

CAN Long Term Bond 100/100 (PS1)†

December 31, 2025

A Canadian fixed-income fund that provides an opportunity for income generation over the longer term.

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 long-term Canadian government and corporate fixed-income securities, with some exposure to foreign fixed-income securities.
- You're comfortable with a low to moderate level of risk.

Fund category
Canadian Long Term Fixed Income

Inception date
July 08, 2013

Management expense ratio (MER)*
1.92%

Fund management
Canada Life

RISK RATING



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



Asset allocation (%)

Domestic Bonds	98.6
Cash and Equivalents	1.1
Foreign Bonds	0.4
Other	-0.1



Geographic allocation (%)

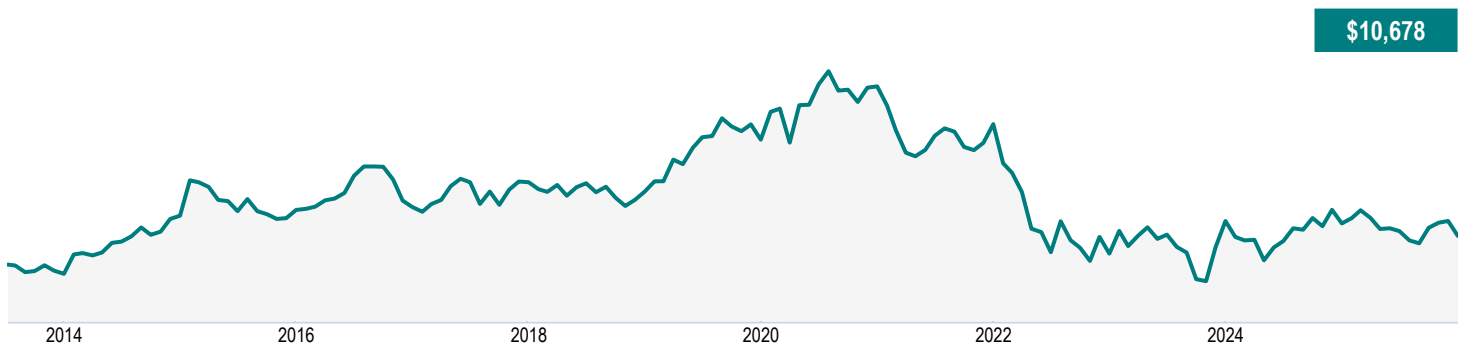
Canada	99.7
Other	0.3



Sector allocation (%)

Fixed Income	99.0
Cash and Cash Equivalent	1.1
Other	-0.1

Growth of \$10,000 (since inception)



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Fund details (as of December 31, 2025)

Top holdings	%
Canada Government 2.75% 01-Dec-2055	3.4
Canada Government 3.50% 01-Dec-2057	3.3
Canada Government 2.00% 01-Dec-2051	3.3
Quebec Province 4.40% 01-Dec-2055	2.5
Canada Government 1.75% 01-Dec-2053	2.4
Ontario Province 4.60% 02-Jun-2039	2.0
Ontario Province 3.45% 02-Jun-2045	1.8
Ontario Province 2.90% 02-Dec-2046	1.7
Ontario Province 3.75% 02-Dec-2053	1.7
Ontario Province 2.65% 02-Dec-2050	1.6
Total allocation in top holdings	23.7

Portfolio characteristics	
Standard deviation	10.70%
Dividend yield	-
Yield to maturity	4.46%
Duration (years)	14.63
Coupon	3.77%
Average credit rating	AA
Average market cap (million)	-

Net assets (million)
\$21.2

Price
\$10.68

Number of holdings
190

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 – CLGC098I
DSC^ – CLGC098J
CB4 – CLGC098K

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
-3.26	-1.82	-2.75	-2.75	1.34	-5.60	-0.57	0.53

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
-2.75	-0.52	7.57	-23.10	-6.31	9.78	10.52	-1.87

Range of returns over five years (August 01, 2013 - 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
5.05%	Nov. 2020	-6.24%	July 2025	-0.06%	50.00%	45	45

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Q3 2025 Fund Commentary

Market commentary

Long-term bond yields rose during the period, reaching year-to-date highs, but by mid-September yields had fallen, ending the quarter close to where they began. Factors contributing to this move included expectations of higher funding needs from the federal and provincial governments, global deficit concerns and elevated core inflation levels. Weak U.S. payrolls in September contributed to the decline in yields, with the anticipation of U.S. Federal Reserve Board (Fed) interest-rate cuts.

The Bank of Canada and the Fed cut interest rates by 0.25% in September, leaving overnight rates at 2.50% and 4.25%, respectively. As of the end of the quarter, market expectations were just below 0.25% of cuts in Canada and 0.50% of cuts in the U.S. by year end. Both headline and core consumer price index inflation was stable, but core inflation remained at the higher end of the 1–3% target band.

Performance

Overweight exposure to Enbridge Pipelines Inc. (4.33%, 2049) contributed to performance. Relative exposure to Canadian Utilities Ltd. (4.664%, 2054) detracted from performance because of its longer duration (sensitivity to interest rates) and rising Canadian yields.

Duration and positioning along the yield curve contributed to performance. The Fund was short duration, which contributed to performance as interest rates rose. Security selection within corporate bonds detracted from performance, particularly in energy and infrastructure. Underweight exposure to BBB-rated bonds in energy and infrastructure detracted from performance as these were the strongest performers during the quarter.

Portfolio activity

In July, a 12-year bond issued by Heathrow Funding Ltd. was added for its position at the long end of the yield curve. Accumulated cash balances were used to increase exposure to corporate bonds in the infrastructure segment. Provincial holdings that were nearing index ineligibility were sold, replaced with longer-dated assets. Province of Ontario bonds were trimmed and a small extension was completed to take advantage of yield-curve steepness.

In August, the sub-advisor added Choice Properties REIT in the 10-year tenor at new issue. The company is an infrequent issuer and it was one of the few opportunities to add real estate exposure. A variety of provincial holdings were increased to return the Fund to an overweight allocation to provincial product. Federal holdings were reduced, and the proceeds used to increase provincial and corporate holdings.

Outlook

While the sub-advisor expects there is potential for spread widening, it is likely not imminent. Because of this, the sub-advisor will look for attractive opportunities in the corporate space without increasing overall exposure. The Fund is positioned to take advantage of further steepening in the yield curve, which the sub-advisor expects to continue. Issuance of government-related debt will be monitored to determine the impacts on the yield curve.

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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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