITIES</b>		<b>11,701</b>	<b>20,135</b>	<b>0.6%</b>			
<b>TOTAL EQUITIES</b>		<b>3,140,763</b>	<b>3,721,413</b>	<b>97.5%</b>			
<b>TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS</b>		<b>3,140,763</b>	<b>3,721,413</b>	<b>97.5%</b>			
Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
<b>SHORT-TERM INVESTMENTS</b>							
Government of Canada	0.09%	2021/02/04	Treasury Bill	5,300,000	5,299	5,299	
Government of Canada	0.09%	2021/02/18	Treasury Bill	7,150,000	7,148	7,149	
Government of Canada	0.12%	2021/03/04	Treasury Bill	4,500,000	4,499	4,499	
Government of Canada	0.13%	2021/03/18	Treasury Bill	43,350,000	43,335	43,338	



## Imperial Canadian Equity Pool

### Schedule of Investment Portfolio As at December 31, 2020 (cont'd)

<i>Security</i>	<i>Coupon Rate (%)</i>	<i>Maturity Date</i>	<i>Additional Details</i>	<i>Par Value</i>	<i>Average Cost (\$000s)</i>	<i>Fair Value (\$000s)</i>	<i>% of Net Assets</i>
Government of Canada	0.10%	2021/04/01	Treasury Bill	9,300,000	9,297	9,299	
<b>TOTAL SHORT-TERM INVESTMENTS</b>					<b>69,578</b>	<b>69,584</b>	<b>1.8%</b>
Less: Transaction costs included in average cost					(1,518)		
<b>TOTAL INVESTMENTS</b>					<b>3,208,823</b>	<b>3,790,997</b>	<b>99.3%</b>
Margin						39	0.0%
Other Assets, less Liabilities						28,504	0.7%
<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>						<b>3,819,540</b>	<b>100.0%</b>

## *Imperial Canadian Equity Pool*

### **Supplemental Schedule to Schedule of Investment Portfolio**

#### **Offsetting Arrangements** (note 2d)

The Pool may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of the contracts.

As at December 31, 2020 and 2019, the Pool did not enter into any arrangements whereby the financial instruments were eligible for offset.

#### **Interests in Underlying Funds** (note 4)

As at December 31, 2020 and 2019, the Pool had no investments in underlying funds where the ownership exceeded 20% of each underlying fund.

## Imperial Canadian Equity Pool

### Financial Instrument Risks

Investment Objective: Imperial Canadian Equity Pool (referred to as the *Pool*) seeks to provide long-term growth through capital appreciation by investing primarily in equity securities of Canadian issuers including preferred shares, warrants, securities convertible into equity securities, and other common share equivalents.

Investment Strategies: The Pool invests primarily in high-quality small-, medium-, and large-capitalization Canadian corporations and exchange-traded funds (referred to as *ETFs*) in order to achieve its investment objectives and employs a combination of investment styles that may include growth, value, and core when making investment decisions.

Significant risks that are relevant to the Pool are discussed here. General information on risk management and specific discussion on concentration, credit, currency, interest rate, liquidity, and other price/market risk can be found in note 2 of the financial statements.

In the following risk tables, Net Assets is defined as meaning "Net assets attributable to holders of redeemable units".

#### Concentration Risk as at December 31, 2020 and 2019

The Schedule of Investment Portfolio presents the securities held by the Pool as at December 31, 2020.

The following table presents the investment sectors held by the Pool as at December 31, 2019, and groups the securities by asset type, industry sector, geographic region, or currency exposure:

As at December 31, 2019

Portfolio Breakdown	% of Net Assets
<b>Canadian Equities</b>	
Communication Services	4.1
Consumer Discretionary	3.0
Consumer Staples	3.5
Energy	15.4
Financials	31.4
Industrials	12.9
Information Technology	4.8
Materials	10.3
Real Estate	6.5
Utilities	4.6
<b>International Equities</b>	
Australia	0.4
United States	0.9
<b>Short-Term Investments</b>	2.0
<b>Other Assets, less Liabilities</b>	0.2
<b>Total</b>	<b>100.0</b>

#### Credit Risk

Credit ratings represent a consolidation of the ratings provided by various outside service providers and are subject to change, which could be material.

See the Schedule of Investment Portfolio for counterparties related to over-the-counter derivative contracts, where applicable.

As at December 31, 2020 and 2019, the Pool invested in debt securities with the following credit ratings:

Debt Securities by Credit Rating (note 2b)	% of Net Assets	
	December 31, 2020	December 31, 2019
'AAA'	1.8	2.0
<b>Total</b>	<b>1.8</b>	<b>2.0</b>

#### Currency Risk

The tables that follow indicate the currencies to which the Pool had significant exposure as at December 31, 2020 and 2019, based on the market value of the Pool's financial instruments (including cash and cash equivalents) and the underlying principal amounts of forward foreign currency contracts, as applicable.

As at December 31, 2020

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
USD	107	—

\* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

As at December 31, 2019

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
USD	2,307	0.1

\* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

The table that follows indicates how net assets as at December 31, 2020 and 2019 would have decreased or increased had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies. This analysis assumes that all other variables remain unchanged. In practice, the actual results may differ from this analysis and the difference could be material.

	December 31, 2020	December 31, 2019
<b>Impact on Net Assets (\$000s)</b>	<b>1</b>	<b>23</b>

#### Interest Rate Risk

As at December 31, 2020 and 2019, the majority of the Pool's financial assets and liabilities are non-interest bearing and short-term in nature; accordingly, the Pool is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

#### Liquidity Risk

Liquidity risk is the risk that the Pool will encounter difficulty in meeting obligations associated with financial liabilities. The Pool is exposed to daily cash redemptions of redeemable units. The Pool maintains sufficient cash on hand to fund anticipated redemptions.

With the exception of derivative contracts, where applicable, all of the Pool's financial liabilities are short-term liabilities maturing within 90 days after the period end.

For pools that hold derivative contracts with a term-to-maturity that exceeds 90 days from the period end, further information related to those contracts can be referenced in the derivative schedules following the Schedule of Investment Portfolio.

#### Other Price/Market Risk

The table that follows indicates how net assets as at December 31, 2020 and 2019 would have increased or decreased had the value of the Pool's benchmark(s) increased or decreased by 1%. This change is estimated based on the historical correlation between the return of Class A units of the Pool as compared to the return of the Pool's benchmark(s), using 36 monthly data points, as available, based on the monthly net returns of the Pool. This analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of the future correlation and, accordingly, the impact on net assets could be materially different.

During the period, the Pool's blended benchmark was removed. The current primary benchmark better reflects how the Pool is positioned.

Benchmark	Impact on Net Assets (\$000s)	
	December 31, 2020	December 31, 2019
S&P/TSX Composite Index	38,919	35,058
90% S&P/TSX Composite Index	n/a	35,322
10% S&P/TSX Small Cap Index		

#### Fair Value Measurement of Financial Instruments

The following is a summary of the inputs used as at December 31, 2020 and 2019 in valuing the Pool's financial assets and financial liabilities, carried at fair value:

As at December 31, 2020

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
<b>Financial Assets</b>				
Short-Term Investments	—	69,584	—	69,584
Equities	3,705,454	15,959	—	3,721,413
<b>Total Financial Assets</b>	<b>3,705,454</b>	<b>85,543</b>	<b>—</b>	<b>3,790,997</b>

(i) Quoted prices in active markets for identical assets

(ii) Significant other observable inputs

(iii) Significant unobservable inputs

## Imperial Canadian Equity Pool

As at December 31, 2019

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
<b>Financial Assets</b>				
Short-Term Investments	–	70,953	–	70,953
Equities	3,441,583	730	–	3,442,313
<b>Total Financial Assets</b>	<b>3,441,583</b>	<b>71,683</b>	<b>–</b>	<b>3,513,266</b>

- (i) Quoted prices in active markets for identical assets  
(ii) Significant other observable inputs  
(iii) Significant unobservable inputs

### Transfer of assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of securities no longer being traded in an active market.

	<i>December 31, 2020</i>	<i>December 31, 2019</i>
<b>Fair value of assets transferred from Level 1 to Level 2 during the period (\$000s)</b>	–	4,281

Financial assets and liabilities transferred from Level 2 to Level 1 are the result of securities now being traded in an active market.

	<i>December 31, 2020</i>	<i>December 31, 2019</i>
<b>Fair value of assets transferred from Level 2 to Level 1 during the period (\$000s)</b>	–	9,122

### Reconciliation of financial asset and liability movement – Level 3

The Pool did not hold any Level 3 investments at the beginning of, during, or at the end of either reporting period.

# Notes to Financial Statements

As at and for the periods as disclosed in the financial statements (note 1)

## 1. Organization of the Funds and Financial Reporting Periods

The Imperial Pools consist of Imperial Money Market Pool, Imperial Short-Term Bond Pool, Imperial Canadian Bond Pool, Imperial Canadian Diversified Income Pool, Imperial International Bond Pool, Imperial Equity High Income Pool, Imperial Canadian Dividend Income Pool, Imperial Global Equity Income Pool, Imperial Canadian Equity Pool, Imperial U.S. Equity Pool, Imperial International Equity Pool, Imperial Overseas Equity Pool, and Imperial Emerging Economies Pool (referred to as individually, a *Pool*, and collectively, the *Pools*).

The Income Generation Portfolios consist of Conservative Income Portfolio, Balanced Income Portfolio and Enhanced Income Portfolio (referred to as individually, a *Portfolio*, and collectively, the *Portfolios*).

Each of the Imperial Pools and Income Generation Portfolios (referred to as individually, a *Fund*, and collectively, the *Funds*) is a mutual fund trust organized under the laws of Ontario and governed by a declaration of trust (referred to as *Declaration of Trust*). The address of the Funds' head office is Brookfield Place, 161 Bay Street, 22<sup>nd</sup> Floor, Toronto, Ontario.

Canadian Imperial Bank of Commerce (referred to as *CIBC*) is the manager (referred to as the *Manager*) of the Funds and CIBC Trust Corporation is the trustee (referred to as the *Trustee*) of the Funds. Each Fund may issue an unlimited number of classes of units and an unlimited number of units of each class. As at the date of these financial statements, each of the Pools offer Class A units for sale and the Imperial Equity High Income Pool, Imperial Canadian Dividend Income Pool and the Imperial Global Equity Income Pool also offer Class W units for sale. The Conservative Income Portfolio offers Class T3 and Class T4 units, the Balanced Income Portfolio offers Class T4 and Class T5 units, and the Enhanced Income Portfolio offers Class T5 and Class T6 units for sale.

The date upon which each Fund was established by Declaration of Trust (referred to as *Date Established*) and the date upon which units of each Fund was first sold to the public (referred to as *Inception Date*) are reported in the footnote *Organization of the Fund* on the Statements of Financial Position.

The Schedule of Investment Portfolio of each Fund is as at December 31, 2020. The Statements of Financial Position of each of the Funds are as at December 31, 2020 and 2019. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units, and Statements of Cash Flows of each of the Funds are for the years ended December 31, 2020 and 2019, except for Funds established during either year, in which case the information presented is from the Date Established or the Inception Date to December 31, 2020 and 2019.

These financial statements were approved for issuance by the Manager on March 10, 2021.

## 2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (referred to as *IFRS*) as published by the International Accounting Standards Board.

The financial statements have been prepared on a going concern basis using the historical cost convention. However, each Fund is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS. Accordingly, the Funds' accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset Value for transactions with unitholders. In applying IFRS, these financial statements include estimates and assumptions made by management that affect the reported amounts of assets, liabilities, income, and expenses during the reporting periods. However, existing circumstances and assumptions may change due to market changes or circumstances arising beyond the control of the Funds. Such changes are reflected in the assumptions when they occur.

These financial statements have been presented in Canadian dollars, which is the Funds' functional currency (unless otherwise noted).

### a) Financial Instruments

#### Classification and recognition of financial instruments

Under IFRS 9 *Financial Instruments*, the Funds classify financial assets into one of three categories based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Those categories are:

- *Amortized Cost* - Assets held within a business model whose objective is to collect cash flows and where the contractual cash flows of the assets are solely payments of principal and interest (referred to as *SPPI criterion*). Amortization of the asset is calculated utilizing the Effective Interest Rate Method.
- *Fair Value Through Other Comprehensive Income* (referred to as *FVOCI*) - Financial assets such as debt instruments that meet the SPPI criterion and are held within a business model with objectives that include both collecting the associated contractual cash flows and selling financial assets. Gains and losses are reclassified to profit or loss upon derecognition for debt instruments but remain in other comprehensive income for equity instruments.
- *Fair Value Through Profit or Loss* (referred to as *FVTPL*) - A financial asset is measured at FVTPL unless it is measured at Amortized Cost or FVOCI. Derivative contracts are measured at FVTPL. For all instruments classified as FVTPL, the gains and losses are recognized in profit or loss.

Financial liabilities are classified at FVTPL when they meet the definition of held-for-trading or when they are designated as FVTPL on initial recognition using the fair value option.

The Manager has assessed the business models of the Funds and has determined that the Funds' portfolio of financial assets and financial liabilities are managed and performance is evaluated on a fair value basis in accordance with the Funds' risk management and investment strategies; therefore, classification and measurement of financial assets is FVTPL.

All Funds have contractual obligations to distribute cash to the unitholders. As a result, each Fund's obligation for net assets attributable to holders of redeemable units represents a financial liability and is presented at the redemption amount.

### b) Risk Management

The Funds' overall risk management approach includes formal guidelines that govern the extent of exposure to various types of risk, including diversification within asset classes and limits on the exposure to individual investments and counterparties. In addition, derivative financial instruments may be used to manage certain risk exposures. The Manager also has various internal controls to oversee the Funds' investment activities, including monitoring compliance with the investment objectives and strategies, internal guidelines, and securities regulations. Please refer to each Fund's *Supplemental Schedule to Schedule of Investment Portfolio* for specific risk disclosures.

#### Fair value of financial instruments by using valuation techniques

Financial instruments are valued at their fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to note 3a to 3f for valuation of each specific type of financial instrument held by the Funds. 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 reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances.

For financial assets and financial liabilities that are not traded in an active market, fair value is determined using valuation techniques.

The Funds classify fair value measurement within a hierarchy, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (referred to as *Level 1*) and the lowest priority to unobservable inputs (referred to as *Level 3*). The three levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable for the asset or liability.

If inputs are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. Each Fund's fair value hierarchy classification of its assets and liabilities is included in the *Supplemental Schedule to Schedule of Investment Portfolio*.

The carrying values of all non-investment assets and liabilities approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Manager is responsible for performing the fair value measurements included in the financial statements of a Fund, including the Level 3 measurements. The Manager obtains pricing from third-party pricing vendors and the pricing is reviewed daily. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements. The Funds also have a Valuation Committee that meets quarterly to perform detailed reviews of the valuations of investments held by the Funds, which includes discussion on Level 3 measurements.

#### Credit risk

Credit risk is the risk that a counterparty to a financial instrument, such as a fixed income security or a derivative contract, will fail to discharge an obligation or commitment that it has entered into with the Funds. The value of fixed income securities and derivatives as presented on the Schedule of Investment Portfolio includes consideration of the creditworthiness of the issuer and, accordingly, represents the maximum credit risk exposure of the Funds. Certain Funds may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low and these securities primarily have credit ratings of "A-1 (Low)" or higher (as rated by S&P Global Ratings, a division of S&P Global, or equivalent rating from another rating service).

The bond ratings noted in the Funds' 'Financial Instruments Risk' under sub-section 'Credit Risk' represent ratings collected and disseminated by recognized third-party vendors. These ratings utilized by the Manager, while obtained from vendors skilled and recognized for bond rating services, may not be the same as those used directly by the portfolio advisor or portfolio sub-advisors. Ratings used by the portfolio advisor or portfolio sub-advisors could be higher or lower than those used for risk disclosure in the financial statements in compliance with their investment policy guidelines.

The Funds may engage in securities lending transactions. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Further information regarding the collateral and securities on loan can be found in the footnotes to the Statements of Financial Position and in note 2].

#### Currency risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. Mutual funds may invest in securities denominated or traded in currencies other than the Funds' reporting currency.

#### Interest rate risk

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as interest rate risk. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates.

#### Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. Generally, the Funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Fund to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or lower return for a Fund.

#### Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events, such as pandemics or disasters which occur naturally or are exacerbated by climate change. Pandemics such as coronavirus disease 2019 (referred to as *COVID-19*) may adversely affect global markets and the performance of the Pools. All investments are exposed to other price/market risk.

#### c) Investment Transactions, Income Recognition, and Recognition of Realized and Unrealized Gains and Losses

- i) Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis.
- ii) Dividend income is recorded on the ex-dividend date.
- iii) Investment transactions are recorded on a trade date basis. Securities that are exchange-traded are recorded at fair value established by the last traded market price when that price falls within that day's bid-ask spread. Debt securities are recorded at fair value, established by the last traded price on the over-the-counter market (referred to as *OTC*) when that price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances. Unlisted securities are recorded at fair value using fair valuation techniques established by the Manager in establishing a fair value.
- iv) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost, excluding transaction costs, of the related investments.
- v) Other income is the sum of income, excluding transaction costs, other than that which is separately classified on the Statements of Comprehensive Income.

#### d) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Where applicable, additional information can be found in the table *Offsetting Arrangements* as part of the *Supplemental Schedule to Schedule of Investment Portfolio*. This supplemental schedule discloses the OTC derivatives which are subject to offsetting.

#### e) Portfolio Securities

The cost of securities of a Fund is determined in the following manner: securities are purchased and sold at a market-traded price to arrive at a value for the position traded. The total purchased value represents the total cost of the security to the Fund. When additional units of the same security are purchased, the cost of those additional units is added to the total security cost. When units of the same security are sold, the proportionate cost of the units of the security sold is deducted from the total security cost. If there is a return of capital paid by a security, the amount of this return of capital is deducted from the total security cost. This method of tracking security cost is known as "average cost" and the current total for any one security is referred to as the "adjusted cost base" or "ACB" of the security. Transaction costs incurred in portfolio transactions are excluded from the average cost of investments and are recognized immediately in net income and are presented as a separate expense item in the financial statements.

The difference between the fair value of securities and their average cost, excluding transaction costs, represents the unrealized appreciation (depreciation) in value of the portfolio investments. The applicable period change in unrealized appreciation (depreciation) of investments is included on the Statements of Comprehensive Income.

Short-term investments on the Schedule of Investment Portfolio are presented at their amortized cost which approximates the fair value. Accrued interest for bonds is disclosed separately on the Statements of Financial Position.

#### f) Foreign Exchange

The value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars, which is the Funds' functional and presentation currency at the current rates prevailing on each valuation date (unless otherwise indicated).

Purchases and sales of investments, income, and expenses are translated into Canadian dollars, which is the Funds' functional and presentation currency at the foreign exchange rates prevailing on the dates of such transactions. Foreign currency translation gains (losses) on investments and income transactions are included in Net realized gain (loss) on foreign currency on the Statements of Comprehensive Income.

#### g) Forward Foreign Currency Contracts

The Funds may enter into forward foreign currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Changes in the fair value of forward foreign currency contracts are included in derivative assets or derivative liabilities on the Statements of Financial Position and are recorded as an Increase (Decrease) in unrealized appreciation (depreciation) of investments and derivatives during the applicable period on the Statements of Comprehensive Income.

## Notes to Financial Statements

The gain or loss arising from the difference between the value of the original forward foreign currency contract and the value of such contract at close or delivery is realized and recorded as Net realized gain (loss) on foreign currency for Funds that use the forward foreign currency contracts for hedging or as Derivative income (loss) for Funds that do not use the forward foreign currency contracts for hedging.

### h) Futures Contracts

The Funds may enter into futures contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

The margin deposits with brokers relating to futures contracts are included in Margin on the Statements of Financial Position. Any change in the margin requirement is settled daily and included in Receivable for portfolio securities sold or Payable for portfolio securities purchased on the Statements of Financial Position.

Any difference between the settlement value at the close of business on each valuation date and the settlement value at the close of business on the previous valuation date is recorded as Derivative income (loss) on the Statements of Comprehensive Income.

### i) Options

The Funds may enter into options contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Premiums paid for purchased call and put options are included in derivative assets and subsequently measured at fair value on the Statements of Financial Position. When a purchased option expires, the Fund will realize a loss in the amount of the cost of the option. For a closing transaction, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased call option is exercised, the cost of the security purchased is increased by the premium paid at the time of purchase.

Premiums received from writing options are included in derivative liabilities and subsequently measured at fair value on the Statements of Financial Position as initial reductions in the value of investments. Premiums received from writing options that expire unexercised are recorded as realized gains and reported as Net gain (loss) on sale of investments and derivatives on the Statements of Comprehensive Income. For a closing transaction, if the cost of closing the transaction exceeds the premium received, the Fund will record a realized loss or, if the premium received at the time the option was written is greater than the amount paid, the Fund will record a realized gain and is reported as Net gain (loss) on sale of investments and derivatives. If a written put option is exercised, the cost for the security delivered is reduced by the premiums received at the time the option was written.

### j) Securities Lending

A Fund may lend portfolio securities in order to earn additional revenue, which is disclosed on the Statements of Comprehensive Income. The loaned assets of any one Fund are not permitted to exceed 50% of the fair value of the assets of that Fund (excluding collateral debt for the loaned securities). The minimum allowable collateral is 102% of the fair value of the loaned securities as per the requirements of National Instrument 81-102 – *Investment Funds*. Collateral can consist of the following:

- i) Cash.
- ii) Qualified securities.
- iii) Irrevocable letters of credit issued by a Canadian financial institution that is not the counterparty, or an affiliate counterparty, of the pool in the transaction, if evidences of indebtedness of the Canadian financial institution that are rated as short-term debt by an approved credit rating organization have an approved credit rating.
- iv) Securities that are immediately convertible into securities of the same issuer, class, or type, and the same term, as the securities loaned.

The fair value of the loaned securities is determined on the close of any valuation date and any additional required collateral is delivered to the Pool on the next business day. The securities on loan continue to be included on the Schedule of Investment Portfolio, and are included in the total value on the Statements of Financial Position in Investments (non-derivative financial assets) at fair value. Where applicable, a Fund's securities lending transactions are reported in the footnote *Securities Lending* on the Statements of Financial Position.

National Instrument 81-106 – *Investment Fund Continuous Disclosure* requires a reconciliation of the gross income amount generated from the securities lending transactions of the Funds to the revenue from securities lending disclosed in the Funds' Statements of Comprehensive Income. The gross amount generated from securities lending includes interest paid on collateral, withholding taxes deducted, the fees paid to the Funds' lending agent and the securities lending revenue received by the Funds. Where applicable, the reconciliation can be found in the footnotes to the Funds' Statements of Comprehensive Income.

### k) Multi-Class Structured Funds

The realized and unrealized capital gains or losses, income, and common expenses (other than class-specific operating expenses and management fees) of the Fund are allocated on each valuation date to the unitholders in proportion to the respective prior day's net asset value, which includes unitholder trades dated for that day, of each class of units at the date on which the allocation is made. All class-specific operating expenses and management fees do not require allocation. All class-specific operating expenses are paid by the Manager and are collected from the Funds on a recoverable basis.

### l) Loans and Receivables, Other Assets and Liabilities

Loans and receivables, other assets and liabilities are recorded at cost, which approximates their fair value, with the exception of Net Assets Attributable to Holders of Redeemable Units which are presented at the redemption value.

### m) Legend of Abbreviations

The following is a list of abbreviations (foreign currency translation and others) that may be used in the Schedule of Investment Portfolio:

#### Currency Abbreviations

AED	– United Arab Emirates Dirham	JPY	– Japanese Yen
ARS	– Argentine Peso	KES	– Kenyan Shilling
AUD	– Australian Dollar	KRW	– South Korean Won
BRL	– Brazilian Real	MAD	– Morocco Dirham
CAD	– Canadian Dollar	MXN	– Mexican Peso
CHF	– Swiss Franc	MYR	– Malaysian Ringgit
CLP	– Chilean Peso	NOK	– Norwegian Krone
CNY	– Chinese Renminbi	NZD	– New Zealand Dollar
COP	– Colombian Peso	PHP	– Philippine Peso
CZK	– Czech Koruna	PLN	– Polish Zloty
DKK	– Danish Krone	RON	– Romanian Leu
EGP	– Egyptian Pound	RUB	– Russian Ruble
EUR	– Euro	SEK	– Swedish Krona
GBP	– British Pound	SGD	– Singapore Dollar
GEL	– Georgian Lari	THB	– Thai Baht
HKD	– Hong Kong Dollar	TRY	– New Turkish Lira
HUF	– Hungarian Forint	TWD	– Taiwan Dollar
IDR	– Indonesian Rupiah	USD	– United States Dollar
ILS	– Israeli Shekel	ZAR	– South African Rand
INR	– Indian Rupee		

## Other Abbreviations

ADR	– American Depositary Receipt	ETF	– Exchange-Traded Fund
CVO	– Contingent Value Obligations	GDR	– Global Depositary Receipt Securities
ELN	– Equity Linked Note	NVDR	– Non-Voting Depositary Receipt

**n) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit**

Increase (decrease) in net assets attributable to holders of redeemable units per unit of each class is calculated by dividing the Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions), as reported on the Statements of Comprehensive Income, by the weighted average number of units in issue during the related period.

**3. Valuation of Investments**

The valuation date (referred to as *Valuation Date*) for a Fund is any day when the Manager's head office is open for business. The Manager may, at its discretion, establish other Valuation Dates.

The fair value of the investments or assets of a Fund is determined as follows:

**a) Cash and Other Assets**

Cash, accounts receivable, dividends receivable, distributions receivable, and interest receivable are valued at fair value or at their recorded cost, plus or minus any foreign exchange between recognition of the asset by the Fund and the current Valuation Date, which approximates fair value.

**b) Bonds, Debentures, and Other Debt Obligations**

Bonds, debentures, and other debt obligations are fair valued using the last traded price provided by a recognized vendor upon the close of trading on a Valuation Date, whereby the last traded price falls within that day's bid-ask spread. If the last traded price does not fall within that day's bid-ask spread, then the Manager will determine the price that is most representative of fair value based on the specific facts and circumstances.

**c) Listed Securities, Unlisted Securities, and Fair Value Pricing of Foreign Securities**

Any security that is listed or traded on a securities exchange is fair valued using the last traded price, whereby the last traded price falls within that day's bid-ask spread or, if there is no traded price on that exchange or the last traded price does not fall within that day's bid-ask spread and in the case of securities traded on an OTC market, at the fair value as determined by the Manager as an appropriate basis for valuation. In such situations, a fair value will be determined by the Manager to establish current value. If any securities are inter-listed or traded on more than one exchange or market, the Manager will use the principal exchange or market for the fair value of such securities.

Units of each mutual fund in which a Fund invests will be valued at fair value using the most recent net asset value quoted by the Trustee or Manager of the mutual fund on the Valuation Date.

Unlisted securities are fair valued using the last traded price quoted by a recognized dealer, or the Manager may determine a price that more accurately reflects the fair value of these securities if the Manager feels the last traded price does not reflect fair value.

Fair value pricing is designed to avoid stale prices and to provide a more accurate fair value, and may assist in the deterrence of harmful short-term or excessive trading in the Fund. When securities listed or traded on markets or exchanges that close prior to North or South American markets or exchanges are valued by the Manager at their fair market value, instead of using quoted or published prices, the prices of such securities used to calculate the Fund's net assets or net asset value may differ from quoted or published prices of such securities.

**d) Derivatives**

Long positions in options, debt-like securities, and listed warrants are valued at fair value using the last traded price as established on either their principal trading exchange or by a recognized dealer in such securities, whereby the last traded price falls within that day's bid-ask spread and the credit rating of each counterparty (as rated by S&P Global Ratings, a division of S&P Global) meets or exceeds the minimum designated rating.

When any option is written by any Fund, the premium received by the Fund will be reflected as a liability that will be valued at an amount equal to the current fair value of the option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the liability shall be deducted in arriving at the net assets attributable to holders of redeemable units of the Fund. The securities that are the subject of a written option, if any, will be valued in the manner described above for listed securities.

Futures contracts, forward contracts, or swaps will be valued at fair value of the gain or loss, if any, that would be realized on the Valuation Date if the position in the futures contracts, forward contracts, or swaps were to be closed out.

Margin paid or deposited in respect of futures contracts and forward contracts will be reflected as an account receivable and margin consisting of assets other than cash will be noted as held as collateral.

Other derivatives and margin are fair valued in a manner that the Manager determines to represent their fair value.

**e) Restricted Securities**

Restricted securities purchased by any Fund will be fair valued in a manner that the Manager determines to represent their fair value.

**f) Other Investments**

All other investments of the Funds will be fair valued in accordance with the laws of the Canadian securities regulatory authorities, where applicable.

The value of any security or other property of a Fund for which a market quotation is not readily available or where the market quotations do not properly reflect the fair value of such securities will be determined by the Manager by valuing the securities at their fair value. In such situations, fair value will be determined using the fair valuation technique that most accurately reflects the fair value as established by the Manager.

**4. Interest in Underlying Funds**

The Funds may invest in other investment funds (*Underlying Funds*). Each Underlying Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for its unitholders. Each Underlying Fund finances its operations primarily through the issuance of redeemable units, which are puttable at the unitholder's option and entitle the unitholder to a proportionate share of the underlying fund's net assets. The Fund's interests in Underlying Funds held in the form of redeemable units, are reported in its Schedule of Investments at fair value, which represents the Funds' maximum exposure on those investments. The Funds' interests in underlying funds as at the prior year period ends are presented in the Financial Instruments Risks - Concentration Risk section in the Supplemental Schedule to Schedule of Investment Portfolio. Distributions earned from Underlying Funds are included in "Investment Income" in the Statements of Comprehensive Income. The total realized and change in unrealized gains (losses) arising from Underlying Funds are also included in the Statements of Comprehensive Income. The Funds do not provide any additional significant financial or other support to Underlying Funds.

Where applicable, the table "Interests in Underlying Funds" presented as part of the Supplemental Schedule to Schedule of Investment Portfolio, provides additional information on the Funds' investments in Underlying Funds where the ownership interest exceeds 20% of each Underlying Fund.

**5. Redeemable Units Issued and Outstanding**

Each Fund is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. The outstanding units represent the capital of a Fund. Each unit has no par value and the value of each unit is the net assets attributable to holders of redeemable units per unit next determined. Settlement of the cost for units issued is completed as per security regulations in place at the time of issue. Distributions made by a Fund and reinvested by unitholders in additional units also constitute issued redeemable units of a Fund.

Units are redeemed at the net assets attributable to holders of a redeemable unit per unit of a Fund. A right to redeem units of a Fund may be suspended with the approval of the Canadian securities regulatory authorities or when normal trading is suspended on a stock, options, or futures exchange within Canada or outside of Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the total assets of a Fund, not including any liabilities of a Fund, are traded and when those securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for a Fund. The Fund is not subject to any externally imposed capital requirements.



## Notes to Financial Statements

The capital received by a Fund is utilized within the respective investment mandate of the Fund. This includes the ability to make liquidity available to satisfy unitholder unit redemption requirements upon the unitholder's request.

Changes in issued and outstanding units for the periods ended December 31, 2020 and 2019 can be found on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

### 6. Management Fees and Operating Expenses

Management fees are based on the net asset value of the Funds and are calculated daily. Management fees are paid to the Manager in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. The maximum annual management fee expressed as a percentage of the average net asset value that can be charged by a Fund is reported in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income.

In addition to the management fees, the Funds are responsible for all expenses relating to the operation and conduct of the business of the Funds, which may include interest, operating, and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager), brokerage fees, commissions, spreads, regulatory fees, Independent Review Committee fees, taxes, audit and legal fees and expenses, safekeeping and custodial fees, investor servicing costs, and costs of unitholder reports, prospectuses, and other reports. All such operating expenses are paid by the Manager and recovered from the Funds. The Funds do not pay a fee to the Trustee.

The Manager may recover less than the actual operating expenses paid by the Manager, resulting in the Manager absorbing expenses. The Manager may also charge to a Fund less than the maximum management fee in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income, resulting in the Manager waiving management fees.

At its sole discretion, the Manager may stop absorbing operating expenses and/or waiving management fees at any time. Operating expenses absorbed and/or management fees waived by the Manager are disclosed on the Statements of Comprehensive Income.

In some cases, the Manager may charge management fees to a Fund that are less than the management fees the Manager is entitled to charge in respect of certain investors in a Fund. The difference in the amount of the management fees will be paid out by the Fund to the applicable investors as a distribution of additional units of the Fund (*Management Fee Distributions*). Management Fee Distributions are negotiable between the Manager and the investor and are dependent primarily on the size of the investor's investment in the Fund. Management Fee Distributions paid to qualified investors do not adversely impact the Fund or any of the Fund's other investors. The Manager may increase or decrease the amount of Management Fee Distributions to certain investors from time to time.

Where a Fund invests in units of an Underlying Fund, the Fund does not pay duplicate management fees on the portion of its assets that it invests in units of the Underlying Fund. In addition, the Fund will not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of units of the Underlying Fund. Some of the Underlying Funds held by the Funds may offer Management Fee Distributions. Such Management Fee Distributions of an Underlying Fund will be paid out as required for taxable distribution payments by a Fund. The manager of an Underlying Fund may, in some cases, waive a portion of an Underlying Fund's management fee and/or absorb a portion of an Underlying Fund's operating expenses.

### 7. Income Taxes and Withholding Taxes

The Funds qualify as mutual fund trusts under the *Income Tax Act* (Canada). No income tax is payable by the Funds on net income and/or net realized capital gains that are distributed to unitholders. In addition, income taxes payable on undistributed net realized capital gains are refundable on a formula basis when units of the Funds are redeemed. Sufficient net income and realized capital gains of the Funds have been, or will be, distributed to the unitholders such that no tax is payable by the Funds and, accordingly, no provision for income taxes has been made in the financial statements. Occasionally, a Fund may pay distributions in excess of the net income and net realized capital gains of the Fund. This excess distribution is called a return of capital and is non-taxable to the unitholder. However, a return of capital reduces the average cost of the unitholder's units for tax purposes, which may result in a capital gain to the unitholder to the extent the average cost becomes less than zero.

Non-capital losses are available to be carried forward for 20 years.

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Where applicable, a Fund's net capital and non-capital losses are reported in footnote *Net Capital and Non-Capital Losses* on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

The Funds have a taxation year-end of December 15 (except Imperial Money Market Pool, which has a taxation year-end of December 31).

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

### 8. Brokerage Commissions and Fees

The total commissions paid by the Funds to brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund where applicable. In allocating brokerage business to a dealer, consideration may be given by the portfolio advisor or the portfolio sub-advisors of the Funds to the provision of goods and services by the dealer or a third party, other than order execution (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio advisor and the portfolio sub-advisors with their investment decision-making services to the Funds or relate directly to executing portfolio transactions on behalf of the Funds. The total soft dollar payments paid by the Funds to brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Fund. Any commission recaptured will be paid to the applicable Fund.

Fixed income and certain other securities are transacted in an OTC market, where participants are dealing as principals. Such securities are generally traded on a net basis and do not normally involve brokerage commissions, but will typically include a "spread" (being the difference between the bid and the offer prices on the security of the applicable marketplace).

Spreads associated with fixed income securities trading and certain other securities are not ascertainable and, for that reason, are not included in the dollar amounts. In addition, the soft dollar amounts only include the value of research and other services supplied by a third party to CIBC Asset Management Inc. (*CAMI* or the *Portfolio Advisor*) and any portfolio sub-advisors, as the value of the services supplied to the Portfolio Advisor and any portfolio sub-advisors by the dealer is not ascertainable. When these services benefit more than one Fund, the costs are allocated among the Funds based on transaction activity or some other fair basis as determined by the Portfolio Advisor and any portfolio sub-advisors.

### 9. Related Party Transactions

CIBC and its affiliates have the following roles and responsibilities with respect to the Funds and receive the fees described below in connection with their roles and responsibilities. The Funds may hold securities of CIBC. CIBC and its affiliates may also be involved in underwriting or lending to issuers of securities that may be held by the Funds, have purchased or sold securities from or to the Funds while acting as principal, have purchased or sold securities from or to the Funds on behalf of another investment fund managed by CIBC or an affiliate, and also may have been involved as a counterparty to derivative transactions. Management fees payable and other accrued expenses on the Statements of Financial Position are amounts generally payable to a related party of the Fund.

*Manager, Trustee, Portfolio Advisor, and certain Portfolio Sub-Advisors of the Funds*

CIBC is the Manager, CIBC Trust Corporation is the Trustee, and CAMI is the Portfolio Advisor of each of the Funds.

The Manager also arranges for fund administrative services (other than advertising and promotional, which are the responsibility of the Manager), legal, investor servicing, and costs of unitholder reports, prospectuses, and other reports. The Manager is the registrar and transfer agent for the Funds and provides, or arranges for the provision of, all other administrative services required by the Funds. The dollar amount (including all applicable taxes) of all fund administrative expenses (net of absorptions) that the Manager recovers from a Fund is reported in footnote *Administrative and Other Fund Operating Expenses* on the Statements of Comprehensive Income.

*Brokerage Arrangements and Soft Dollars*

The Portfolio Advisor generally delegates trading and execution authority to the portfolio sub-advisors. Where applicable, disclosure of the amounts of soft dollars can be found in the *Brokerage Commission and Fees* schedule on the Statements of Comprehensive Income for each Fund.

The Portfolio Advisor and portfolio sub-advisors make decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities, certain derivative products and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor and portfolio sub-advisors to CIBC World Markets Inc. and/or CIBC World Markets Corp., each a subsidiary of CIBC. The total commissions paid to related brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund.

CIBC World Markets Inc. and CIBC World Markets Corp. may also earn spreads on the sale of fixed income and other securities, and certain derivative products to the Funds. Dealers, including CIBC World Markets Inc. and CIBC World Markets Corp., may furnish goods and services, other than order execution, to the Portfolio Advisor and portfolio sub-advisors that process trades through them (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the Portfolio Advisor and portfolio sub-advisors with their investment decision-making services to the Fund or relate directly to executing portfolio transactions on behalf of the Fund. As per terms of the portfolio advisory and sub-advisory agreements, such soft dollar arrangements

are in compliance with applicable laws. Custodial fees directly related to portfolio transactions incurred by a Fund, otherwise payable by the Fund, shall be paid by CAMI, and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Fund, or a portion of the Fund, during that month. The total soft dollar payments paid by the Fund to related brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Funds. Any commission recaptured will be paid to the relevant Fund.

*Custodian*

The custodian holds all cash and securities for the Funds and ensures that those assets are kept separate from any other cash or securities that the custodian might be holding. The custodian also provides other services to the Funds including record keeping and processing of foreign exchange transactions. CIBC Mellon Trust Company is the custodian of the Funds (the *Custodian*). The Custodian may hire sub-custodians for the Funds. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by a Fund, or a portion of a Fund, are paid by CAMI and/or dealer(s) directed by CAMI up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Funds during that month. All other fees for the services of the Custodian are paid by the Manager, and charged to the Funds on a recoverable basis. CIBC owns a 50% interest in CIBC Mellon Trust Company.

*Service Provider*

CIBC Mellon Global Securities Services Company (referred to as *CIBC GSS*) provides certain services to the Funds, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing fees are paid by the Manager and charged to the Funds on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

The dollar amount paid by the Funds (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees (net of absorptions) and to CIBC GSS for securities lending, fund accounting and reporting, and portfolio valuation (net of absorptions) for the periods ended December 31, 2020 and 2019 is reported in footnote *Service Provider* on the Statements of Comprehensive Income.

**10. Hedging**

Certain foreign currency denominated positions have been hedged, or partially hedged, by forward foreign currency contracts as part of the investment strategies of certain Funds. These hedges are indicated by a hedging reference number on the Schedule of Investment Portfolio and a corresponding hedging reference number on the Schedule of Derivative Assets and Liabilities Forward Foreign Currency Contracts for those Funds.

**11. Collateral on Specified Derivatives**

Short-term investments may be used as collateral for futures contracts outstanding with brokers.

# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of

Imperial Money Market Pool  
Imperial Short-Term Bond Pool  
Imperial Canadian Bond Pool  
Imperial Canadian Diversified Income Pool  
Imperial International Bond Pool  
Imperial Equity High Income Pool  
Imperial Canadian Dividend Income Pool  
Imperial Global Equity Income Pool  
(collectively, the "Funds")

Imperial Canadian Equity Pool  
Imperial U.S. Equity Pool  
Imperial International Equity Pool  
Imperial Overseas Equity Pool  
Imperial Emerging Economies Pool  
Conservative Income Portfolio  
Balanced Income Portfolio  
Enhanced Income Portfolio

## Opinion

We have audited the financial statements of the Funds, which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units and statements of cash flows for the periods then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2020 and 2019, and their financial performance and cash flows for the periods then ended in accordance with International Financial Reporting Standards (referred to as *IFRSs*).

## 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 are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance of the Funds. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance of the Funds prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

## 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 in accordance with IFRSs, 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 each Fund's ability 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 the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Funds' financial reporting process.

## 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 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 these financial statements.

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, 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 Funds' internal control.
- 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 Funds' ability 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 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 the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, 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.

Toronto, Canada  
March 23, 2021



Chartered Professional Accountants  
Licensed Public Accountants

**Imperial Pools  
Income Generation Portfolios**

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