

CAN Fidelity NorthStar Balanced 100/100 (PS1)[†]



December 31, 2025

A global value fund that seeks to generate income and long-term growth.

Is this fund right for you?

- You're looking to preserve your investment while still allowing it to grow.
- You want to invest in a mix of fixed-income, equity securities and cash.
- You're comfortable with a low to moderate level of risk.

RISK RATING



Fund category
Global Neutral Balanced

Inception date
May 14, 2012

Management expense ratio (MER)*
2.91%
(December 31, 2024)

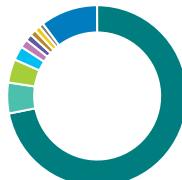
Fund management
Fidelity Investments Canada ULC

How is the fund invested? (as of September 30, 2025)



Asset allocation (%)

| | |
|----------------------|------|
| Foreign Bonds | 43.7 |
| US Equity | 26.8 |
| International Equity | 19.7 |
| Cash and Equivalents | 7.5 |
| Canadian Equity | 1.5 |
| Domestic Bonds | 0.3 |
| Other | 0.5 |



Geographic allocation (%)

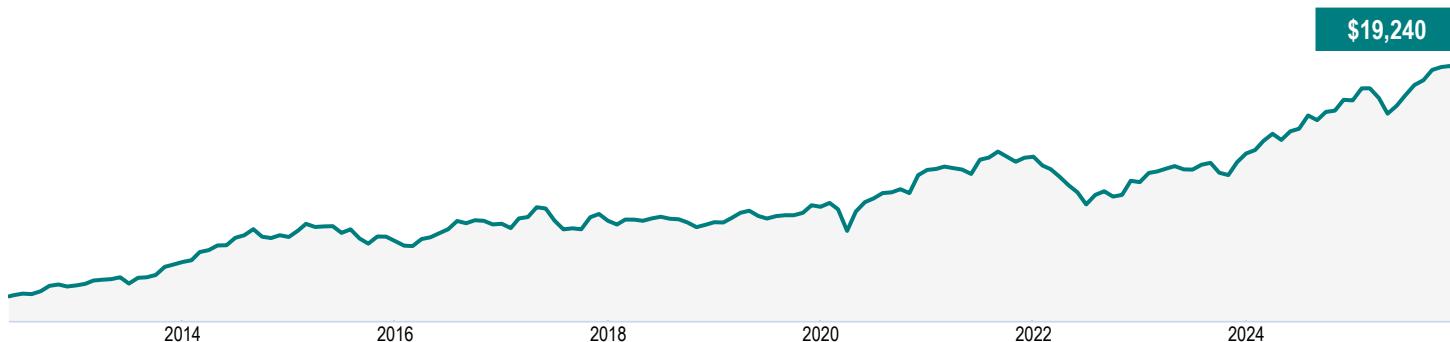
| | |
|--------------------|------|
| United States | 71.9 |
| United Kingdom | 5.5 |
| Japan | 4.2 |
| Canada | 2.5 |
| France | 1.5 |
| Europe | 1.2 |
| Germany | 1.1 |
| Korea, Republic Of | 1.0 |
| China | 0.8 |
| Other | 10.3 |



Sector allocation (%)

| | |
|--------------------------|------|
| Fixed Income | 44.1 |
| Technology | 12.1 |
| Consumer Goods | 7.8 |
| Cash and Cash Equivalent | 7.5 |
| Consumer Services | 5.3 |
| Financial Services | 4.8 |
| Healthcare | 4.7 |
| Industrial Services | 2.8 |
| Industrial Goods | 2.8 |
| Other | 8.1 |

Growth of \$10,000 (since inception)



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Fund details (as of September 30, 2025)

| Top holdings | | % | Portfolio characteristics | | Net assets (million) |
|----------------------------------|-------------|------|------------------------------|-------------|--|
| United States Treasury 4.38% | 15-May-2034 | 13.4 | Standard deviation | 5.95% | \$61.3 |
| United States Treasury 4.13% | 15-Aug-2053 | 3.0 | Dividend yield | 2.11% | Price |
| United States Treasury 3.63% | 15-Feb-2053 | 2.5 | Yield to maturity | 4.77% | \$19.24 |
| NVIDIA Corp | | 1.9 | Duration (years) | 8.29 | Number of holdings |
| United States Treasury 3.63% | 30-Sep-2031 | 1.4 | Coupon | 4.66% | 2140 |
| United States Treasury 4.00% | 15-Nov-2052 | 1.4 | Average credit rating | AA- | Minimum initial investment |
| United States Treasury 4.25% | 15-Aug-2054 | 1.2 | Average market cap (million) | \$740,898.8 | \$100,000 |
| Microsoft Corp | | 1.1 | | | A minimum \$500,000 in eligible assets required for preferred pricing. (refer back to info folder for eligible assets) |
| Meta Platforms Inc Cl A | | 1.0 | | | |
| United States Treasury 4.25% | 15-May-2035 | 0.8 | | | |
| Total allocation in top holdings | | 27.7 | | | |

Understanding returns

Annual compound returns (%)

| 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
|-------|-------|------|------|------|------|-------|-----------|
| -1.50 | -0.67 | 6.24 | 6.24 | 9.32 | 4.78 | 4.59 | 4.92 |

Calendar year returns (%)

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|------|-------|------|-------|------|-------|------|-------|
| 6.24 | 13.81 | 8.05 | -6.67 | 3.59 | 11.13 | 4.88 | -0.44 |

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 |
|-------------|----------------------|--------------|-----------------------|----------------|------------------------------------|----------------------------|----------------------------|
| 7.46% | March 2025 | -0.25% | March 2020 | 3.62% | 99.04% | 103 | 1 |

Net assets (million)
\$61.3

Price
\$19.24

Number of holdings
2140

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 – CLGC089I
DSC^A – CLGC089J
CB4 – CLGC089K

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

Global equity markets rose in the third quarter of 2025, with the MSCI ACWI returning 9.7% (in Canadian dollar terms). Global investment-grade bonds, represented by the Bloomberg Global Aggregate Bond Index, rose a more modest 2.6% (in Canadian dollar terms). Gains were supported by easing trade tensions, momentum in artificial intelligence (AI), and expectations for near-term interest-rate cuts.

North American equities led performance, with the Russell 2000 Index gaining 14.6%, followed by the NASDAQ Composite returning 13.6%. Emerging market equities rose, with the MSCI Emerging Markets Index gaining 12.8%. (All returns are in Canadian dollar terms.)

In the U.S., inflation rose to 2.9% year-over-year in August and the U.S. economy grew at an annualized rate of 3.8%. Consumer spending remained strong, and businesses restarted their investment plans, particularly for projects centered on AI infrastructure. However, July labour market data raised concerns as revisions to May and June non-farm payroll figures showed slower employment growth.

The U.S. Federal Reserve Board (Fed) cut its interest rate by 0.25% in September, bringing the federal funds rate to 4.00%–4.25%, while the Fed chairperson warned that cutting interest rates too aggressively could risk keeping inflation above the 2% target.

Against this backdrop, ten of the eleven MSCI ACWI sectors rose, led by information technology, communication services and materials. Consumer staples was the only sector to post a negative return.

Performance

The Fund's relative exposure to NVIDIA Corp., AppLovin Corp. and Alphabet Inc. contributed to performance. NVIDIA saw demand for its AI chips rise and announced plans to invest up to USD\$100 billion in OpenAI to support data centres and AI infrastructure. AppLovin outperformed because of ad-tech performance, growth in its software platform and demand for its AI-powered AXON engine. Alphabet's shares rose amid demand for AI products, which boosted quarterly sales, justifying an increase in capital spending.

Relative exposure to Metro Inc., Circle Internet Group Inc. and Teleperformance SE detracted from performance. Metro was affected by weaker online sales growth, tariff-related vendor costs and fears over inflationary pressures. Circle Internet Group underperformed because of insiders selling shares, competition from alternative stablecoin providers, and valuation concerns. Teleperformance saw operational challenges in specialized services, a drop in its revenue outlook and reduced U.S. language services demand.

At a sector level, exposure to information technology and health care contributed to performance. Exposure to investment-grade and high-yield bonds contributed to performance. At a regional level, exposure to the U.S. and emerging markets contributed to performance.

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Portfolio activity

There were no notable transactions made during the period.

Outlook

The sub-advisor seeks to lower risk by emphasizing what they believe to be higher-quality companies with lower debt and more consistent profitability. The sub-advisor continues to capitalize on market volatility to invest in AI and connected TV, believing in their strong growth potential.

The economic landscape is dynamic, including evolving trade policies, changes to fiscal and regulatory policies, and pressure for the Fed to continue lowering interest rates. In the sub-advisor's view, the impact from tariffs remains uncertain and may bring continued volatility to risk markets. Concerns surrounding debt and deficit spending linger following the enactment of the One Big Beautiful Bill. Meanwhile, the Fed has resumed interest rate cuts amid signs of weakening labour markets.

The sub-advisor has increased the Fund's credit exposure during periods of volatility and will maintain a conservative positioning until there is clarity on trade relations. U.S. Treasury exposure is close to the highest level in the Fund's history. This could provide a source of funds if there is an opportunity to buy credit sectors.

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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.

Distribution of the chart, history standard and short-term reports are not permitted without including the fund profile long-term report. 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. A description of the key features of Canada Life's individual variable insurance contract is contained in the information folder, available from your advisor. Reports produced using this web site are for information purposes only. Canada Life and their affiliates, representatives, and third party content providers do not warrant the accuracy, completeness, or timeliness of this website or any content, and shall not be responsible for investment decisions, damages, or other losses resulting from the use of this website or its content. The only true report on unit values is the periodic statement prepared and sent by Canada Life. For more information about Canada Life and its products visit canadalife.com or talk to your advisor. In Quebec, advisor refers to a financial security advisor for individual insurance and segregated funds policies; and to an advisor in group insurance/annuity plans for group products. Funds are available through a segregated funds policy issued by Canada Life. Canada Life and design are/is a trademark(s) of The Canada Life Assurance Company.

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