The Canada Life Assurance Company
FUND FACTS — Canada Life Segregated Funds Policy
All information as at December 31, 2025

Diversified Fixed Income II

Quick facts:

Date fund available: July 8, 2013
Date fund created: July 8, 2013
Managed by: Canada Life Investment Management Ltd.

Total fund value: $51,694,422
Portfolio turnover rate: 19.59%

Guarantee policy: Maturity / death benefit (%):	75 / 75			75 / 100			100 / 100		
Series	**MER (%) [1]**	**NAV ($) [1]**	**UOS [1]**	**MER (%) [1]**	**NAV ($) [1]**	**UOS [1]**	**MER (%) [1]**	**NAV ($) [1]**	**UOS [1]**
Standard series: FEL, DSC and CB options [1, 3]	2.29	13.58	426,570	2.57	13.23	1,008,751	2.74	12.96	168,155
Preferred series 1: FEL, DSC and CB options [1, 3]	1.88	14.40	362,871	1.99	14.22	1,041,190	2.16	13.92	268,017
Partner series: FEL option [2]	1.73	12.40	21,202	2.01	12.14	132,182	2.18	11.99	330
Preferred partner series: FEL option [2]	1.32	12.80	75,918	1.43	12.68	130,716	1.57	12.53	--

If there are zero units outstanding, the MER shown is an estimate. For further details on the MER see Ongoing Expenses below.

[2] 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.

[1] FEL - Front-end load
CB - Chargeback – Includes both CB2 and CB4.
MER - Management expense ratio
NAV - Net asset value
UOS - Units outstanding

Minimum investment
Non-registered, RRSP and TFSA policies: $500 initial or pre-authorized chequing (PAC) of $25
RRIF policies: $10,000 initial
Preferred series 1 and Preferred partner series has a $500,000 minimum total holdings requirement

[3] DSC - Deferred sales charge – Contributions are no longer accepted.

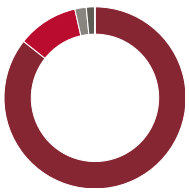
What does the fund invest in?

This segregated fund invests primarily in Canadian fixed-income securities issued by governments and corporations, and the fund may invest in foreign investments, currently through the Canada Life Diversified Fixed Income Portfolio.

Top 10 investments (of the underlying fund)

	Assets %
United States Treasury Note, 4.25%, 8/15/2035	0.97
DBX ETF Trust - Xtrackers USD High Yield Corporate Bond ETF X Trackers Usd High Yield Corp Bf Etf	0.92
Sagard Credit Partners II LP	0.89
Go Daddy Operating Co. LLC, 3.5%, 3/1/2029	0.87
TransCanada Trust, 4.65%, 5/18/2077	0.77
Pembina Pipeline Corp., 4.8%, 1/25/2081	0.76
Videotron Ltee, 3.13%, 1/15/2031	0.76
Rogers Communications Inc., 5.25%, 3/15/2082	0.75
Videotron Ltee, 3.63%, 6/15/2028	0.74
Inter Pipeline Ltd. (FRN), 6.88%, 3/26/2079	0.74
Total	8.16
Total investments:	**944**

Investment segmentation



	Assets %
Fixed income	85.65
Cash and equivalents	10.80
Canadian equity	2.02
Foreign equity	1.51
Other	0.02

Are there any guarantees?

This fund is being offered under an insurance contract. It comes with guarantees that may protect your investment if the markets go down. The MER includes the insurance cost for the guarantee. For details, please refer to the information folder and contract.

How has the fund performed?

This section tells you how the fund has performed over the past 10 years for a policyowner who chose the 75/75 guarantee policy and Standard series option. Returns are after the fund expense ratio (FER) has been deducted.

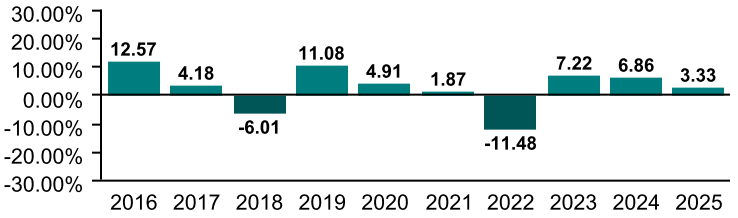
It's important to note that this doesn't tell you how a Standard series option will perform in the future. Also, your actual return will depend on the guarantee policy and sales charge option you choose and your personal tax situation.

Average return

A person who invested $1,000 in a Standard series option on December 31, 2015 would have $1,371.34 on December 31, 2025. This works out to an average of 3.21% a year.

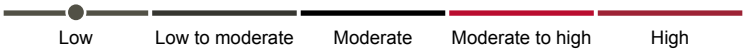
Year-by-year returns (%)

This chart shows how a Standard series option has performed in each of the past 10 years. In the past 10 years, the fund was up in value 8 years and down in value 2 years.



How risky is it?

The risk rating for this fund is *Low*.



The value of your investments can go down. Please see the *Fund risks* section of the information folder for further details.

Who is this fund for?

A person who is investing for the medium to longer term and seeking potential for interest income in their portfolio and is comfortable with low risk. Since the fund invests in bonds anywhere in the world, its value is affected by changes in interest rates and foreign exchange rates between currencies.

Notes

On or about September 11, 2026 this fund's name changed to Diversified Fixed Income II from North American High Yield Fixed Income, the underlying fund changed to Canada Life Diversified Fixed Income Portfolio from Mackenzie North American Corporate Bond Fund and Canada Life Investment Management Ltd. assumed portfolio management responsibilities from Mackenzie Investments. With this change the risk rating changed from "Low to Moderate" to "Low". Prior to September 2019, the manager was named Putnam Investments Canada ULC. The performance prior to the above dates were achieved under previous manager and/or investment strategy. The Top 10 investments represent holdings as of December 31, 2025. No other changes were made to the segregated fund.

Diversified Fixed Income II

How much does it cost?

The following table shows the fees and expenses you could pay to invest in or redeem units of the fund and will depend on the sales charge option you choose.

1. Sales charges

Sales charge option	What you pay	How it works	
Standard series FEL option	Up to 5% of the amount you invest.	•You and your advisor determine the rate. •The fee is deducted from the amount you invest. It is paid as a commission.	
Preferred series 1 FEL option	Up to 2% of the amount you invest.		
Standard series DSC option and Preferred series 1 DSC option Effective May 12, 2023, contributions to the deferred sales charge (DSC) option are no longer accepted.	If you redeem units within: • 1 year of investing, you pay 5.50% • 2 years of investing, you pay 5.00% • 3 years of investing, you pay 5.00% • 4 years of investing, you pay 4.00% • 5 years of investing, you pay 4.00% • 6 years of investing, you pay 3.00% • 7 years of investing, you pay 2.00% • After 7 years, you pay 0.00%	•When you invest, Canada Life pays a commission of up to 5%. •You can redeem up to 10% of your units each year without paying a redemption charge.	•The redemption charge is a set rate. It's deducted from the amount you withdraw. •Any redemption charge you pay goes to Canada Life. •You can switch to units of other available funds as per the contract. If you switch from a DSC option to a FEL option you may pay a redemption charge. The redemption charge is based on the date you invested the premium.
Standard series CB option and Preferred series 1 CB option – Chargeback 2 (CB2) and Standard series CB option and Preferred series 1 CB option – Chargeback 4 (CB4)	There is no fee to invest or redeem units.	•When you invest in the CB2 option, Canada Life pays a commission of up to 3%. •If you redeem units within the first 2 years from when the premium was allocated, your advisor may have to return a portion of their commission to Canada Life.	•When you invest in the CB4 option, Canada Life pays a commission of up to 3.5%. •If you redeem units within the first 4 years from when the premium was allocated, your advisor may have to return a portion of their commission to Canada Life.
Partner series FEL option	Up to 5% of the amount you invest.	•You and your advisor determine the rate. •The fee is deducted from the amount you invest. It's paid as a commission. •You will also agree on an advisory and management services fee (AMS) of between 0.50 –1.25%. The AMS fee is deducted from your policy every month.	
Preferred partner series FEL option	Up to 2% of the amount you invest.		

Diversified Fixed Income II

2. Ongoing expenses

The fund expense ratio (FER) is the sum of the management expense ratio (MER) and the trading expense ratio (TER) and is payable from the assets of the segregated fund. You don't pay these directly, but they will reduce the return on your investment.

The MER includes the management fee and operating expenses of the fund as well as the insurance cost for the guarantee. For Standard series and Preferred series 1, the MER also includes a fee that is paid to your advisor for the services and advice provided to you.

The TER includes the trading commissions and other portfolio transaction costs.

For Partner series and Preferred partner series, you will pay for the advisor's services directly through the redemption of units from your policy, known as an AMS fee. This fee is negotiable and ranges from 0.50-1.25%. This fee reduces the return you get on your investment.

Available additional guarantee options are subject to the following fees. You have to pay for these as set out below and this cost isn't included in the MER, TER or FER. For details about how the guarantees work, see your contract and information folder.

	MER (%) [1, 3]			TER (%) [1]	FER (%) [1, 2]		
Guarantee policy: Maturity / death benefit (%)	75 / 75	75 / 100	100 / 100	**All guarantee levels**	75 / 75	75 / 100	100 / 100
Standard series: FEL, DSC and CB options	2.29	2.57	2.74	--	2.29	2.57	2.74
Preferred series 1: FEL, DSC and CB options	1.88	1.99	2.16	--	1.88	1.99	2.16
Partner series: FEL option	1.73	2.01	2.18	--	1.73	2.01	2.18
Preferred partner series: FEL option	1.32	1.43	1.57	--	1.32	1.43	1.57

	Additional costs (%)		
Guarantee policy: Maturity / death benefit (%)	75 / 75	75 / 100	100 / 100
Death benefit guarantee reset option	n/a	0.11	0.11
Maturity guarantee reset option	n/a	n/a	0.05
Lifetime income benefit fee	n/a	n/a	n/a

[1]Annual rate as a % of the fund's value.

[2]The fund expense ratio (FER) is the sum of the management expense ratio (MER) and the trading expense ratio (TER).

[3]If there are zero units outstanding, the MER shown is an estimate.

Notes: We are reporting the most recently available information in the MER, TER and FER.

Diversified Fixed Income II

Trailing commission

Canada Life may pay a trailing commission for the services and advice provided to you. The trailing commission is paid out of the management fee for as long as you hold the fund. The rate depends on the series you choose.

Series	Trailing commission
Standard series FEL and Preferred series 1 FEL options	Up to 1% of the value of your investment each year.
Standard series DSC and Preferred series 1 DSC options	Up to 0.50% of the value of your investment each year.
Standard series CB2 and CB4 and Preferred series 1 CB2 and CB4 options	Up to 1% of the value of your investment each year.
Partner series FEL and Preferred partner series FEL options	No trailing commission, but you are responsible for the AMS fee negotiated with your advisor.

3. Other fees

You may have to pay other fees when you redeem or switch units of the fund.

Fee	What you pay
Short-term trading fee	Up to 2% of the value of units you redeem or switch within 90 days of investing in the fund.
Switch fee	• You may make up to 12 free switches in each calendar year and after that you may be charged a fee. • You may be charged up to 5% of the value of the units you switch to the Standard series FEL or Partner series FEL options or up to 2% of the value of the units you switch to the Preferred series 1 FEL or Preferred partner series FEL options.

What if I change my mind?

You can change your mind and cancel the segregated fund policy, the initial pre-authorized chequing premium or any lump-sum premium you apply to the policy by telling us in writing within two business days of the earlier of the date you received confirmation of the transaction or five business days after it is mailed to you.

Your cancellation request has to be in writing, which can include email or letter. The amount returned will be the lesser of the amount of the premium being cancelled or the value of the applicable units acquired on the day we process your request. The amount returned only applies to the specific transaction and will include a refund of any sales charges or other fees you paid.

For more information

The *Fund Facts* may not contain all the information you need. Please read the contract and the information folder or you may contact us at:

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