CAN Indexed Canadian Bond 75/75†

August 31, 2026

A Canadian fixed-income fund that invests in securities with a minimum A credit rating.

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 government and corporate bonds. This fund focuses on mirroring the holdings of the Scotia Capital Markets Universe Bond Index.
- You're comfortable with a low level of risk.

RISK RATING

LOW MODERATE HIGH

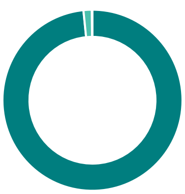
Fund category
Canadian Fixed Income

Inception date
October 05, 2009

Management expense ratio (MER)*
2.00%
(December 31, 2024)

Fund management
TD Asset Management Inc.

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



Asset allocation (%)

Domestic Bonds	98.4
Foreign Bonds	1.5
Cash and Equivalents	0.1

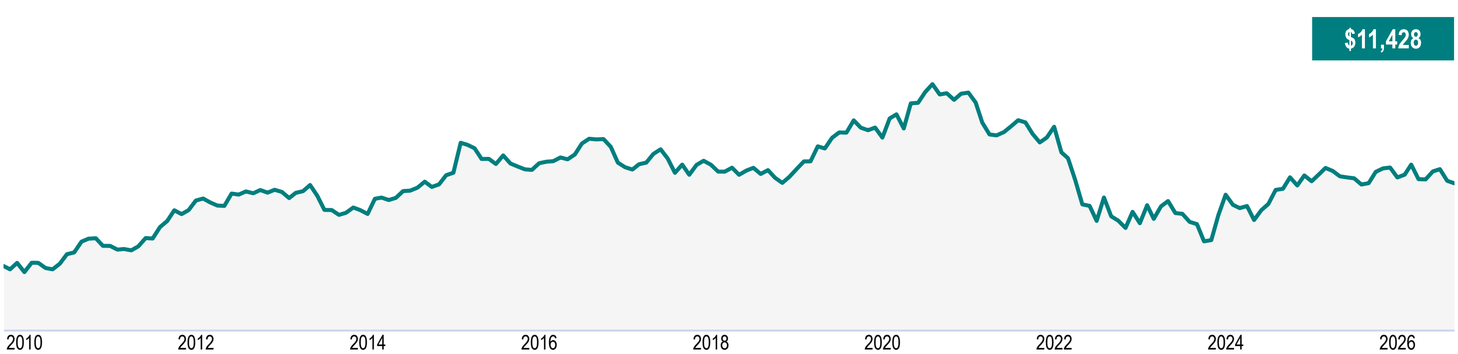
Geographic allocation (%)

Canada	98.6
United States	1.4

Sector allocation (%)

Fixed Income	99.9
Cash and Cash Equivalent	0.1

Growth of $10,000 (since inception)



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Fund details (as of August 31, 2026)

Top holdings	%
Canadian Government Bond 2.75% 01-Mar-2031	1.9
Canadian Government Bond 3.25% 01-Jun-2036	1.8
Canada Government 2.75% 01-Sep-2030	1.7
Canada Government 3.25% 01-Dec-2035	1.4
Canadian Government Bond 3.00% 01-Sep-2031	1.4
Canada Government 3.50% 01-Dec-2057	1.3
Canada Government 2.75% 01-Mar-2030	1.3
Canada Government 3.25% 01-Sep-2028	1.3
Canada Government 3.25% 01-Jun-2035	1.3
Canada Government 2.75% 01-Sep-2027	1.3
Total allocation in top holdings	**14.7**

Portfolio characteristics	
Standard deviation	5.17%
Dividend yield	-
Yield to maturity	3.93%
Duration (years)	6.94
Coupon	3.55%
Average credit rating	AA
Average market cap (million)	-

Net assets (million)
$5.4

Price
$11.43

Number of holdings
1021

Minimum initial investment
$500

Fund codes

FEL – CLGA116A

DSC^ – CLGA116B

CB4 – CLGA116C

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-0.38	**-1.77**	**-0.88**	**-0.03**	**2.14**	**-1.74**	**-0.64**	**0.79**

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
0.58	**2.06**	**4.58**	**-13.41**	**-4.53**	**6.35**	**4.64**	**-0.63**

Range of returns over five years (November 01, 2009 - August 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
3.84%	**March 2015**	**-2.78%**	**July 2025**	**0.39%**	**62.24%**	**89**	**54**

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

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Q2 2026 Fund Commentary

Commentary and opinions are provided by TD Asset Management Inc..

Market commentary

The second quarter of 2026 was characterized by a mixed macroeconomic backdrop, as persistent economic softness offset a modest uptick in inflation. Canadian growth weakened further at the start of the year, with first-quarter gross domestic product declining by 0.1% on a quarter-over-quarter annualized basis, following a 0.6% contraction in the fourth quarter, resulting in a technical recession. Headline inflation rose to 3.2% year over year in May, largely reflecting higher energy prices. However, underlying price pressures remained contained, with core inflation measures holding close to the Bank of Canada's (BoC) 2% target, as excess capacity in the economy continues to provide a disinflationary offset.

The BoC maintained its policy rate at 2.25% throughout the quarter, reiterating a data-dependent approach as it balances externally driven inflation pressures against a still-soft domestic growth backdrop. While the earlier escalation of conflict in the Middle East contributed to heightened uncertainty and rising energy prices, subsequent de-escalation alleviated near-term inflation concerns and reduced the risk of prolonged supply disruptions. Market expectations for additional policy tightening were scaled back over the quarter.

Canadian fixed income markets posted positive returns in the quarter, supported by declining government bond yields. The yield curve flattened, with longer-term yields leading the move lower. Yields on two-year Government of Canada bonds declined by roughly 8 basis points (bps), while 30-year yields fell by nearly 12 bps during the quarter. The decline in yields reflects a combination of easing geopolitical risk, moderating inflation expectations and a reassessment of the policy path.

Corporate credit markets remained resilient, with spreads tightening by roughly 7 bps over the quarter, falling back to pre-conflict levels. The narrowing in spreads was supported by the easing of geopolitical risks, strong issuer fundamentals and continued investor demand for income amid elevated all-in yields. Credit markets absorbed a high level of new issuance, including significant activity from large global issuers, reflecting the strength of technical conditions in the asset class.

Performance

The Fund is a passive index strategy designed to track the FTSE Canada Universe Bond Index, while excluding BBB-rated bonds at the time of purchase.

The Fund's exclusion of BBB-rated securities weighed on relative results during the quarter because that segment outperformed the broader benchmark. The Fund's tracking difference remains within expectation on a one-year and four-year basis.

Portfolio activity

There were no significant trades during the quarter. The Fund is a passive index strategy, and portfolio activity reflects index rebalancing rather than active positioning decisions.

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Outlook

In the sub-advisor's view, the macroeconomic backdrop remains balanced but uncertain. Easing energy prices have reduced near-term inflation risks, allowing central banks to remain patient as they assess incoming data. While U.S. growth and inflation remain firmer than in Canada, much of the associated policy risk appears priced in. In Canada, soft but stabilizing growth and contained underlying inflation support a more measured policy outlook. Key risks include renewed geopolitical tensions, more persistent U.S. inflation, and uncertainty surrounding Canada-United States-Mexico Agreement negotiations.

From a credit perspective, the sub-advisor believes corporate fundamentals and technical conditions remain supportive, with strong investor demand continuing to absorb new issuance. However, valuations remain near the tighter end of their historical ranges, and the sub-advisor expects sector and issuer dispersion to remain a key theme.

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Disclaimer

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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 Jun 30, 2026. 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.**

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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.