

# Sun Life Core Advantage Credit Private Pool

**A core fixed income solution with unique ways of adding value**

## Overview

- **Well-diversified**, North American, investment-grade fixed income portfolio that benefits from the expertise of a firm with extensive fixed income investing experience
- **Deep global credit expertise** helps improve diversification and return potential through the use of foreign bonds and sophisticated hedging strategies
- **Investment-grade private fixed income** designed to further enhance diversification and maximize return potential while maintaining a lower risk profile
- **Unique inflation protection capabilities** through investments like real return bonds help to protect from inflation risk while enhancing return potential
- **Exclusive access** to a mandate sub-advised by SLC Management<sup>1</sup>, a firm retail investors cannot access anywhere else and one trusted by 1,300 sophisticated institutional investors

Asset Class	
North American Fixed Income	
Investment Risk	
Low	
Benchmark	
FTSE Canada Universe Bond Index	
Fixed Monthly Distribution (per unit) <sup>2</sup>	
Series F	\$0.018
Series A (FE)	\$0.013
MERs (%)	
Series F	0.66
Series A (FE)	1.28
Fund Codes	
Series F	SUN630
Series A (FE)	SUN430

## Investment Guidelines

The Pool must have a weighted average credit quality of investment grade.

Asset Allocation		Credit Quality <sup>3</sup>	
Sovereign & Sovereign Guarantees	30-100%	A (and above)	0-100%
Inflation Linked/Real Return Bonds	0-50%	BBB	0-40%
Corporate Bonds	0-70%	BB (or lower)	0-20%
Foreign Bonds (Hedged)	0-50%	Unrated	0-10%
Private Fixed Income	0-10%		
Cash & Cash Equivalents	0-10%		
Duration			
Duration will typically be within +/- 1.5 years of the duration of the FTSE Canada Universe Bond Index.			

<sup>1</sup>Sub-advisor is Sun Life Capital Management (Canada) Inc. SLC Management is the brand name for Sun Life Capital Management (Canada) Inc. in Canada.

<sup>2</sup>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.

<sup>3</sup>Credit quality defined by DBRS or comparable from a Designated Rating Agency.

# Sun Life Core Advantage Credit Private Pool

## Investment Management

SLC Management benefits from Sun Life's history and experience, and leverages its established investment processes, risk controls and governance standards.

- **History.** Managing fixed income and risk is at the core of the insurance business. While officially established in 2014, SLC Management is the institutional asset management business of Sun Life, a large global financial services organization with more than 150 years' experience in insurance and asset management.
- **Expertise.** SLC Management's fixed income team is extensive, with 65 investment professionals dedicated to public fixed income management and 55 dedicated to private fixed income. They also have a dedicated derivatives team managing \$68 billion in notional derivative exposures. All of these teams join together to benefit Sun Life Core Advantage Credit Private Pool. This depth of expertise means they can adeptly exploit opportunities in markets other managers shy away from or don't have access to—including private fixed income and real return bonds.
- **Breadth.** SLC Management manages \$303 billion for more than 1,300 institutions. With \$139B in public fixed income and \$72B private fixed income, their scale means they can leverage efficiencies, particularly with private fixed income, inflation protection and credit analysis (including advanced hedging strategies).

[sunlifeglobalinvestments.com/privateinvestmentpools](http://sunlifeglobalinvestments.com/privateinvestmentpools)

All information as December 31, 2020 in CAD.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Investors should read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Series F is available only to eligible investors who have fee-based accounts with their dealers.

Sun Life Global Investments is a trade name of SLGI Asset Management Inc., Sun Life Assurance Company of Canada and Sun Life Financial Trust Inc. SLGI Asset Management Inc. is the investment manager of the Sun Life Mutual Funds, Sun Life Granite Managed Solutions and Sun Life Private Investment Pools.

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