

CAN Canadian Fixed Income Balanced II 100/100 (P)[‡]



January 31, 2026

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.



Fund category
Canadian Fixed Income Balanced

Inception date
July 09, 2018

Management expense ratio (MER)*

Fund management
Mackenzie Investments

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



Asset allocation (%)

Domestic Bonds	61.8
Canadian Equity	14.5
US Equity	13.6
International Equity	7.4
Foreign Bonds	2.3
Income Trust Units	0.4



Geographic allocation (%)

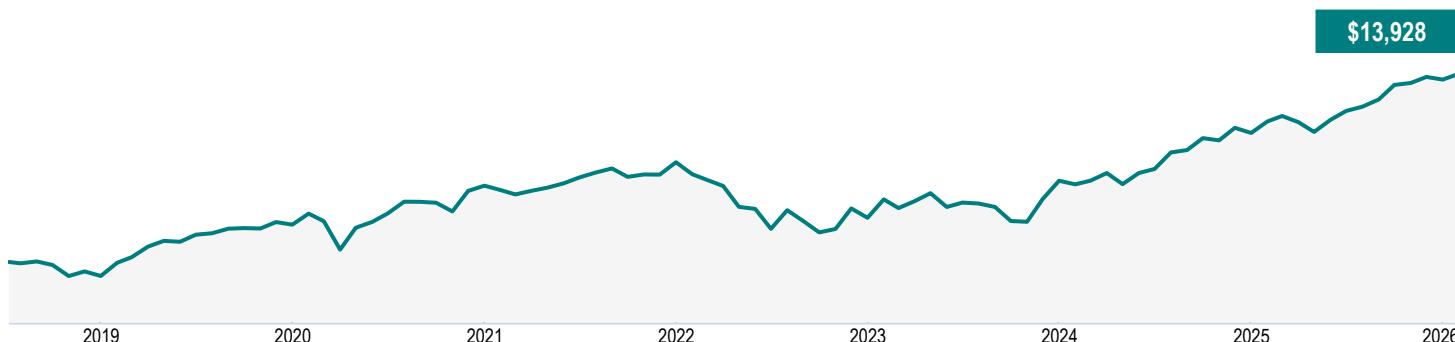
North America	61.7
United States	15.5
Canada	14.8
United Kingdom	1.5
France	1.1
Japan	0.9
Germany	0.6
Switzerland	0.6
Ireland	0.5
Other	2.8



Sector allocation (%)

Fixed Income	64.0
Financial Services	7.8
Technology	6.3
Energy	3.7
Basic Materials	3.1
Healthcare	2.6
Consumer Services	2.5
Consumer Goods	2.3
Industrial Goods	2.2
Other	5.5

Growth of \$10,000 (since inception)



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Fund details (as of November 30, 2025)

Top holdings		%	Portfolio characteristics		Net assets (million)
Mackenzie Canadian Enhanced Core Plus Fixed Income		61.7	Standard deviation	5.56%	\$210.4
Royal Bank of Canada		1.2	Dividend yield	2.25%	Price
Microsoft Corp		1.0	Yield to maturity	-	\$13.93
Agnico Eagle Mines Ltd		1.0	Duration (years)	-	Number of holdings
Apple Inc		0.9	Coupon	-	515
NVIDIA Corp		0.9	Average credit rating	-	Minimum initial investment
SPDR S&P 500 ETF Trust (SPY)		0.8	Average market cap (million)	\$891,010.7	\$500
Alphabet Inc Cl A		0.8			Fund codes
Manulife Financial Corp		0.7			FEL – CLGB033I
Amazon.com Inc		0.7			
Total allocation in top holdings		69.7			

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
0.87	1.39	0.87	7.68	7.20	3.90	-	4.48

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
8.78	8.53	7.08	-9.60	4.22	7.55	11.04	-

Range of returns over five years (August 01, 2018 - 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
4.72%	March 2025	1.78%	Sept. 2023	3.22%	100.00%	31	0

Contact information

Customer service centre

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1-888-252-1847

Corporate website:
canadalife.com

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Q4 2025 Fund Commentary

Commentary and opinions are provided by Mackenzie Investments.

Market commentary

Canada's economy showed signs of strain in the fourth quarter as U.S. tariffs and weakening trade flows continued to pressure manufacturing and export-oriented sectors. Business confidence softened, and labour-market momentum faded, although household spending remained stable heading into year-end.

The Bank of Canada held its policy rate at 2.25% in December following its 25-basis-point rate cut in October, citing moderating inflation and persistent economic uncertainty. Canada's unemployment rate rose to 6.8% in December, as labour-force growth outpaced hiring and trade-sensitive industries showed renewed weakness.

The Canadian fixed income market delivered modest gains in the fourth quarter given easing inflation and a stable policy stance towards the end of the quarter. The yield on the 10-year Government of Canada (GoC) bond ended December at 3.43%, up from 3.18% at the beginning of the quarter. Government bond prices moved lower and underperformed corporate bonds, which gained. High-yield bonds also rose, supported by the late-year rally in equities and investor demand for carry in a lower-rate environment.

The Canadian equity market advanced in the quarter, with the S&P/TSX Composite Index rising about 5.6%, supported by strength in the materials and consumer discretionary sectors. Information technology also contributed, while energy lagged broader market gains amid softer crude oil prices through year-end.

Performance

Overweight exposures to Manulife Financial Corp., Alphabet Inc. and Fanning International Inc. contributed to the Fund's performance. All three stocks posted positive returns during the quarter. Overweight exposure to GoC (3.25%, 2035/06/01) and GoC (2.75%, 2055/12/01) bonds detracted from performance. Underweight exposure to Barrick Mining Corp. detracted from performance as the company's stock rose.

At a sector level, stock selection in the communication services sector contributed to the Fund's performance. Stock selection in the materials sector detracted from performance.

At a regional level, underweight exposure to Australia contributed to the Fund's performance. Stock selection in Canada detracted from performance.

Within fixed income securities, exposure to corporate bonds and the energy sector contributed to the Fund's performance. Duration (interest rate sensitivity) management in federal government bonds detracted from performance.

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Portfolio activity

The sub-advisor increased the Fund's holding in Province of Ontario (3.95%, 2035/12/02) bonds for its attractive yield. Holdings in GoC (3.25%, 2035/06/01) and Province of Ontario (3.6%, 2035/06/02) bonds were reduced. The federal bond was reduced to align with the Fund's duration and asset allocation objectives. The provincial bond was part of a switch trade within the provincial yield curve, to shift to higher-yielding holdings.

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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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