

CAN Government Bond 100/100 (PS1)†

December 31, 2025

A Canadian fund seeking interest income and growth potential while also trying to reduce volatility by investing in shorter-term bonds.

Is this fund right for you?

- You want to protect your money from inflation while also protecting it from large swings in the market.
- You want to invest in government or government-guaranteed instruments with credit ratings of A or higher.
- You're comfortable with a low level of risk.

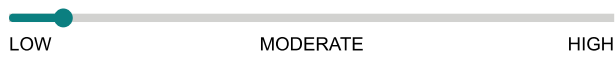
Fund category
Canadian Short Term Fixed Income

Inception date
May 14, 2012

Management expense ratio (MER)*
1.54%

Fund management
Mackenzie Investments

RISK RATING



How is the fund invested? (as of December 31, 2025)



Asset allocation (%)

Domestic Bonds	97.3
Cash and Equivalents	2.7



Geographic allocation (%)

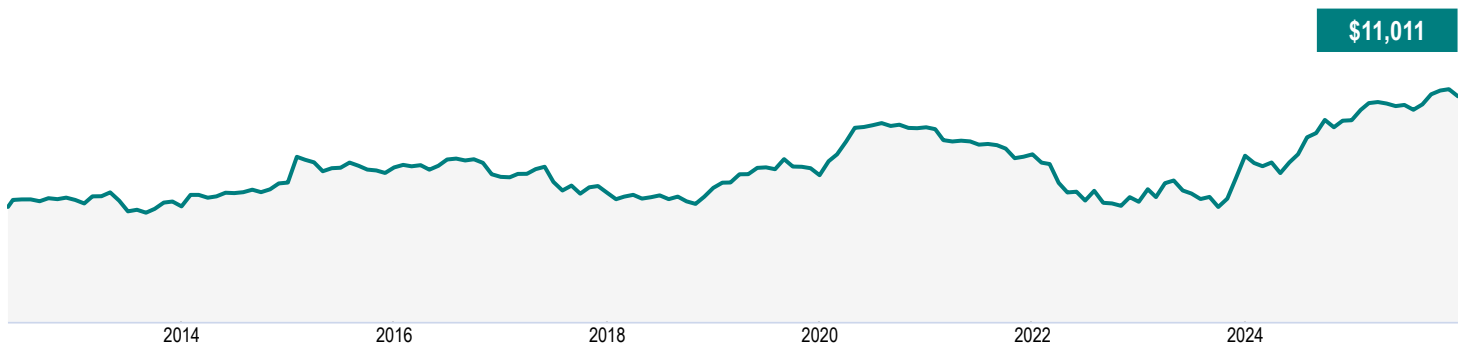
Canada	100.0
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Sector allocation (%)

Fixed Income	97.3
Cash and Cash Equivalent	2.7

Growth of \$10,000 (since inception)



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Fund details (as of December 31, 2025)

Top holdings	%
Canada Housing Trust No 1 3.10% 15-Jun-2028	26.7
Canada Housing Trust No 1 1.90% 15-Sep-2026	17.6
Ontario Province 3.60% 02-Jun-2035	17.4
Canada Housing Trust No 1 2.90% 15-Dec-2029	11.3
Canada Government 4.00% 01-Mar-2029	5.1
Alberta Province 2.05% 01-Jun-2030	4.8
Ontario Province 3.60% 08-Mar-2028	3.6
Canada Government 3.25% 01-Dec-2034	3.5
PSP Capital Inc. 2.60% 29-Feb-2032	3.2
Quebec Province 2.75% 01-Sep-2027	2.1
Total allocation in top holdings	95.3

Portfolio characteristics	
Standard deviation	2.68%
Dividend yield	-
Yield to maturity	2.90%
Duration (years)	3.52
Coupon	2.95%
Average credit rating	AA
Average market cap (million)	-

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-0.59	-0.17	2.02	2.02	3.10	0.52	0.61	0.71

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
2.02	3.10	4.19	-4.14	-2.30	4.25	1.14	0.43

Range of returns over five years (June 01, 2012 - December 31, 2025)

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
0.96%	Dec. 2024	-0.44%	May 2022	0.29%	83.65%	87	17

Net assets (million)

\$2.4

Price

\$11.01

Number of holdings

14

Minimum initial investment

\$100,000

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

Fund codes

FEL – CLGC118I

DSC^ – CLGC118J

CB4 – CLGC118K

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

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Q3 2025 Fund Commentary

Market commentary

Canada's economy faced challenges in the third quarter as trade tensions with the U.S. continued. This weighed on trade activity and the manufacturing sector. Household spending demonstrated resiliency despite a slowing labour market and economic uncertainty.

The Bank of Canada (BoC) lowered its key interest rate to 2.50%, citing a weaker labour market and easing inflation. The BoC emphasized a cautious approach to balancing growth and price stability. Canada's unemployment rate was 7.1%, the highest since 2021, with youth unemployment rising sharply.

The Canadian fixed income market posted gains. Yields on 10-year Government of Canada bonds finished at 3.18%, slightly lower than 3.27% at the beginning of the quarter. Government bond prices increased, while investment-grade corporate bonds outperformed. High-yield bonds rose, driven by improving risk sentiment and appetite for income.

Performance

The Fund's relative exposure to Province of Ontario (3.6%, 2035/06/02) contributed to performance as mid-term provincial bonds outperformed the benchmark, supported by strong investor demand. Ontario's credit profile and market liquidity made it an attractive holding. Relative exposure to Canada Housing Trust No. 1 (1.9%, 2026/09/15) detracted from performance as short-term federal agency bonds underperformed.

At the sector level, exposure to provincial bonds contributed to the Fund's performance. Exposure to federal government bonds detracted from performance.

Portfolio activity

Canada Housing Trust No. 1 (1.95%, 2025/12/15) was reduced because of portfolio flow management, with proceeds reallocated to meet liquidity needs.

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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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