

# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>



January 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



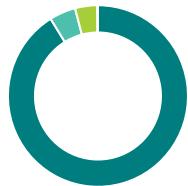
**Fund category**  
Global Fixed Income

**Inception date**  
May 14, 2012

**Management expense ratio (MER)\***  
1.61%  
(December 31, 2024)

**Fund management**  
Canada Life Asset Management

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



### Asset allocation (%)

Foreign Bonds	91.2
Cash and Equivalents	4.7
Domestic Bonds	4.0
Other	0.1



### Geographic allocation (%)

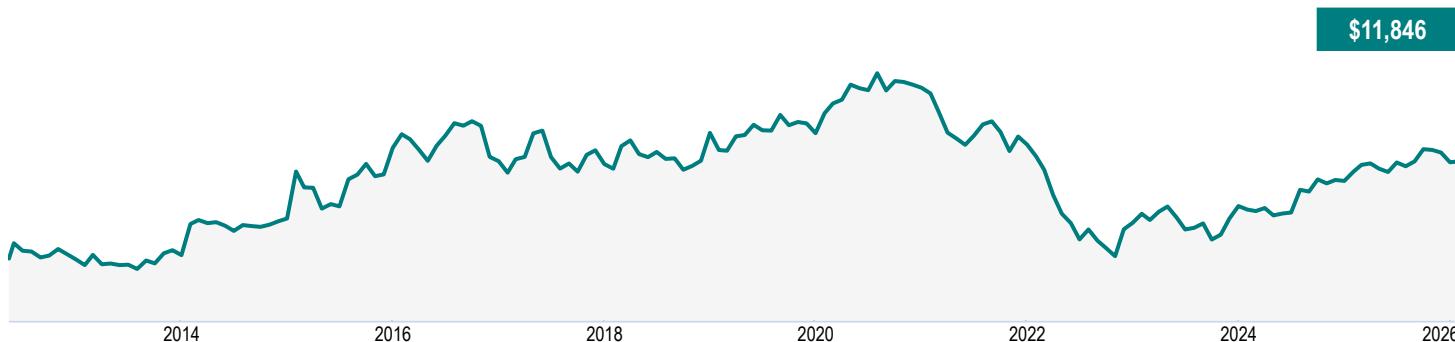
United States	31.5
Europe	15.7
Japan	12.7
Germany	11.2
France	6.7
Canada	5.7
United Kingdom	5.2
Australia	4.1
Luxembourg	3.0
Other	4.2



### Sector allocation (%)

Fixed Income	95.3
Cash and Cash Equivalent	4.7

## Growth of \$10,000 (since inception)



# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>

January 31, 2026

## Fund details (as of January 31, 2026)

Top holdings	%	Portfolio characteristics	Net assets (million)
United States Treasury 0.50% 30-Oct-2027	3.1	Standard deviation	4.93%
United States Treasury 1.75% 15-Nov-2029	2.4	Dividend yield	-
Germany Government 2.40% 15-Nov-2030	2.2	Yield to maturity	-
Enel SPA 4.25%	2.1	Duration (years)	-
United States Treasury 2.75% 15-Nov-2042	1.9	Coupon	-
SCOR SE 5.25% 12-Mar-2029	1.9	Average credit rating	-
Allianz SE 3.20% 29-Oct-2027	1.8	Average market cap (million)	-
United States Treasury 1.88% 15-Feb-2032	1.8		
Zurich Finance (Ireland) Designated Activity Co. 3.00% 18-Apr-2031	1.7		
Cash and Cash Equivalents	1.6		
<b>Total allocation in top holdings</b>	<b>20.5</b>		

## Understanding returns

### Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
0.14	-1.80	0.14	1.69	2.97	-2.05	-0.43	1.24

### Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
3.09	4.34	2.97	-12.20	-8.16	6.97	-0.04	5.02

### Range of returns over five years (June 01, 2012 - January 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
4.36%	March 2018	-3.45%	Oct. 2022	0.40%	50.48%	53	52

**Net assets (million)**  
\$100.3

**Price**  
\$11.85

**Number of holdings**  
124

**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 – CLGC114A  
DSC<sup>A</sup> – CLGC114B  
CB4 – CLGC114C

### Contact information

#### Customer service centre

Toll free:  
1-888-252-1847

Corporate website:  
canadalife.com

# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>

January 31, 2026

## Q4 2025 Fund Commentary

*Commentary and opinions are provided by Canada Life Asset Management.*

### Market commentary

Credit markets rose as demand remained robust, supported by high all-in yield levels. Returns were generally positive, with good performance in the fixed-interest asset class. Very high levels of bond supply put pressure on valuations, but new corporate issuance was met with strong demand from investors. High credit demand was further supported by interest rate cuts from the U.S. Federal Reserve Board and the Bank of England.

Geopolitical risks didn't worsen amid easing global trade tensions, which reduced the prospect of further escalation. Ongoing government debt sustainability concerns put pressure on longer-maturity bonds, particularly in the U.S. and Europe.

In the fall of 2025, the U.S. government shut down for the longest period in history, which caused increased volatility and a reduction in data flows. There were also some concerns around artificial intelligence (AI) capital expenditure and fears of an asset bubble in the technology space. However, credit markets remained relatively resilient.

### Performance

Relative exposure to perpetual callable bonds issued by TotalEnergies SE (4.5%, callable in 2034) contributed to the Fund's performance amid strong demand for corporate bonds. Holdings in Engie SA (5.625% due 2053) and Hammerson PLC (5.875%, 5.875%, due 2036) also contributed to the Fund's performance. These holdings benefited from falling U.K. gilt yields.

Holding of perpetual callable bonds issued by SCOR SE (5.25%, callable in 2029) detracted from the Fund's performance as the bonds were affected by profit taking. Other detractors from performance were holdings in U.S. Treasury bonds (0.5%, due 2027) and 2.625%, due 2029). The U.S. government shutdown lowered expectations of additional interest rate cuts.

Exposure to bonds with longer terms contributed to the Fund's performance as long-term U.K. gilt yields fell after the U.K. government's budget was introduced in November 2025. Continued demand for corporate hybrid bonds also contributed to the Fund's performance. Foreign bond returns suffered from general strength of the Canadian dollar, which detracted from the Fund's performance. Exposure to the Japanese yen detracted from performance as potential future interest rate hikes by the Bank of Japan narrowed following a change in fiscal policies by the new Japanese administration.

### Portfolio activity

The sub-advisor added to the Fund holdings in hybrid bonds issued by Verizon Communications Inc. (5.742%, due 2056) and Merck & Co. Inc. (3.75%, due 2055) amid demand for subordinated papers. Holdings of Canadian and Japanese government bonds were increased to manage the Fund's duration (interest rate sensitivity) and lock in attractive rates.

The Fund's holdings of Volkswagen AG (3.748%, callable in 2027) and Comcast Corp. (1.875%, due 2036) were sold against the purchases of new issues from Merck and Verizon Communications on relative value grounds. Short-dated bonds issued by NatWest Group PLC (2.105%, callable in 2026) and Banco Santander SA (5.625%, callable in 2030) were sold to roll into new issues at more attractive levels. German bunds and U.K. gilts were sold in the quarter to manage the Fund's duration.

# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>

January 31, 2026

## Outlook

sector is on track to perform well, thanks to ongoing fiscal stimulus in Europe and anticipated tax cuts in the U.S. Monetary easing by some central banks is also expected to help maintain this growth. These factors should support the credit market and help the global economy grow, reproducing the trends that shaped 2025.

The sub-advisor favours large financial institutions due to their strong profitability and low debt. However, companies powering the AI build out are likely to issue significant amounts of debt to fund infrastructure needs, which could drag on credit markets.

In the sub-advisor's view, risks for 2026 ahead include high valuations, government debt in the U.S. and Europe, fiscal discipline risks and the potential for inflation to rise. 2026 is likely to require careful asset selection, although the overall economic environment is expected to remain supportive and the risk of a recession is considered low.

# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>

January 31, 2026

## Disclaimer

The commentaries on the company specific information and purchases and sales were provided by the fund manager. Canada Life will not be liable for any loss, or damages whatsoever, whether directly or indirectly incurred, arising out of the use or misuse of errors or omissions in any information contained in this commentary. The data provided in this commentary is for information purposes only and, except where otherwise indicated, is current as of Dec 31, 2025.

The views expressed in this commentary are those of fund manager as at the date of publication and are subject to change without notice. This commentary is presented only as a general source of information and is not intended as a solicitation to buy or sell specific investments, nor is it intended to provide tax or legal advice. Prospective investors should review the offering documents relating to any investment carefully before making an investment decision and should ask their Advisor for advice based on their specific circumstances.

The content of this commentary (including facts, views, opinions, recommendations, descriptions of or references to, products or securities) is not to be used or construed as investment advice, as an offer to sell or the solicitation of an offer to buy, or an endorsement, recommendation or sponsorship of any entity or security cited. Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

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 Dec 31, 2025. 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.**

Canada Life Investment Management and design, and Canada Life and design are trademarks of The Canada Life Assurance Company.

# CAN Foreign Bond 75/75 (PS1)<sup>†</sup>

January 31, 2026

\*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.

<sup>†</sup>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.

<sup>†</sup>Soft capped - Contributions are no longer accepted to new investors., <sup>‡</sup>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](http://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.

Financial information provided by Fundata Canada Inc.

©Fundata Canada Inc. All rights reserved.

