
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the period ended June 30, 2017

Sun Life MFS U.S. Equity Fund



Sun Life MFS U.S. Equity Fund

This semi-annual management report of fund performance contains financial highlights but does not contain the complete financial statements of the investment fund. You can request a free copy of the semi-annual financial statements by calling 1-877-344-1434, by sending an email to us at info@sunlifeglobalinvestments.com or by writing to us at Sun Life Global Investments (Canada) Inc., 1 York Street, Toronto, Ontario, M5J 0B6. Our financial statements are available on our website at www.sunlifeglobalinvestments.com and on SEDAR at www.sedar.com. All of the financial information is calculated based on the pricing Net Asset Valuation for the investment fund, unless otherwise stated.

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

During the period, the net asset value of the Sun Life MFS U.S. Equity Fund (the "Fund") decreased from \$608.4 million to \$535.3 million. The decrease in net asset value was due to net redemptions, partially offset by positive performance during the period.

During the period, the Fund returned 7.5% for Series A units. This result surpassed the Fund's benchmark, the S&P 500 C\$, which returned 5.9%. The performance returns for other series of this Fund are similar to those of Series A except for differences in expense structures. Please refer to the 'Past Performance' section of this report for performance of each series.

An underweight position in the Energy sector was a positive factor for performance relative to the benchmark. Not owning shares of integrated oil and gas company Exxon Mobil contributed to the portfolio's relative performance. Not holding a position in the Telecommunication Services sector was another area of relative strength.

Stock selection in the Consumer Staples, Real Estate and Materials sectors also contributed to relative performance. Within the Real Estate sector, an overweight position in broadcast and communication tower management firm American Tower helped relative results.

Stock selection in the Consumer Discretionary sector held back relative results. Not holding shares of online retail giant Amazon.com Inc and overweight positions in automotive replacement parts distributor AutoZone and apparel retailer Ross Stores held back relative performance.

In other sectors, the Fund's overweight position in oil field services company Schlumberger, financial services firm Goldman Sachs Group, energy exploration and production company EOG Resources and snack food and beverage producer Mondelez International detracted from relative returns. Additionally, an underweight position in computer and personal electronics maker Apple, social media provider Facebook and not holding a position in tobacco company Philip Morris International dampened relative results.

Recent Developments

Global growth improved during much of the reporting period as oil prices recovered from their earlier plunge and fiscal and monetary stimulus from China took hold. Market confidence increased after the U.S. election in November in anticipation of lower taxes, a lighter regulatory burden and increased infrastructure spending, boosting U.S. equities and bond yields. The U.S. Federal Reserve increased interest rates by 25 basis points at the end of the period, bringing the total number of quarter-percent hikes in the federal funds rate to four since December 2015. Globally, however, central bank policy remained highly accommodative, which forced many government, and even some corporate, bond yields into negative territory during the period. Fears of a populist wave in Europe subsided after establishment candidates won the Dutch and French elections.

Headwinds from lower energy and commodity prices abated during the period as stabilizing oil prices helped push energy earnings higher relative to expectations. A somewhat weaker U.S. dollar provided a modest tailwind for the earnings of U.S. multinationals. U.S. consumer spending held up well during the period amid a modest increase in real wages and relatively low gasoline prices. Demand for automobiles tapered off at the end of the period from near record levels, while the housing market continued its recovery. Global trade showed signs of improvement and emerging market ("EM") countries began to display hallmarks of a modest upturn in activity along with adjustment in their external accounts. New challenges arose for emerging markets debt as a result of the U.S. presidential election, which raised concerns about the potential for a protectionist turn in U.S. trade policy which could negatively impact EM economies. Rising expectations for U.S. growth, inflation and interest rates have been further challenges. The markets seemed to be in "wait-and-see" mode, looking for evidence to either confirm or refute the repricing of risk that has occurred since Election Day.

Effective February 5, 2016, all Series E units were re-designated to Series A units, under the Front End Sales Charge option, of the same Fund. Please refer to the Fund's simplified prospectus for more details about the captioned change and for details about the Private Client Program.

Sun Life MFS U.S. Equity Fund

Related Party Transactions

Sun Life Global Investments (Canada) Inc. (the “Manager”) is the manager, trustee and portfolio manager of the Fund.

The Manager is responsible for the provision of all general management and administrative services required by the Fund in its day-to-day operations, including providing or arranging for the provision of investment advice, bookkeeping, recordkeeping and other administrative services for the Fund.

As trustee, the Manager holds legal title to the Fund’s investments in trust for unitholders. For its services, the Manager receives a management fee that is calculated as a percentage of the average net asset value of the Fund. This fee is calculated daily and payable monthly.

As portfolio manager, the Manager is responsible for managing the investment portfolio of the Fund directly or through sub-advisors. The Manager has retained MFS Investment Management Canada Limited (“MFSIM”), an affiliate, to act as a sub-advisor for the Fund.

The Manager is an indirect wholly owned subsidiary of Sun Life Financial Inc., which also has an indirect majority ownership interest in MFSIM.

Fund Administrative Expenses

The Manager pays certain of the operating expenses of each Fund (the “Administration Expenses”) in return for a fixed administration fee paid to the Manager by each Fund (“Administration Fee”). The Administration Fee is based on the net asset value of each series of the Fund. The Administration Expenses include, but are not limited to, record keeper fees, accounting, audit and legal fees, bank and interest charges, safekeeping and custodial fees, taxes, administrative and systems costs, costs of reports to investors, prospectuses and other disclosure documents, regulatory filing fees (including those incurred by the Manager) and trustee fees for registered plans. The amount of this charge is disclosed as a fund administrative expense in the Fund’s Statement of Comprehensive Income found in the semi-annual financial statements (unaudited).

Each Fund also pays certain operating expenses directly (the “Fund Costs”). Fund Costs include: borrowing costs incurred by the Fund from time to time; costs in connection with portfolio transactions; fees and expenses payable to or in connection with the Fund’s Independent Review Committee (“IRC”); taxes payable by the Fund; and the costs of complying with any new regulatory or legal requirement imposed on the Fund. Each Fund allocates Fund Costs proportionately among its series of units. The Fund Costs that are specific to a series of units are allocated to that series. These amounts are paid out of the assets attributed to

each series of units of the Fund, which reduces the return you may receive.

Series Description

The Fund offers the following series of units: A, D, F, I and O. The date of creation for Series A units was March 31, 2009, the date of creation for Series D units was July 15, 1988, the date of creation for Series F units was February 13, 2008, and the date for Series I units was November 28, 2008. Prior to April 2, 2012, these series were called classes. Effective April 2, 2012, Class O units of the Fund were renamed as Series I units and Class C units were reclassified as Series I units. The date of creation for Series O units was April 1, 2014.

Series A units are available to all investors.

Series D units are only available for purchase by existing investors who held Class D units of the Fund on March 30, 2012. Investors may switch their Series D units of one fund into Series D units of another Sun Life Global Investments Mutual Fund, but may not switch units of another series into Series D units. Once a Series D investor no longer owns any Series D units, the investor may not purchase additional Series D units. In addition, Series D units may be switched into any other series (if available), if the investor meets the applicable requirements for those series.

Series F units are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with the Manager. Instead of paying sales charges, investors buying Series F units pay fees to their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of Series F units, so the Manager can charge a lower management fee.

Series I units are special purpose securities that are currently only available to other mutual funds and eligible institutional investors. Series I units are not sold to the general public. Each Series I investor negotiates its own management and advisory fee that is paid directly to the Manager.

Series O units are available to investors through the Private Client program and must be purchased through a Private Client account. Each Series O investor pays a management fee directly to the Manager and is eligible for management fee reductions, if any, based on the value of Series O units held in the investor’s Private Client account. Series O management fees are paid, after subtracting any management fee reductions, by a redemption of Series O units in the investor’s account.

Sun Life MFS U.S. Equity Fund

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance from the date of inception to June 30, 2016.

The Fund's Net Asset Value per Unit (\$)^{(1)/(4)}

Sun Life MFS U.S. Equity Fund – Series A

	2017	2016	2015	2014	2013	2012	2012
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(U.S.\$)
Net asset value, beginning of period	65.23	63.30	53.64	45.23	32.74	29.03	28.51
Increase (decrease) from operations:							
Total revenue	0.59	1.01	0.95	0.83	0.63	0.57	0.57
Total expenses	(0.96)	(1.70)	(1.64)	(1.39)	(1.13)	(0.73)	(0.73)
Realized gains (losses) for the period	7.20	4.39	5.23	8.72	3.46	5.71	5.71
Unrealized gains (losses) for the period	(2.09)	(1.00)	4.58	0.58	9.53	(0.71)	(0.71)
Total increase (decrease) from operations⁽²⁾	4.74	2.70	9.12	8.74	12.49	4.84	4.84
Distributions:							
From income (excluding dividends)	–	–	–	–	–	(0.08)	(0.08)
From dividends	–	–	–	–	–	–	–
From capital gains	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–
Total annual distributions⁽³⁾	–	–	–	–	–	(0.08)	(0.08)
Net asset value, end of period	70.09	65.23	63.30	53.64	45.23	32.74	32.88

Sun Life MFS U.S. Equity Fund – Series D

	2017	2016	2015	2014	2013	2012	2012
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(U.S.\$)
Net asset value, beginning of period	68.32	65.80	55.32	46.32	33.26	29.33	28.80
Increase (decrease) from operations:							
Total revenue	0.62	1.05	0.99	0.85	0.63	0.58	0.58
Total expenses	(0.69)	(1.22)	(1.17)	(0.99)	(0.77)	(0.50)	(0.50)
Realized gains (losses) for the period	7.58	4.43	5.49	8.79	3.69	6.67	6.67
Unrealized gains (losses) for the period	(2.09)	(2.09)	5.28	0.27	9.52	(1.69)	(1.69)
Total increase (decrease) from operations⁽²⁾	5.42	2.17	10.59	8.92	13.07	5.06	5.06
Distributions:							
From income (excluding dividends)	–	–	(0.02)	(0.06)	–	(0.13)	(0.13)
From dividends	–	–	–	–	–	–	–
From capital gains	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–
Total annual distributions⁽³⁾	–	–	(0.02)	(0.06)	–	(0.13)	(0.13)
Net asset value, end of period	73.69	68.32	65.80	55.32	46.32	33.26	33.40

Sun Life MFS U.S. Equity Fund – Series F

	2017	2016	2015	2014	2013	2012	2012
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(U.S.\$)
Net asset value, beginning of period	67.93	65.40	54.83	45.85	33.00	#REF!	28.62
Increase (decrease) from operations:							
Total revenue	0.62	1.05	0.97	0.84	0.63	0.56	0.56
Total expenses	(0.59)	(1.04)	(1.00)	(0.82)	(0.64)	(0.42)	(0.42)
Realized gains (losses) for the period	7.57	4.50	5.36	8.66	3.55	3.45	3.45
Unrealized gains (losses) for the period	(2.20)	(1.82)	8.71	(0.06)	9.60	3.44	3.44
Total increase (decrease) from operations⁽²⁾	5.40	2.69	14.04	8.62	13.14	7.03	7.03
Distributions:							
From income (excluding dividends)	–	(0.14)	–	(0.12)	(0.22)	(0.28)	(0.28)
From dividends	–	–	–	–	–	–	–
From capital gains	–	–	–	–	–	–	–
Return of capital	–	(0.01)	–	–	–	–	–
Total annual distributions⁽³⁾	–	(0.15)	–	(0.12)	(0.22)	(0.28)	(0.28)
Net asset value, end of period	73.36	67.93	65.40	54.83	45.85	33.00	33.14

Sun Life MFS U.S. Equity Fund – Series I

	2017	2016	2015	2014	2013	2012	2012
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(U.S.\$)
Net asset value, beginning of period	69.10	66.43	55.85	46.72	33.54	29.56	29.03
Increase (decrease) from operations:							
Total revenue	0.63	1.07	1.01	0.86	0.64	0.58	0.58
Total expenses	(0.09)	(0.18)	(0.16)	(0.15)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	7.48	4.49	5.54	8.77	3.64	1.69	1.69
Unrealized gains (losses) for the period	(1.93)	(1.94)	5.19	(0.15)	9.79	–	–
Total increase (decrease) from operations⁽²⁾	6.09	3.44	11.58	9.33	14.05	2.26	2.26
Distributions:							
From income (excluding dividends)	–	(0.87)	(1.06)	(0.90)	(0.71)	(0.63)	(0.63)
From dividends	–	(0.02)	(0.01)	(0.01)	–	–	–
From capital gains	–	–	–	–	–	–	–
Return of capital	–	(0.05)	–	–	–	–	–
Total annual distributions⁽³⁾	–	(0.94)	(1.07)	(0.91)	(0.71)	(0.63)	(0.63)
Net asset value, end of period	75.11	69.10	66.43	55.85	46.72	33.54	33.68

Sun Life MFS U.S. Equity Fund

Sun Life MFS U.S. Equity Fund – Series O

	2017 (\$)	2016 (\$)	2015 (\$)	2014 (\$)
Net asset value, beginning of period	14.00	13.46	11.32	10.00
Increase (decrease) from operations:				
Total revenue	0.13	0.22	0.20	0.14
Total expenses	(0.03)	(0.06)	(0.06)	(0.05)
Realized gains (losses) for the period	1.55	0.95	1.11	1.79
Unrealized gains (losses) for the period	(0.46)	(0.34)	1.08	1.14
Total increase (decrease) from operations⁽²⁾	1.19	0.77	2.33	3.02
Distributions:				
From income (excluding dividends)	–	(0.15)	(0.20)	(0.18)
From dividends	–	–	–	–
From capital gains	–	–	–	–
Return of capital	–	(0.01)	–	–
Total annual distributions⁽³⁾	–	(0.16)	(0.20)	(0.18)
Net asset value, end of period	15.20	14.00	13.46	11.32

⁽¹⁾ This information is derived from the Fund's audited annual financial statements and from the semi-annual unaudited financial statements for the current period ended June 30, 2017.

⁽²⁾ Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽³⁾ Distributions were paid in cash, reinvested in additional units of the Fund, or both.

⁽⁴⁾ Comparatives prior to 2013 are prepared in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). Figures subsequent to 2013 are prepared in accordance with International Financial Reporting Standards ("IFRS").

Ratios and Supplemental Data⁽⁶⁾

Sun Life MFS U.S. Equity Fund – Series A

	USD						
	2017	2016	2015	2014	2013	2012	2012
Total net asset value (\$) ⁽¹⁾	11,160,220	9,644,502	7,863,132	5,035,221	2,739,130	1,158,260	1,163,264
Number of units outstanding ⁽¹⁾	159,231	147,865	124,216	93,875	60,564	35,381	35,381
Management expense ratio (%) ⁽²⁾	2.43	2.42	2.42	2.42	2.42	2.29	2.29
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.43	2.42	2.42	2.42	2.42	2.29	2.29
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.02	0.03	0.04	0.09	0.09
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	12.07	24.30	25.33	30.72	39.09	150.12	150.19
Net asset value per unit (\$) ⁽¹⁾	70.09	65.23	63.30	53.64	45.23	32.74	32.88

Sun Life MFS U.S. Equity Fund – Series D

	USD						
	2017	2016	2015	2014	2013	2012	2012
Total net asset value (\$) ⁽¹⁾	35,372,869	34,200,613	36,129,234	35,053,323	33,460,580	31,953,335	32,091,373
Number of units outstanding ⁽¹⁾	480,030	500,601	549,087	633,694	722,431	960,693	960,693
Management expense ratio (%) ⁽²⁾	1.61	1.60	1.60	1.60	1.64	1.55	1.55
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.61	1.60	1.60	1.60	1.64	1.55	1.55
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.02	0.03	0.04	0.09	0.09
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	12.07	24.30	25.33	30.72	39.09	150.12	150.19
Net asset value per unit (\$) ⁽¹⁾	73.69	68.32	65.80	55.32	46.32	33.26	33.40

Sun Life MFS U.S. Equity Fund – Series F

	USD						
	2017	2016	2015	2014	2013	2012	2012
Total net asset value (\$) ⁽¹⁾	11,390,448	10,404,386	10,260,870	18,627,917	19,742,639	16,801,167	16,873,748
Number of units outstanding ⁽¹⁾	155,261	153,172	156,898	339,709	430,619	509,161	509,161
Management expense ratio (%) ⁽²⁾	1.34	1.34	1.35	1.35	1.36	1.31	1.31
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.34	1.34	1.35	1.35	1.36	1.31	1.31
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.02	0.03	0.04	0.09	0.09
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	12.07	24.30	25.33	30.72	39.09	150.12	150.19
Net asset value per unit (\$) ⁽¹⁾	73.36	67.93	65.40	54.83	45.85	33.00	33.14

Sun Life MFS U.S. Equity Fund – Series I

	USD						
	2017	2016	2015	2014	2013	2012	2012
Total net asset value (\$) ⁽¹⁾	468,413,814	546,057,548	556,745,320	428,498,444	517,670,819	403,701,529	405,445,519
Number of units outstanding ⁽¹⁾	6,236,028	7,902,849	8,381,031	7,672,654	11,080,205	12,039,384	12,039,384
Management expense ratio (%) ⁽²⁾	0.03	0.03	0.03	0.03	0.04	0.05	0.05
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.03	0.03	0.03	0.03	0.04	0.05	0.05
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.02	0.03	0.04	0.09	0.09
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	12.07	24.30	25.33	30.72	39.09	150.12	150.19
Net asset value per unit (\$) ⁽¹⁾	75.11	69.10	66.43	55.85	46.72	33.54	33.68

Sun Life MFS U.S. Equity Fund – Series O

	USD			
	2017	2016	2015	2014
Total net asset value (\$) ⁽¹⁾	8,926,583	8,089,460	7,147,336	4,326,159
Number of units outstanding ⁽¹⁾	587,305	577,980	531,030	382,106
Management expense ratio (%) ⁽²⁾	0.23	0.23	0.23	0.23
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.23	0.23	0.23	0.23
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.02	0.03
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	12.07	24.30	25.33	30.72
Net asset value per unit (\$) ⁽¹⁾	15.20	14.00	13.46	11.32

⁽¹⁾ This information is provided as at December 31 of the period shown, except for the most recent semi-annual period, which is at June 30, 2017.

⁽²⁾ Management expense ratio is based on total expenses (excluding broker commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average Net Asset Value during the period. Prior to 2015, the Manager of the Fund waived some of its management fees and/or absorbed some expenses that would normally be charged to the Fund.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Value during the period.

⁽⁴⁾ The Fund's portfolio turnover ratio indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover ratio of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover ratio in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund.

⁽⁵⁾ Percentages are annualized.

⁽⁶⁾ Comparatives prior to 2013 are prepared in accordance with Canadian GAAP. Figures subsequent to 2013 are prepared in accordance with IFRS.

Sun Life MFS U.S. Equity Fund

Management Fees

The annual maximum management fee paid by the Fund is a percentage of the average daily net asset value of each series exclusive of any applicable taxes and operating expenses, which is accrued daily and is paid to the Manager monthly in arrears. Management fees pay for portfolio and investment advisory services, oversight of any service providers, marketing and promotional activities, arranging for the distribution and sale of securities of the Fund, general administration of fund operations and sales and trailing commissions paid to dealers.

The percentages and major services paid for out of the management fees are set out below:

	Maximum Annual Management Fee Rate (%)	As a Percentage of Management Fees	
		Dealer Compensation (%) ¹	General Administration, Investment Advice and Profit (%)
Series A Units	2.00	38	62
Series D Units	1.25	18	82
Series F Units	1.00	–	100
Series I Units	–	–	–
Series O Units ²	1.00	–	100

¹ Includes sales and trailing commissions.

² Series O management fees are not paid by the Fund. Series O investors pay management fees directly to the manager.

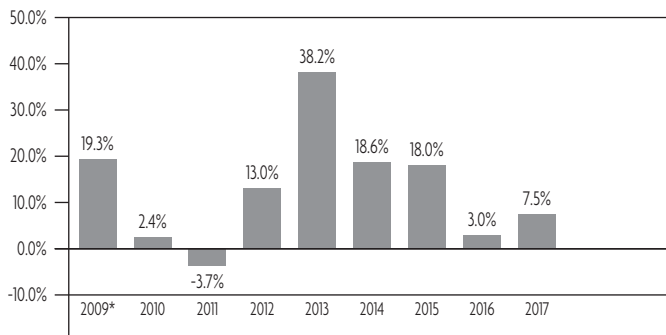
PAST PERFORMANCE

The indicated rates of return are the historical annualized and annual compounded total returns 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 unitholder that would have reduced returns. Mutual funds are not guaranteed. How a fund performed in the past does not necessarily indicate how it will perform in the future.

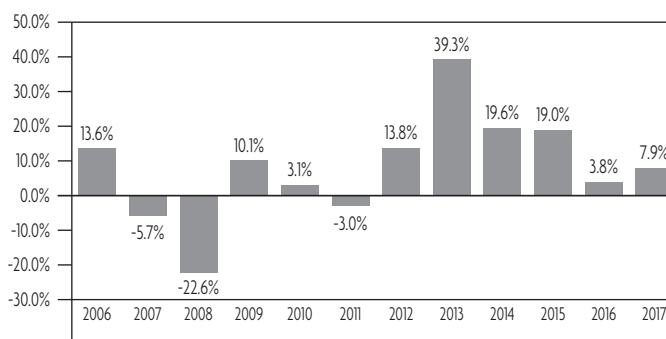
Year-by-Year Returns

The following bar chart shows the Fund's annual performance for the period shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each period.

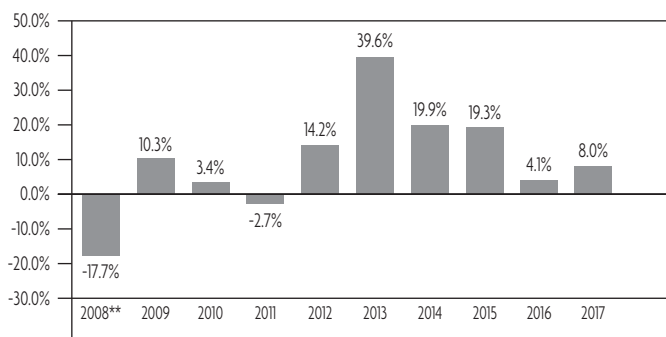
Series A Units – Annual return for the period ended December 31 and the six month period ended June 30, 2017



Series D Units – Annual return for the period ended December 31 and the six month period ended June 30, 2017

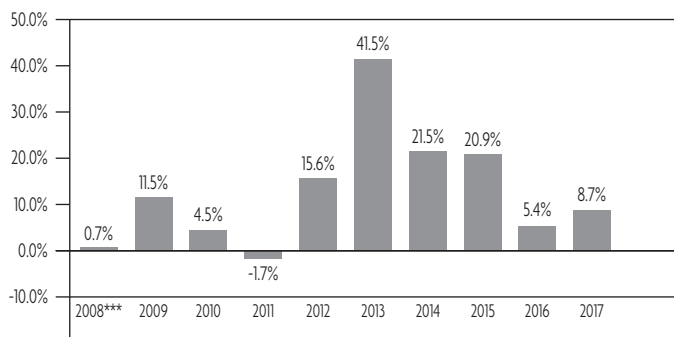


Series F Units – Annual return for the period ended December 31 and the six month period ended June 30, 2017

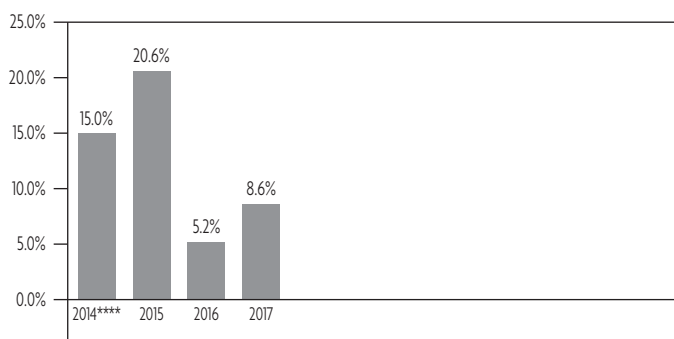


Sun Life MFS U.S. Equity Fund

Series I Units – Annual return for the period ended December 31 and the six month period ended June 30, 2017



Series O Units – Annual return for the period ended December 31 and the six month period ended June 30, 2017



* for the period of March 31, 2009 to December 31, 2009
 ** for the period of February 13, 2008 to December 31, 2008
 *** for the period of November 28, 2008 to December 31, 2008
 **** for the period April 1, 2014 to December 31, 2014

SUMMARY OF INVESTMENT PORTFOLIO⁽¹⁾

as at June 30, 2017 (unaudited)

Top 25 Investments

Holdings	Percentage of Net Asset Value of the Fund (%)
1 Alphabet Inc.	5.0
2 JPMorgan Chase & Co.	3.8
3 Bank of America Corporation	3.2
4 Visa Inc.	3.1
5 Thermo Fisher Scientific Inc.	2.9
6 American Tower Corp.	2.7
7 Broadcom Ltd.	2.6
8 Cognizant Technology Solutions Corp.	2.3
9 Comcast Corp.	2.3
10 Danaher Corp.	2.1
11 Canadian National Railway Co.	2.1
12 Newell Rubbermaid Inc.	2.1
13 Accenture PLC	2.0
14 MasterCard Inc.	2.0
15 The Goldman Sachs Group Inc.	2.0
16 Fidelity National Information Services Inc.	2.0
17 Medtronic PLC	1.9
18 Honeywell International Inc.	1.9
19 Schlumberger Ltd.	1.9
20 Monsanto Co.	1.8
21 Crown Holdings Inc.	1.7
22 Mondelez International Inc.	1.7
23 EOG Resources Inc.	1.6
24 Eli Lilly & Co.	1.5
25 Johnson & Johnson	1.4
	57.6
Total Net Asset Value (000's)	\$ 535,264

Sector Allocation

	Percentage of Net Asset Value of the Fund (%)
Information Technology	25.3
Health Care	16.2
Financials	15.5
Consumer Discretionary	13.5
Consumer Staples	9.4
Industrials	6.1
Materials	5.8
Energy	4.4
Telecommunication Services	2.7
Utilities	0.6
Cash and Cash Equivalents ⁽²⁾	0.5
	100.0

Sun Life MFS U.S. Equity Fund

Asset Mix

	Percentage of Net Asset Value of the Fund (%)
U.S. Equities	81.7
International Equities	15.7
Canadian Equities	2.1
Cash and Cash Equivalents ⁽²⁾	0.5
	100.0

⁽¹⁾ All information is as at June 30, 2017. The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. You may obtain quarterly updates to these holdings free of charge by calling us at 1-877-344-1434, visiting our website at www.sunlifeglobalinvestments.com or by sending an email to us at info@sunlifeglobalinvestments.com.

⁽²⁾ Cash and Cash Equivalents, for the purpose of this chart, includes other assets less liabilities.

Forward-Looking Statements

This management report of fund performance may contain forward-looking statements about the Fund, including its strategy, results of operations, performance and condition. Forward-looking statements include statements that are predictive in nature, or that depend upon or refer to future events or conditions. They are based on current beliefs, expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and various economic factors. Many factors could cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, technological changes, changes in government regulations or in tax laws. Although the forward-looking statements contained in this report are based upon what management currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective", and similar expressions are intended to identify forward-looking statements.

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

Sun Life MFS U.S. Equity Fund

You can find more information about each Fund in our Annual Information Form, and each Fund's management report of fund performance and financial statements, once available. These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of it.

For a free copy of these documents, call us toll-free at **1-877-344-1434** or ask your advisor. These documents and other information about the Funds, such as information circulars and material contracts, are also available at www.sunlifeglobalinvestments.com or www.sedar.com.

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