

Counsel Short Term Bond Series I

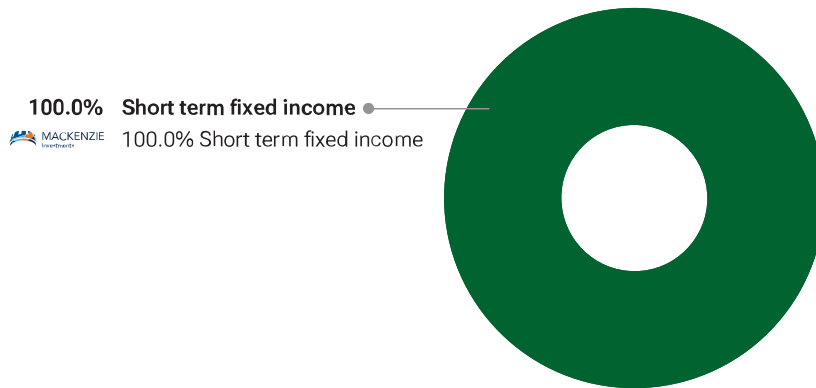
May 31, 2026

The fund seeks a moderate level of income while preserving investment capital and liquidity by investing in a diversified fund of primarily Canadian fixed-income securities, either directly or through securities of other mutual funds.

Is this portfolio right for you?

- Designed to provide a moderate level of income while preserving investment capital and liquidity.
- Offers exposure to a diversified portfolio of debt obligations issued by Canadian federal and provincial governments, debt obligations of Schedule 1 Canadian banks, loan or trust companies and corporations where obligations have a term to maturity of less than five years.
- Monthly distributions.

Neutral portfolio allocation¹



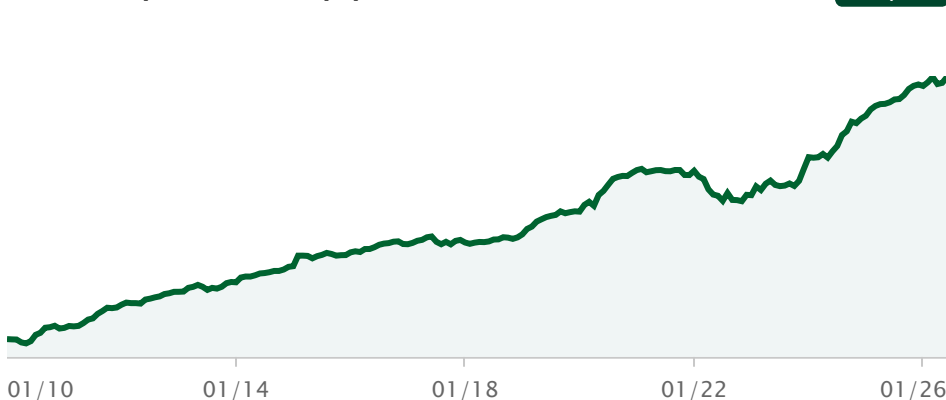
Annualized performance (%)

| Period | 1 mth | 3 mths | 6 mths | 1 yr | 3 yr | 5 yr | 10 yr | Inception return |
|----------|-------|--------|--------|------|------|------|-------|------------------|
| Series I | 0.8 | 0.0 | 1.0 | 3.5 | 5.4 | 2.7 | 2.7 | 2.7 |

Performance (%) calendar year returns

| Period | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | YTD |
|----------|------|------|------|------|------|------|------|------|------|------|-----|
| Series I | 1.4 | 0.3 | 1.4 | 3.9 | 6.9 | -0.1 | -3.8 | 6.1 | 6.3 | 4.3 | 1.2 |

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



Key data

| | |
|----------------|----------------------------------|
| Fund type | Canadian Short Term Fixed Income |
| Fund code | CGF539 |
| Inception date | January 14, 2010 |
| Mgmt. fee | 0.45% |
| Admin. fee | 0.15% |
| MER | 0.17% |

Distribution frequency

| | |
|---------------|---------|
| Income | Monthly |
| Capital gains | Annual |
| Distributions | \$0.03 |

Distributions represent the annual distributions paid during 2025

Risk tolerance

Low

Portfolio characteristics

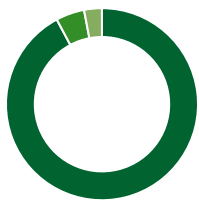
| | |
|-----------------------|------|
| Dividend yield | 3.3% |
| Yield to maturity | 3.4% |
| Duration (years) | 2.7 |
| Average credit rating | A |

Investment

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

Counsel Short Term Bond Series I

How the fund is invested² as at Mar 31, 2026



| Asset allocation | (%) | Geographic allocation | (%) | Sector allocation | (%) |
|----------------------|------|-----------------------|------|--------------------------|------|
| Domestic Bonds | 92.2 | Canada | 95.2 | Fixed Income | 97.0 |
| Foreign Bonds | 4.8 | Germany | 3.4 | Cash and Cash Equivalent | 3.0 |
| Cash and Equivalents | 3.0 | United States | 1.3 | | |
| | | Australia | 0.1 | | |

Top holdings

| Effective holdings | (%) of NAV |
|---|------------|
| Quebec Province 2.30% 01-Sep-2029 | 7.6 |
| Canada Government 3.25% 01-Sep-2028 | 5.0 |
| Alberta Province 2.05% 01-Jun-2030 | 4.5 |
| Ontario Province 1.35% 02-Dec-2030 | 3.5 |
| Bank of Nova Scotia 2.62% 02-Dec-2026 | 3.2 |
| Toronto-Dominion Bank 3.61% 10-Sep-2030 | 3.1 |
| Sun Life Financial Inc 2.80% 21-Nov-2028 | 2.9 |
| Choice Properties REIT 2.85% 21-May-2027 | 2.4 |
| Ontario Province 2.05% 02-Jun-2030 | 2.3 |
| Manulife Financial Corp 5.41% 10-Mar-2028 | 2.2 |

Credit Rating

| AAA | AA | A | BBB | BB | B and below |
|-----|------|------|------|-----|-------------|
| 2.1 | 58.2 | 15.4 | 23.4 | 0.9 | 0.0 |

Term to maturity: Bonds only (%) in years

| < 1 | 1 - 5 | 5 - 10 | 10 - 20 | > 20 |
|-----|-------|--------|---------|------|
| 6.7 | 68.7 | 20.7 | - | 3.9 |

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.

Counsel Short Term Bond Series I

Q1 2026 Fund Commentary

Commentary and opinions are provided by Mackenzie Financial Corporation

Market Commentary

The first quarter of 2026 brought a volatile mix of geopolitical friction in the Middle East and a technology-driven growth narrative in the United States. The period began with optimism after the resolution of the U.S. federal government shutdown, but sentiment shifted as tensions between the U.S. and Iran escalated. Energy price volatility introduced competing forces for fixed income markets – inflationary pressure from rising oil prices weighed against the deflationary risk of a broader growth shock.

In Canada, the economic picture diverged from the U.S. as domestic fragilities became more apparent. The Bank of Canada (BoC) held its benchmark overnight interest rate steady at 2.25% in March, though policymakers adopted a more cautious tone. Data confirmed that the Canadian economy contracted in the final quarter of 2025, and the labour market showed signs of cooling, with the unemployment rate rising to 6.7% in February.

Performance

The Fund's allocation to maturities across the Canadian yield curve contributed to performance. An underweight position in shorter-term Canadian rates also contributed during the quarter. Canada's economic outlook diverged from the U.S. as growth weakened and the labour market cooled, prompting markets to reassess the BoC's policy path. While Canadian yields moved higher, the Fund's curve positioning captured relative value opportunities during the period.

The Fund's allocation to bonds in the financials sector detracted from performance. A holding in Sun Life Financial Inc. (2.80%, 2033/11/21) bonds detracted from performance during the quarter. Bonds within the financials sector underperformed the benchmark during the period, weighing on relative returns.

Portfolio Activity

The sub-advisor added to the Fund a holding in ARC Resources Ltd. (3.349%, 2029/02/25) bonds during the quarter, participating in the company's new issue. ARC Resources is one of Canada's leading natural gas and liquids producers, with a strong asset base and disciplined capital allocation. The addition aligns with the sub-advisor's constructive outlook on Canadian energy and reflects confidence in the issuer's credit profile.

The sub-advisor increased the Fund's exposure to Canadian Core Real Estate LP (4.482%, 2029/10/16) during the quarter. Canadian Core Real Estate owns a diversified portfolio of commercial and residential properties across Canada, with assets concentrated in core urban markets and supported by stable rental income. The increased allocation reflects the sub-advisor's comfort with the credit given the issuer's conservative leverage profile and defensive cash flows.

The sub-advisor sold a holding in Canadian Imperial Bank of Commerce (6.369%, 2085/04/28) during the quarter as part of ongoing adjustments to Fund exposure to limited recourse capital notes (LRCN). The exit forms part of the sub-advisor's broader portfolio rebalancing efforts aimed at maintaining appropriate LRCN exposure and managing duration risk, while creating flexibility to redeploy into more attractive opportunities.

The sub-advisor reduced the Fund's position in Province of Ontario (1.35%, 2030/12/02) bonds during the quarter to align the Fund's duration and asset allocation objectives.

Counsel Short Term Bond Series I

Outlook

The sub-advisor is maintaining a long front-end bias in Canada. In the sub-advisor's view, Canada may be entering a housing-led downturn, where a combination of falling rents and tighter financing could prompt the BoC to reduce interest rates toward the middle of 2026.

In the U.S., the sub-advisor's positioning of the Fund was more tactical. The sub-advisor began the year with an underweight duration but moved to neutral as the Middle East conflict escalated. In mid-March, the sub-advisor selectively added to the Fund long duration in 10-year and 30-year U.S. Treasuries as a hedge against an escalation-driven growth shock, though resilience in core inflation measures may limit the U.S. Federal Reserve Board's ability to ease monetary policy in the near term.

Within credit, the sub-advisor is maintaining an overweight in investment-grade corporate bonds. In high yield, the sub-advisor continues to favour the aerospace and defence industry because of an environment of increased fiscal defence outlays. The Fund is underweight in the automotive and airline sectors because of execution risks and the direct impact of higher jet fuel costs. In the energy space, the sub-advisor believes the stability of Western Canadian infrastructure may provide an advantage as insurance and shipping costs rise in more volatile regions.

Disclaimer

The commentaries on the company specific information and purchases and sales were provided by the fund manager. Canada Life Investment Management Ltd. will not be liable for any loss, or damages whatsoever, whether directly or indirectly incurred, arising out of the use or misuse of errors or omissions in any information contained in this commentary. The data provided in this commentary is for information purposes only and, except where otherwise indicated, is current as of March 31, 2026.

The views expressed in this commentary are those of fund manager as at the date of publication and are subject to change without notice. This commentary is presented only as a general source of information and is not intended as a solicitation to buy or sell specific investments, nor is it intended to provide tax or legal advice. Prospective investors should review the offering documents relating to any investment carefully before making an investment decision and should ask their Advisor for advice based on their specific circumstances.

The content of this commentary (including facts, views, opinions, recommendations, descriptions of or references to, products or securities) is not to be used or construed as investment advice, as an offer to sell or the solicitation of an offer to buy, or an endorsement, recommendation or sponsorship of any entity or security cited. Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

This document may contain forward-looking information which reflect our or third-party current expectations or forecasts of future events. Forward-looking information is inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed herein. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors, interest and foreign exchange rates, the volatility of equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings and catastrophic events. Please consider these and other factors carefully and not place undue reliance on forward-looking information. The forward-looking information contained herein is current only as of March 31, 2026. There should be no expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

Counsel Short Term Bond Series I

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.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

Counsel Portfolios are managed by Canada Life Investment Management Ltd. Counsel Portfolios are distributed by Quadrus Investment Services Ltd., IPC Investment Corporation, and IPC Securities Corporation, and may also be available through other authorized dealers in Canada.

Counsel Short Term Bond Series I

¹The 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. ²Effective 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. 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.

Distribution of the chart, history standard and short-term reports are not permitted without including the fund profile long-term report. Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated. Reports produced using this website are for information purposes only. Canada Life Investment Management Ltd., and their affiliates, representatives, and third-party content providers do not warrant the accuracy, completeness, or timeliness of this website or any content, and shall not be responsible for investment decisions, damages, or other losses resulting from the use of this website or its content. The only true report on unit values is the periodic statement prepared and sent by the mutual fund company. Counsel Portfolios are managed by Canada Life Investment Management Ltd. Counsel Portfolios are distributed by Quadrus Investment Services Ltd., IPC Investment Corporation, and IPC Securities Corporation, and may also be available through other authorized dealers in Canada.