



Independent Review Committee
2022 Report to Securityholders
Sun Life Global Investments Mutual Funds

December 31, 2022

Dear Investor:

We are pleased to publish this annual report to investors of the investment funds managed by SLGI Asset Management Inc. (the “Manager”) and listed in Schedule “A” (the “Funds”). This report relates to the financial year ended December 31, 2022.

Securities regulators have given your independent review committee a specific role to review mutual fund conflict of interest matters identified and referred to us by the Manager and to give our approval or recommendation. Our focus is on the question of whether the Manager’s proposed action achieves a fair and reasonable result for the Funds.

We held virtual meetings with the Manager on a quarterly basis in 2022 to receive the Manager’s reports of compliance with its policies. The committee met privately, without members of management present, before each meeting. We completed our annual assessment of the adequacy and effectiveness of the Manager’s conflict of interest policies and procedures. We also assessed our effectiveness as an independent review committee, the effectiveness and contribution of each of our members, and the independence and compensation of our members.

The members of the committee bring to their roles a combination of educational and professional experience and skills to adequately address the scope of the conflict of interest matters that come before us. The industry information and ongoing continuing education provided to us by the Manager help us to maintain high standards and best practices in mutual fund governance.

The Manager is transparent and responsive in its dealings with the committee. We look forward to the continuation of our effective working relationship with the Manager for the benefit of the Funds.

A handwritten signature in black ink, appearing to read "Nancy E. Church".

Nancy E. Church
Chair of the Independent Review Committee

Members of your Independent Review Committee (“IRC”)

<u>Name</u>	<u>Current Employment</u>	<u>Residence</u>	<u>First appointed</u>
<i>Nancy Church (Chair)</i>	Retired Lawyer	Brantford, Ontario	June 8, 2017
<i>Frank Lippa</i>	Financial Services Consultant	Toronto, Ontario	August 19, 2020
<i>André Fok Kam</i>	Regulatory and Compliance Consultant	Montreal, Quebec	August 20, 2018

Holding of Securities

(a) Funds

As at December 31, 2022, the percentage of securities of each series of the Funds beneficially owned, directly or indirectly, in aggregate, by all members of the IRC, did not exceed 10 per cent of that series.

(b) Manager

As at December 31, 2022, no member of the IRC beneficially owned, directly or indirectly, any class or series of voting or equity securities of the Manager.

(c) Any person or company that provides services to the investment fund or the manager as at December 31, 2022

As at December 31, 2022, the percentage of securities of each class or series of voting or equity securities in any person or company that provides services to the Funds or the Manager beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was insignificant and was considered by the IRC to have no impact on the independence or objectivity of its members.

Compensation and Indemnities

The aggregate compensation paid and expenses reimbursed by the Funds to the members of the IRC for the year was \$119,000. This compensation was in line with the Manager’s recommendation. This amount was allocated among the Funds managed by the Manager in a manner that was considered by the Manager to be fair and reasonable to the Funds.

No indemnities were paid to the members of the IRC by the Funds during the period.

At least annually, the IRC reviews its compensation giving consideration to the following:

1. the best interests of the Funds;
2. that each Fund must pay its reasonable allocation of the compensation of the members of your IRC from the assets of the Fund;
3. that compensation paid to your IRC by each Fund should fairly and reasonably reflect the general and specific benefits accruing to the Fund;
4. the number, nature and complexity of the Funds for which your IRC acts; and
5. the nature and extent of the workload of each member of your IRC.

Conflict of Interest Matters

Except as set out in Schedule B, the IRC is not aware of any instance in which the Manager acted in a conflict of interest matter but did not meet a condition imposed by the IRC in its recommendations or approvals. The Manager has an obligation to notify the IRC of any such instances.

Approvals and Standing Instructions

The Manager received approvals and relied on standing instructions with respect to the following activities. In each case, the standing instructions require the Manager to comply with its related policy and procedures and to report periodically to your IRC.

1. Allowing the Funds to purchase and hold securities of the related issuer, Sun Life Financial Inc.
2. Allowing the Funds to purchase or sell equity and debt securities from or to a related dealer when the related dealer is acting as principal.
3. Allowing the Sun Life Core Advantage Credit Private Pool to purchase securities of SLC Management Short Term Private Fixed Income Plus Fund without prior investor consent.

Positive Recommendations and Standing Instructions

The Manager received positive recommendations and relied on standing instructions with respect to the conflict of interest matters addressed by the following policies. In each case, the standing instructions require the Manager to comply with its related policy and procedures and to report periodically to your IRC.

1. Personal Trading Policy, which restricts most personal trading by certain individuals employed by the Manager but allows those individuals to trade in certain securities for their own account subject to controls.
2. Allocation of Fees and Expenses Policy, which allows the Manager to charge expenses to the Funds, to allocate expenses between the Manager and the Funds and to allocate expenses among the Funds and other funds managed by the Manager or an affiliate, including expenses charged by related parties for services provided to the Manager

and the Funds.

3. Brokerage Commission (Soft Dollar) Policy, which allows the Manager to obtain order execution for the Funds as well as certain additional goods and services (generally, research) for the benefit of its clients, including the Funds, using brokerage commissions paid by the Funds.
4. Trading Policy, which covers a number of different areas, including: (i) error correction, which directs the circumstances and manner in which the Manager will correct trading errors in the portfolio investments of a Fund; and (ii) fair allocations of investment opportunities.
5. Fund Asset Valuation Policy, which directs how a Fund's securities will be valued in order to obtain a fair net asset value of the Fund.
6. Proxy Voting Policy, which directs how the Manager will vote a Fund's proxies of securities issued by Sun Life Financial Inc. and its affiliates and when voting a Fund's proxy will raise a possible conflict of interest for the Manager or a sub-advisor related to the Manager.
7. Short-term or Excessive Trading and Late Trading Policy, which sets out the steps the Manager will take to monitor, detect and deter short-term trading and market timing and to prohibit late trading by securityholders in units or shares of the Funds.
8. Client Name Registered Investments in Terminating Funds Policy, which allows the Manager to switch remaining client name registered investments in a terminating fund into the Sun Life Money Market Fund.
9. Large Investments in the Funds Policy, which sets out the steps the Manager will take to monitor, detect and report on large investments in the Funds, including investments made by the Manager and its affiliates.
10. Seed Capital Redemption Policy, which sets out the process the Manager will follow to allow a redemption of seed capital invested in a Fund by the Manager or its affiliates.
11. Dealing with Fund Capacity Issues Policy, which sets out the steps the Manager will take when its internal portfolio managers redeem securities held in a client account of a Fund for which there are identified concerns or limits about capacity.
12. Gifts and Entertainment Policy, which requires the Manager to monitor the acceptance or offering of gifts and entertainment by any SLGI employees or Sun Life employees that provide services to the Manager and that could give rise to a potential conflict of interest.

Positive Recommendations

The IRC provided a positive recommendation for the following conflict of interest matter referred to the IRC by the Manager:

1. The IRC was of the opinion that the Manager's proposed in-specie transactions for each of the direct investment portions of the Sun Life Granite Income Portfolio and

Sun Life Granite Enhanced Income Portfolio (the “Concerned Funds”) would achieve a fair and reasonable result for each of the Concerned Funds, and it gave a positive recommendation. The transaction to complete the in-specie transactions was initiated on April 20th, 2022, with a settlement date of April 22nd, 2022.

Schedule “A”

Funds covered by this report

As of December 31, 2022

Sun Life Aditya Birla India Fund
Sun Life Amundi Emerging Markets Debt Fund
Sun Life BlackRock Canadian Composite Equity Fund
Sun Life BlackRock Canadian Equity Fund
Sun Life BlackRock Canadian Universe Bond Fund
Sun Life Core Advantage Credit Private Pool
Sun Life Crescent Specialty Credit Private Pool
Sun Life Dynamic Equity Income Fund
Sun Life Dynamic Strategic Yield Fund
Sun Life Global Tactical Yield Private Pool
Sun Life Granite Balanced Growth Portfolio
Sun Life Granite Balanced Portfolio
Sun Life Granite Conservative Portfolio
Sun Life Granite Enhanced Income Portfolio
Sun Life Granite Growth Portfolio
Sun Life Granite Income Portfolio
Sun Life Granite Moderate Portfolio
Sun Life Granite Tactical Completion Fund
Sun Life JPMorgan International Equity Fund
Sun Life KBI Global Dividend Private Pool
Sun Life KBI Sustainable Infrastructure Private Pool
Sun Life MFS Canadian Bond Fund
Sun Life MFS Canadian Equity Fund
Sun Life MFS Diversified Income Fund (formerly, Sun Life MFS Dividend Income Fund)
Sun Life MFS Global Growth Fund
Sun Life MFS Global Total Return Fund
Sun Life MFS Global Value Fund
Sun Life MFS International Opportunities Fund
Sun Life MFS International Value Fund

Sun Life MFS Low Volatility Global Equity Fund
Sun Life MFS Low Volatility International Equity Fund
Sun Life MFS U.S. Equity Fund
Sun Life MFS U.S. Growth Fund
Sun Life MFS U.S. Mid Cap Growth Fund
Sun Life MFS U.S. Value Fund
Sun Life Milestone 2025 Fund
Sun Life Milestone 2030 Fund
Sun Life Milestone 2035 Fund
Sun Life Milestone Global Equity Fund
Sun Life Money Market Fund
Sun Life Multi-Strategy Bond Fund
Sun Life Nuveen Flexible Income Fund (formerly, Sun Life NWQ Flexible Income Fund)
Sun Life Real Assets Private Pool
Sun Life Schroder Emerging Markets Fund
Sun Life Schroder Global Mid Cap Fund
Sun Life Tactical Balanced ETF Portfolio
Sun Life Tactical Conservative ETF Portfolio
Sun Life Tactical Equity ETF Portfolio
Sun Life Tactical Fixed Income ETF Portfolio
Sun Life Tactical Growth ETF Portfolio
Sun Life U.S. Core Fixed Income Fund
Sun Life Wellington Opportunistic Fixed Income Private Pool
Sun Life Granite Balanced Class*
Sun Life Granite Balanced Growth Class*
Sun Life Granite Conservative Class*
Sun Life Granite Growth Class*
Sun Life Granite Moderate Class*
Sun Life MFS Global Growth Class*
Sun Life MFS International Opportunities Class*
Sun Life MFS U.S. Growth Class*
Sun Life Money Market Class*

**each a class of shares of Sun Life Global Investments Corporate Class Inc., a mutual fund corporation.*

Schedule “B”

In a Recommendation Standing Instruction, the IRC required the Manager to comply with its Fund Asset Valuation Policy. The Manager did not meet this condition when it did not follow its processes to determine, in a timely manner, a fair value for Russian securities held by its Funds at a time when valuations were falling quickly. The Manager made the impacted Funds and securityholder accounts whole and reviewed its valuation processes. The IRC is satisfied that the Manager has taken appropriate action to deal with the matter.

Additionally, the Manager did not meet this same condition when it omitted to include Indian tax accrual on net unrealized gains in determining the fair value for Indian securities held by its Funds. The Manager made the impacted Funds whole and corrected securityholder accounts in accordance with its policy. The IRC is satisfied that the Manager has taken appropriate action to deal with the matter.

In a Recommendation Standing Instruction, the IRC required the Manager to comply with its Trading Policy relating to investment allocation. The Manager did not meet this condition when a sub-advisor retained by the Manager inadvertently failed to allocate a trade to one of the Manager’s Funds. The Fund was not adversely impacted. The IRC is satisfied that the Manager has taken appropriate action to deal with the matter.