

CAN U.S. Concentrated Equity 75/75 (PP)



January 31, 2026

The Fund seeks to maximize long-term capital appreciation by investment primarily in equity securities of U.S. corporations.

Is this fund right for you?

- You want your money to grow over a longer term.
- You want to invest in large, established companies in the U.S.
- You're comfortable with a medium level of risk.



Fund category
U.S. Equity

Inception date
June 17, 2019

Management expense ratio (MER)*
1.49%
(December 31, 2024)

Fund management
Aristotle Capital Management

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



Asset allocation (%)

| | |
|----------------------|------|
| US Equity | 87.8 |
| International Equity | 10.8 |
| Cash and Equivalents | 1.4 |



Geographic allocation (%)

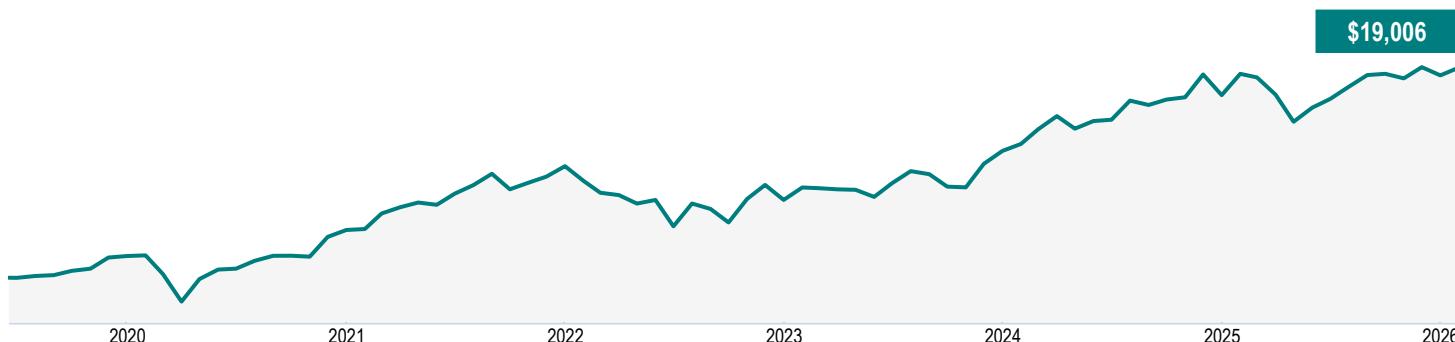
| | |
|---------------|------|
| United States | 87.8 |
| Japan | 5.5 |
| France | 1.9 |
| Ireland | 1.7 |
| Switzerland | 1.7 |
| Canada | 1.4 |



Sector allocation (%)

| | |
|--------------------|------|
| Financial Services | 20.4 |
| Technology | 17.6 |
| Industrial Goods | 12.3 |
| Consumer Goods | 11.1 |
| Healthcare | 9.9 |
| Utilities | 7.0 |
| Basic Materials | 6.2 |
| Telecommunications | 4.4 |
| Real Estate | 4.0 |
| Other | 7.1 |

Growth of \$10,000 (since inception)



CAN U.S. Concentrated Equity 75/75 (PP)

January 31, 2026

Fund details (as of November 30, 2025)

| Top holdings | % | Portfolio characteristics | Net assets (million) |
|---|-------------|------------------------------|----------------------|
| Parker-Hannifin Corp | 5.6 | Standard deviation | 10.91% |
| Microsoft Corp | 4.1 | Dividend yield | 1.90% |
| Alphabet Inc Cl C | 4.0 | Yield to maturity | - |
| Capital One Financial Corp | 3.6 | Duration (years) | - |
| Corteva Inc | 3.2 | Coupon | - |
| Sony Group Corp - ADR | 3.2 | Average credit rating | - |
| Martin Marietta Materials Inc | 2.9 | Average market cap (million) | \$572,289.2 |
| Atmos Energy Corp | 2.9 | | |
| Lennar Corp Cl A | 2.7 | | |
| Amgen Inc | 2.7 | | |
| Total allocation in top holdings | 34.9 | | |

Understanding returns

Annual compound returns (%)

| 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
|------|------|------|------|-------|------|-------|-----------|
| 1.80 | 2.51 | 1.80 | 1.44 | 11.08 | 9.47 | - | 10.18 |

Calendar year returns (%)

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|------|-------|-------|-------|-------|-------|------|------|
| 4.74 | 15.49 | 15.74 | -9.79 | 22.70 | 10.21 | - | - |

Range of returns over five years (July 01, 2019 - 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 |
|-------------|----------------------|--------------|-----------------------|----------------|------------------------------------|----------------------------|----------------------------|
| 14.73% | March 2025 | 9.16% | Dec. 2025 | 11.20% | 100.00% | 20 | 0 |

Net assets (million)
\$58.7

Price
\$19.01

Number of holdings
45

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 – CLGD069A

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

CAN U.S. Concentrated Equity 75/75 (PP)

January 31, 2026

Q4 2025 Fund Commentary

Commentary and opinions are provided by Aristotle Capital Management.

Market commentary

During the fourth quarter of 2025, the S&P 500 Index rose 1.1% (in Canadian-dollar terms). Value stocks outperformed growth stocks, with the Russell 1000 Value Index outperforming its growth counterpart by 2.7%. Within the Russell 1000 Value Index, the best-performing sectors were information technology, communication services and health care. The real estate, utilities and consumer discretionary sectors were the weakest sectors.

The U.S. economy showed resilience. Data released during the period showed that real gross domestic product rose at a 4.3% annualized rate in the third quarter of 2025, the fastest quarterly growth in two years. This was driven by consumer spending, rising exports and government outlays. Despite this strength, consumer confidence weakened as economists projected a moderation in spending, and concerns about the labour market persisted. The unemployment rate rose to 4.6% in November.

Inflation moderated, with the Consumer Price Index reaching its lowest level since July 2025. Economists cautioned that recent unemployment and inflation figures were likely skewed by technical factors related to the 43-day U.S. government shutdown in the fall of 2025, which disrupted data reporting.

Given the mixed economic signals and uncertainty around the data, the U.S. Federal Reserve Board (Fed) was cautious. The Fed implemented two 0.25% interest rate cuts, lowering the federal funds target range to 3.50%–3.75%. Fed Chair Jerome Powell emphasized a data-dependent approach, acknowledging risks to both sides of the Fed's dual mandate.

Trade relations between the U.S. and China remained a focus for markets. Early in the quarter, tensions flared with tariff escalations and export controls. Ultimately, U.S. President Donald Trump and China President Xi Jinping met at the Asia-Pacific Economic Cooperation summit in South Korea and reached a one-year trade truce.

Corporate earnings remained robust. S&P 500 Index companies reported earnings growth of 13.6%, marking the fourth consecutive quarter of double-digit expansion. The information technology sector recorded the strongest earnings growth of 29%. Artificial intelligence (AI) was a major theme, with more than 300 S&P 500 Index companies mentioning AI on their earnings calls. This enthusiasm helped propel mega-capitalization technology stocks higher. However, as the quarter progressed, scrutiny increased around AI-related revenue circularity, the scale of AI-related capital spending and the durability of longer-term returns on investment.

Performance

The Fund's relative exposure to Parker Hannifin Corp. contributed to performance. The company benefited from strength in its aerospace business, where demand for original equipment and aftermarket services drove organic growth and margin expansion.

Relative exposure to Sony Group Corp. detracted from the Fund's performance. The company's shares fell following a one-time, non-cash charge of approximately 50 billion yen in its game and network services segment. This charge was related to an impairment and accounting correction of previously capitalized development costs.

CAN U.S. Concentrated Equity 75/75 (PP)

January 31, 2026

At a sector level, stock selection in the financials and communication services sectors contributed to the Fund's performance. Overweight exposure to the information technology sector also contributed to performance. Selection within the information technology, consumer discretionary and materials sectors detracted from performance.

Portfolio activity

The sub-advisor sold the Fund's holding in Commerce Bancshares Inc. after positive share price performance to redeploy the proceeds to other investments.

The Fund received shares of Sony Financial Group Inc. following its spinoff from a long-term holding, Sony Group Corp., in October 2025. While the sub-advisor has a positive view of the company, its operations are focused on the Japanese market. Given that, the holding was sold.

Outlook

Financial markets and economic conditions evolve, often in ways that are difficult to anticipate. However, the sub-advisor is focused on understanding individual businesses, recognizing that progress in business fundamentals and investment outcomes do not always align over shorter periods. Thus, the sub-advisor's investment process is rooted in patience and a willingness to reassess views as circumstances change. Rather than react to macroeconomic headlines or try to time short-term market moves, the sub-advisor focuses on the long-term fundamentals of the companies in the Fund.

CAN U.S. Concentrated Equity 75/75 (PP)

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 U.S. Concentrated Equity 75/75 (PP)

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.

[^]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.

Financial information provided by Fundata Canada Inc.

©Fundata Canada Inc. All rights reserved.

