

CAN Canadian Growth Balanced II 100/100 (PS2)[†]



December 31, 2025

A value equity fund that invests in a broad range of small- to large-cap Canadian companies to seek a balance between growth and interest income.

Is this fund right for you?

- You're looking to preserve your investment while still allowing it to grow.
- You want to invest in the common shares (or their equivalents) of Canadian companies and fixed-income investments.
- You're comfortable with a low to moderate level of risk.

RISK RATING



Fund category
Canadian Equity Balanced

Inception date
May 14, 2012

Management expense ratio (MER)*
-

Fund management
Mackenzie Investments

How is the fund invested? (as of October 31, 2025)



Asset allocation (%)

Canadian Equity	37.8
Domestic Bonds	29.1
US Equity	21.7
International Equity	6.4
Foreign Bonds	4.2
Cash and Equivalents	0.9
Other	-0.1



Geographic allocation (%)

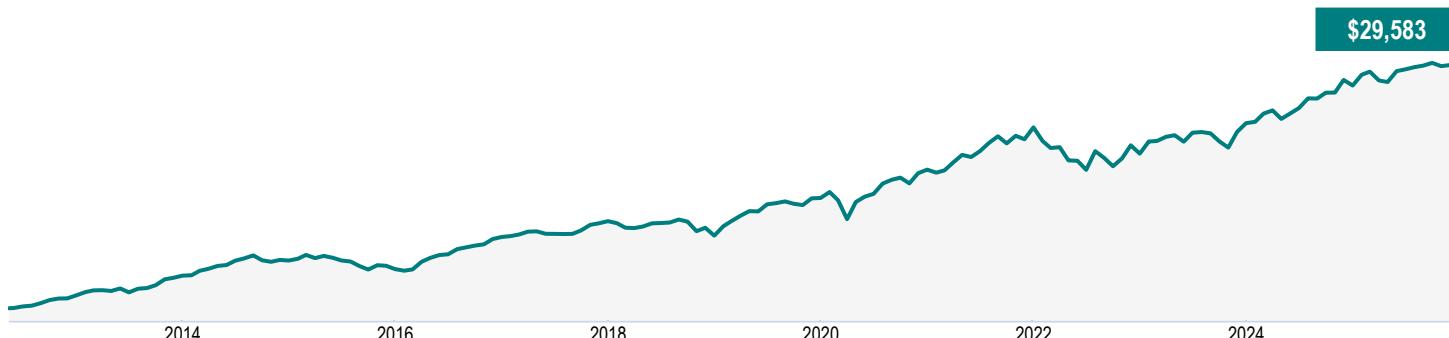
Canada	67.3
United States	24.1
United Kingdom	3.6
Ireland	1.6
Mexico	1.1
Italy	0.7
France	0.6
North America	0.4
Other	0.6



Sector allocation (%)

Fixed Income	33.3
Financial Services	17.3
Technology	11.6
Consumer Services	10.8
Industrial Services	9.7
Healthcare	4.4
Basic Materials	4.0
Real Estate	3.7
Industrial Goods	3.5
Other	1.7

Growth of \$10,000 (since inception)



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Fund details (as of October 31, 2025)

Top holdings	%	Portfolio characteristics	Net assets (million)
Royal Bank of Canada	3.8	Standard deviation	7.03%
Toronto-Dominion Bank	2.9	Dividend yield	1.25%
Canada Government 3.25% 01-Jun-2035	2.9	Yield to maturity	4.01%
Microsoft Corp	2.8	Duration (years)	7.46
Stantec Inc	2.7	Coupon	4.36%
Waste Connections Inc	2.6	Average credit rating	A+
Loblaw Cos Ltd	2.5	Average market cap (million)	\$792,379.0
Brookfield Asset Management Ltd Cl A	2.5		
TMX Group Ltd	2.4		
Intact Financial Corp	2.2		
Total allocation in top holdings	27.3		

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-0.59	-1.18	5.29	5.29	9.45	6.83	8.42	8.28

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
5.29	12.21	10.98	-8.64	16.15	12.14	19.28	-6.91

Range of returns over five years (June 01, 2012 - December 31, 2025)

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
10.59%	March 2025	4.14%	March 2020	7.71%	100.00%	104	0

Net assets (million)
\$14.6

Price
\$29.58

Number of holdings
998

Minimum initial investment
\$100,000
A minimum \$500,000 in eligible assets required for preferred pricing.
(refer back to info folder for eligible assets)

Fund codes
FEL – CLGE097I

Contact information

Customer service centre

Toll free:
1-888-252-1847

Corporate website:
canadalife.com

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Q3 2025 Fund Commentary

Market commentary

North American economies showed mixed signals in the third quarter. Canada's economy remained under pressure from U.S. tariffs. U.S. growth was supported by steady consumer spending. Manufacturing activity weakened in both countries given trade uncertainty.

The Bank of Canada lowered its key interest rate to 2.50%, citing a softer labour market and fading inflation pressures. The U.S. Federal Reserve Board cut its federal funds rate to a target range of 4.00% to 4.25% given slowing job growth and mostly contained inflationary pressures. Canada's unemployment rate ended the quarter at 7.1%, while the U.S. rate was 4.3% in August 2025.

Credit spreads (the difference in yield between corporate and government bonds with the same maturity) continued to narrow, which supported Canadian corporate fixed income. Investment-grade corporate bonds rose, driven by steady demand and strong fundamentals. High-yield bonds rose, driven by improving risk sentiment and appetite for income.

Equity markets in both countries rose. The S&P/TSX Composite Index gained 12.5%, led by the materials, information technology and materials sectors. In the U.S., the S&P 500 Index rose 10.5%, with information technology and communication services outperforming on continued enthusiasm for artificial intelligence (AI). The energy sector performed largely in line with both markets, pressured by weaker oil prices and margin compression.

Performance

The Fund's relative exposure to OR Royalties Inc., IAMGOLD Corp. and Alamos Gold Inc. contributed to performance. All three companies benefited from rising gold prices.

Relative exposure to Constellation Software Inc. and Verisk Analytics Inc. detracted from the Fund's performance. Both stocks fell amid concerns around AI disintermediation.

At the sector level, stock selection in real estate and utilities contributed to the Fund's performance, as did underweight exposure to consumer staples. Exposure to government bonds also contributed to performance. Stock selection in information technology, financials, health care and industrials detracted from performance, as did overweight exposure to industrials. Selection among industrials sector bonds also detracted from the Fund's performance.

Portfolio activity

The sub-advisor added TJX Cos. Inc. for its cash flow growth and industry-leading position in discount retail. Rogers Communications Inc. was added based on an improving outlook for the wireless segment and underappreciated valuation of its sports franchises. Oracle Corp. was added for its long-term earnings growth prospects as a key enabler in AI. NVIDIA Corp. was increased based on its growth prospects related to AI.

Definity Financial Corp. was sold as the Fund's financials holdings were rebalanced. Alcon AG was reduced because of lower earnings prospects amid higher competition.

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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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