

# Counsel High Yield Fixed Income Series I

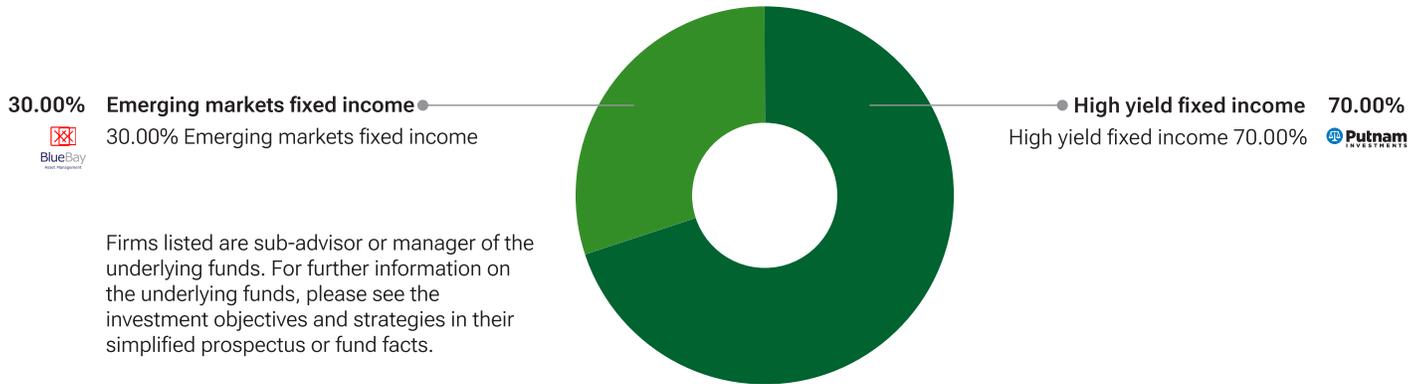
January 31, 2026

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	-0.2	-1.0	2.6	1.7	9.6	6.0	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	-0.2

## 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

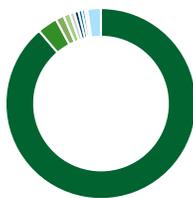
Dividend yield	6.7%
Yield to maturity	6.6%
Duration (years)	3.2
Average credit rating	B+

## Investment

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

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How the fund is invested<sup>2</sup> as at Nov 30, 2025



Asset allocation	(%)	Geographic allocation	(%)	Sector allocation	(%)
Foreign Bonds	91.4	United States	88.7	Fixed Income	94.3
Cash and Equivalents	5.1	Canada	3.4	Cash and Cash Equivalent	5.1
Domestic Bonds	2.9	Europe	1.4	Utilities	0.2
US Equity	0.4	Turkey	1.1	Consumer Services	0.2
Income Trust Units	0.2	Colombia	0.8	Financial Services	0.2
Canadian Equity	0.1	Mexico	0.7	Industrial Services	0.1
		France	0.6		
		Denmark	0.5		
		United Kingdom	0.4		
		Other	2.3		

## Top holdings

Effective holdings	(%) of NAV
Counsel North American High Yield Bond	77.7
BlueBay Emerging Markets Corporate Bond Fd	22.2

## Credit Rating

AAA	AA	A	BBB	BB	B and below
-	2.3	1.9	11.9	53.1	30.8

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

< 1	1 - 5	5 - 10	10 - 20	> 20
0.6	45.6	45.0	3.7	5.2

## 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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## Q4 2025 Fund Commentary

*Commentary and opinions are provided by Putnam Investments Canada*

### Market Commentary

Fixed income markets gained in the fourth quarter of 2025. Markets began the quarter on uncertain footing, spooked by credit concerns around the U.S. government shutdown. However, investors were encouraged later in the period following U.S. Federal Reserve Board (Fed) interest rate cuts, better economic conditions and resilient fundamentals.

The Fed lowered its federal funds rate to a range of 3.50%–3.75% by quarter-end as labour market data remained softer and growth slowed. Ten-year U.S. treasury yields were rangebound and ended December at 4.16%, essentially where they began the quarter.

In this environment, high-yield corporate credit rose amid narrowing credit spreads. The U.S. high-yield default rate ended the quarter at 1.88%, still below long-term averages. Total high-yield new issue supply amounted to USD\$65.4 billion, while high-yield funds reported an inflow of USD\$3.3 billion.

### Performance

Relative exposures to Rocket Companies Inc., Saks Global Holdings LLC and Seagate Technology Holdings PLC contributed to the Fund's performance.

Underweight exposure to Nationstar Mortgage LLC detracted from the Fund's performance following the news of the company's sale to Rocket Companies. Overweight exposures to Vibrantz Technologies Inc. and Venture Global LNG Inc. also detracted from performance.

At a sector level, security selection within the financials sector and among BB-rated securities contributed to the Fund's performance. Selection in the cable and satellite industry detracted from performance, as did the Fund's cash exposure.

At a regional level, security selection in the U.S. contributed to the Fund's performance.

### Portfolio Activity

A holding in Genmab AS was added to the Fund, and a holding in CrossCountry Intermediate HoldCo LLC was increased. A holding in Allied Universal HoldCo LLC was sold, and a holding in Spirit AeroSystems Holdings Inc. was reduced.

### Outlook

Corporate fundamentals have been resilient, and technical factors have been supportive. The sub-advisor believes that these trends will likely persist, with bouts of volatility surrounding the implementation of the U.S. administration's policies. Credit spreads are rich, but in the sub-advisor's view are appropriate given the low default environment supported by wide-open capital markets. The Fed implemented interest rate cuts in the second half of 2025 as the U.S. labour market softened and economic growth slowed, but it remained positive.

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The sub-advisor is focused on industry and company fundamentals, the health of balance sheets, generation and use of free cash flow, and resilience of credits to slower economic growth. The sub-advisor is cautious about deeply distressed issuers. The U.S. high-yield default rate rose in December but remains below long-term averages. Technical factors are solid with strong demand, inflows and consistent new issues. Yields and sub-par dollar prices are somewhat attractive, in the sub-advisor's view, while spreads remain at levels that are fair but not compelling.

Possible risks to the sub-advisor's outlook are rising inflation, policy missteps, a more severe economic slowdown 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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