
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the financial year ended December 31, 2016

Sun Life BlackRock Canadian Equity Class



Sun Life BlackRock Canadian Equity Class

This 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 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., 150 King Street West, Toronto, Ontario, M5H 1J9. 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.

Shareholders 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

Investment Objective and Strategies

The fundamental investment objective of Sun Life BlackRock Canadian Equity Class (the "Fund") is to seek capital appreciation through exposure to primarily Canadian equity securities by investing primarily in units of Sun Life BlackRock Canadian Equity Fund or its successor fund (the "underlying Trust Fund").

The underlying Trust Fund's sub-advisor (the "sub-advisor") is BlackRock Asset Management Canada Limited. The sub-advisor typically invests between 55% and 80% of the underlying Trust Fund's assets in securities that have exposure to Canadian equities and between 20% and 45% of the underlying Trust Fund's assets in securities that have that have exposure to foreign equities. A strategic asset allocation strategy is used to determine the balance between the portion of the underlying Trust Fund exposed to Canadian equities and the portion exposed to foreign equities.

Risk

There were no changes in the Fund's investment objective or strategy during the period which materially impacted the overall level of risk in the Fund. The risks associated with investing in the Fund remain as outlined in the Fund's Simplified Prospectus.

Results of Operations

During the period, the net asset value of the Fund increased from \$1.6 million to \$2.5 million. The increase in net asset value was due to positive net sales, as well as positive performance during the period.

During the period, the Fund returned 13.1% for Series A shares. This result lagged the Fund's benchmark, the S&P/TSX Capped Composite, which returned 21.1%. 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.

The following commentary relates to the underlying Trust Fund.

Canadian markets made strong gains in the first half of the period. The S&P/TSX Capped Composite Index was one of the best performing indexes in developed markets. The gains were mostly stable with a few notable drawdowns in early May and a strong recovery. This was followed by weakness in June, although the month made a small bounce in the last week to end positive on a total return basis.

The price recovery of the resource sectors helped lift Canadian markets as oil prices recovered and the precious metals had a large rally. Earnings in the Canadian markets overall was positive on both sales and earnings surprises for the first half of the period.

The S&P/TSX Composite Index continued to accelerate its gains in the fourth quarter, adding another 4.5%. The largest contributions came from the Financials and Energy sectors whilst the Materials and Healthcare sectors were the weakest in the quarter. Within the Financials sector, the main drivers of performance came in the last two months as strong earnings numbers drove stocks higher. Within the Energy sector, stocks exhibited fairly large swings within the quarter as macroeconomic drivers had the effect of moving the entire sector throughout the quarter.

Recent Developments

The main macroeconomic driver for the Energy sector was the highly anticipated Organization of the Petroleum Exporting Countries ("OPEC") meetings. Markets were quick to move on any rumour making headlines but in the end, oil production cuts were agreed to, most notably by Saudi Arabia and Russia. Analysts were quick to caution that the U.S. shale producers with the ability to quickly ramp up production could throw a wrench into the mix.

During the fourth quarter, Donald Trump won the U.S. Presidential election, surprising markets and pundits alike. On a platform of increased fiscal spending, tax reforms, and an emphasis on putting U.S. employees first, the so called 'Trump Trade' saw a regime shift take place in the markets with surprising speed. Immediate effects felt in Canada were related to Industrials with exposure to U.S. building projects rising, whilst exporting industries like Forestry falling (due for a potential renegotiation of Canada/U.S. trade agreements).

Sun Life BlackRock Canadian Equity Class

Some of these immediate moves would revert slightly, but market participants overall saw a regime switch and rotation in leadership in the markets. The U.S. Dollar saw large gains. Bond investors were subject to large swings in rates as U.S. Government expectations for rate hikes rose.

Effective February 5, 2016, all Series E and EF shares were converted to Series A shares, under the Front End Sales Charge option, and Series F shares, respectively, 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.

Related Party Transactions

Sun Life Global Investments (Canada) Inc. (the "Manager") is the manager 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.

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 is an indirect wholly owned subsidiary of Sun Life Financial Inc.

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 annual financial statements (audited).

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 shares. The Fund Costs that are specific to a series of shares are allocated to that series. These amounts are paid out of the assets attributed to each series of shares of the Fund, which reduces the return you may receive.

Series Description

The Fund offers the following series of shares: A, AT5, AT8, F, I and O. The date of creation for Series A, AT5, AT8 and F shares was August 1, 2013, the date of creation for Series O shares was April 1, 2014, and the date of creation for Series I shares was May 1, 2015.

Series A, AT5 and AT8 shares are available to all investors.

Series AT5 and AT8 shares are designed to provide investors with a fixed monthly distribution based upon a target annualized distribution rate of 5% and 8%, respectively, of the net asset value per share as at the end of the prior year.

Series F shares 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 shares 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 shares, so the Manager can charge a lower management fee.

Series I shares are special purpose securities that are currently only available to other mutual funds and eligible institutional investors. Series I shares 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 shares 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 shares held in the investor's Private Client account. Series O management fee is paid, after subtracting any management fee reductions, by a redemption of Series O shares in the investor's account.

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 December 31, 2016.

Sun Life BlackRock Canadian Equity Class

The Fund's Net Asset Value per Share (\$) ⁽¹⁾ Sun Life BlackRock Canadian Equity Class – Series A

	2016 (\$)	2015 (\$)	2014 (\$)	2013 (\$)
Net asset value, beginning of period	10.86	11.58	10.83	10.00
Increase (decrease) from operations:				
Total revenue	0.30	0.24	0.30	0.45
Total expenses	(0.20)	(0.21)	(0.21)	(0.08)
Realized gains (losses) for the period	0.14	0.21	0.19	0.27
Unrealized gains (losses) for the period	1.15	(0.68)	0.71	0.37
Total increase (decrease) from operations⁽²⁾	1.39	(0.44)	0.99	1.01
Distributions:				
From income (excluding dividends)	–	–	–	–
From dividends	(0.23)	(0.19)	(0.21)	(0.22)
From capital gains	(0.16)	(0.14)	(0.12)	–
Return of capital	–	–	–	–
Total annual distributions⁽³⁾	(0.39)	(0.33)	(0.33)	(0.22)
Net asset value, end of period	11.86	10.86	11.58	10.83

Sun Life BlackRock Canadian Equity Class – Series AT5

	2016 (\$)	2015 (\$)	2014 (\$)	2013 (\$)
Net asset value, beginning of period	14.46	16.23	15.92	15.00
Increase (decrease) from operations:				
Total revenue	0.36	0.35	0.36	0.40
Total expenses	(0.23)	(0.29)	(0.30)	(0.12)
Realized gains (losses) for the period	0.18	0.30	0.24	0.29
Unrealized gains (losses) for the period	1.55	(0.92)	1.26	0.99
Total increase (decrease) from operations⁽²⁾	1.86	(0.56)	1.56	1.56
Distributions:				
From income (excluding dividends)	(0.21)	–	–	–
From dividends	(0.29)	(0.25)	(0.31)	(0.32)
From capital gains	(0.21)	(0.19)	(0.17)	–
Return of capital	(0.51)	(0.81)	(0.79)	(0.31)
Total annual distributions⁽³⁾	(1.22)	(1.25)	(1.27)	(0.63)
Net asset value, end of period	15.03	14.46	16.23	15.92

Sun Life BlackRock Canadian Equity Class – Series AT8

	2016 (\$)	2015 (\$)	2014 (\$)	2013 (\$)
Net asset value, beginning of period	13.42	15.56	15.73	15.00
Increase (decrease) from operations:				
Total revenue	0.31	0.37	1.27	0.40
Total expenses	(0.24)	(0.27)	(0.29)	(0.12)
Realized gains (losses) for the period	0.16	0.31	0.67	0.29
Unrealized gains (losses) for the period	1.42	(1.07)	0.01	0.98
Total increase (decrease) from operations⁽²⁾	1.65	(0.66)	1.66	1.55
Distributions:				
From income (excluding dividends)	(0.21)	–	–	–
From dividends	(0.27)	(0.23)	(0.70)	(0.32)
From capital gains	(0.20)	(0.18)	(0.17)	–
Return of capital	(0.86)	(1.24)	(0.85)	(0.50)
Total annual distributions⁽³⁾	(1.54)	(1.65)	(1.72)	(0.82)
Net asset value, end of period	13.53	13.42	15.56	15.73

Sun Life BlackRock Canadian Equity Class – Series F

	2016 (\$)	2015 (\$)	2014 (\$)	2013 (\$)
Net asset value, beginning of period	11.16	11.77	10.88	10.00
Increase (decrease) from operations:				
Total revenue	0.63	0.37	0.25	0.27
Total expenses	(0.07)	(0.08)	(0.08)	(0.03)
Realized gains (losses) for the period	0.20	0.28	0.17	0.20
Unrealized gains (losses) for the period	1.10	(1.70)	0.88	0.66
Total increase (decrease) from operations⁽²⁾	1.86	(1.13)	1.22	1.10
Distributions:				
From income (excluding dividends)	–	–	–	–
From dividends	(0.24)	(0.19)	(0.22)	(0.22)
From capital gains	(0.16)	(0.14)	(0.11)	–
Return of capital	–	–	–	–
Total annual distributions⁽³⁾	(0.40)	(0.33)	(0.33)	(0.22)
Net asset value, end of period	12.33	11.16	11.77	10.88

Sun Life BlackRock Canadian Equity Class

Sun Life BlackRock Canadian Equity Class – Series I

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	9.10	10.00
Increase (decrease) from operations:		
Total revenue	0.37	0.53
Total expenses	–	–
Realized gains (losses) for the period	0.17	0.35
Unrealized gains (losses) for the period	0.96	(1.43)
Total increase (decrease) from operations⁽²⁾	1.50	(0.55)
Distributions:		
From income (excluding dividends)	–	–
From dividends	(0.20)	(0.16)
From capital gains	(0.13)	–
Return of capital	–	–
Total annual distributions⁽³⁾	(0.33)	(0.16)
Net asset value, end of period	10.12	9.10

Sun Life BlackRock Canadian Equity Class – Series O

	2016 (\$)	2015 (\$)	2014 (\$)
Net asset value, beginning of period	9.98	10.46	10.00
Increase (decrease) from operations:			
Total revenue	0.14	0.32	0.28
Total expenses	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	0.02	0.25	0.17
Unrealized gains (losses) for the period	1.20	(0.96)	0.10
Total increase (decrease) from operations⁽²⁾	1.35	(0.40)	0.54
Distributions:			
From income (excluding dividends)	–	–	–
From dividends	(0.22)	(0.17)	(0.19)
From capital gains	(0.15)	(0.12)	–
Return of capital	–	–	–
Total annual distributions⁽³⁾	(0.37)	(0.29)	(0.19)
Net asset value, end of period	11.09	9.98	10.46

⁽¹⁾ This information is derived from the Fund's audited annual financial statements.

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

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

Ratios and Supplemental Data

Sun Life BlackRock Canadian Equity Class – Series A

	2016	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	538,757	514,444	513,574	363,192
Number of shares outstanding ⁽¹⁾	45,434	47,385	44,336	33,531
Management expense ratio (%) ⁽²⁾	2.01	2.02	2.02	1.92
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.01	2.02	2.02	1.92
Trading expense ratio (%) ⁽³⁾	0.01	0.01	0.01	0.02
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64	4.27	72.39
Net asset value per share (\$) ⁽¹⁾	11.86	10.86	11.58	10.83

Sun Life BlackRock Canadian Equity Class – Series AT5

	2016	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	13,294	11,728	12,162	11,049
Number of shares outstanding ⁽¹⁾	884	811	749	694
Management expense ratio (%) ⁽²⁾	2.00	2.00	2.01	1.92
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.00	2.00	2.01	1.92
Trading expense ratio (%) ⁽³⁾	0.01	0.01	0.01	0.02
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64	4.27	72.39
Net asset value per share (\$) ⁽¹⁾	15.03	14.46	16.23	15.92

Sun Life BlackRock Canadian Equity Class – Series AT8

	2016	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	176,154	172,769	116,684	11,049
Number of shares outstanding ⁽¹⁾	13,023	12,875	7,498	702
Management expense ratio (%) ⁽²⁾	2.03	2.02	2.01	1.92
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.03	2.02	2.01	1.92
Trading expense ratio (%) ⁽³⁾	0.01	0.01	0.01	0.02
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64	4.27	72.39
Net asset value per share (\$) ⁽¹⁾	13.53	13.42	15.56	15.73

Sun Life BlackRock Canadian Equity Class – Series F

	2016	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	204,831	53,566	12,360	11,101
Number of shares outstanding ⁽¹⁾	16,617	4,799	1,050	1,020
Management expense ratio (%) ⁽²⁾	0.89	0.88	0.86	0.77
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.89	0.88	0.86	0.77
Trading expense ratio (%) ⁽³⁾	0.01	0.01	0.01	0.02
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64	4.27	72.39
Net asset value per share (\$) ⁽¹⁾	12.33	11.16	11.77	10.88

Sun Life BlackRock Canadian Equity Class – Series I

	2016	2015
Total net asset value (\$) ⁽¹⁾	1,313,349	380,503
Number of shares outstanding ⁽¹⁾	129,759	41,811
Management expense ratio (%) ⁽²⁾	0.19	0.18
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.19	0.18
Trading expense ratio (%) ⁽³⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64
Net asset value per share (\$) ⁽¹⁾	10.12	9.10

Sun Life BlackRock Canadian Equity Class

Sun Life BlackRock Canadian Equity Class – Series O

	2016	2015	2014
Total net asset value (\$) ⁽¹⁾	236,964	422,313	239,530
Number of shares outstanding ⁽¹⁾	21,369	42,321	22,897
Management expense ratio (%) ⁽²⁾	0.27	0.26	0.26
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.27	0.26	0.26
Trading expense ratio (%) ⁽³⁾	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	28.79	13.64	4.27
Net asset value per share (\$) ⁽¹⁾	11.09	9.98	10.46

⁽¹⁾ This information is provided as at December 31 of the period shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding broker commissions and other portfolio transaction costs) including the Fund's allocated percentage of Fund-on-Funds' expenses for the stated period and is expressed as an annualized percentage of daily average Net Asset Value during the period.

⁽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.

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 Shares	1.55	48	52
Series AT5 Shares	1.55	57	43
Series AT8 Shares	1.55	38	62
Series F Shares	0.55	–	100
Series I Shares	–	–	–
Series O Shares ²	0.55	–	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.

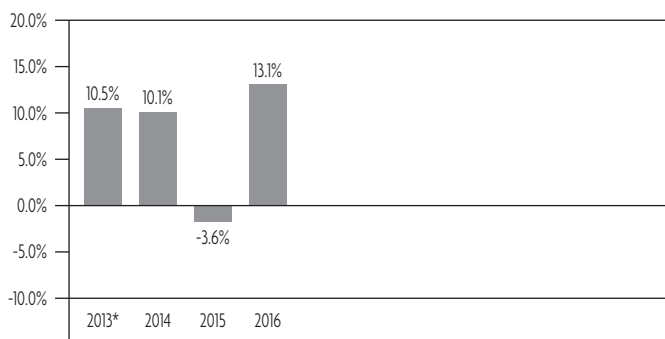
PAST PERFORMANCE

The indicated rates of return are the historical annualized and annual compounded total returns including changes in share value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any shareholder 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.

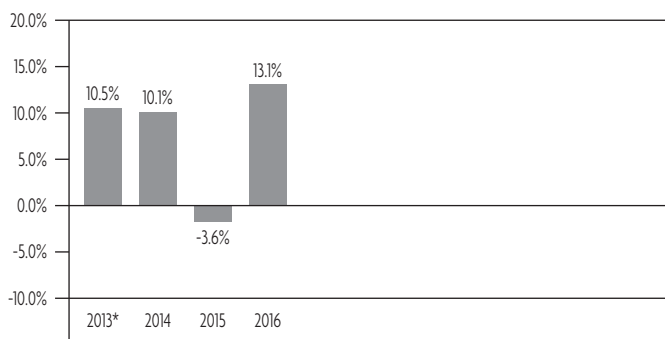
Year-by-Year Returns

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 financial year.

Series A Shares – Annual return for the period ended December 31, 2016

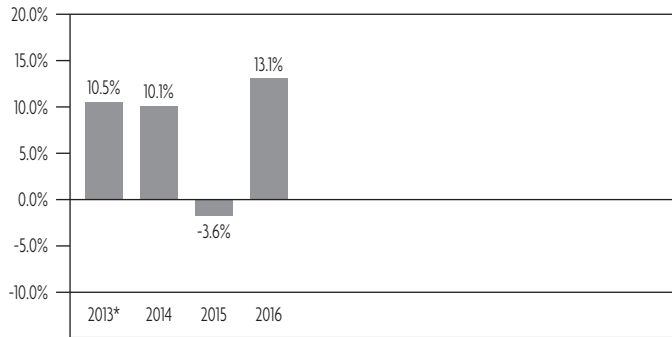


Series AT5 Shares – Annual return for the period ended December 31, 2016

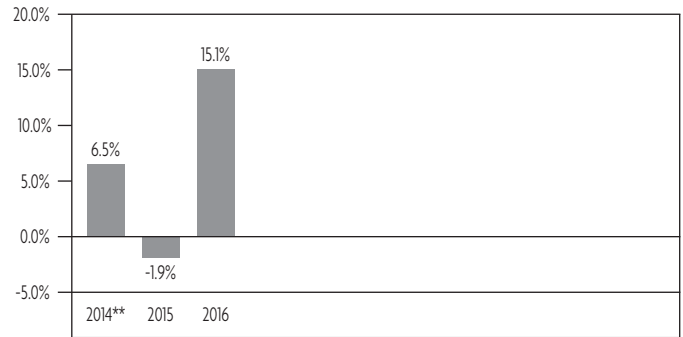


Sun Life BlackRock Canadian Equity Class

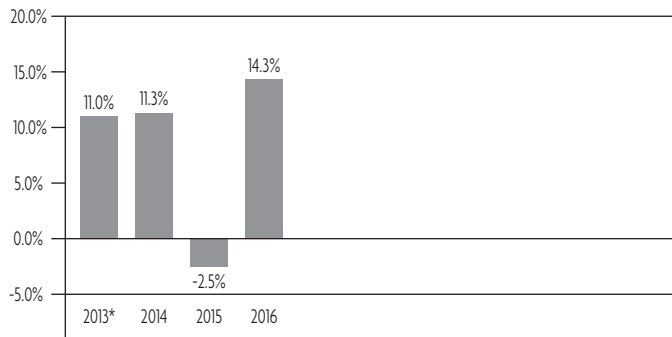
Series AT8 Shares – Annual return for the period ended December 31, 2016



Series O Shares – Annual return for the period ended December 31, 2016



Series F Shares – Annual return for the period ended December 31, 2016



* for the period of August 1, 2013 to December 31, 2013

** for the period of April 1, 2014 to December 31, 2014

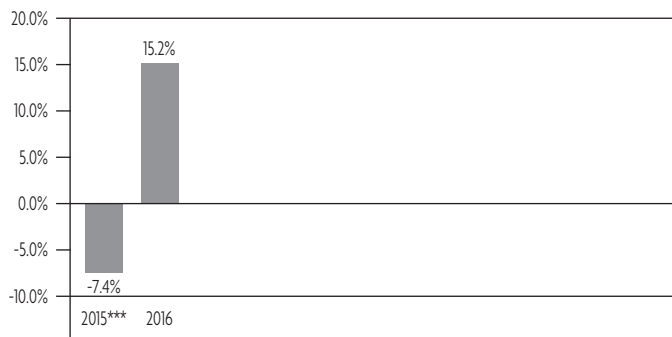
*** for the period of May 1, 2015 to December 31, 2015

Annual Compound Returns

The following table compares the historical annual compound total returns of Series A, AT5, AT8, F, I and O shares of the Fund with the S&P/TSX Capped Composite Index.

The S&P/TSX Capped Composite Index covers approximately 95% of the Canadian equities market, and has been the primary gauge for Canadian-based, Toronto Stock Exchange-listed companies since 1977.

Series I Shares – Annual return for the period ended December 31, 2016



Sun Life BlackRock Canadian Equity Class

The Series A shares underperformed the benchmark since inception, over the past three years and over the past year.

	1 Year	3 Year	5 Year	10 Year	Performance Start Date ⁽¹⁾⁽²⁾⁽³⁾
Sun Life BlackRock Canadian Equity Class – Series A	13.1%	6.3%	N/A	N/A	8.6%
Sun Life BlackRock Canadian Equity Class – Series AT5	13.1%	6.3%	N/A	N/A	8.6%
Sun Life BlackRock Canadian Equity Class – Series AT8	13.1%	6.3%	N/A	N/A	8.6%
Sun Life BlackRock Canadian Equity Class – Series F	14.3%	7.5%	N/A	N/A	9.8%
S&P/TSX Capped Composite Index	21.1%	7.1%	N/A	N/A	9.3%
Sun Life BlackRock Canadian Equity Class – Series I	15.2%	N/A	N/A	N/A	3.9%
S&P/TSX Capped Composite Index	21.1%	N/A	N/A	N/A	3.4%
Sun Life BlackRock Canadian Equity Class – Series O	15.1%	N/A	N/A	N/A	6.9%
S&P/TSX Capped Composite Index	21.1%	N/A	N/A	N/A	5.5%

⁽¹⁾ The performance start date for Series A, AT5, AT8 and F shares was August 1, 2013.

⁽²⁾ The performance start date for Series O shares was April 1, 2014.

⁽³⁾ The performance start date for Series I shares was May 1, 2015.

SUMMARY OF INVESTMENT PORTFOLIO⁽¹⁾

as at December 31, 2016

Top 25 Investments⁽⁴⁾

Holdings	Percentage of Net Asset Value of the Fund (%)
1 Sun Life BlackRock Canadian Composite Equity Fund, Series I ⁽²⁾	70.1
2 iShares Global Tech ETF ⁽²⁾	8.8
3 iShares Global Healthcare ETF ⁽²⁾	6.9
4 iShares S&P Global Consumer Discretionary Index ETF ⁽²⁾	4.9
5 iShares Global Consumer Staples ETF ⁽²⁾	4.4
6 iShares S&P Global Industrials Index ETF ⁽²⁾	3.6
7 iShares Global Utilities ETF ⁽²⁾	0.9
8 iShares Global Real Estate Index Fund ⁽²⁾	0.6
9 Cash and Cash Equivalents ⁽³⁾	(0.2)
	100.0
Total Net Asset Value (000's)	\$ 2,483

Sector Allocation⁽⁴⁾

	Percentage of Net Asset Value of the Fund (%)
Financials	24.4
Energy	14.5
Information Technology	10.7
Industrials	9.7
Consumer Discretionary	8.4
Materials	8.3
Health Care	7.3
Consumer Staples	7.1
Telecommunication Services	3.3
Utilities	3.0
Real Estate	2.6
Cash and Cash Equivalents ⁽³⁾	0.7
	100.0

⁽¹⁾ All information is as at December 31, 2016. 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⁾ The Fund invests in other investment funds. The prospectus of the underlying investment funds and other information can be found on the internet.

⁽³⁾ Cash and Cash Equivalents, for the purpose of this chart, includes other assets less liabilities.

⁽⁴⁾ The Fund invests substantially all of its assets directly in the underlying Trust Fund. The summary of investment portfolio for the Fund presents the investments as a percentage of the net asset value of the underlying Trust Fund.

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.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

Sun Life BlackRock Canadian Equity Class

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.

Sun Life Global Investments (Canada) Inc.
150 King Street West, Toronto, Ontario, M5H 1J9
Telephone: 1-877-344-1434 | Facsimile: 416-979-2859
info@sunlifeglobalinvestments.com
www.sunlifeglobalinvestments.com



I L L U M I N A T I N G