# CAN Canadian Fundamental Equity 75/75

September 30, 2026

The Fund seeks to provide long-term capital appreciation by investment primarily in Canadian equity securities.

## Is this fund right for you?

- You want your money to grow over the longer term.
- You want to invest mainly in Canadian companies.
- You're comfortable with a medium level of risk.

RISK RATING

LOW — MODERATE — HIGH

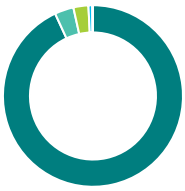
**Fund category**
Canadian Equity

**Inception date**
June 17, 2019

**Management expense ratio (MER)***
2.73%
(December 31, 2024)

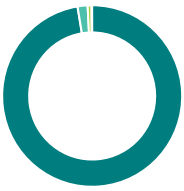
**Fund management**
Connor, Clark & Lunn Investment Management

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



### Asset allocation (%)

| | |
|---|---|
| Canadian Equity | 93.2 |
| Income Trust Units | 3.4 |
| Cash and Equivalents | 2.7 |
| US Equity | 0.7 |
| International Equity | 0.1 |
| Other | -0.1 |



### Geographic allocation (%)

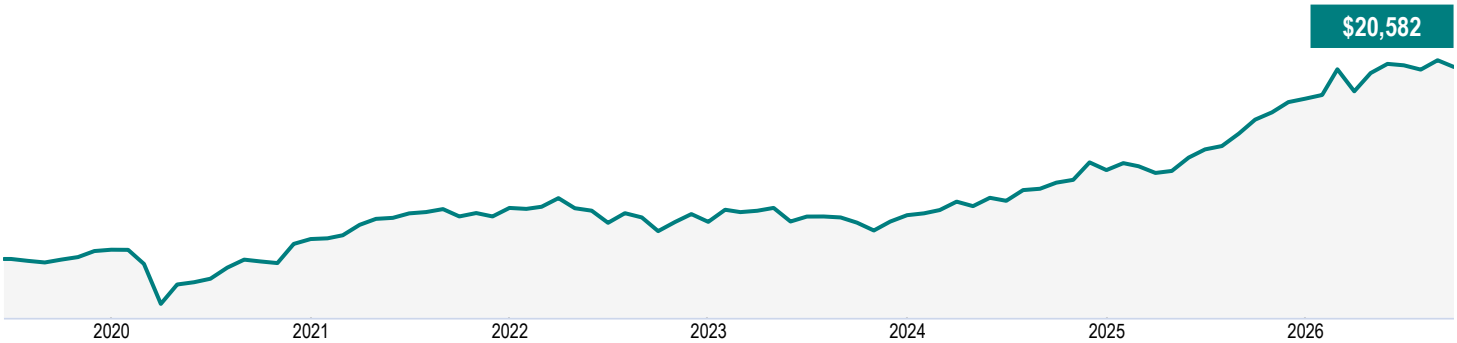
| | |
|---|---|
| Canada | 97.5 |
| Bermuda | 1.8 |
| United States | 0.7 |
| Switzerland | 0.1 |
| Other | -0.1 |



### Sector allocation (%)

| | |
|---|---|
| Financial Services | 31.0 |
| Basic Materials | 16.2 |
| Energy | 15.2 |
| Industrial Services | 9.6 |
| Technology | 6.2 |
| Industrial Goods | 5.4 |
| Consumer Services | 4.9 |
| Utilities | 3.2 |
| Cash and Cash Equivalent | 2.7 |
| Other | 5.6 |

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



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## Fund details

As of July 31, 2026

| Top holdings | % |
|---|---|
| Royal Bank of Canada | 9.5 |
| Toronto-Dominion Bank | 6.8 |
| TC Energy Corp | 3.8 |
| Bank of Montreal | 3.6 |
| Suncor Energy Inc | 3.4 |
| Shopify Inc Cl A | 3.4 |
| Canadian Imperial Bank of Commerce | 3.3 |
| Canadian Pacific Kansas City Ltd | 3.1 |
| Cash and Cash Equivalents | 2.7 |
| National Bank of Canada | 2.1 |
| **Total allocation in top holdings** | **41.7** |

As of July 31, 2026

| Portfolio characteristics | |
|---|---|
| Standard deviation | 10.24% |
| Dividend yield | 1.70% |
| Yield to maturity | - |
| Duration (years) | - |
| Coupon | - |
| Average credit rating | - |
| Average market cap (million) | $118,170.1 |

**Net assets (million)**
$154.0

**Price**
$20.58

**Number of holdings**
104

**Minimum initial investment**
-

**Fund codes**
FEL – CLGA055A
DSC^ – CLGA055B
CB2 – CLGA055Q
CB4 – CLGA055C

## Understanding returns

### Annual compound returns (%)

| 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
|---|---|---|---|---|---|---|---|
| **-1.78** | **-0.45** | **9.27** | **16.41** | **19.69** | **10.76** | **-** | **10.41** |

### Calendar year returns (%)

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| **26.42** | **20.03** | **3.05** | **-5.99** | **15.46** | **5.59** | **-** | **-** |

## Range of returns over five years (July 01, 2019 - September 30, 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 |
|---|---|---|---|---|---|---|---|
| **14.40%** | **March 2025** | **5.72%** | **June 2024** | **10.20%** | **100.00%** | **28** | **0** |

## Contact information

**Customer service centre**

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1-888-252-1847

Corporate website:
canadalife.com

# CAN Canadian Fundamental Equity 75/75

September 30, 2026

## Q2 2026 Fund Commentary

*Commentary and opinions are provided by Connor, Clark & Lunn Investment Management.*

## Market commentary

Canadian equities delivered a strong quarter. As tensions in the Middle East eased, investor attention shifted from geopolitical risk toward resilient U.S. economic data, continued enthusiasm for artificial intelligence (AI) investment and strong corporate earnings. These factors supported gains even as the domestic economy stayed sluggish, and the market advanced mainly on stronger earnings expectations rather than a broad expansion in valuations.

Market leadership reflected the improving backdrop, with cyclical sectors outperforming. The financials sector led the market higher, helped by banks. The energy and materials sectors lagged as lower oil and precious metals prices weighed on Canada's resource sectors, and defensive sectors also underperformed as risk appetite improved.

## Performance

Security selection in the industrials sector contributed to performance, helped by overweight positions that performed well. Security selection in the financials sector also contributed, notably underweight positions in an asset manager and an insurance company.

MDA Space Ltd. contributed to the Fund's performance. The aerospace and defence company, which provides satellite systems, robotics and space-based technologies, benefited from better-than-expected first-quarter results, supported by continued execution and a substantial pipeline of space and defence opportunities. Hammond Power Solutions Inc. also contributed to performance. The maker of dry-type transformers and power-quality solutions for industrial and AI-infrastructure customers reported a strong first-quarter result and a growing backlog.

An underweight allocation to the financials sector detracted from performance.

Kraken Robotics Inc. detracted from the Fund's performance. The marine technology company, which provides sonar systems, subsea batteries and underwater robotics for defence and commercial customers, announced new battery orders and progressed its Covelya acquisition, although these were offset by a broader contraction in valuations across defence technology. An underweight position in BlackBerry Ltd. also detracted, as the software company delivered consecutive quarterly beats on strength in its QNX and secure communications segments.

## Portfolio activity

The sub-advisor added Apotex Health Corp., participating in the company's initial public offering because of its defensive growth profile and valuation ahead of a wave of branded-drug patent expiries in North America. The sub-advisor increased TC Energy Corp., one of North America's largest energy-infrastructure companies, because its contracted and regulated cash flows offer a defensive profile and its secured backlog supports earnings visibility. The sub-advisor sold Metro Inc. because of concern about an ongoing labour dispute at its Quebec produce distribution centre and the earnings risk from continued traffic loss. The sub-advisor reduced Canadian Imperial Bank of Commerce because capital-markets revenue is guided lower in the second half and Canadian consumer credit has softened, reallocating capital toward higher-conviction holdings in the sector.

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## Outlook

In the sub-advisor's view, the outlook remains constructive. Manufacturing activity has strengthened, labour markets are healthy, inflation expectations have eased modestly and earnings estimates continue to be revised higher in both Canada and the U.S. The sub-advisor believes equity markets may continue to trend higher if they are driven by earnings growth rather than expanding valuations, and as long as the U.S. Federal Reserve Board (Fed) stays on hold. Tariff-related inflation has stayed concentrated in goods, while services and housing inflation have remained relatively contained, which supports the sub-advisor's view that the Fed could remain on hold through 2026. The main risk the sub-advisor sees is a renewed rise in inflation expectations that pushes long-term rates higher and weighs on valuations.

In positioning the Fund, the sub-advisor has looked for opportunities in areas that have lagged, increasing exposure to transportation companies as improving U.S. manufacturing activity has historically supported stronger freight volumes, and adding select defensive businesses to temper the portfolio's cyclicality. The sub-advisor reduced positions in companies benefiting from higher defence spending after a strong run and continued to reduce exposure to businesses it believes face challenges from AI adoption.

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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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