

CAN North American High Yield Fixed Income 100/100 (PS1)



March 31, 2026

A fixed-income fund that aims to provide income while limiting downside risk through primarily American investments.

Is this fund right for you?

- Are looking for a North American high yield fixed income fund to hold as part of their portfolio.
- Want a medium-term investment.
- Can handle the volatility of bond markets.

RISK RATING



Fund category
High Yield Fixed Income

Inception date
July 08, 2013

Management expense ratio (MER)*
2.18%
(December 31, 2024)

Fund management
Mackenzie Investments

How is the fund invested? (as of January 31, 2026)



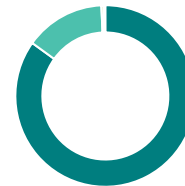
Asset allocation (%)

| | |
|----------------------|------|
| Foreign Bonds | 68.1 |
| Domestic Bonds | 16.9 |
| Cash and Equivalents | 14.4 |
| Canadian Equity | 0.5 |
| Other | 0.1 |



Geographic allocation (%)

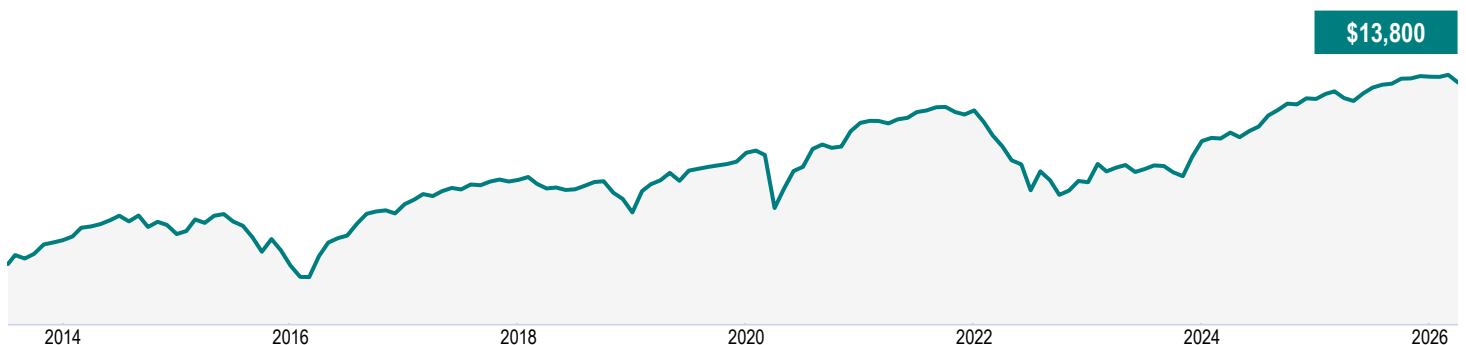
| | |
|----------------|------|
| United States | 65.4 |
| Canada | 28.3 |
| Multi-National | 4.4 |
| Europe | 0.5 |
| France | 0.1 |
| Other | 1.3 |



Sector allocation (%)

| | |
|--------------------------|------|
| Fixed Income | 85.0 |
| Cash and Cash Equivalent | 14.4 |
| Utilities | 0.4 |
| Energy | 0.1 |
| Financial Services | 0.1 |
| Telecommunications | 0.1 |
| Other | -0.1 |

Growth of \$10,000 (since inception)



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Fund details (as of January 31, 2026)

| Top holdings | % |
|--|-------------|
| Cash and Cash Equivalents | 7.9 |
| Mackenzie Global Sustainable High Yield Bond Fund Series R | 3.0 |
| Mackenzie High Quality Floating Rate Fund Series R | 1.4 |
| United States Treasury 4.25% 15-Aug-2035 | 1.3 |
| Sagard Credit Partners II LP | 1.1 |
| CAD Currency Forward | 1.1 |
| TELUS Corp. F/R 15-Oct-2055 | 0.8 |
| Go Daddy Operating Co LLC 3.50% 01-Mar-2029 | 0.8 |
| TransCanada Trust 4.65% 18-May-2027 | 0.8 |
| Rogers Communications Inc 5.25% 15-Mar-2082 | 0.7 |
| Total allocation in top holdings | 18.9 |

| Portfolio characteristics | |
|------------------------------|------------|
| Standard deviation | 3.39% |
| Dividend yield | 4.87% |
| Yield to maturity | 5.72% |
| Duration (years) | 3.42 |
| Coupon | 5.62% |
| Average credit rating | BB+ |
| Average market cap (million) | \$39,089.1 |

Net assets (million)
\$51.6

Price
\$13.80

Number of holdings
1567

Minimum initial investment
\$500

A minimum \$500,000 in eligible assets required for preferred pricing. (refer back to info folder for eligible assets)

Fund codes

FEL – CLGC020I
DSC^ – CLGC020J
CB2 – CLGC020S
CB4 – CLGC020K

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

Understanding returns

Annual compound returns (%)

| 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
|-------|-------|-------|------|------|------|-------|-----------|
| -1.14 | -0.87 | -0.87 | 2.43 | 4.72 | 1.29 | 3.11 | 2.56 |

Calendar year returns (%)

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|------|------|------|--------|------|------|-------|-------|
| 3.46 | 7.00 | 7.36 | -11.37 | 2.01 | 5.08 | 11.26 | -5.79 |

Range of returns over five years (August 01, 2013 - March 31, 2026)

| Best return | Best period end date | Worst return | Worst period end date | Average Return | % of periods with positive returns | Number of positive periods | Number of negative periods |
|-------------|----------------------|--------------|-----------------------|----------------|------------------------------------|----------------------------|----------------------------|
| 5.96% | Feb. 2021 | -0.48% | Sept. 2022 | 2.08% | 95.70% | 89 | 4 |

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Q4 2025 Fund Commentary

Commentary and opinions are provided by Mackenzie Investments.

Market commentary

North American economies showed mixed signals in the fourth quarter. Canada remained pressured by U.S. tariffs, and labour-market softness became more visible as 2025 ended. In the U.S., activity stayed resilient despite the record-long government shutdown. Consumer demand and AI-related spending continued to support growth, although hiring slowed.

Monetary policy turned more supportive in 2025 and continued in the fourth quarter. The Bank of Canada held its policy rate at 2.25% in December following a 25-basis-point rate (“bps”) cut in October. The U.S. Federal Reserve Board delivered two more 25 bps interest rate cuts over the fourth quarter, bringing the federal funds target range to 3.50%–3.75%. Canada’s unemployment rate rose to 6.8% in December, while the U.S. rate was 4.4%.

Credit markets strengthened and investors positioned for a more accommodative policy backdrop in 2026. Investment-grade corporate bonds outperformed government bonds, supported by narrowing credit spreads and steady demand. High-yield bonds also gained, benefiting from firmer risk appetite and ongoing demand for income as equities rallied late in the year. Credit spreads remained tight across sectors given low default expectations.

Performance

Allocation to the utilities sector contributed to the Fund’s performance. A holding in Frontera Generation Holdings LLC contributed to performance. The company operates a 540 MW natural gas-fired, combined-cycle facility in Texas, selling power into the wholesale market. From October 2016 through June 2023, the facility exported power to Mexico, but it now sells 100% of its output into the wholesale market in Texas on a merchant basis. The sub-advisor has a constructive view on merchant generation assets, which have benefited from strong wholesale power prices driven by rising electricity demand from data centres, cryptocurrency mining and industrial electrification.

Selection among industrials sector bonds detracted from the Fund’s performance. A holding in Kleopatra Finco SARL (4.25%, 2026/03/01) bonds detracted from performance. The bonds of Kleopatra Finco, a packaging sector issuer, declined as the company continued to work through soft end-market demand, withdrawal of previously expected equity sponsor support and a liability management exercise.

Portfolio activity

A holding in Sunoco LP (4.375%, 2029/03/26) was added to the Fund, replacing the Fund’s previous exposure to Parkland Corp. Sunoco is one of the largest independent fuel distributors in the Americas and a leading operator of energy infrastructure, in the sub-advisor’s view. The sub-advisor has a constructive view on the company’s security following the company’s announced acquisition of Parkland in a transaction valued at approximately USD\$9.1 billion. The sub-advisor believes the transaction carries compelling financial and strategic benefits for Sunoco, including enhanced scale, greater geographic diversification and a strengthened fuel supply network.

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The Fund's holding in Maya SAS (7.0%, 2032/04/15) was increased. Maya SAS is a holding company for Iliad S.A., headquartered in Paris, with subsidiaries providing internet, mobile telephony, cloud infrastructure, Internet of Things and managed services primarily in France. The company benefits from a diversified service offering and robust market share growth, in the sub-advisor's view. The sub-advisor has a positive view on Maya SAS, supported by stable recurring revenues, improving credit metrics and strong competitive positioning within European telecom and connectivity services.

The Fund's holding in Parkland Corp. (4.375%, 2029/03/26) was sold given the announcement that the company would be acquired.

The Fund's holding in CoreWeave Inc. (9.0%, 2031/02/01) was decreased. CoreWeave is a fast-growing issuer in the high-yield universe, providing specialized cloud-computing and data centre infrastructure focused on artificial intelligence (AI)-related workloads. Following the company's earnings release, market sentiment weakened as results fell short of expectations and raised concerns around the pace of investment, margin pressure and capital intensity associated with its aggressive AI data centre build-out. The reduced position reflects a more cautious near-term outlook from the sub-advisor as the company works to balance growth ambitions with execution discipline and investor expectations. The sub-advisor remains constructive on the long-term opportunity of the investment in CoreWeave but adjusted the Fund's exposure to manage risk amid elevated volatility.

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There can be no assurance that the Fund's return or volatility targets will be met, or met over any particular time horizon. Targeted returns and volatility should be evaluated over the time period indicated and not over shorter periods. Targeted returns are not actual performance and should not be relied upon as an indication of actual or future performance.

This fund is available through a segregated funds policy issued by Canada Life.

A description of the key features of Canada Life's individual variable insurance contract is contained in the information folder, available from your advisor.

Any amount that is allocated to a segregated fund is invested at the risk of the policyowner and may increase or decrease in value.

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*For Partner series and Preferred partner series an advisory and management services (AMS) fee, of between 0.50% and 1.25%, is negotiated between you and your advisor. The MER doesn't include this fee.

Canada Life is currently waiving a portion of the investment management fees on the High Interest Savings fund to target an estimated management expense ratio of 1.00%. Canada Life is not obligated to continue waiving these fees and it may cease to do so at any time without notice.

The 7-day annualized yield is based on the annualized total return of the fund over the past seven calendar days and does not represent an actual one-year return. It's important to note that 7-day annualized yield is not an indicator of future performance of the fund.

^Deferred Sales Charge (DSC) purchase option is not available for new contributions given regulatory bans that came into effect June 1, 2023. For certain policies where DSC is the only sales charge option available, new contributions may be accepted. Additional disclosure may be required.

†Soft capped - Contributions are no longer accepted to new investors., ‡Hard capped - Contributions are no longer accepted.

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