

# Canada Life Government Bond Gens<sup>†</sup>



December 31, 2025

A Canadian fund seeking interest income and growth potential while also trying to reduce volatility by investing in shorter-term bonds.

### 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 or government-guaranteed instruments with credit ratings of A or higher.
- You're comfortable with a low level of risk.

**Fund category**  
Canadian Short Term Fixed Income

**Inception date**  
November 27, 1998

**Management expense ratio (MER)\***  
2.77%  
(December 31, 2024)

**Fund management**  
Mackenzie Investments



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



| Asset allocation (%) |      |
|----------------------|------|
| Domestic Bonds       | 97.3 |
| Cash and Equivalents | 2.7  |

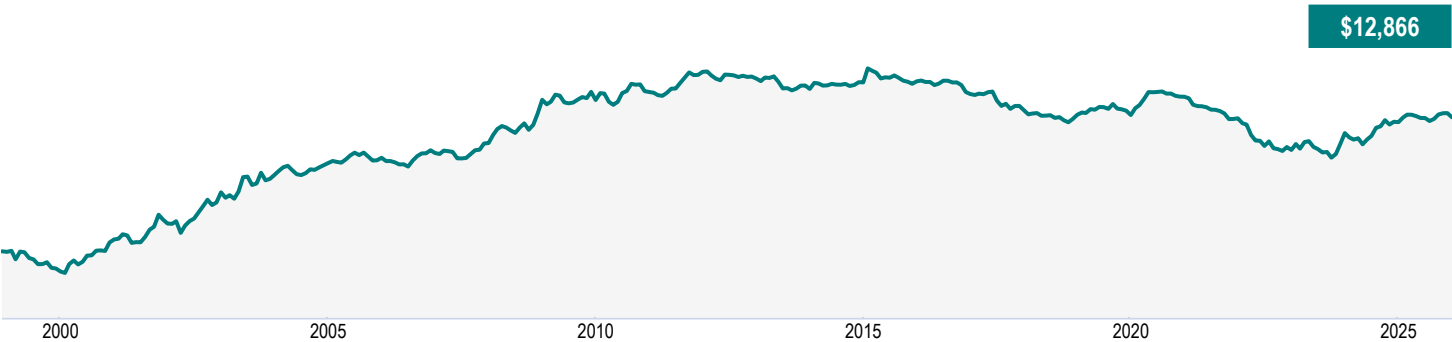


| Geographic allocation (%) |       |
|---------------------------|-------|
| Canada                    | 100.0 |



| Sector allocation (%)    |      |
|--------------------------|------|
| Fixed Income             | 97.3 |
| Cash and Cash Equivalent | 2.7  |

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



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## Fund details (as of December 31, 2025)

| Top holdings                                | %           |
|---|-------------|
| Canada Housing Trust No 1 3.10% 15-Jun-2028 | 26.7        |
| Canada Housing Trust No 1 1.90% 15-Sep-2026 | 17.6        |
| Ontario Province 3.60% 02-Jun-2035          | 17.4        |
| Canada Housing Trust No 1 2.90% 15-Dec-2029 | 11.3        |
| Canada Government 4.00% 01-Mar-2029         | 5.1         |
| Alberta Province 2.05% 01-Jun-2030          | 4.8         |
| Ontario Province 3.60% 08-Mar-2028          | 3.6         |
| Canada Government 3.25% 01-Dec-2034         | 3.5         |
| PSP Capital Inc. 2.60% 29-Feb-2032          | 3.2         |
| Quebec Province 2.75% 01-Sep-2027           | 2.1         |
| <b>Total allocation in top holdings</b>     | <b>95.3</b> |

| Portfolio characteristics    |       |
|------------------------------|-------|
| Standard deviation           | 2.68% |
| Dividend yield               | -     |
| Yield to maturity            | 2.90% |
| Duration (years)             | 3.52  |
| Coupon                       | 2.95% |
| Average credit rating        | AA    |
| Average market cap (million) | -     |

**Net assets (million)**  
\$2.4

**Price**  
\$12.87

**Number of holdings**  
14

**Minimum initial investment**  
\$500

**Fund codes**  
DSC<sup>^</sup> – CLGOF118  
NL – CLGON118

## Understanding returns

### Annual compound returns (%)

| 1 MO         | 3 MO         | YTD         | 1 YR        | 3 YR        | 5 YR         | 10 YR        | INCEPTION   |
|--------------|--------------|-------------|-------------|-------------|--------------|--------------|-------------|
| <b>-0.70</b> | <b>-0.47</b> | <b>0.81</b> | <b>0.81</b> | <b>1.88</b> | <b>-0.67</b> | <b>-0.58</b> | <b>0.93</b> |

### Calendar year returns (%)

| 2025        | 2024        | 2023        | 2022         | 2021         | 2020        | 2019         | 2018         |
|-------------|-------------|-------------|--------------|--------------|-------------|--------------|--------------|
| <b>0.81</b> | <b>1.87</b> | <b>2.96</b> | <b>-5.27</b> | <b>-3.46</b> | <b>3.02</b> | <b>-0.04</b> | <b>-0.76</b> |

## Range of returns over five years (December 01, 1998 - 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 |
|--------------|----------------------|---------------|-----------------------|----------------|------------------------------------|----------------------------|----------------------------|
| <b>4.58%</b> | <b>Jan. 2005</b>     | <b>-1.62%</b> | <b>May 2022</b>       | <b>0.89%</b>   | <b>57.52%</b>                      | <b>153</b>                 | <b>113</b>                 |

## Contact information

**Customer service centre**

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1-888-252-1847

Corporate website:  
canadalife.com

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## Q3 2025 Fund Commentary

### Market commentary

Canada's economy faced challenges in the third quarter as trade tensions with the U.S. continued. This weighed on trade activity and the manufacturing sector. Household spending demonstrated resiliency despite a slowing labour market and economic uncertainty.

The Bank of Canada (BoC) lowered its key interest rate to 2.50%, citing a weaker labour market and easing inflation. The BoC emphasized a cautious approach to balancing growth and price stability. Canada's unemployment rate was 7.1%, the highest since 2021, with youth unemployment rising sharply.

The Canadian fixed income market posted gains. Yields on 10-year Government of Canada bonds finished at 3.18%, slightly lower than 3.27% at the beginning of the quarter. Government bond prices increased, while investment-grade corporate bonds outperformed. High-yield bonds rose, driven by improving risk sentiment and appetite for income.

### Performance

The Fund's relative exposure to Province of Ontario (3.6%, 2035/06/02) contributed to performance as mid-term provincial bonds outperformed the benchmark, supported by strong investor demand. Ontario's credit profile and market liquidity made it an attractive holding. Relative exposure to Canada Housing Trust No. 1 (1.9%, 2026/09/15) detracted from performance as short-term federal agency bonds underperformed.

At the sector level, exposure to provincial bonds contributed to the Fund's performance. Exposure to federal government bonds detracted from performance.

### Portfolio activity

Canada Housing Trust No. 1 (1.95%, 2025/12/15) was reduced because of portfolio flow management, with proceeds reallocated to meet liquidity needs.

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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.

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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.

<sup>^</sup>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.

<sup>†</sup>Soft capped - Contributions are no longer accepted to new investors., <sup>‡</sup>Hard capped - Contributions are no longer accepted.

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