

Sun Life Dynamic Strategic Yield Fund

Series A

Additional series available

\$8.8689 CAD

Net asset value per security (NAVPS) as of October 30, 2020

▼ \$-0.1008 | -1.12%

Benchmark
Blended benchmark[§]

Fund category
Tactical Balanced

Morningstar™ Rating
★

Funds in category
1333

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

Investment objective

The Fund seeks to achieve income and long-term capital growth by primarily investing directly in a diversified portfolio of fixed income and income-oriented equity securities, or indirectly by investing in mutual funds and exchange-traded funds that invest in such securities.

This Fund may be suitable for investors who:

- seek income and capital growth potential through investments in both equities and fixed income securities
- are long-term investors
- are comfortable with low to medium investment risk

Fund essentials

Inception date	Jan 17, 2013
Min initial inv \$	500
Min additional inv \$	50
MER % as at June 30, 2020	2.30
Management fee %	1.85
Distributions	\$0.0425 per unit per month. Refer to Simplified Prospectus for more detail.

Management company

SLGI Asset Management Inc.

Sub-advisor

1832 Asset Management L.P.
(manager of the Dynamic Funds)*
Toronto Ontario

*Dynamic, Dynamic Funds and Dynamic Strategic Yield Fund are registered and proprietary trademarks of Scotiabank, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

Class	Load structure	Currency	Fund Code
A	ISC	CAD	SUN178
A	DSC	CAD	SUN278
A	LSC	CAD	SUN378

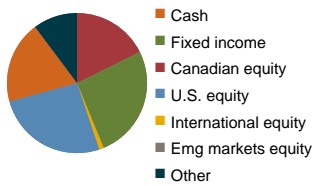
Risk profile



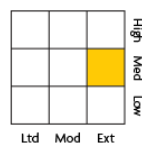
Refer to the Simplified Prospectus for greater detail.

PORTFOLIO ANALYSIS (as of August 31, 2020)

Composition



Fixed inc style



Credit quality

Credit quality	%
AAA	49.3
AA	16.4
A	13.9
BBB	15.8
BB	2.2
B	0.0
Below B	0.0
Not Rated	2.4

Geographic composition

Geographic composition	%
United States	50.1
Canada	47.8
United Kingdom	1.6
Australia	0.2
Belgium	0.1
Spain	0.1
Denmark	0.1
France	0.0
Ireland	0.0
New Zealand	0.0
Others	0.0

Fixed income

Fixed income	%
Government bonds	34.7
Corporate bonds	21.7
Securitized	0.6
Cash & Equivalents	41.7
Derivatives	1.3

Top ten holdings

Top ten holdings	%
as of June 30, 2020	
Dynamic Total Return Bond Series O	14.8
1832 AM Investment Grade US Corp Bd Pl I	10.7
1832 Am U.S. \$ Investment Grade U.S. Corporate Bond Pool, Series "i"	2.8
Microsoft Corp	2.8
Canada (Government of) 1% 2027-06-01	2.6
United States Treasury Notes 0.62% 2030-05-15	2.2
Innergex Renewable Energy, Inc.	2.0
Fortis Inc	2.0
United States Treasury Notes 0.25% 2025-05-31	1.9
Royal Bank of Canada	1.6
Total number of portfolio holdings	119

Cash and cash equivalents are not shown.

*Global Industry Classification Standard (GICS).

PERFORMANCE ANALYSIS (as of September 30, 2020)

Calendar year	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total assets \$M	52.8	53.2	52.5	60.2	61.3	43.0	44.8	24.3	-	-	-
Fund return %	-3.0	11.5	-2.8	6.1	1.5	4.8	5.9	9.7	-	-	-
Category return %	2.0	12.6	-3.0	7.1	4.7	5.4	8.7	-	-	-	-
Distribution \$/security	0.43	0.51	0.51	0.51	0.51	0.69	0.55	0.49	-	-	-
Quartile (within category)	4	3	2	3	4	2	4	-	-	-	-

Trailing	1 mth	3 mth	6 mth	1 yr	2 yr	3 yr	5 yr	10 yr	Since inception
Fund return %	-0.4	1.9	6.0	-2.4	2.0	2.7	2.9	-	4.3
Category return %	-0.3	3.4	13.4	4.6	4.6	4.8	5.3	-	-
Morningstar™ rating	-	-	-	-	-	★★	★	-	-
Quartile (within category)	2	4	4	4	4	4	4	-	-
# of funds in category	1676	1654	1639	1619	1500	1333	990	-	-

*For the period January 17 to December 31.

Returns for funds less than 1 year old cannot be displayed.

3-YEAR RISK MEASURES (as of September 30, 2020)

Annualized returns are used to calculate the risk metrics below.

Standard deviation (fund)	7.32	Sharpe ratio	0.21	Alpha	-5.72
Standard deviation (category)	8.42	R²	63.98	Beta	0.92

Standard deviation is a measure of volatility; it shows how broadly returns have varied over a given time period. Generally, a high standard deviation implies greater volatility.

Sharpe ratio combines a risk measurement and a return measurement into a single number to determine a fund's risk-adjusted return. A higher value is better.

R²: reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark. It is measured on a scale of 0-100.

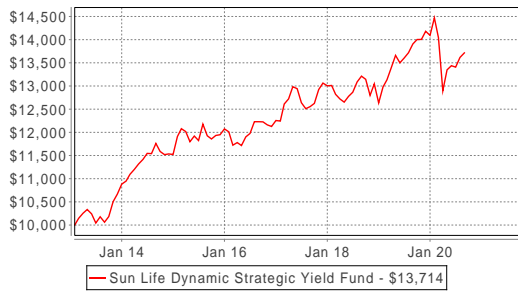
Alpha measures the difference between a fund's return and its benchmark, taking into account volatility (beta). An alpha of 1 means a fund outperformed its benchmark by 1%; -1 means the fund underperformed by 1%.

Beta measures the movement of a fund in relation to its benchmark. A beta over 1 means price moves are greater (up or down) than the benchmark's; below 1 means less extreme price moves; 1 means it moves in step with its benchmark.

Management team

Dynamic Funds: Oscar Belaiche, CFA, Vice President and Portfolio Manager; Domenic Bellissimo, CFA, Vice President and Portfolio Manager; Thomas Dicker, CFA, Portfolio Manager; Bill McLeod, MBA, CFA, Vice President and Portfolio Manager; John Harris, Vice-president and Portfolio Manager; Bill Kim, CFA, Portfolio Manager; Derek Amery, BA(Hons.), MA, CFA, Vice President and Senior Portfolio Manager; Jennifer Stevenson, Vice-president and Portfolio Manager; Daniel Yungblut, CFA, Portfolio Manager; Steven Hall, CFA, Portfolio Manager; Frank Latshaw, Portfolio Manager; Vimalesan Thasan, Portfolio Manager; Eric Benner, Vice President and Portfolio Manager; Yassen Dimitrov, Portfolio Manager; Damian Hoang, Vice President and Portfolio Manager

CURRENT VALUE OF A \$10,000 INVESTMENT



Initial investment amount:

\$10000

Time frame:

Start Feb 2013

End Sep 2020

The calculator generates an approximate rate of return using performance information as at the first business day of each month in your chosen time frame. Returns for funds less than 1 year old cannot be displayed. The default settings invest \$10,000 on the inception date of the fund, with an end date of January in the current year. For informational purposes, the initial investment amount and time frame can be adjusted according to your preference.

INVESTMENT MANAGEMENT APPROACH

Dynamic Funds

Dynamic Funds, a division of 1832 Asset Management L.P., supports a culture that is driven by independent thinking. Whether choosing investment opportunities or managing portfolios, this highly-skilled team is encouraged to act boldly and capitalize on the opportunity. This principle is consistent across each of the core areas of Dynamic's business model.

Portfolio managers are unwavering when it comes to following their strategic convictions. Every decision they make is driven by their particular investment style and the goal of optimizing returns for investors while protecting their wealth.

NOTES AND DISCLAIMERS

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

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.

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.

Compound growth calculations are used only for the purpose of illustrating the effects of compound growth and are not intended to reflect the future value of any mutual fund or returns on investment in any mutual fund.

Sun Life Dynamic Equity Income Fund and Sun Life Dynamic Strategic Yield Fund each currently invest in an underlying fund. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund/ETF investments. Please read the prospectus before investing. 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 Rating™ 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 Box™ 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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