Canada Life Moderate Portfolio Fund A

July 31, 2026

A portfolio fund aiming to provide income while also allowing for long-term growth.

Is this fund right for you?

- You want investment income and you want your money to grow over time.
- You want to invest in both fixed-income funds and equity funds (up to 40 per cent).
- You're comfortable with a low level of risk.

RISK RATING

LOW — MEDIUM — HIGH

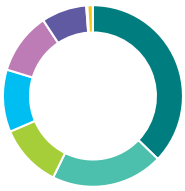
Fund category
Global Fixed Income Balanced

Inception date
January 18, 2001

Management expense ratio (MER)
2.36%
(March 31, 2026)

Fund management
Portfolio Solutions Group

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



Asset allocation (%)

Domestic Bonds	37.2
US Equity	20.1
Canadian Equity	11.3
Foreign Bonds	11.1
International Equity	11.0
Cash and Equivalents	8.1
Income Trust Units	0.2
Other	1.0

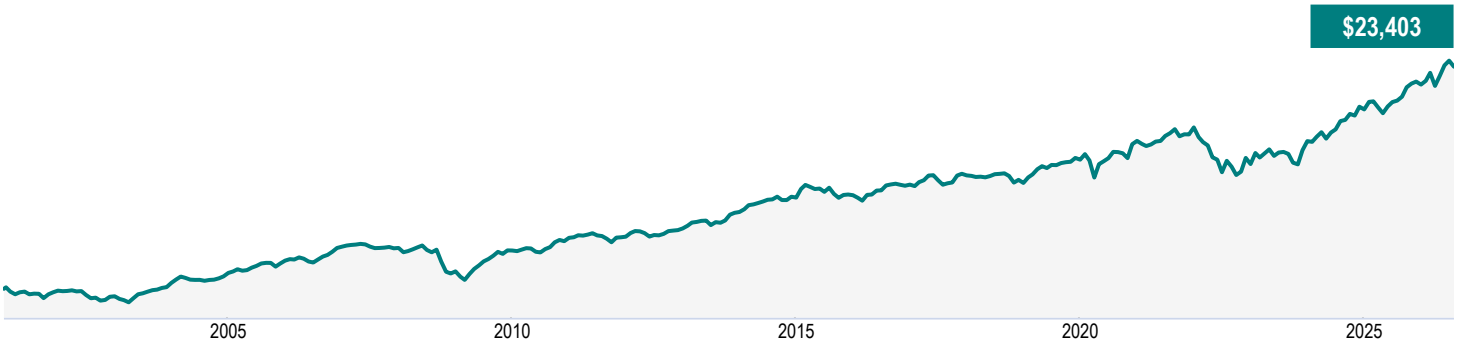
Geographic allocation (%)

Canada	34.6
United States	29.0
North America	21.7
United Kingdom	1.6
Ireland	1.2
Japan	1.1
Korea, Republic Of	1.0
Taiwan	1.0
France	1.0
Other	7.8

Sector allocation (%)

Fixed Income	49.2
Technology	11.2
Financial Services	8.4
Cash and Cash Equivalent	8.1
Energy	3.0
Basic Materials	3.0
Industrial Goods	3.0
Consumer Services	2.9
Healthcare	2.9
Other	8.3

Growth of $10,000 (since inception)



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Fund details (as of May 31, 2026)

Top holdings	%
Canada Life Canadian Core Fixed Income Fund Series R	21.7
Cash and Cash Equivalents	7.4
Canada Government 3.25% 01-Jun-2035	1.3
Apple Inc	1.1
NVIDIA Corp	1.1
Royal Bank of Canada	1.0
Microsoft Corp	0.9
Amazon.com Inc	0.8
Toronto-Dominion Bank	0.7
Broadcom Inc	0.7
Total allocation in top holdings	**36.7**

Portfolio characteristics	
Standard deviation	6.3%
Dividend yield	1.6%
Yield to maturity	-
Duration (years)	-
Coupon	-
Average credit rating	-
Average market cap (million)	$998,588.4

Net assets (million)
$180.2

Price
$15.70

Number of holdings
2696

Minimum initial investment
$500

Fund codes
FEL – MAX1271
DSC^ – MAX1371
LSC^ – MAX1471

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-1.5	**2.5**	**4.8**	**9.6**	**8.6**	**3.8**	**3.7**	**3.4**

Calendar year returns (%)

2025	2024	2023	2022	2021	2020	2019	2018
7.2	**10.1**	**7.9**	**-11.2**	**4.3**	**6.4**	**8.6**	**-2.7**

Range of returns over five years (February 01, 2001 - July 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
7.4%	**Feb. 2014**	**-0.4%**	**Feb. 2009**	**3.3%**	**99.6%**	**246**	**1**

Contact information

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Q2 2026 Fund Commentary

Commentary and opinions are provided by Portfolio Solutions Group.

Market commentary

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Global financial markets spent the second quarter looking past geopolitical uncertainty and refocusing on corporate earnings. Early in the quarter, conflict in the Middle East raised concerns about global energy supplies and renewed inflationary pressures. As tensions eased and the risk of a prolonged disruption to energy flows through the Strait of Hormuz diminished, investor sentiment improved. Markets quickly concluded that the geopolitical shock was unlikely to derail the global earnings cycle. Attention returned to resilient corporate earnings, continued investment in artificial intelligence (AI), and a global economy that, while moderating, continued to expand. All returns are in Canadian-dollar terms and on a total-return basis.

Global equities generated strong returns, with the MSCI World Index gaining 15.6%, significantly outperforming the FTSE Canada Universe Bond Index, which returned 2.0%. Improving investor confidence and a stronger earnings outlook supported equity markets as concerns over an extended energy shock faded. Continued investment in AI infrastructure remained a powerful driver of returns, supporting companies across the semiconductor, software and data centre ecosystem.

Regional performance reflected differing sector exposures and economic fundamentals. U.S. equities led developed markets on the back of resilient earnings growth and continued strength in technology and industrials. Emerging markets were the strongest-performing region, returning 26.1%, as Taiwan and South Korea benefited from sustained demand for AI-related semiconductors and advanced technology hardware. Canadian equities gained 7.0%, supported by strong advances in financials and industrials, although weakness in the energy and materials sectors limited broader market performance.

Fixed income delivered positive, though more modest, returns. Lower oil prices reduced concerns about a sustained inflation shock, but resilient economic data tempered expectations for significant interest rate cuts. Corporate bonds outperformed government bonds as credit spreads narrowed and investor confidence improved.

The second quarter reinforced an important lesson for investors. Financial markets can recover quickly from geopolitical shocks when the long-term drivers of earnings remain intact. That does not mean the underlying challenges have disappeared. Trade uncertainty, elevated equity valuations and the need for continued earnings growth remain important considerations. While the immediate risks have eased, that distinction is likely to remain important through the second half of the year.

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Performance

The allocation to fixed income contributed to performance. Global Bond and Long-Term Bond outperformed.

U.S. Growth Equity contributed to performance. Growth-oriented equities outperformed, and further value was added because of selection in the information technology, industrials, communication services and consumer discretionary sectors. Canada Life Emerging Markets Fund also contributed because of stock selection in Taiwan, China, Hong Kong and Saudi Arabia.

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The allocation to Multi-Factor Canadian, U.S Equity and International Equity detracted from performance. The allocation to off-benchmark Global Opportunities+ Fund also detracted.

Multi-Factor strategies have equal weighting to six factors: value, profitability, investment, low volatility, momentum and size. However, the growth factor has largely been the driving force of market returns and under performance was exacerbated by the headwind of smaller-capitalization companies underperforming large caps.

Canada Life Global Opportunities+ Fund underperformed because it invests in global equities, fixed income, commodities, currencies, cash and cash equivalents. Because of its diversified nature, it underperformed its equity benchmark.

Portfolio activity

New U.S. Growth and U..S Value mandates sub-advised by Putnam Investments were introduced. A new Canadian Growth mandate sub-advised by PICTON Investments was also introduced. The weighting to Counsel Multi-Factor U.S. Equity was increased.

The Emerging Markets Equity allocation to Putnam was exited in favour of Emerging Markets sub-advised by Mackenzie Investments. Canadian All Cap Growth, U.S. Dividend, U.S. Disciplined Value, U.S. Core Growth and American Growth were all exited.

Outlook

The third quarter of 2026 begins with markets having moved quickly from crisis pricing to relief pricing, as the immediate risk of a severe energy shock has faded following a fragile U.S.-Iran agreement and reduced concern over prolonged disruption through the Strait of Hormuz. Relief is warranted, but not complacency. Energy systems take time to normalize, with tanker positioning, insurance markets, inventories, production capacity and Qatari natural gas supply still working through the after-effects of the shock. Lower oil prices should help headline inflation and ease some pressure on central banks, but inflation pass-through may still appear with a lag in areas such as airfares, electricity, food and fertilizer. As a result, central banks remain cautious: the Bank of Canada is likely boxed into a hold given weak growth but persistent wage and productivity pressures, while the U.S. economy has not yet made a convincing case for U.S. Federal Reserve Board rate cuts.

Against that macroeconomic backdrop, earnings remain the key source of market validation, and AI continues to dominate the investment narrative. The AI buildout is real, supporting capital spending, semiconductors, data centres, power infrastructure, hardware, software and parts of global trade, particularly in Asia. However, the quality of reported earnings deserves more scrutiny. Some recent earnings strength may reflect unrealized mark-to-market gains on AI-related equity stakes rather than recurring operating profits, creating the risk of a circular feedback loop between public valuations, private valuations and reported earnings. We remain constructive but more selective: favouring U.S. equities while avoiding excessive concentration in the narrowest AI leaders, staying underweight Canada and developed international equities, and maintaining selective exposure to emerging markets tied to the AI supply chain.

Fixed income duration remains useful as a stabilizer. Credit requires caution, and alternatives continue to play an important role in providing diversification, liquidity and flexibility as markets test whether AI strength, lower inflation and easier energy conditions can justify already elevated expectations.

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^Deferred Sales Charge (DSC) and Low Load Deferred Sales Charge (LSC) purchase options is closed to new investments given regulatory bans put in place for these purchase options that came into effect June 1, 2022.

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

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