

Sun Life MFS Monthly Income Fund

Series A

Additional series available

\$10.3533 CAD

Net asset value per security (NAVPS) as of November 16, 2018

 **\$0.0192 | 0.19%**

Mutual fund categories are maintained by the Canadian Investment Funds Standards Committee (CIFSC).

Benchmark
Blended benchmark[§]

Fund category
Global Neutral Balanced

Morningstar™ Rating
★

Funds in category
987

Investment objective

The Fund's investment objective is to seek to provide a consistent level of regular income with capital appreciation as a secondary objective over the long term, by investing primarily in income producing equity and debt securities.

This Fund may be suitable for investors who:

- seek a moderate degree of income and potential for capital gains
- are medium- to long-term investors
- are comfortable with low to medium investment risk

Fund essentials

Inception date	Sept 1, 2011
Min initial inv \$	500
Min additional inv \$	50
MER % unaudited as at June 30, 2018	1.62
Management fee %	1.25
Distributions	\$0.0300 per unit per month. Refer to Simplified Prospectus for more detail.

Management company

Sun Life Global Investments (Canada) Inc.

Sub-advisor

MFS Investment Management Canada Limited;
MFS Institutional Advisors, Inc.

Class	Load structure	Currency	Fund Code
A	ISC	CAD	SUN121
A	DSC	CAD	SUN221
A	LSC	CAD	SUN321

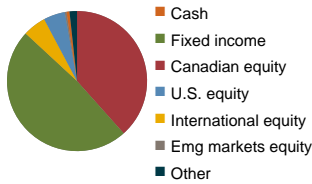
Risk profile



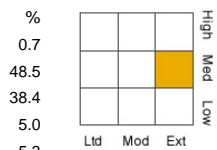
Refer to the Simplified Prospectus for greater detail.

PORTFOLIO ANALYSIS (as of September 30, 2018)

Composition



Fixed inc style



Credit quality

Credit quality	%
AAA	33.1
AA	15.0
A	22.9
BBB	27.4
BB	1.6
B	0.0
Below B	0.0
Not Rated	0.0

Geographic composition

Geographic composition	%
Canada	46.4
United States	45.6
Italy	1.9
United Kingdom	1.7
France	1.6
Australia	1.3
Switzerland	1.1
South Africa	0.4
Others	0.0

Fixed income

Fixed income	%
Government bonds	36.2
Corporate bonds	62.3
Securitized	0.0
Cash & Equivalents	1.4
Derivatives	0.0

Top ten holdings

Top ten holdings	%
as of September 30, 2018	
United States Treasury Notes 2% 2025-02-15	4.4
The Toronto-Dominion Bank	3.9
Royal Bank of Canada	3.2
Canadian Pacific Railway Ltd	2.6
United States Treasury Notes 1.62% 2020-11-30	2.5
Suncor Energy Inc	2.4
Enbridge Inc	2.2
TELUS Corp	2.1
United States Treasury Bonds 5%	1.9
United States Treasury Bonds 2.5% 2045-02-15	1.8
Total number of portfolio holdings	111

Cash and cash equivalents are not shown.

*Global Industry Classification Standard (GICS).

PERFORMANCE ANALYSIS (as of October 31, 2018)

CALENDAR YEAR	YTD	2017	2016	2015	2014	2013	2012	2011*	2010	2009	2008
Total assets \$M	11.4	13.3	13.0	9.3	12.8	9.3	7.1	1.0	-	-	-
Fund return %	-4.9	5.1	10.1	-4.0	9.0	7.9	5.5	3.4	-	-	-
Category return %	-1.8	7.1	4.7	5.4	8.7	12.8	8.1	-	-	-	-
Distribution \$/security	0.30	0.69	0.36	0.36	0.36	0.36	0.48	0.12	-	-	-
Quartile (within category)	4	4	1	4	2	4	4	-	-	-	-

TRAILING	1 mth	3 mth	6 mth	1 yr	2 yr	3 yr	5 yr	10 yr	Since inception
Fund return %	-2.9	-4.3	-2.1	-4.9	0.4	2.3	3.2	-	4.3
Category return %	-3.5	-3.7	-1.4	-1.4	2.9	3.5	5.1	-	-
Morningstar™ rating	-	-	-	-	-	★★	★	-	-
Quartile (within category)	1	3	3	4	4	4	4	-	-
# of funds in category	1442	1416	1398	1323	1174	987	736	-	-

*For the period September 01 to December 31.

3-YEAR RISK MEASURES (as of October 31, 2018)

Annualized returns are used to calculate the risk metrics below.

Standard deviation (fund)	4.38	Sharpe ratio	0.39	Alpha	0.81
Standard deviation (category)	5.44	R²	7.22	Beta	0.17

Standard deviation: Standard deviation measures volatility, which is often used as an indicator of risk. In general, funds with higher standard deviation (higher volatility) will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower standard deviation (lower volatility) tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Sharpe ratio: The Sharpe ratio combines a risk measurement and a return measurement into a single number. It uses standard deviation (defined above) to determine a fund's risk per unit of return, otherwise known as a "risk-adjusted" return. A higher Sharpe ratio is better. When comparing two funds, the one with the higher Sharpe ratio outperformed the one with the lower ratio on a *risk-adjusted basis*.

R²: (pronounced "R-squared") measures how much of a fund's price movement can be attributed to the movement of the fund's benchmark. On a scale of 0-100, an R² of 100 means 100% of the fund's price movement can be explained by the movement of the benchmark. An R² of 85 means 85% of the fund's price movement can be explained by the movement of the benchmark, with 15% of the fund's price movement due to other factors.

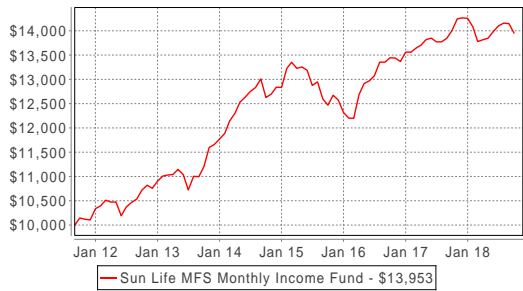
Alpha: Alpha measures the difference between a fund's return and the return of its benchmark, taking into consideration volatility. An alpha of 1 means a fund outperformed its benchmark by 1 percentage point over the period with the same volatility. An alpha of -1 means the fund underperformed its benchmark by 1 percentage point.

Beta: Beta measures the price movement of a security in relation to its benchmark. A security with a beta higher than 1 means the security's price movement is more extreme (up or down) than the benchmark's. A security with a beta lower than 1 means the security's price movement is less extreme than the benchmark's. A beta of 1 means the security moves in step with its benchmark.

Management team

MFS Investment Management: Peter Kotsopoulos, CFA, CEO, Director of Fixed Income, Portfolio Manager; Robert Spector, Investment Officer; Jonathan Sage, CFA, Investment Officer and Portfolio Manager; Soami Kholoy, CFA, FSA, FCIA, Portfolio Manager

CURRENT VALUE OF A \$10,000 INVESTMENT



Initial investment amount:

\$10000

Time frame:

Start Sep 2011

End Oct 2018

The growth of \$10k calculator calculates an approximate rate of return using the performance information as at the first business day of each month in your chosen time-frame.

INVESTMENT MANAGEMENT APPROACH

MFS Investment Management

MFS Investment Management has guided investors through every market condition imaginable. From the highest highs to the lowest lows, the firm has spent decades refining its investment process according to four key principles: work from the bottom up, take a global perspective, collaborate, and manage risk.

Bottom up. MFS believes detailed fundamental analysis of individual companies is the cornerstone of successful investing.

Global. Analysts in many of the world's major financial centers scour the globe for opportunities.

Collaborative. MFS believes ideas improve when they're carefully reviewed and constantly challenged.

Risk managed. Risk management is intrinsic to MFS' entire investment process.

MFS Investment Management joined forces with McLean Budden in Canada in November 2011. The two firms have 150 years of investing history between them. Now with a unified commitment to fundamental and balanced research from all corners of the globe, MFS is looking forward to 150 more.

NOTES AND DISCLAIMERS

§ Blended benchmark: 50% S&P/TSX Capped Composite Index, 50% FTSE TMX Canada Universe Bond Index.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. For periods greater than one year, the indicated rates of return are the historical annual compounded total returns as of the date indicated including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Distributions should not be confused with "yield" or "income", and are not intended to reflect a fund's investment performance or rate of return. Distributions may be comprised of income, capital gains or return of capital. The distribution rate on units held by an investor may be greater than the return on the fund's investments. If the cash distributions paid to an investor are greater than the net increase in the value of the investment, the distribution will erode the value of the original investment. Distributions are automatically reinvested in additional units of the applicable fund unless the investor instructs us to distribute cash.

If necessary, a fund will make an additional distribution of income and capital gains in December of each year. The funds may make additional distributions of income, capital gains or return of capital at any other time as we consider appropriate. A distribution of capital is not immediately taxable to an investor but will reduce the adjusted cost basis of the investor's units.

There can be no assurance that a fund will make any distributions in any particular month, and we reserve the right to adjust the amount of monthly distribution if we consider it appropriate, without notice.

Ratings and/or ranking information is subject to change monthly.

Morningstar is an independent organization that groups funds with generally similar investment objectives for comparison purposes and ranks them on a historical basis.

The Morningstar RatingTM for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

Morningstar quartile rankings show how well a fund has performed compared to all other funds in its peer group. Each fund within a peer group is ranked based on its performance, and these rankings are broken into quarters or quartiles. Within a group, the top 25% (or quarter) of the funds are in the first quartile, the next 25% are in the second quartile, the next group in the third quartile, and the bottom 25% of funds with the poorest relative performance are in the fourth quartile. The point in which half the funds had better performance and half had worse performance is the median. If 100 funds are being compared, there would be four quartiles of twenty-five funds each. The median would be the fiftieth fund.

For more details on the calculation of Morningstar star ratings or quartile rankings, please see www.morningstar.ca.

The Morningstar Style BoxTM reveals a fund's investment strategy. For equity funds the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend or growth). For fixed-income funds the vertical axis shows the average credit quality of the bonds owned, and the horizontal axis shows interest rate sensitivity as measured by a bond's duration (short, intermediate or long).

Average credit quality gives a snapshot of the fund's overall credit quality. It is an average of each fixed income security's credit rating, adjusted for its relative weighting in the fixed income portion of the fund. Morningstar, Inc. is not itself a Designated Rating Organization (DRO), nor does it issue a credit rating on the fund. A DRO's ratings can change from time-to-time.

Morningstar category averages are equal-weighted category returns. The calculation is simply the average of the returns for all the funds in a given category. The standard category average calculation is based on constituents of the category at the end of the period.

Categories are assigned by Canadian Investment Funds Standards Committee (CIFSC) based on an evaluation of a fund's holdings. A fund's category may change at any time. Funds within the same category may differ in terms of investment philosophy, investment process, as well as overall composition.

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