

CAN Canadian Fixed Income Balanced II 75/100 (PP)‡



December 31, 2025

A Canadian value fund that seeks to provide capital appreciation and income.

Is this fund right for you?

- You want your investment to boost your income returns.
- You want to invest in Canadian government bonds and some corporate bonds.
- You're comfortable with a low to moderate level of risk.

RISK RATING



Fund category

Canadian Fixed Income Balanced

Inception date

July 09, 2018

Management

expense ratio (MER)*

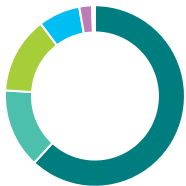
0.99%

(December 31, 2024)

Fund management

Mackenzie Investments

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



Asset allocation (%)

Domestic Bonds	61.8
Canadian Equity	14.2
US Equity	13.7
International Equity	7.5
Foreign Bonds	2.3
Income Trust Units	0.4
Cash and Equivalents	0.1



Geographic allocation (%)

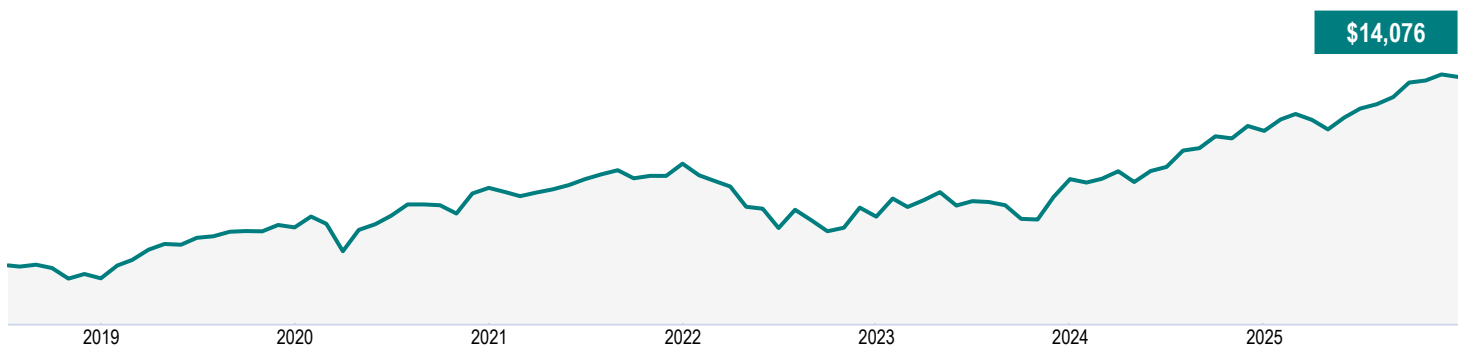
North America	61.7
United States	15.7
Canada	14.6
United Kingdom	1.6
Japan	1.1
France	1.0
Germany	0.7
Ireland	0.5
Multi-National	0.4
Other	2.7



Sector allocation (%)

Fixed Income	64.2
Financial Services	7.8
Technology	6.3
Energy	3.7
Basic Materials	2.7
Consumer Services	2.6
Healthcare	2.4
Industrial Services	2.2
Consumer Goods	2.2
Other	5.9

Growth of \$10,000 (since inception)



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December 31, 2025

Fund details (as of October 31, 2025)

Top holdings	%
Mackenzie Canadian Enhanced Core Plus Fixed Income	61.7
Royal Bank of Canada	1.2
Microsoft Corp	1.1
NVIDIA Corp	1.0
Agnico Eagle Mines Ltd	0.9
SPDR S&P 500 ETF Trust (SPY)	0.9
Apple Inc	0.8
Amazon.com Inc	0.7
Toronto-Dominion Bank	0.7
Manulife Financial Corp	0.7
Total allocation in top holdings	69.7

Portfolio characteristics	
Standard deviation	5.81%
Dividend yield	2.34%
Yield to maturity	-
Duration (years)	-
Coupon	-
Average credit rating	-
Average market cap (million)	\$913,209.1

Net assets (million)
\$214.0

Price
\$14.08

Number of holdings
518

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 – CLGD033E

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
-0.38	0.87	9.04	9.04	8.39	3.81	-	4.68

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
9.04	8.80	7.34	-9.39	4.48	7.90	11.34	-

Range of returns over five years (August 01, 2018 - 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
4.99%	March 2025	2.05%	Sept. 2023	3.46%	100.00%	30	0

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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.

Credit spreads (the difference in yield between corporate and government bonds with the same maturity) continued to narrow, which supported Canadian corporate fixed income. Investment-grade corporate bonds rose, driven by steady demand and strong fundamentals. High-yield bonds rose, driven by improving risk sentiment and appetite for income.

The Canadian equity market posted strong gains, with the S&P/TSX Composite Index rising 12.5%. Materials, information technology, energy and financials outperformed. The energy sector performed largely in line with the market, challenged by lower oil prices and trade-related issues.

Performance

The Fund's relative exposure to Agnico Eagle Mines Ltd., AbbVie Inc. and Contemporary Amperex Technology Co. Ltd. (CATL) contributed to performance. Agnico Eagle Mines reported record free cash flow and solid production and cost performance and also benefited from rising gold prices. AbbVie's results exceeded expectations and its full-year forecast was raised. CATL reported profit growth and margin improvement and should benefit from increasing demand for energy storage systems and electric vehicle batteries.

Exposure to Deutsche Boerse AG and lack of exposure to Shopify Inc. and Barrick Mining Corp. detracted from the Fund's performance. Deutsche Boerse stock fell after it reported mixed results, with revenue beating consensus but costs worse than expected. Shopify's shares rose after reporting better-than-expected revenue and earnings. Barrick Mining benefited from improved gold and copper output and rising gold prices.

Within equities, stock selection in the health care sector contributed to performance, as did overweight exposure to China. Stock selection within information technology and in Canada detracted from the Fund's performance.

Within fixed income holdings, the Fund's longer duration (sensitivity to interest rates) in federal government bonds contributed to performance as interest rates fell.

Portfolio activity

U.S. Treasury (4.25%, 2035/05/15) was added as the sub-advisor modified exposure to align the Fund's duration and asset allocation objectives.

CAN Canadian Fixed Income Balanced II 75/100 (PP)‡

December 31, 2025

Government of Canada (3.25%, 2035/06/01) was increased for its high-quality duration exposure backed by the Canadian government. The increase reflects the sub-advisor's strategy to reinforce core sovereign holdings amid changing interest rate expectations and geopolitical uncertainty. Province of Quebec (4.0%, 2035/09/01) was increased as the province is supported by a diversified economy, prudent fiscal management and good market access. The sub-advisor wanted to optimize yield curve positioning and income within the Canadian government sector.

Government of New Zealand (3.5%, 2033/04/14) was sold after the Reserve Bank of New Zealand lowered its interest rate in August.

CAN Canadian Fixed Income Balanced II 75/100 (PP)‡

December 31, 2025

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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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CAN Canadian Fixed Income Balanced II 75/100 (PP)‡

December 31, 2025

*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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