

# Counsel High Yield Fixed Income Series I

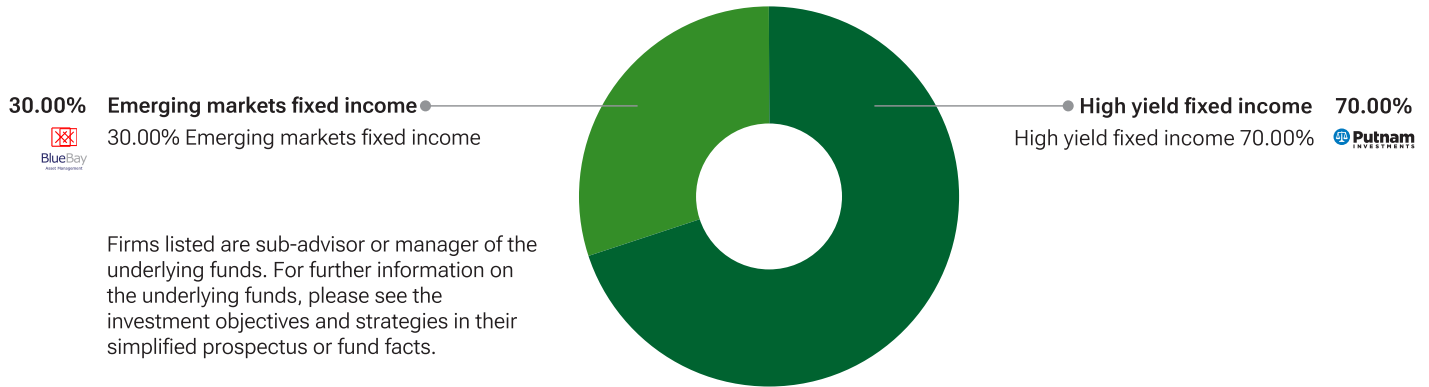
May 31, 2026

A globally diversified fund that seeks to provide a high level of income with the potential for long term capital growth by investing primarily in global fixed income securities, as well as mortgage-backed securities, equity and equity-like securities that are expected to produce income, either directly or through securities of other mutual funds.

## Is this portfolio right for you?

- Provides access to a potentially high level of income and long-term capital growth.
- Features a disciplined investment process for selecting investments utilizing a top-down market outlook.
- Monthly distributions.

## Neutral portfolio allocation<sup>1</sup>



## Annualized performance (%)

Period	1 mth	3 mths	6 mths	1 yr	3 yr	5 yr	10 yr	Inception return
Series I	2.2	2.2	1.7	9.4	10.2	7.0	5.9	6.7

## Performance (%) calendar year returns

Period	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Series I	10.5	4.3	0.4	10.6	3.1	4.1	-4.3	9.8	17.4	4.6	2.7

## Historical performance (%) Current value of \$10,000



## Key data

Fund type	High Yield Fixed Income
Fund code	CGF155
Inception date	July 20, 2012
Mgmt. fee	0.70%
Admin. fee	0.15%
MER	0.16%

## Distribution frequency

Income	Monthly
Capital gains	Annual
Distributions	\$0.04

Distributions represent the annual distributions paid during 2025

## Risk tolerance

Low to Medium

## Portfolio characteristics

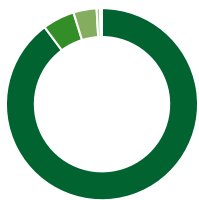
Dividend yield	6.9%
Yield to maturity	6.7%
Duration (years)	3.4
Average credit rating	B+

## Investment

Min.	Subsq.	RRSP eligible
\$500	\$100	Yes

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How the fund is invested<sup>2</sup> as at Mar 31, 2026



Asset allocation	(%)	Geographic allocation	(%)	Sector allocation	(%)
Foreign Bonds	89.8	United States	88.3	Fixed Income	93.7
Cash and Equivalents	5.4	Canada	5.0	Cash and Cash Equivalent	5.4
Domestic Bonds	3.9	Europe	1.1	Consumer Services	0.3
US Equity	0.6	France	0.8	Utilities	0.2
Income Trust Units	0.2	Colombia	0.8	Financial Services	0.1
Canadian Equity	0.1	Denmark	0.6	Industrial Services	0.1
		Mexico	0.6	Other	0.2
		Turkey	0.5		
		United Kingdom	0.5		
		Other	2.0		

## Top holdings

Effective holdings	(%) of NAV
Counsel North American High Yield Bond	79.2
BlueBay Emerging Markets Corporate Bond Fd	20.9

## Credit Rating

AAA	AA	A	BBB	BB	B and below
-	2.1	1.5	11.6	54.1	30.7

## Term to maturity: Bonds only (%) in years

< 1	1 - 5	5 - 10	10 - 20	> 20
0.4	42.9	49.6	2.4	4.7

## Why Invest with Counsel Portfolios

Our Portfolio Management team builds and maintains our portfolios based on in-depth analysis to align to a broad range of investor risk profiles. We take an unbiased approach when choosing our money managers by incorporating a proprietary and disciplined methodology for researching and selecting independent asset managers from across the globe. Each manager is monitored and held accountable to their mandate to help ensure our investors have the best chance at achieving their financial goals.

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## Q1 2026 Fund Commentary

*Commentary and opinions are provided by Putnam Investments Canada*

### Market Commentary

Fixed income markets recorded losses in the first quarter. The quarter began on uncertain footing as credit concerns around artificial intelligence (AI)-related developments and their impact on the software sector weighed on sentiment. Investors grew more cautious as the quarter progressed because of heightened geopolitical risk related to the Middle East conflict, despite resilient corporate fundamentals. The U.S. Federal Reserve Board (Fed) held rates as inflationary pressures persisted from tariff impacts and higher energy prices.

The yield on the 10-year U.S. Treasury was volatile and ended March at 4.32%, 16 basis points higher than where it began the quarter. In this environment, high-yield corporate bonds posted negative returns as spreads widened. The U.S. high-yield default rate ended the quarter at 2.07%, still below long-term averages. Total high-yield new issue supply for the quarter was roughly USD\$80 billion, while high-yield funds reported outflows from the asset class.

### Performance

Underweight positioning and security selection within the services and technology sectors contributed to the Fund's performance. Security selection within CCC-rated securities also contributed, as did security selection within the U.S. region.

Seagate Technology Holdings PLC contributed to the Fund's performance as the underlying equity rose on continued momentum. Venture Global Inc. and Crescent Energy Co. also contributed to performance.

Security selection within the chemicals sector detracted from the Fund's performance. Security selection within BBB-rated securities also detracted.

Apollo Global Management Inc. detracted from the Fund's performance because of broader concerns around private credit companies. Not holding New Fortress Energy Inc. and Space Exploration Technologies Corp. also detracted from performance because of strong returns from those names during the period.

### Portfolio Activity

The sub-advisor added Talen Energy Corp. during the quarter and increased Nexstar Media Group Inc. The sub-advisor sold Onity Group Inc. and reduced Seagate Technology Holdings PLC.

### Outlook

In the sub-advisor's view, corporate fundamentals have been resilient and market technicals have been supportive. The sub-advisor expects bouts of volatility to continue around U.S. policy implementation and geopolitical tensions. From a valuation standpoint, spreads remain tight by historical standards but are appropriate given the low default environment supported by open capital markets, although they've recently widened.

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The Fed has held rates to start the year, and the sub-advisor expects it to remain data-dependent in its approach. The sub-advisor remains focused on industry and company fundamentals, the health of balance sheets, free cash flow generation and the resilience of credits to slower economic growth, and is cautious on deeply distressed names.

The U.S. high-yield default rate increased slightly in March but remains below long-term averages at 2.07%. Market technicals remain solid with strong demand and consistent new issuance. In the sub-advisor's view, yields and sub-par dollar prices remain attractive while spreads are at levels that are fair but not compelling. Risks to the outlook include higher-than-expected inflation, policy missteps, a more severe slowdown or recession and heightened geopolitical tension.

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<sup>1</sup>The asset allocation weights depicted above represent the neutral allocations for the fund and may differ from the current allocation. The neutral allocation may comprise a combination of investments in equities, fixed income securities, securities that are designed to track a market index or other securities. Canada Life Investment Management Ltd., the portfolio manager of the fund, has the discretion to change the allocation without prior notice. <sup>2</sup>Effective holdings of the fund are held either directly, or through an underlying mutual fund. Asset allocations reflected are as a percentage of the fund's net asset value. Individual securities held by ETFs are not reflected in the Fund's Top Holdings listings. For money market fund reports: The current yield is an annualized historical yield based on the seven-day period ended on the date noted above and does not represent an actual one-year return. For information on the fund or any underlying Counsel funds, please read the Fund Facts, Simplified Prospectus and/or other reporting documents before investing, available at [www.counselportfolios.ca](http://www.counselportfolios.ca). All third-party marks are used with permission.

Note: Occasionally, a negative value may be reported for Cash holdings that reflects the sale of securities and/or redemption transactions that have not settled at month end.

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