CAN Foreign Bond 100/100 (PS1)†

July 31, 2026

A global fixed-income fund seeking potential interest income.

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 bonds denominated in foreign currencies and issued by Canadian government agencies and international institutions.
- You're comfortable with a low to moderate level of risk.

RISK RATING

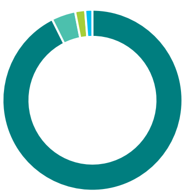
Fund category
Global Fixed Income

Inception date
May 14, 2012

Management expense ratio (MER)*
1.87%
(December 31, 2023)

Fund management
Keyridge Asset Management Limited

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

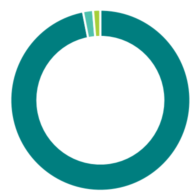


Asset allocation (%)

Foreign Bonds	92.7
Domestic Bonds	4.3
Cash and Equivalents	1.8
International Equity	1.3
Other	-0.1

Geographic allocation (%)

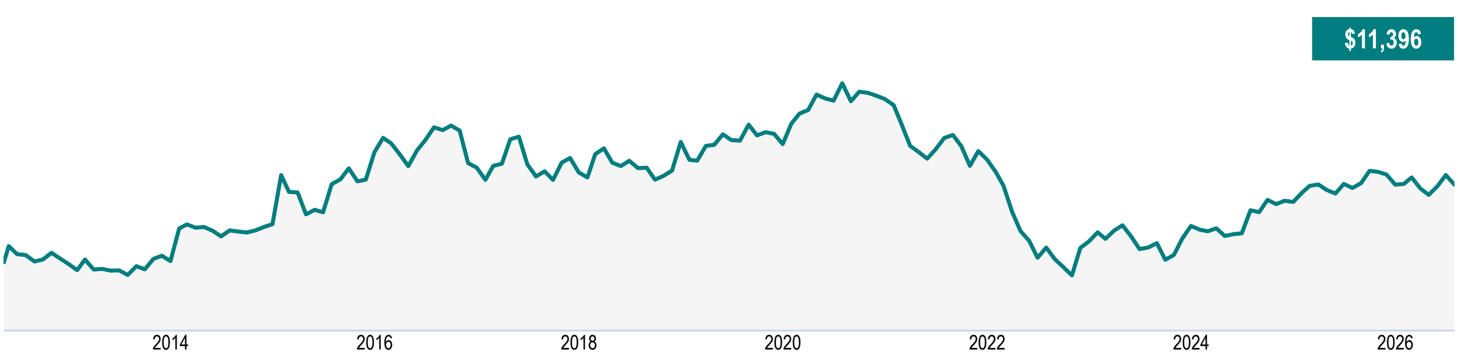
United States	33.5
Europe	28.7
Japan	13.8
United Kingdom	8.1
Germany	6.1
Canada	5.4
France	1.4
Australia	1.1
Other	1.9



Sector allocation (%)

Fixed Income	97.0
Cash and Cash Equivalent	1.8
Financial Services	1.3
Other	-0.1

Growth of $10,000 (since inception)



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Fund details (as of July 31, 2026)

Top holdings	%
United States Treasury 0.50% 10-31-2027	3.1
United States Treasury 1.75% 15-Nov-2029	2.4
Germany Government 2.40% 15-Nov-2030	2.1
Enel SPA 4.25% 01-01-2030	2.0
Legal & General Group PLC 7.125% 01-07-2033	1.8
Allianz SE 3.20% 10-30-2027	1.8
United States Treasury 2.75% 15-Nov-2042	1.8
United States Treasury 1.88% 15-Feb-2032	1.8
Zurich Finance (Ireland) Designated Activity Co. 3.00% 04-19-2031	1.7
United States Treasury 4.00% 30-Jun-2028	1.7
Total allocation in top holdings	**20.2**

Portfolio characteristics	
Standard deviation	4.88%
Dividend yield	5.15%
Yield to maturity	-
Duration (years)	-
Coupon	-
Average credit rating	-
Average market cap (million)	$151,952.7

Net assets (million)
$103.2

Price
$11.40

Number of holdings
135

Minimum initial investment
$500
A minimum $500,000 in eligible assets required forpreferred pricing. (refer back to info folder for eligible assets)

Fund codes

FEL – CLGC114I

DSC^ – CLGC114J

CB4 – CLGC114K

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
-1.51	**1.63**	**-0.01**	**0.52**	**3.55**	**-1.41**	**-0.86**	**0.92**

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
2.81	**4.06**	**2.69**	**-12.44**	**-8.42**	**6.68**	**-0.32**	**4.73**

Range of returns over five years (June 01, 2012 - July 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
4.08%	**March 2018**	**-3.71%**	**Oct. 2022**	**0.06%**	**45.95%**	**51**	**60**

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Q2 2026 Fund Commentary

Commentary and opinions are provided by Keyridge Asset Management Limited.

Market commentary

Credit markets experienced a volatile quarter as developments in the Middle East remained the principal driver of market performance. During the first half of the quarter, the tensions pushed oil prices above USD$110 per barrel, which prompted renewed stagflationary fears. Higher energy prices increased inflationary pressures and raised concerns that global economic growth could slow, creating a challenging backdrop for fixed income markets.

As inflation expectations strengthened, investors reassessed the outlook for monetary policy. The prospect of further interest rate cuts diminished, while markets increasingly priced in the potential for additional policy tightening. Government bond yields rose sharply during the first half of the quarter before retracing as geopolitical tensions showed signs of easing. European government bond yields finished the quarter lower overall, while U.S. Treasury yields ended modestly higher.

Market sentiment improved during June, following indications of a more durable ceasefire and broader diplomatic engagement in the Middle East. Corporate credit markets remained resilient throughout the quarter, supported by healthy demand for new issuance and generally solid economic data.

Performance

SCOR SE (5.25%, perpetual, callable 2029) contributed to performance as the company bought back some subordinated debt during the quarter and delivered good operating performance. Allianz SE (3.20%, perpetual, callable 2027) also contributed because the group reported strong operating profits and benefited from investors' appetite for subordinated bonds with shorter duration. EnBW Energie Baden-Württemberg AG (3.625%, callable 2031) added to relative performance because of a good set of operating earnings.

Currency movements contributed to performance over the quarter. The Canadian dollar weakened against several major currencies, benefiting holdings denominated in Australian dollars, U.S. dollars, sterling and euros. The Australian dollar strengthened following further policy tightening by the Reserve Bank of Australia, and the U.S. dollar benefited from the U.S. Federal Reserve Board's (the Fed) continued emphasis on controlling inflation.

A U.S. Treasury bond (0.50% due 2027) detracted from performance. A U.S. Treasury bond (2.625% due 2029) also detracted because expectations around U.S. Federal Reserve Board rate hikes grew over the quarter on the back of rising inflationary pressures and strong employment data.

Japanese yen exposures detracted from performance because the currency weakened to multi-decade lows despite a modest interest rate increase by the Bank of Japan.

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Portfolio activity

The sub-advisor added Space Exploration Technologies Corp. (5.65% due 2033) as the company issued debt in public markets for the first time, offering an attractive entry point. Other new purchases included Legal & General Group PLC (7.125%, perpetual, callable 2033) and Oncor Electric Delivery Co. LLC (4.55%, callable 2031), because subordinated bonds in the financials and utilities sectors were assessed as attractively placed in the current market environment.

SCOR SE (5.25%, perpetual, callable 2029) was sold against the Legal & General purchase. Profits were also taken on Engie SA (6.125%, perpetual, callable 2032), Siemens AG (2.35%, 2026) and Vattenfall AB (2.50%, 2083, callable 2033) hybrid bond because these bonds had fulfilled valuation targets and were replaced by higher-yielding assets.

Positions in U.S. Treasuries and Canadian, Australian and Japanese government bonds were increased and reduced throughout the quarter to manage the Fund's overall duration and lock in attractive rates at the long end of the yield curve.

Outlook

In the sub-advisor's view, if tensions in the Middle East continue to ease, there may be less need for substantial additional monetary tightening, which could provide continued support for government and corporate bond markets.

Investment-grade credit continues to benefit from attractive all-in yields, which support investor demand despite relatively rich valuations in some areas of the market. Economic fundamentals also remain reasonably supportive, with resilient labour markets helping to underpin corporate balance sheets and overall credit quality.

The sub-advisor is monitoring the artificial intelligence (AI) space, particularly the ability of companies to generate sustainable returns from significant infrastructure investment. Market attention has shifted towards the future monetization of capital expenditure programs and the potential for greater competition within this sector.

Consumer-facing industries are beginning to experience more pressure from higher household energy costs and weaker disposable incomes. Meanwhile, companies in the infrastructure, defence and financials sectors continue to display comparatively resilient fundamentals. While valuations in some parts of the market are elevated, attractive all-in yields still provide support for credit markets, and the sub-advisor remains broadly constructive on the outlook for fixed income.

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This document may contain forward-looking information which reflect our or third-party current expectations or forecasts of future events. Forward-looking information is inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed herein. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors, interest and foreign exchange rates, the volatility of equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings and catastrophic events. Please consider these and other factors carefully and not place undue reliance on forward-looking information. The forward-looking information contained herein is current only as of Jun 30, 2026. There should be no expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

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.

Financial information provided by Fundata Canada Inc.