

CAN Balanced Income 100/100 (P)†



December 31, 2025

A fund that aims to find balance between long-term growth and consistent income.

Is this fund right for you?

- You want investment income and you want your money to grow over time.
- You want to invest in Canadian fixed-income funds (target: no more than 45 per cent) and Canadian and foreign equity funds.
- You're comfortable with a low to moderate level of risk.



Fund category
Canadian Neutral Balanced

Inception date
July 09, 2018

Management expense ratio (MER)*
-

Fund management
Portfolio Solutions Group

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



Asset allocation (%)

Domestic Bonds	42.7
Canadian Equity	33.0
US Equity	13.8
International Equity	8.3
Cash and Equivalents	1.3
Foreign Bonds	0.9



Geographic allocation (%)

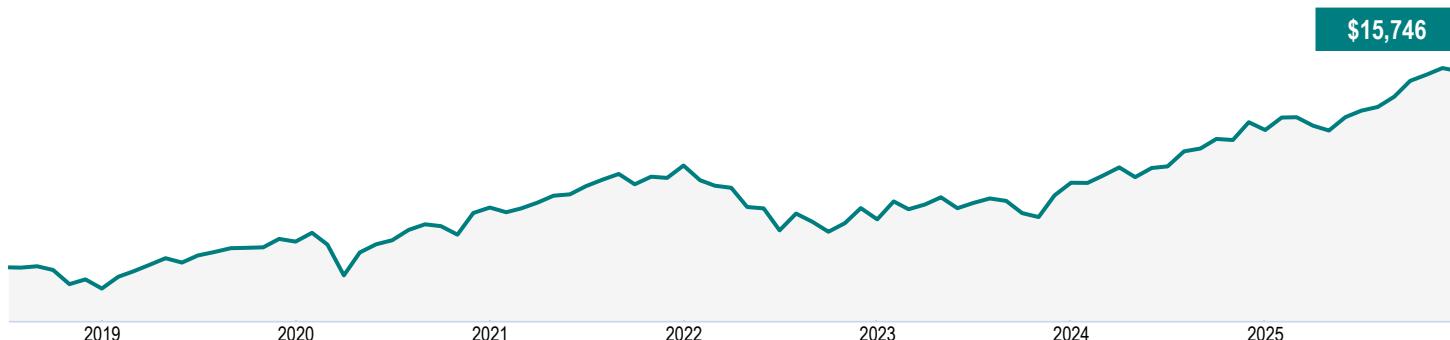
Canada	77.0
United States	14.0
Multi-National	8.3
Philippines	0.1
Other	0.6



Sector allocation (%)

Exchange Traded Fund	55.0
Fixed Income	43.6
Cash and Cash Equivalent	1.3
Other	0.1

Growth of \$10,000 (since inception)



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Fund details (as of December 31, 2025)

Top holdings	%	Portfolio characteristics		Net assets (million)
Canada Life Canadian Large Cap Equity Index ETF	33.0	Standard deviation	7.09%	\$23.2
Canada Life US Large Cap Equity Index ETF	13.8	Dividend yield	-	Price \$15.75
Canada Life International Equity Index ETF	8.3	Yield to maturity	3.50%	Number of holdings 970
Canada Government 3.00% 01-Jun-2034	1.0	Duration (years)	6.96	Minimum initial investment \$500
Canada Government 0.50% 01-Dec-2030	0.9	Coupon	3.27%	Fund codes
Canada Government 2.00% 01-Dec-2051	0.9	Average credit rating	AA	FEL – CLGB135I
Canada Government 1.25% 01-Jun-2030	0.7	Average market cap (million)	-	
Ontario Province 4.60% 02-Jun-2039	0.7			
Canada Government 1.00% 01-Jun-2027	0.6			
Canada Government 2.75% 01-Dec-2055	0.6			
Total allocation in top holdings	60.5			

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-0.59	1.82	12.28	12.28	11.34	6.02	-	6.26

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
12.28	12.38	9.40	-12.14	10.48	9.28	14.65	-

Range of returns over five years (August 01, 2018 - 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
7.70%	March 2025	3.15%	Sept. 2023	5.40%	100.00%	30	0

Contact information

Customer service centre

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Q3 2025 Fund Commentary

Market commentary

Global equities gained over the third quarter of 2025 and outperformed global bonds, which posted a small gain (all returns in Canadian-dollar terms on a total return basis). Expectations that the U.S. Federal Reserve Board (Fed) would lower interest rates and ongoing investment and development in artificial intelligence (AI) helped boost stocks over the quarter.

The U.S. equity market advanced, posting a double-digit return. Information technology was the strongest-performing sector. Canadian equities increased and outperformed U.S. equities, getting a strong performance from the materials sector. EAFE equities advanced, underperforming Canadian and U.S. equities.

Equities in Japan and the U.K. contributed to the performance of EAFE equities. Emerging markets equities also advanced and outperformed their developed market peers, with equities in China and Taiwan contributing to performance.

The FTSE Canada Universe Bond Index posted a total return of 1.5% over the quarter. As government yields moved lower, government bond prices increased. Government bonds underperformed corporate bonds, which also posted a gain.

Corporate bond prices benefited from narrowing credit spreads (the difference in yield between corporate and government bonds). Real estate bonds posted the largest increase in the corporate sector. High-yield bond prices rose on a total return basis and outperformed investment-grade corporate bonds.

Global bond yields remained largely unchanged over the quarter, and global bond prices posted a small gain. The Bank of Canada, the Fed and the Bank of England lowered their policy interest rates. The European Central Bank and Bank of Japan held their policy interest rates steady. The yield on 10-year Government of Canada bonds fell from 3.27% to 3.18%. Government yields in the U.S. also declined. Government bond yields in the U.K., Germany and Japan increased.

Performance

All underlying funds are passively managed, tracking their respective regional asset class indices. The underlying funds are held in proportion to the benchmark weight of their regional asset class. The sub-advisor does not make asset class or regional positioning calls.

Portfolio activity

The sub-advisor did not make any changes to the Portfolio during the quarter.

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Outlook

In the sub-advisor's view, the third quarter of 2025 highlighted divergence in global growth. The U.S. economy was resilient with gross domestic product growth near 3% annualized and productivity gains driven by AI adoption offsetting softer labour market trends. In contrast, Canada, Europe and the U.K. were weighed down by rising unemployment and trade challenges.

In the sub-advisor's view, equity markets reflect investor optimism, particularly in the U.S., where AI-driven earnings drove elevated valuations. Market concentration in technology and swings in investor sentiment are causes for caution.

Within fixed income, we view alternatives such as private credit and mortgages as valuable sources of income and duration management, particularly in a higher-for-longer environment. Liquidity and flexibility remain central, allowing portfolios to absorb sudden shocks if risks around AI investment, funding markets, or fiscal policy materialize.

The sub-advisor's approach emphasizes resilience over precision. Core U.S. equity exposure remains important, but we balance this with global diversification and multi-factor strategies that reduce dependence on narrow leadership.

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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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