

CAN Canadian Fixed Income Balanced 75/75 (PS1)



May 31, 2026

A Canadian large-cap fund that seeks to provide both interest and dividend income.

Is this fund right for you?

- You want your investment to boost your income returns.
- You want to invest in Canadian fixed-income securities and dividend-yielding stocks.
- You're comfortable with a low level of risk.

RISK RATING



Fund category
Canadian Fixed Income Balanced

Inception date
May 14, 2012

Management expense ratio (MER)*
2.01%
(December 31, 2024)

Fund management
Mackenzie Investments

How is the fund invested? (as of April 30, 2026)



Asset allocation (%)

| | |
|----------------------|------|
| Domestic Bonds | 63.5 |
| Canadian Equity | 14.6 |
| US Equity | 9.4 |
| International Equity | 5.4 |
| Cash and Equivalents | 3.9 |
| Foreign Bonds | 2.8 |
| Income Trust Units | 0.4 |



Geographic allocation (%)

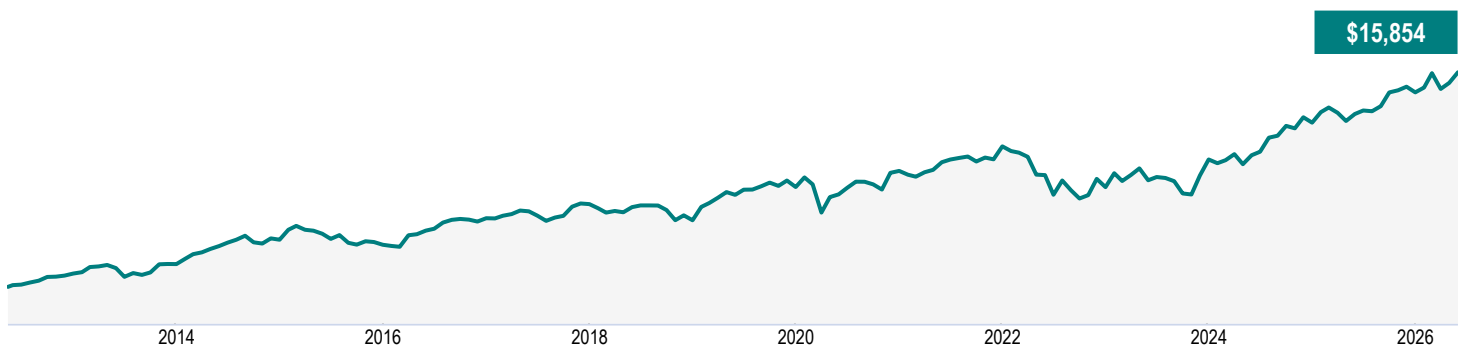
| | |
|----------------|------|
| Canada | 81.4 |
| United States | 11.9 |
| United Kingdom | 1.2 |
| France | 1.0 |
| Norway | 0.9 |
| Japan | 0.7 |
| Germany | 0.5 |
| Taiwan | 0.4 |
| Ireland | 0.3 |
| Other | 1.7 |



Sector allocation (%)

| | |
|--------------------------|------|
| Fixed Income | 66.3 |
| Financial Services | 6.8 |
| Technology | 4.7 |
| Energy | 3.9 |
| Cash and Cash Equivalent | 3.9 |
| Basic Materials | 3.1 |
| Industrial Goods | 2.0 |
| Consumer Services | 1.9 |
| Industrial Services | 1.9 |
| Other | 5.5 |

Growth of \$10,000 (since inception)



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Fund details (as of April 30, 2026)

| Top holdings | % |
|--|-------------|
| Canada Government 3.25% 01-Jun-2035 | 7.5 |
| Canada Government 1.50% 01-Jun-2031 | 2.9 |
| Canada Government 2.75% 01-Dec-2055 | 2.8 |
| Ontario Province 4.60% 02-Dec-2055 | 2.6 |
| Canada Government 3.50% 01-Dec-2057 | 2.6 |
| Province of Ontario 3.90% 01-Jun-2036 | 2.5 |
| Ontario Province 3.95% 02-Dec-2035 | 2.1 |
| United States Treasury Inflation Index 1.13% 14-Oct-2030 | 1.4 |
| Quebec Province 4.20% 01-Dec-2057 | 1.3 |
| Canada Government 3.00% 01-Feb-2027 | 1.3 |
| Total allocation in top holdings | 27.0 |

| Portfolio characteristics | |
|------------------------------|-------------|
| Standard deviation | 5.54% |
| Dividend yield | 2.11% |
| Yield to maturity | 3.97% |
| Duration (years) | 7.79 |
| Coupon | 3.84% |
| Average credit rating | AA- |
| Average market cap (million) | \$804,778.0 |

Understanding returns

Annual compound returns (%)

| 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
|------|------|------|------|------|------|-------|-----------|
| 1.87 | 0.15 | 3.58 | 7.74 | 7.09 | 3.42 | 3.23 | 3.34 |

Calendar year returns (%)

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|------|------|------|-------|------|------|------|-------|
| 5.70 | 7.46 | 5.93 | -8.04 | 5.09 | 3.45 | 7.68 | -3.60 |

Range of returns over five years (June 01, 2012 - May 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 |
|-------------|----------------------|--------------|-----------------------|----------------|------------------------------------|----------------------------|----------------------------|
| 4.17% | March 2025 | 0.51% | Oct. 2022 | 2.48% | 100.00% | 109 | 0 |

Net assets (million)
\$520.1

Price
\$15.85

Number of holdings
4088

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 – CLGC121A
DSC^ – CLGC121B
CB2 – CLGC121Q
CB4 – CLGC121C

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

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Q1 2026 Fund Commentary

Commentary and opinions are provided by Mackenzie Investments.

Market commentary

Canada's economy navigated a challenging first quarter as trade uncertainty continued to weigh on business confidence and manufacturing activity. Employment fell in January and February before stabilizing in March, and the unemployment rate held steady at 6.7%. The Bank of Canada held its policy rate at 2.25% at both its January and March meetings as Canada's inflation rate eased to 1.8% in February.

The Canadian fixed income market delivered mixed results in the first quarter as geopolitical uncertainty and rising oil prices complicated the investment landscape. The yield on the 10-year Government of Canada bond rose from 3.43% at the start of the quarter to 3.47% by quarter-end, reaching a high of 3.58%, putting downward pressure on government bond prices, particularly late in the quarter. Corporate bonds showed resiliency, but underperformed government bonds with credit spreads widening slightly. High-yield bonds were relatively volatile as the late-quarter decline in risk appetite weighed on lower-rated issuers, though energy-linked names broadly outperformed.

The Canadian equity market outperformed global peers in the first quarter, gaining about 4%. The energy sector rose substantially as the Strait of Hormuz closure in early March drove crude oil prices above USD\$110 per barrel near the end of the quarter. Materials also contributed, supported by a record gold prices early in the quarter. Broader sectors including information technology and consumer discretionary lagged as investors rotated toward commodity-linked names amid the geopolitical uncertainty.

Performance

From an equity perspective, an underweight allocation to and stock selection within the information technology sector contributed to performance during the quarter. Canadian equity holdings also contributed to performance. Taiwan Semiconductor Manufacturing Co. Ltd., Agnico Eagle Mines Ltd. and Johnson & Johnson were among the largest individual contributors during the period.

From a fixed income perspective, corporate bonds in the energy sector contributed to performance because of spread tightening.

Stock selection in the communication services sector detracted from equity performance. From a country perspective, stock selection in the Netherlands detracted from performance. CRH plc, ARC Resources Ltd. and SAP SE were among the largest individual detractors during the period.

Corporate bonds in the communication services sector detracted from fixed income performance.

Portfolio activity

The sub-advisor added Government of Canada (3.00%, 2027/02/01) during the quarter to align exposure with asset allocation objectives.

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Government of Canada (3.25%, 2035/06/01) was reduced to align with the Fund's duration and asset allocation objectives. The sub-advisor also reduced Province of Ontario (3.60%, 2035/06/02) as part of a switch trade within the provincial curve, rotating exposure to higher-yielding bonds while maintaining overall Ontario provincial bond exposure.

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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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