

July 21, 2020

**SLGI Asset Management Inc. (formerly, Sun Life Global Investments
(Canada) Inc.)**

SIMPLIFIED PROSPECTUS

Offering Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities of the following Funds, as indicated below:

Sun Life MFS Global Growth Fund (Series A, T5, T8, D, F, F5, F8, I, O securities)

Sun Life MFS Global Value Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS U.S. Growth Fund (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

Sun Life MFS U.S. Value Fund (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

Sun Life MFS International Opportunities Fund (formerly, Sun Life MFS International Growth Fund) (Series A, T5, T8, D, F, F5, F8, I, O securities)

Sun Life MFS International Value Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Excel Emerging Markets Fund (Series A, DB, F, I, O securities)

Sun Life MFS Global Total Return Fund (Series A, DB, T5, F, F5, I, O securities)

Sun Life JPMorgan International Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Milestone 2025 Fund (Series A securities)

Sun Life Milestone 2030 Fund (Series A securities)

Sun Life Milestone 2035 Fund (Series A securities)

Sun Life Multi-Strategy Bond Fund (Series A, F, I, O securities)

Sun Life Money Market Fund (Series A, D, F, I, O securities)

Sun Life Excel High Income Fund (Series A, DB, F, I securities)

Sun Life Excel India Balanced Fund (Series A, F securities)

Sun Life Excel India Fund (Series A, DB, F, I, O securities)

Sun Life Excel New India Leaders Fund (Series A, F securities)

Sun Life Schroder Global Mid Cap Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Dynamic Equity Income Fund[^] (Series A, F, I, O securities)

Sun Life Dynamic Strategic Yield Fund[^] (Series A, F, I, O securities)

Sun Life NWQ Flexible Income Fund (Series A, F, I, O securities)

Sun Life BlackRock Canadian Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS Canadian Bond Fund (Series A, D, F, I, O securities)

Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
(Series A, D, F, I, O securities)

Sun Life MFS Dividend Income Fund (Series A, D, F, I, O securities)

Sun Life MFS U.S. Equity Fund (Series A, D, F, I, O securities)

Sun Life MFS Low Volatility International Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS Low Volatility Global Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Tactical Fixed Income ETF Portfolio (Series A, F, I securities)

Sun Life Tactical Conservative ETF Portfolio (Series A, T5, F, F5, I securities)

Sun Life Tactical Balanced ETF Portfolio (Series A, T5, F, F5, I securities)

Sun Life Tactical Growth ETF Portfolio (Series A, F, I securities)

Sun Life Tactical Equity ETF Portfolio (Series A, F, I securities)

Sun Life Granite Conservative Portfolio (Series A, T5, F, F5, I, O securities)

Sun Life Granite Moderate Portfolio (Series A, T5, F, F5, I, O securities)

Sun Life Granite Balanced Portfolio (Series A, T5, D, F, F5, I, O securities)

Sun Life Granite Balanced Growth Portfolio (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Granite Growth Portfolio (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Granite Income Portfolio (Series A, T5, F, F5, I, O securities)

Sun Life Granite Enhanced Income Portfolio (Series A, F, I, O securities)

Sun Life Core Advantage Credit Private Pool (Series A, F, I securities)

Sun Life Global Dividend Private Pool (Series A, F, I securities)

Sun Life Global Tactical Yield Private Pool (Series A, F, I securities)

Sun Life Real Assets Private Pool (formerly, Sun Life Real Assets Fund) (Series A, F, I, O securities)

Sun Life Money Market Class* (Series A, F, O securities)

Sun Life Granite Conservative Class* (Series A, AT5, F, FT5, O securities)

Sun Life Granite Moderate Class* (Series A, AT5, F, FT5, O securities)

Sun Life Granite Balanced Class* (Series A, AT5, F, FT5, O securities)

Sun Life Granite Balanced Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)

Sun Life Granite Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)

Sun Life MFS U.S. Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)

Sun Life MFS Global Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)

Sun Life MFS International Opportunities Class* (formerly, Sun Life MFS International Growth Class) (Series A, AT5, AT8, F, FT5, FT8, O securities)

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

^ Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.



No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise.

The Funds and the securities of the Funds offered under this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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Introduction

This document contains selected important information to help you make an informed investment decision and understand your rights as an investor. Throughout this document:

- *we, us, our, SLGI* or the *Manager* means SLGI Asset Management Inc. (formerly, Sun Life Global Investments (Canada) Inc.);
- *you, investor* or *securityholder* means each person who invests in the Funds;
- *advisor* means the registered representative who advises you on your investments;
- *Corporate Classes* means the following funds:

Sun Life Money Market Class;
Sun Life Granite Conservative Class;
Sun Life Granite Moderate Class;
Sun Life Granite Balanced Class;
Sun Life Granite Balanced Growth Class;
Sun Life Granite Growth Class;
Sun Life MFS U.S. Growth Class;
Sun Life MFS Global Growth Class; and
Sun Life MFS International Opportunities Class,

which are each organized as separate classes of shares of the Mutual Fund Corporation;

- *CRA* means the Canada Revenue Agency;
- *dealer* means the company where your investment advisor works;
- *Fund* means a mutual fund listed on the front cover of this Simplified Prospectus;
- *Sun Life Excel Funds* means Sun Life Excel High Income Fund, Sun Life Excel India Balanced Fund, Sun Life Excel India Fund and Sun Life Excel New India Leaders Fund;
- *intermediary* means a third party that your dealer may use to administer your account;
- *IRC* means the independent review committee of the Funds that has been established by the Manager under National Instrument 81-107 *Independent Review Committee for Investment Funds*;
- *MFS IMC Funds* means the following Funds:

Sun Life MFS Global Growth Fund;
Sun Life MFS Global Value Fund;
Sun Life MFS U.S. Growth Fund;
Sun Life MFS U.S. Value Fund;
Sun Life MFS International Opportunities Fund;
Sun Life MFS International Value Fund;
Sun Life MFS Global Total Return Fund;
Sun Life MFS Canadian Bond Fund;
Sun Life MFS Canadian Equity Fund;
Sun Life MFS Dividend Income Fund;

Sun Life MFS U.S. Equity Fund;
Sun Life MFS Low Volatility International Equity Fund; and
Sun Life MFS Low Volatility Global Equity Fund;

- *Milestone Funds* means Sun Life Milestone 2025 Fund, Sun Life Milestone 2030 Fund and Sun Life Milestone 2035 Fund;
- *Mutual Fund Corporation* means Sun Life Global Investments Corporate Class Inc.
- *NAV* means net asset value;
- *NI 81-102* means National Instrument 81-102 - *Investment Funds*;
- *Private Pools* means Sun Life Core Advantage Credit Private Pool, Sun Life Global Dividend Private Pool, Sun Life Global Tactical Yield Private Pool and Sun Life Real Assets Private Pool;
- *Sun Life Granite Portfolio(s)* means the following Funds:

Sun Life Granite Conservative Portfolio;
Sun Life Granite Moderate Portfolio;
Sun Life Granite Balanced Portfolio;
Sun Life Granite Balanced Growth Portfolio;
Sun Life Granite Growth Portfolio;
Sun Life Granite Income Portfolio; and
Sun Life Granite Enhanced Income Portfolio;

- *securities* means units and shares of a mutual fund, respectively;
- *shares* means shares of the Corporate Classes;
- *SLGI Mutual Funds* means all of the mutual funds managed by us and which are offered for sale under a simplified prospectus and includes the Funds;
- *Tactical ETF Portfolios* means Sun Life Tactical Fixed Income ETF Portfolio, Sun Life Tactical Conservative ETF Portfolio, Sun Life Tactical Balanced ETF Portfolio, Sun Life Tactical Growth ETF Portfolio and Sun Life Tactical Equity ETF Portfolio;
- *Tax Act* means the *Income Tax Act* (Canada) and the regulations thereunder;
- *Trust Funds* means the following Funds:

Sun Life Excel Emerging Markets Fund;
Sun Life JPMorgan International Equity Fund;
the Milestone Funds;
Sun Life Multi-Strategy Bond Fund;
Sun Life Money Market Fund;
the Sun Life Excel Funds;
Sun Life Schroder Global Mid Cap Fund;
Sun Life Dynamic Equity Income Fund;
Sun Life Dynamic Strategic Yield Fund;
Sun Life NWQ Flexible Income Fund;
Sun Life BlackRock Canadian Equity Fund;
the MFS IMC Funds;

the Sun Life Granite Portfolios;
the Tactical ETF Portfolios; and
the Private Pools, which are each organized as trusts;

- *underlying fund* means any mutual fund (including an exchange-traded fund or a Trust Fund) in which a Fund invests; and
- *units* means units of the Trust Funds.

In addition, the following terms are specific to the Milestone Funds:

- *Accelerated Guaranteed Value*, which is only paid on an Accelerated Maturity Date of a Milestone Fund, means, in respect of a unit of each series of the Milestone Fund, the greater of (i) the NAV per unit on the Accelerated Maturity Date or (ii) the Net Present Value of the Guaranteed Value.
- *Accelerated Maturity Date* is the date on which the Milestone Fund will be terminated if the termination is accelerated to an earlier date than the Maturity Date.
- *Guaranteed Value*, which is only paid on the Maturity Date of a Milestone Fund, means, in respect of a unit of each series of the Milestone Fund, the greatest of the following three values: (i) \$10.00 per unit (the NAV per unit on the start date), (ii) the highest month end NAV per unit during the period from the start date until the scheduled Maturity Date or (iii) the NAV per unit on the Maturity Date. The Guaranteed Value of each unit of a Milestone Fund is calculated during the term of the Milestone Fund based on the greater of \$10.00 per unit and the then highest month end NAV per unit.
- *Maturity Date* in respect of a Milestone Fund refers to the date on which the Fund is originally scheduled to terminate.
- *Net Present Value of the Guaranteed Value* in respect of each series of a Milestone Fund refers to the amount determined on the Accelerated Maturity Date by applying discount rates based on the internal rates of return of the fixed-income securities held by the Milestone Fund to the Guaranteed Value in effect on the date of the notice advising investors of the Accelerated Maturity Date.
- *Shortfall* on a Milestone Fund's Maturity Date or Accelerated Maturity Date is the aggregate amount, if any, equal to the difference between the NAV per unit on that Maturity Date or Accelerated Maturity Date (calculated without taking into account any payment obligation of Sun Life to the applicable Milestone Fund) and the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be).
- *Sun Life* means Sun Life Assurance Company of Canada, as a sub-advisor of each Milestone Fund.

How to use this Simplified Prospectus

This Simplified Prospectus is divided into two parts. The first part, on pages 4 to 78, provides basic information about mutual funds and general information about all of the Funds. The second part, on pages 79 to 241, provides specific information about each Fund.

For more information

You can find more information about each Fund in:

- the Annual Information Form (“AIF”);

- the Fund’s most recently filed fund facts documents;
- the Fund’s most recently filed annual financial statements;
- any interim financial report (unaudited) filed after those annual financial statements;
- the most recently filed annual management report of fund performance (“MRFP”); and
- any interim MRFP filed after that annual MRFP.

These documents are incorporated by reference into this Simplified Prospectus, 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 are also available at www.sunlifeglobalinvestments.com and www.sedar.com.

What is a mutual fund and what are the risks of investing in a mutual fund?

What is a mutual fund?

The Funds are mutual funds. When you invest in a mutual fund, you contribute your cash to a pool of investments along with many other people. Professional money managers use the cash to buy securities on behalf of all the contributors.

A mutual fund invests in different kinds of securities based on its investment objectives. For example, a Canadian equity fund buys mainly shares of Canadian corporations, while a Canadian balanced fund buys a mix of Canadian equities and bonds.

These securities form the mutual fund’s investment portfolio. The value of these securities changes from day to day, reflecting changes in economic and market conditions, interest rates and company news. See *Price fluctuation* for details.

How mutual funds are structured

A mutual fund can be set up as a trust or as a corporation. Both allow you to pool your money with other investors and share proportionally in the mutual fund’s income, expenses and capital gains or losses with reference to the number of securities that you own. However, there are some differences between a mutual fund set up as a trust and one set up as a corporation. When you invest in a trust, you buy units of the trust and you become a unitholder. When you invest in a corporation, you buy shares of the corporation and you become a shareholder. A corporation can issue several classes of shares. Simply, each share class works like a separate mutual fund with its own investment objectives.

The main difference between an investment in a trust and an investment in a corporation is in how your investment is taxed.

A trust distributes sufficient income and net realized capital gains so that the trust will not be subject to tax. A corporation distributes its Canadian source dividends and sufficient net realized capital gains by declaring ordinary dividends and capital gains dividends so that the corporation will not be subject to tax on these earnings. Corporations may be subject to tax on the income from other sources though steps are taken to eliminate or minimize tax at the corporate level.

Units of a trust and shares of a corporation may be issued in different series. Each series is intended for different kinds of investors and has different fees and expenses.

Structure of the Funds

Each Trust Fund is an open end unit trust governed by a Master Declaration of Trust under Ontario laws. We, as trustee, hold the property and investments of the Trust Funds in trust for the unitholders.

Each Corporate Class is a separate class of mutual fund shares of the Mutual Fund Corporation. The Mutual Fund Corporation is a mutual fund corporation incorporated under the laws of the Province of Ontario. When you invest in a Corporate Class, you are buying shares of a class of the Mutual Fund Corporation and you become a shareholder. You share in the Corporate Class's income, expenses and capital gains or losses with reference to the number of shares that you own.

Provided that you are eligible, you can buy an unlimited number of securities of a series of a Fund.

Structure of certain of the Sun Life Excel Funds

Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund

Each of the underlying funds in which Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund invest (as indicated in each Fund's investment objectives and strategies), is a distinct class of shares of Excel Funds Mauritius Company Ltd. (the "**Mauritius Company**"), a private company structured as a multi-class collective investment scheme established under the laws of the Republic of Mauritius pursuant to the *Companies Act, 2001*. The Mauritius Company is resident in Mauritius and holds a Category 1 Global Business License issued by the Mauritius Financial Services Commission ("**MFSC**").

The Mauritius Company was established in Mauritius for various economic and commercial reasons. Mauritius is an established international financial centre. It is a politically and economically stable country strategically situated in the south-west Indian Ocean with easy access to India, and it has a convenient time zone in relation to Canada. Mauritius is also well regarded in terms of infrastructure, technological development and logistics. It has a well-developed banking and financial sector that has built a good track record over the years with regards to dealings with and investments in India.

The Mauritius Company has received authorisation from the MFSC to operate as a collective investment scheme classified as an Expert Fund under the *Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008* of Mauritius. "Expert Fund" is defined under the securities laws of Mauritius as a collective investment scheme which is available only to expert investors. Under the securities laws of Mauritius, an "expert investor" means an investor who makes an initial investment, for his own account, of no less than US\$100,000 (or its equivalence in any other currency) or a sophisticated investor as defined under the *Securities Act 2005* (Mauritius) or any similarly defined investor in any other securities legislation. The MFSC does not vouch for the soundness of the Mauritius Company or the underlying funds or for the correctness of any statements made or opinions expressed with regards to them. Investors in the underlying funds are not protected by any statutory compensation arrangements in Mauritius in the event of an underlying fund's failure.

SANNE Mauritius ("**SANNE**") (formerly known as International Financial Services Limited) is the administrator of the Mauritius Company and of each of the underlying funds to Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund. The portfolio manager of each underlying fund is Aditya Birla Sun Life AMC Limited ("**Aditya Birla**"). The responsibilities of the Manager in respect of the underlying funds include the day-to-day general management and administration of the underlying funds and the provision of office services and facilities.

Sun Life Excel India Fund

Sun Life Excel India Fund invests primarily in equity securities of companies located in India through a "fund-of-fund" arrangement in which the Fund invests most of its assets in India Excel (Mauritius) Fund (the "**Mauritius Sub-fund**").

The Mauritius Sub-fund invests most of its assets in India Excel (Offshore) Fund (the “**India Sub-fund**”), an open-end investment trust organized under the laws of India.

Mauritius Sub-fund

The Mauritius Sub-fund is an open-end investment trust organized under the laws of Mauritius. The Mauritius Sub-fund was created pursuant to a trust deed dated November 28, 1997 and is administered by SANNE.

The responsibilities of SANNE, as administrator of the Mauritius Sub-fund, include the day-to-day general management and administration of the Mauritius Sub-fund and the provision of office services and facilities. SANNE Trustees (Mauritius) (a related company of SANNE) is the trustee of the Mauritius Sub-fund and SLGI acts as the protector of the Mauritius Sub-fund. As trustee, SANNE Trustees (Mauritius) appoints the administrator of the Mauritius Sub-fund and establishes the investment objectives, policies and restrictions of the Mauritius Sub-fund.

The Mauritius Sub-fund is a bona fide resident of Mauritius, and has been recognized as such under *Mauritius Income Tax Act, 1995*. It currently holds a Tax Residence Certificate issued by the Mauritius Revenue Authority that is valid up to August 12, 2019 and is renewed annually. The Mauritius Sub-fund will not be liable to pay any income tax on capital gains made by it on sale, transfer or redemption of units acquired on or before April 1, 2017 held by it in the India Sub-fund, subject to the provisions of a general anti-avoidance rule (“**GAAR**”) under Chapter X-A of the *Income-tax Act, 1961* (India), not being attracted for investments made on or after April 1, 2017. Subject to the provisions of the Indo-Mauritius DTAA, the Mauritius Sub-fund may be liable to pay tax in India on income distribution received by it on these units from the India Sub-fund.

The Mauritius Sub-fund operates (i) as a Collective Investment Scheme (SEC-3.1A) qualifying as an Expert Fund under the *Securities Act 2005* (Mauritius) and the *Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008*; and (ii) as a self-managed scheme under the *Securities Act 2005* (Mauritius) and is authorized as such by the MFSC. The Mauritius Sub-fund has been licensed as a Category 1 Global Business Licence holder by the MFSC. The MFSC does not vouch for the soundness of the Mauritius Sub-fund or for the correctness of any statements made or opinions expressed with regards to it. Investors in the Mauritius Sub-fund are not protected by any statutory compensation arrangements in Mauritius in the event of the Mauritius Sub-fund’s failure.

Holders of Category 1 Global Business Licenses are subject to tax at 15% per annum. However, the Mauritius Sub-fund will be entitled to take benefit of a partial exemption regime whereby 80% of specified income of the Mauritius Sub-fund will be exempt from income tax under Mauritian laws, resulting in an effective maximum tax rate of 3% per annum. Interest and foreign source dividends derived by a company are amongst the categories of income which are subject to the partial exemption regime provided certain conditions for claiming same are satisfied.

No capital gains tax will be payable in Mauritius in respect of the gains made on the disposal of the Mauritius Sub-fund’s investments. Sun Life Excel India Fund’s Mauritius advisers have advised that distributions of income from the Mauritius Sub-fund to the Fund and capital gains on the redemption of units of the Mauritius Sub-fund will not be subject to Mauritius withholding tax.

India Sub-fund

The India Sub-fund was established pursuant to a Supplemental Trust Deed (the “**Deed**”) dated November 28, 1997 as a dedicated Sub-fund of Birla Mutual Fund. The Deed is supplemental to a Trust Deed dated December 16, 1994 establishing Birla Mutual Fund between Birla Global Finance Limited, as settlor, and Birla Capital International Trustee Company, as trustee. Birla Mutual Fund was registered with The Securities & Exchange Board of India on December 23, 1994.

The India Sub-fund is managed by Birla Sun Life AMC Limited (“**BSLAMC**”). The responsibilities of BSLAMC, as manager of the India Sub-fund, include the day-to-day general management and administration of the India Sub-fund and the provision of office services and facilities.

The India Sub-fund is not liable to pay any tax on dividend, interest or short-term or long-term capital gains made by it on the sale, transfer or redemption of any securities in which it would have invested, in view of Section 10(23D) of the *Income-tax Act, 1961* (India).

The *Finance Act, 2018* (India) had introduced tax on distributed income from equity-oriented mutual funds at the rate of 10%, effective as of April 1, 2018, grossed up by the amount of income distributed by it to the Mauritius Company, as increased by applicable surcharges and cess. The *Finance Act, 2020* has restricted the applicability of this provision up to March 31, 2020. From April 1, 2020, any income received by any non-resident unitholders of a mutual fund will be subject to tax under the (Indian) *Income Tax Act, 1961* at the rate of up to 20% (plus applicable surcharge and cess) (a lower rate of 10% may apply if specific conditions under the Indian tax law are fulfilled or a beneficial tax rate is available under the applicable tax treaty).

The capital gains on transfer or redemption of units held by any alienator who is resident of Mauritius should not be subject to income-tax in India because paragraph 4 of Article 13 of the *Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion between India and Mauritius* (the “**Indo-Mauritius DTAA**”) provides that, gains from the alienation of any property other than that referred to in paragraphs 1, 2, 3 and 3A of Article 13 shall be taxable only in the Contracting States of which the alienator is a resident. However, such capital gain may be taxable in Mauritius. Units in an Indian mutual fund are not “shares” and therefore the units of an Indian mutual fund do not fall under term “shares” pursuant to paragraphs 1, 2, 3 and 3A of Article 13, but are “other property” and any capital gains on transfer or redemption of the units should not be subject to income-tax in India, subject to the GAAR under Chapter X-A of the *Income-tax Act, 1961* (India), not being attracted for investments made on or after April 1, 2017. In the event that the Indo-Mauritius DTAA benefit on capital gains is not available, the domestic capital gains tax rate that may apply would be (a) 10% (plus applicable surcharge and cess) on long term capital gains upon transfer of units of equity oriented fund where Indian “securities transaction tax” (“**STT**”) has been paid; or (b) 15% (plus applicable surcharge and cess) on short term capital gains upon transfer of units of equity oriented fund where STT has been paid; or (c) up to 20% (plus applicable surcharge and cess) on other long term capital gains; or (d) up to 40% (plus applicable surcharge and cess) on other short term capital gains.

The India Sub-fund is liable to pay an STT on the sale and purchase of equity shares by it. The Mauritius Sub-fund is also liable to STT on the sale or redemption of units held by it in the India Sub-fund. Please refer to the AIF for more information.

Classes and series of securities

A Fund may issue securities in one or more classes and a class may be issued in one or more series. An unlimited number of securities of each series may be issued. For some purposes, such as calculating fees and expenses, a class or a series of securities may be dealt with separately from other classes or series of securities of that Fund. In addition, the money that you and other investors pay to purchase securities of any series is tracked on a series-by-series basis in your Fund’s administration records. For other purposes, such as the investment activity of the portfolio of a Fund, all classes and series of securities of the Fund are dealt with together.

Currently, only Sun Life MFS U.S. Growth Fund and Sun Life MFS U.S. Value Fund have created two classes of units: a hedged class of units (the “**Hedged Class**”) and an unhedged class of units (the “**Ordinary Class**”). The Hedged Class is issued in Series AH, Series FH, Series IH and Series OH units and the Ordinary Class is issued in Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series O and Series I units. The separate classes of each of these Funds derive their return from a common pool of assets with a single investment objective and together constitute a single mutual fund.

All other Funds have created one class of securities and the series that the class is issued in are shown on the front cover of this Simplified Prospectus. The series of each Fund derive their returns from a common pool of assets with a single investment objective and together constitute a single mutual fund.

See *Series of securities* for more details on the different series of securities available.

What are the general risks of investing in a mutual fund?

Risk is the chance that your investment may not perform as expected. There are different degrees and types of risk, but, in general, the more investment risk you are willing to accept, the higher your potential returns and the greater your potential losses.

The risks associated with investing in a mutual fund are the risks associated with the securities in which the mutual fund invests. If a mutual fund invests in underlying funds, it bears the same risks as the underlying funds in proportion to the amount the mutual fund is invested in each underlying fund.

The general risks include:

Price fluctuation

Mutual funds own different types of investments, depending on their investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions and market and company news. As a result, the value of a mutual fund's securities may go up and down and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Your investment is not guaranteed

The value of your investment in a mutual fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund securities are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. We have structured each Milestone Fund, however, to ensure that you will receive the Guaranteed Value per unit on the Maturity Date or the Accelerated Guaranteed Value per Unit on the Accelerated Maturity Date, as the case may be. If on a Milestone Fund's Maturity Date or Accelerated Maturity Date the NAV per unit is less than the Guaranteed Value or the Accelerated Guaranteed Value, as the case may be, then Sun Life, as sub-advisor to the Milestone Funds, has agreed to pay the Shortfall to the Milestone Fund. See *Specific information about each of the mutual funds described in this document – General information about the Milestone Funds* for more information.

Redemptions may be suspended

Under exceptional circumstances, your right to redeem your securities may be suspended. See *Suspending your right to redeem* for details.

Canadian Tax Risk

There can be no assurance that the tax laws applicable to the Trust Funds and/or the Mutual Fund Corporation will not change or that the CRA will agree with the application of those laws adopted in filing their tax returns, including the characterization of gains and losses as capital gains and losses or ordinary income and losses in various circumstances. The CRA could reassess the Trust Funds or the Mutual Fund Corporation resulting in an increase to the taxable portion of distributions made to investors or to the incidence of income taxes and/or penalties to the Trust Funds or the Mutual Fund Corporation.

It is our intention that the conditions prescribed under the Tax Act for qualification as a mutual fund trust will be satisfied on a continuing basis for each of the Funds structured as a trust. If these Funds were to cease to qualify as a mutual fund trust under the Tax Act, the income tax considerations described under the heading *Income Tax Considerations for Investors* could be materially and adversely different in some respects. For example, in such circumstances, the units of a Trust Fund may no longer be a qualified investment for registered plans under the Tax Act. The Tax Act imposes penalties on the annuitant, holder or subscriber of registered plans for the acquisition or holding of non-qualified investments.

The Mutual Fund Corporation may be subject to non-refundable tax on certain income earned by it. Where the Mutual Fund Corporation becomes subject to such non-refundable tax, we will, on a discretionary basis, allocate such tax

against the NAV of the Corporate Classes that make up the Mutual Fund Corporation. The performance of an investment in a Corporate Class may be affected by such tax allocation.

Currency risk

Some Funds may invest a portion of their investment portfolio in foreign securities; however, the assets and liabilities of each Fund are valued in Canadian dollars. If a Fund buys a security denominated in a foreign currency, during the time that the Fund owns that security, for the purposes of calculating the NAV of that Fund, we convert, on a daily basis, the value of the security into Canadian dollars. Similarly, an underlying fund may buy a security denominated in a foreign currency and convert the value of the security into Canadian dollars. Fluctuations in the value of the Canadian dollar relative to the foreign currency will impact the NAV of the Fund or the underlying fund, as the case may be. If the value of the Canadian dollar has increased relative to the foreign currency, the return on the foreign security may be reduced, eliminated or made negative. The opposite can also occur; that is, a Fund or an underlying fund holding a security denominated in a foreign currency may benefit from an increase in the value of the foreign currency relative to the Canadian dollar.

Some foreign governments may restrict currency exchange. If we or the manager of an underlying fund cannot exchange the currencies in which a Fund or an underlying fund is invested, we or the manager of an underlying fund, as the case may be, may be unable to make cash distributions or process redemptions.

Cyber security risk

As the use of technology has become more prevalent in the course of business, the Manager and the Funds have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause the Manager or a Fund to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause the Manager or the Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to the Manager's digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber security breaches of the Manager's or the Funds' third party service providers or issuers that a Fund invests in can also subject the Manager or the Funds to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, the Manager has established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since the Manager does not control the cyber security systems of issuers or third party service providers.

Liquidity risk

A liquid asset trades on an organized market, such as a stock exchange, which provides price quotations for the asset. The use of an organized market means that it should be possible to convert the asset to cash at, or close to, the quoted price.

An asset is considered illiquid if it is more difficult to convert it to a liquid investment, such as cash. A company's securities may be illiquid if:

- the company is not well known;
- there are few outstanding securities;
- there are few potential buyers; or
- they cannot be resold because of a promise or an agreement.

The value of a Fund or an underlying fund that holds illiquid securities may rise and fall substantially because the Fund or the underlying fund may not be able to sell the securities for the value that is used in calculating the NAV of

the Fund or the underlying fund, as the case may be. The sale of such securities may also require the Fund or underlying fund to incur expenses in addition to those normally associated with the sale of a security. There are restrictions on the amount of illiquid securities a Fund may hold.

Market risk

The market value of a Fund's or an underlying fund's investments could rise or fall based on overall stock market conditions rather than each company's performance. The value of the market can vary with changes in the general economic and financial conditions. Political, health, social and environmental factors can also significantly affect the value of any investment.

In addition to changes in the condition of markets generally, unexpected and unpredictable events such as war, a widespread health crisis or global pandemic, terrorism and related geopolitical risks may lead to increased market volatility in the short-term and may have adverse more general long-term effects on world economies and markets, including U.S., Canadian and other economies and securities markets. These types of unexpected and unpredictable events could have a significant impact on a Fund or an underlying fund and their investments and could also result in fluctuations in the value of a Fund or an underlying fund.

Regulatory risk

There can be no assurance that certain laws applicable to investment funds, including the Funds and the underlying funds, such as income tax and securities laws, and the administrative policies and practices of the applicable regulatory authorities will not be changed in a manner that adversely affects an investment fund or the investors in such investment funds.

Series risk

Each Fund may be issued in more than one series of securities. Similarly, an underlying fund may issue more than one series or class of securities. Each series of a Fund or underlying fund has its own fees and expenses, which are tracked separately. If a Fund or underlying fund cannot pay the expenses of one series using that series' share of the Fund's or underlying fund's assets, the Fund or the underlying will have to pay those expenses out of the other series' share of the assets of the Fund or underlying fund attributable to those series. This could lower the investment return of the other series.

What are the specific risks of investing in a mutual fund?

Each Fund also has specific risks. The description of each Fund, starting on page 79, sets out the risks that apply to that Fund, as well as to any underlying fund in which that Fund invests. Following, in alphabetical order, is a description of each of those risks:

Asset-backed and mortgage-backed securities risk

Asset-backed securities are debt obligations that are backed by pools of consumer or business loans. Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market's perception of the issuers of these types of securities, in the creditworthiness of the underlying borrowers or in the assets backing the pools, then the value of the securities may be affected. In addition, the underlying loans may not be ultimately repaid in full, in some cases leading to holders of asset-backed and mortgage-backed securities not receiving full payment.

Capital depletion risk

Series AT5, Series T5, Series AT8, Series T8, Series F5, Series F8, Series FT5 and Series FT8 securities, as well as securities of other series of certain Funds or underlying funds, seek to provide investors with regular distributions. Series AT5, Series T5, Series AT8, Series T8, Series F5, Series F8, Series FT5 and Series FT8 securities are designed to provide investors with a fixed monthly cash flow based on a target annualized distribution rate of 5% or 8% of the

NAV per security of the relevant series at the end of the prior year. In the case of the Corporate Classes, distributions are comprised of capital. Return of capital can only be distributed to investors where there is a positive balance in the capital account of a Corporate Class series. Where the balance in the capital account of a Corporate Class series becomes, or is at risk of becoming, zero, distributions may be reduced or discontinued without prior notice. In the case of the Trust Funds, where the distribution rate on these securities, as well as the securities of certain underlying funds, is greater than the income and net realized capital gains on the Fund's or underlying fund's investments, a portion of the regular target distributions for these series will include a return of capital. These distributions should not be confused with "yield" or "income", and are not intended to reflect the Fund's or the underlying fund's investment performance. **If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.** A distribution of capital is not immediately taxable to you but will reduce the adjusted cost base of your securities. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution of capital.

Return of capital that is not reinvested will reduce the total NAV of the particular series on which it was paid and will reduce the total net assets of the mutual fund or underlying fund available for investment, which may reduce the ability of the Fund or underlying fund to generate future income.

Class risk

Each Corporate Class is a class of mutual fund securities of the Mutual Fund Corporation. Each class has its own fees and expenses, which are tracked separately, but if a class can't meet its financial obligations, the other classes are responsible for making up the difference. This is because the Mutual Fund Corporation as a whole is legally responsible for the financial obligations of all of the classes.

The underlying funds in which Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund invest are each a distinct class of shares of the Mauritius Company. The Mauritius Company is responsible for the expenses of the underlying funds. Accordingly, if the Mauritius Company cannot pay the expenses of a particular underlying fund using its proportionate share of the Mauritius Company's assets for any reason, the Mauritius Company will be required to pay those expenses out of the other underlying fund's proportionate share of the Mauritius Company's assets. That could lower the investment returns of that other underlying fund.

Commodity risk

Some of the Funds or underlying funds may invest directly or indirectly in gold or silver or in companies engaged in the energy or natural resource industries, such as gold, silver, platinum, palladium, oil and gas, or other commodity focused industries. These investments, and therefore the value of an investment in these commodities or in these companies and the security value of the Fund or underlying fund, will be affected by changes in the price of these commodities, which can fluctuate significantly in short time periods. Commodity prices can change as a result of a variety of factors, including supply and demand, speculation, government and regulatory activities, international monetary and political factors, central bank activity and changes in interest rates and currency values. Direct purchases of bullion by a Fund or underlying fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of such Fund or underlying fund.

Concentration risk

Some Funds or underlying funds may hold a large portion of their assets in securities of a single issuer or may invest in a relatively small number of securities. These Funds or underlying funds may be more volatile and will be strongly affected by changes in the market value of those securities.

Credit risk

Credit risk can have a negative impact on the value of a money market security or a debt security such as a bond. This risk includes:

- Default risk, which is the risk that the issuer of the debt will not be able to pay interest or repay the debt when it is due. Negative perceptions of the issuer's ability to make such payments may cause the price of the debt security to decline. Generally, the greater the risk of default, the lower the quality of the debt security.
- Credit spread risk, which is the risk that the difference in interest rates (called **credit spread**) between the issuer's bond and a bond considered to have little associated risk (such as a treasury bill) will increase. An increase in credit spread decreases the value of a debt security.
- Downgrade risk, which is the risk that a specialized credit rating agency will reduce the credit rating of an issuer's securities. A downgrade in credit rating decreases the value of a debt security.
- Collateral risk, which is the risk that it will be difficult to sell the assets the issuer has given as collateral for the debt or that the assets may be deficient. This difficulty could cause a significant decrease in the value of a debt security.
- Low-rated security risk, which is the risk that an investment has a credit rating below investment grade or is sometimes not rated at all. These investments generally offer a higher interest to compensate for this risk and are sometimes referred to as "high yield" securities. However, they may also be less liquid and carry the risk of bigger losses than higher grade investments.

Derivative risk

Derivatives are investments whose value is based on, or derived from, an underlying asset, such as a stock or a market index. Derivatives are not a direct investment in the underlying asset itself. Derivatives are often contracts with another party to buy or sell an asset at a later date. For example, common derivatives include: (a) futures and forward contracts, which are agreements to buy or sell currencies, commodities or securities for a set price at a future date; (b) options, which give the buyer the right, but not the obligation, to buy currencies, commodities or securities at a price within a certain time period and which require a seller, at the option of the buyer, to sell currencies, commodities or securities for a set price at a future date; and (c) swaps, which allow two parties to exchange the cash flows of a wide range of financial instruments. A Fund or an underlying fund may use derivatives to limit potential gains or losses caused by changes in factors that affect the value of its investments, such as foreign exchange rates, stock prices and interest rates. This is called hedging. The Funds or the underlying funds may also use derivatives for non-hedging purposes, such as reducing transaction costs, increasing liquidity, gaining exposure to specific securities, financial markets or indices or increasing speed and flexibility in making portfolio changes.

Any use of derivatives has risks, including:

- a hedging or non-hedging strategy may not be effective and may not achieve the intended effect;
- derivatives may be less liquid than traditional securities and there is no guarantee that a market for a derivative contract will exist when a Fund or an underlying fund wants to buy or sell;
- there is no guarantee that the Fund or the underlying fund will be able to find an acceptable counterparty willing to enter into a derivative contract;
- the counterparty to the derivative contract may not be able to meet its obligations, which could result in a financial loss for the Fund or the underlying fund;

- where the derivatives contract is a commodity futures contract with an underlying interest in sweet crude oil or natural gas, a Fund or an underlying fund that is permitted to trade in commodities futures contracts will endeavour to settle the contract with cash or an offsetting contract. However, there is no guarantee that the Fund or underlying fund will be able to do so. This would result in the Fund or the underlying fund having to make or take delivery of the underlying commodity;
- a large percentage of the assets of a Fund or an underlying fund may be placed on deposit with one or more counterparties, which exposes the Fund or the underlying fund, as the case may be, to the credit risk of those counterparties;
- securities exchanges may set daily trading limits or halt trading, which may prevent a Fund or an underlying fund from selling a particular derivative contract;
- the price of derivatives may move in unexpected ways, especially in abnormal market conditions; the price of derivatives based on a stock index could be distorted if some or all of the stocks that make up the index temporarily stop trading;
- derivatives traded on certain foreign markets may be harder to price and/or close out than those traded in Canada;
- the regulation of derivatives is a rapidly changing area of law and is subject to modification by government and judicial action; the effect of any future regulatory changes may make it more difficult, or impossible, for a Fund or underlying fund to use certain derivatives;
- costs relating to entering and maintaining derivatives contracts by a Fund or an underlying fund may reduce the returns of the Fund or the underlying fund;
- the use of futures or other derivatives can amplify a gain but can also amplify a loss, which loss can be substantially more than the initial margin or collateral deposited by the Fund or the underlying fund;
- the price of a derivative may not accurately reflect the value of the underlying asset; and
- the Tax Act, or its interpretation, may change in respect of the tax treatment of derivatives.

Emerging markets risk

Emerging markets may be more likely to experience political, economic and social instability and may be subject to corruption or have lower business standards. Instability may result in the expropriation of assets or restrictions on payment of dividends, income or proceeds from the sale of securities held by a mutual fund or an underlying fund. In addition, accounting and auditing standards and practices may be less stringent than those of developed countries resulting in limited availability or potentially lower quality of information relating to a Fund's or an underlying fund's investments. Further, emerging market securities are often less liquid and custody and settlement mechanisms in emerging market countries may be less developed, resulting in delays and the incurring of additional costs to execute trades of securities. Emerging markets also have the risks described under *Currency risk*, *Foreign investment risk* and *Liquidity risk*.

Equity risk

Companies issue equities, or stocks, to help finance their operations and future growth. A company's performance outlook, market activity and the larger economic picture influence its stock price. When the economy is expanding, the outlook for many companies will be positive and the value of their stocks may rise. The opposite is also true. The value of a Fund or an underlying fund is affected by changes in the prices of the stocks it holds. Prices of equities may be more volatile than those of fixed income securities. The risks and potential rewards are usually greater for

small companies, start-ups, resource companies and companies in emerging markets. Investments that are convertible into equity may also be subject to interest rate risk.

Certain issuers such as royalty trusts, real estate investment trusts, limited partnerships and income trusts, have varying degrees of risk depending on the applicable sector and the underlying assets. To the extent that an underlying business or investment in property is susceptible to industry risks, stock market conditions, interest rate fluctuations, commodity prices and other economic factors, investment returns from these issuers may be similarly affected. Where a Fund or underlying fund invests in these types of issuers, the distributions paid by the issuers on their securities determine to some extent the distributions available for payment to the investors in the Fund or underlying fund. In addition, if claims against an investment trust are not satisfied by the trust, investors in the trust (i.e., such as a mutual fund) could be held responsible for such obligations. Certain, but not all, jurisdictions have enacted legislation to protect investors from some of this liability. However, the extent to which a Fund or underlying fund remain at risk for the obligations of investment trusts ultimately depends on the local laws of the jurisdictions where the Fund or underlying fund invest in investment trusts.

Exchange-traded fund risk

Some Funds or underlying funds may invest in exchange-traded funds. Investment funds that are traded on an exchange are subject to the following risks that do not apply to non-exchange-traded mutual funds: (i) an exchange-traded fund's securities often trade on the exchange at a premium or discount to the net asset value of such securities; (ii) an active trading market for an exchange-traded fund's securities may not develop or be maintained; and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange. In addition, if the stock market upon which the exchange-traded fund trades is not open, a Fund or underlying fund which invests in such exchange-traded fund may be unable to determine its net asset value per security, and so may be unable to satisfy redemption requests.

Foreign custodian risk

The underlying funds of Sun Life Excel India Balanced Fund, Sun Life Excel India Fund and Sun Life Excel New India Leaders Fund have a foreign custodian with principal offices in Mumbai, India and all or substantially all of the custodian's assets may be situated outside of Canada. Accordingly, it may be difficult for the underlying funds to enforce legal rights against such custodian.

Foreign investment risk

Some Funds or underlying funds invest in securities issued by corporations in, or governments of, countries other than Canada or in depository receipts and other similar investments that represent securities of foreign companies. Investing in foreign securities can be beneficial in expanding an investor's investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including:

- certain countries may have lower standards for accounting, auditing and financial reporting than those of Canada or the United States;
- companies outside of Canada may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in Canada;
- less information may be available about foreign issuers or governments;
- foreign markets may be less liquid and, due to lower trading volumes, more volatile than securities of comparable issuers traded in North America or securities of governments in North America;
- the legal systems of some foreign countries may not adequately protect investor rights;
- political, social or economic instability may affect the value of foreign securities;

- foreign governments may make significant changes to tax policies, which could affect the value of foreign securities;
- foreign governments could increase the rate of withholding tax which may have a significant impact on returns of a Fund;
- foreign governments may impose nationalization or expropriation policies on certain industries or companies which may affect an issuer and/or its assets; and
- foreign governments may impose currency exchange controls that prevent a Fund or an underlying fund from taking money out of the country.

Certain foreign governments have conflicting and changing instructions and restrictive timing requirements that may cause a Fund not to receive the reduced withholding tax rates or potential reclaims to which it may be entitled under Canada's global tax treaties. In some instances it may be more costly to pursue tax reclaims than the value of the benefits received by a Fund. If a Fund obtains a refund of foreign taxes that was previously written off the net asset value of the Fund will not be restated and the amount will remain in the Fund to the benefit of the then-existing securityholders.

Certain Funds invest in Indian issuers indirectly through investing in underlying funds. India has less developed clearance and settlement procedures than Canada, and there have been times when settlements have been unable to keep pace with the volume of securities and have been significantly delayed. The Indian stock exchanges have in the past been subject to repeated closure and there can be no certainty that this will not recur. In addition, significant delays are common in registering transfers of securities and a Fund may be unable to sell securities until the registration process is completed and may experience delays in receipt of dividends and other entitlements. There is also a lower level of regulation and monitoring of the Indian securities market and its participants than in other more developed markets. India's guidelines under which foreign investors may invest directly in Indian securities are evolving. There is no guarantee that the guidelines under which Sun Life Excel New India Leaders Fund, Sun Life Excel India Balanced Fund and Sun Life Excel India Fund have been established will not be changed. In this case, the Manager will take the necessary steps to restructure such Funds as it considers appropriate.

Geographic concentration risk

Some Funds or underlying funds may invest a relatively large portion of their assets in issuers located in a single country, a small number of countries, or a particular geographic region. As a result, the performance of these mutual funds could be closely tied to the market, currency, economic, political, regulatory, geopolitical or other conditions in such countries or region, and could be more volatile than the performance of mutual funds which have more geographically-diversified holdings.

Government securities risk

Some government agency securities may be subject to varying degrees of credit risk, particularly those not backed by the full faith and credit of the government. All government securities may be subject to price declines due to changing interest rates.

Indo-Mauritius tax risk

The Indo-Mauritius DTAA has been amended by way of a protocol dated May 10, 2016 between India and Mauritius (the "**Protocol**"). Prior to the Protocol, a tax resident in Mauritius under the Indo-Mauritius DTAA, which had no branch or permanent establishment in India, was not subject to capital gains tax in India on the sale of securities. However, this position has undergone a change pursuant to the Protocol. As per the Protocol, India has obtained taxation rights on capital gains arising from alienation of shares acquired on or after April 1, 2017 in a company that is a resident of India.

Existing investments, i.e. investments made before April 1, 2017, will not be subject to capital gains taxation in India. For shares acquired on or after April 1, 2017, which are sold on or after April 1, 2019, the capital gains are taxed as per full rates under the *Income-tax Act, 1961* (India).

Inflation risk

There is a chance that the returns or cash flows from an investment will not be worth as much in the future because of a decrease in purchasing power due to inflation. Inflation causes money to lose value. For example, the value of fixed-income investments and currencies could depreciate as the level of inflation rises in the country of origin.

Interest rate risk

The value of Funds or underlying funds that hold fixed-income securities will rise and fall as interest rates change. When interest rates fall, the value of an existing bond will, generally, rise. When interest rates rise, the value of an existing bond will, generally, fall. Changes in a debt instrument's value usually will not affect the amount of interest income paid to a Fund or underlying fund, but will affect the value of the securities. Interest rate risk is generally greater for investments with longer maturities. The value of debt securities that pay a variable (or "**floating**") rate of interest is generally less sensitive to interest rate changes.

Large transaction risk

If an investor in a Fund or an underlying fund makes a large transaction, the cash flow of the Fund or the underlying fund, as the case may be, may be affected. For example, if an investor redeems a large number of securities of a Fund, that Fund may be forced to sell securities at unfavourable prices to pay for the proceeds of redemption. This unexpected sale may have a negative impact on the value of your investment in the Fund.

We or others may offer investment products that invest all or a significant portion of their assets in a Fund or an underlying fund. These investments may become large and could result in large purchases or redemptions of securities of a Fund or the underlying fund.

A Trust Fund will generally be subject to a "loss restriction event" for tax purposes each time a person or partnership becomes a "majority interest beneficiary" (as defined in the Tax Act) of the Fund if, at any time, the Fund does not qualify as an "investment fund" by satisfying investment diversification and other conditions. If a Trust Fund experiences a "loss restriction event", investors may automatically receive an unscheduled distribution of income and capital gains from the Trust Fund. Also, the amount of distributions paid by the Trust Fund after a loss restriction event may be larger than they otherwise would have been. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution.

Passive management risk

Certain exchange-traded funds and any index mutual funds in which a Fund or an underlying fund invests may not be "actively" managed. Passively managed funds would not sell a security if the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. The passively managed fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the passively managed fund won't be able to reduce risk by diversifying its investments into securities listed on other indices. It is unlikely that an underlying fund which uses an indexing strategy will be able to track an index perfectly because the underlying fund has its own operating and trading costs, which lower returns. Indices do not have these costs. As a result, the performance of a passively managed fund may differ significantly from the performance of an actively managed fund. This may in turn affect the performance of a Fund or an underlying fund that invests in such passively managed fund.

Real estate risk

The assets, earnings and share values of companies involved in the real estate industry are influenced by general market conditions and a number of other factors, including:

- economic cycles;
- interest rates;
- consumer confidence;
- the policies of various levels of government, including property tax levels and zoning laws;
- the economic well-being of various industries;
- overbuilding and increased competition;
- lack of availability of financing to refinance maturing debt;
- vacancies due to tenant bankruptcies;
- losses due to costs resulting from environmental contamination and its related clean-up;
- casualty or condemnation losses;
- variations in rental income;
- changes in neighbourhood values; and
- functional obsolescence and appeal of properties to tenants.

In addition, underlying real estate investments may be difficult to buy or sell. This lack of liquidity can cause greater price volatility in the securities of companies like real estate investment trusts (“REITs”), which manage real estate assets. Funds that invest in companies involved in the real estate industry or REITs are subject to real estate risk.

Repurchase and reverse repurchase transactions and securities lending risk

A Fund or an underlying fund may engage in repurchase, reverse repurchase or securities lending transactions.

A repurchase transaction is where a Fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price. While the Fund retains its exposure to changes in the value of the portfolio securities, it also earns a return for participating in the repurchase transaction.

A reverse repurchase transaction is where a Fund purchases securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the Fund’s purchase price for the securities and the resale price provides the Fund with a return.

A securities lending transaction is where a Fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the Fund at a later date an equal number of the same securities and to pay a fee to the Fund for borrowing the securities. While the securities are borrowed, the borrower provides the Fund with collateral consisting of cash and/or securities. In this way, the Fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

As indicated above, repurchase, reverse repurchase and securities lending transactions allow the Funds to earn additional income and thereby potentially enhance their performance.

Repurchase, reverse repurchase and securities lending transactions involve certain risks. The other party to these types of transactions may default under the agreement or go bankrupt. If that happens in a reverse repurchase transaction and the market value of the security has dropped, the Fund or an underlying fund may be unable to sell the security at

the price it paid plus interest. If that happens in a repurchase or a securities lending transaction, the Fund or the underlying fund, as the case may be, may suffer a loss if the value of the security it sold or loaned has increased more than the value of the cash or collateral the mutual fund or the underlying fund holds.

To reduce these risks, the Fund and the underlying funds that are subject to NI 81-102 require the other party to put up collateral. The value of the collateral must be at least 102% of the market value of the security sold (for a repurchase transaction), bought (for a reverse repurchase transaction) or loaned (for a securities lending transaction). The value of the collateral is checked and reset daily. The market value of securities sold under repurchase transactions and loaned under securities lending agreements must not exceed 50% of the net asset value of the Fund or underlying fund immediately after entering into the transaction. This calculation excludes cash held by a Fund or underlying fund for sold securities and collateral held for loaned securities.

Short selling risk

The Funds are permitted by securities legislation to engage in a limited amount of short selling, provided certain conditions are met. A “short sale” is where a Fund borrows securities from a lender which are then sold in the open market (or “sold short”). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale to an extent sufficient to offset the interest paid by the Fund and make a profit for the Fund, and securities sold short may instead appreciate in value. The Fund also may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the Fund has borrowed securities may recall the securities, may go bankrupt and the Fund may lose the collateral it has deposited with the lender. Each Fund that engages in short selling will adhere to controls and limits that are intended to offset these risks in accordance with the requirements in securities legislation, as modified by any exemptive relief.

Funds that invest in underlying funds may be indirectly exposed to short selling risk if the underlying funds in which they invest engage in short selling.

Small company risk

A Fund or an underlying fund may make investments in smaller capitalization companies. These investments are generally riskier than investments in larger companies for several reasons. Smaller companies are often relatively new and/or may not have an extensive track record. This may make it difficult for the market to place a proper value on these companies. Some of these companies may not have extensive financial resources and, as a result, may be unable to react to events in an optimal manner. In addition, stocks of smaller companies are sometimes less liquid, meaning that there is less demand for such stocks in the marketplace at a price that is deemed fair by sellers.

Specialization risk

A Fund or an underlying fund that invests primarily in one industry or market capitalization range, or a Fund or an underlying fund that uses a specific investment approach such as growth or value, may be more volatile than a less specialized investment fund, and will be strongly affected by the overall economic performance of the area of specialization in which the mutual fund or the underlying fund invests. The Fund or the underlying fund, as the case may be, must continue to follow its investment objectives regardless of the economic performance of the area of specialization.

Tax risk

Canadian tax matters affecting Sun Life Excel India Fund, Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund

Each of Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year including income that is deemed to accrue to it in respect of the Foreign Accrual Property Income (“**FAPI**”) of the Mauritius Company. When the Mauritius Company earns income that is characterized as FAPI in a particular taxation year of the Mauritius Company, such FAPI of the Mauritius Company allocable to either Sun Life Excel India Balanced Fund or Sun Life Excel New India Leaders Fund must be included in computing the income of the Fund for Canadian federal income tax purposes for the taxation year of the Fund in which the taxation year of the Mauritius Company ends, whether or not the Fund actually receives a distribution of that FAPI. The Mauritius Company is anticipated to earn FAPI in respect of certain interest, dividends and capital gains earned on the portfolios of the Underlying Funds. Sun Life Excel India Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year including income that is deemed to accrue to it in respect of the FAPI of the Mauritius Sub-fund and the India Sub-fund, in a manner similar to that applicable to Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund in respect of the FAPI of the Mauritius Company. Each Fund intends to make distributions to unitholders as described under its distribution policy set forth below and to deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that it will not be liable for income tax under Part I of the Tax Act.

The Tax Act contains comprehensive rules that provide Canadian residents with foreign tax credits or deductions in respect of income and withholding taxes paid by (or on behalf of) such residents to a government other than Canada. However, such rules are complex and subject to various exceptions and limitations and, as a result, there is a risk that a Canadian resident unitholder may not be able to obtain a foreign tax credit and/or deduction that would fully offset the amount (if any) of Indian tax paid.

Taxation of the Mauritius Company

It is expected that the Mauritius Company, at all times, will be a non-resident of Canada for purposes of the Tax Act and will not carry on business in Canada for purposes of the Tax Act. A corporation that has its central management and control in Canada will be considered to be resident in Canada for Canadian federal income tax purposes. The Mauritius Company intends to operate so as to ensure that its central management and control does not reside in Canada and that it does not carry on business in Canada. If the Mauritius Company was found to be resident in Canada, the Mauritius Company would be subject to tax in Canada on its worldwide income. If the Mauritius Company was found to carry on business in Canada, it would be subject to tax in Canada on its income in respect of its business carried on in Canada. As the Mauritius Company will invest in investment securities issued by Indian resident issuers, it may be subject to Indian tax (including withholding taxes) in respect of payments received or deemed to be received or accrued from such investments for which it may be unable to obtain relief in the form of deductions or credits from taxes otherwise payable.

The Mauritius Company holds a Category 1 Global Business Licence issued by the MFSC. Holders of Category 1 Global Business Licenses are subject to tax in the Republic of Mauritius at the rate of 15% per annum. The Mauritius Company will, however, qualify for an exemption of 80% on specific foreign-sourced income. Section 2 of the Mauritius Income Tax Act 1995 (**ITA 1995**) defines the term “foreign source income” as income which is not derived from Mauritius. No capital gains tax will be payable in Mauritius in respect of the gains made on the disposal of the Mauritius Company’s investments.

There is no withholding tax payable in the Republic of Mauritius in respect of payments of dividends to investors not carrying on any business in Mauritius out of its “foreign source income” or in respect of the redemption or exchange of shares of the Mauritius Company. Investors are not liable for tax in Mauritius on dividends and capital distributions made by the Mauritius Company. There is also no capital gains tax, wealth, inheritance, estate tax or gift tax applicable to investors.

The Mauritius Company has obtained a tax residence certificate from the Mauritius Revenue Authority. The certificate is renewable annually, subject to the directors and the secretary of the Mauritius Company each providing a prescribed undertaking to the tax authorities to demonstrate that the Mauritius Company is centrally managed and controlled in Mauritius and compliance with other prescribed conditions. If these undertakings are provided and other conditions are met, the Mauritius Company will qualify as a resident of Mauritius for the purposes of the Indo-Mauritius DTAA, and consequently be entitled to certain relief from Indian capital gains tax on Indian investments with respect to shares acquired before 1 April, 2017. Shares of an Indian company acquired on or after 1 April 2017 and sold on or after 1

April 2019 are subjected to tax as per the (*Indian Income-tax Act, 1961*). Capital gains on any securities other than shares (e.g. mutual fund units or bonds) shall continue to not be taxable as per the Indo-Mauritius DTAA, subject to provisions of the general anti-avoidance rule (“**GAAR**”) prescribed under Chapter X-A of the (*Indian Income-tax Act, 1961*).

Reliance on Indo-Mauritius DTAA

No assurance can be given that the terms of the Indo-Mauritius DTAA will not be subject to re-negotiation in the future and any change could have a material adverse effect on the Mauritius Company or the Mauritius Sub-fund. There can be no assurance that the Indo-Mauritius DTAA will continue and will be in full force and effect during the life of the Mauritius Company or the Mauritius Sub-fund and Sun Life Excel India Fund, Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund. Further, it is possible that Indian tax authorities may seek to take the position that the Mauritius Company or the Mauritius Sub-fund is not entitled to the benefit of the Indo-Mauritius DTAA, which could materially adversely affect the Mauritius Company, the Mauritius Sub-fund, Sun Life Excel India Fund, Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund.

The Indo- Mauritius DTAA had been amended by way of a protocol dated May 10, 2016 between India and Mauritius (the “**Protocol**”) with respect to whether capital gains on the sale of shares of Indian companies are taxable in India. Prior to the Protocol, a tax resident in Mauritius under the Indo-Mauritius DTAA, which had no branch or permanent establishment in India, was not subject to capital gains tax in India on the sale of securities. However, this position has undergone a change pursuant to the Protocol. As per the Protocol, India will obtain taxation rights on capital gains arising from alienation of an Indian companies shares acquired on or after 1 April, 2017 by a resident of Mauritius.

The Protocol provides for grandfathering of investments into shares of an Indian company acquired before 1 April, 2017, i.e. all investments into shares of an Indian company made prior to 1 April, 2017 and any subsequent exits/share transfers from such shares will not be subject to capital gains tax in India subject to the Mauritius Sub-fund and the Company not having a permanent establishment in India.

Mauritius tax residency

Currently, in order for the Mauritius Company and the Mauritius Sub-fund to maintain their tax status, continued attention must be paid to ensure that all relevant tax residency conditions as required in Mauritius are satisfied for the purpose of availing the benefits under the Indo-Mauritius DTAA. However, amendments to the *Income-tax Act, 1961* (India) as well as the introduction of Rule 21AB of the *Income Tax Rules, 1962* stipulate a procedural requirement on non-residents claiming the benefits of any tax treaty. The Indo-Mauritius DTAA benefits would not be available to non-residents unless they produce a tax residency certificate obtained from the government of the resident country or specified territory. If the tax residency certificate does not contain certain particulars prescribed under Rule 21AB of the Income Tax Rules, 1962, then Form 10F is required to be provided. In light of Circular No. 789 dated April 13, 2000, issued by the Central Board of Direct Taxes (“**CBDT**”), which has been upheld by the Supreme Court of India, since the Mauritius Company and the Mauritius Sub-fund are established under the laws of Mauritius, they should be eligible to claim the benefits of the Indo-Mauritius DTAA if they hold a Mauritius tax residency certificate. Further, the *Income-tax Act, 1961* (India), stipulates provision of certain information in order to continue to obtain tax treaty benefits. From April 1, 2019, capital gains arising on sale of shares of Indian companies, other than those acquired prior to April 1, 2017, are wholly taxable in India as per domestic tax laws. Further in June 2017 both India and Mauritius have signed the Multilateral Instrument (“**MLI**”) promoted by the OECD. While India has included Mauritius as a covered country under the MLI, Mauritius has not listed India under the instrument. The two countries may enter into bilateral negotiations to come to a mutual agreement regarding compliance with the MLI.

Indian tax residency

Under the current provisions of the *Income-tax Act, 1961* (India), a company is tax resident in India in a given financial year if: (i) it is an Indian company; or (ii) its “place of effective management” (the “**POEM**”) that year is in India. The CBDT issued guidelines on what constitutes POEM.

While the Mauritius Company believes that the activities of the Mauritius Company should not create the POEM for the Mauritius Company in India, there may be a risk that the Indian tax authorities will claim that these activities have resulted in the POEM being in India. If for any reason the activities are held to create the POEM of the Mauritius Company in India, then the global profits of the Mauritius Company could be subject to taxation in India, which would adversely impact the underlying funds of Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund. It is intended that the Mauritius Company will be operated to ensure that its POEM is not considered to be in India.

Further, the Mauritius Sub-fund believes that the control and management of its affairs are wholly situated outside of India and that it should not be considered a resident of India. It is intended that the Mauritius Sub-fund will operate to ensure that the control and management of its affairs are wholly outside of India.

Changes in legislation and regulatory risk

There can be no assurance that certain laws applicable to the Funds, including income tax laws and the treatment of trusts or mutual fund corporations under the Tax Act, will not be changed in a manner which adversely affects the Funds or their securityholders. If such laws change, such changes could have a negative effect upon the value of the portfolios and upon the investment opportunities available to the Funds.

The Republic of Mauritius legal framework under which the Mauritius Company and the Mauritius Sub-fund invest in India may undergo changes in the future, which could impose additional costs or burdens on the Funds’ operations. Future changes to Mauritian or Indian law, or the Indo-Mauritius DTAA, or the interpretations given to them by regulatory authorities, could impose additional costs or obligations on the Mauritius Company’s or the Mauritius Sub-fund’s activities in Mauritius or India. Further, there can be no assurance that changes in the law or government policies of Mauritius that may limit or eliminate a non-Mauritian investor’s ability to make investments into India via Mauritius will not occur.

Indian GAAR

Under the *Income-tax Act, 1961* (India), GAAR would be applicable where the main purpose of a transaction or arrangement is to obtain a tax benefit. GAAR provisions empower the Indian tax authorities to investigate any such arrangement as an “impermissible avoidance arrangement” (an “**IAA**”) and, among other things, disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal status of assets involved and treat debt as equity and vice versa. The tax authorities may also deny tax benefits otherwise conferred under a tax treaty.

An IAA is an arrangement entered into with the main purpose of obtaining a tax benefit and satisfying one or more of the following: (a) creates rights or obligations which are not ordinarily created between persons dealing at arm’s length; (b) misuse or abuse of the provisions of the domestic income tax provisions; (c) lack of commercial substance or is deemed to lack commercial substance; and (d) arrangement which are not ordinarily employed for bona fide purposes.

Factors such as the period for which the arrangement had existed, the payment of taxes and the exit route provided by the arrangement would be relevant but not sufficient to determine whether the arrangement lacks commercial substance.

Further, an arrangement shall be deemed to lack commercial substance (amongst other factors) if:

- The substance or effect of the arrangement as a whole, is inconsistent with, or differs significantly from, the form of its individual steps or a part; or
- It involves or includes:
 - a) round trip financing;
 - b) an accommodating party;
 - c) elements that have effect of offsetting or cancelling each other; or
 - d) a transaction which is conducted through one or more persons and disguises the value, location, source, ownership or control of funds which is the subject matter of such transaction; or
- It involves the location of an asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit for a party; or
- It does not have a significant effect upon the business risks or net cash flows of any party to the arrangement apart from any effect attributable to the tax benefit that would be obtained.

Therefore, if the Indian tax authorities deem the Mauritius Company's or the Mauritius Sub-fund's structure, investment, divestments or other transactions to be an IAA, then the Mauritius Company or the Mauritius Sub-fund may be denied benefits under the Indo-Mauritius DTAA. Any inability of the Mauritius Company or the Mauritius Sub-fund to avail tax benefits under the Indo-Mauritius DTAA could have an adverse impact on the tax liabilities of the Mauritius Company or the Mauritius Sub-fund and could have an adverse impact on the returns to the investors.

GAAR is effective in India for taxpayers with financial years beginning on April 1, 2017. The GAAR rules would provide for the grandfathering of investment transactions entered into on or prior to March 31, 2017.

Taxation of offshore transfer of interests

The *Income-tax Act, 1961* (India), levies capital gains tax on income arising from the transfer of shares or interest in a company or entity organized outside of India which derives, directly or indirectly, its value substantially from assets located in India. On the basis that units of Sun Life Excel India Fund, or units of the Mauritius Sub-fund substantially derive their value from assets located in India, Indian tax authorities may seek to tax the transfer or redemption of units of the Sun Life Excel India Fund or units of the Mauritius Sub-fund notwithstanding that there may be no transfer or redemption taking place in India. Therefore, income arising from the transfer or redemption of units of the Sun Life Excel India Fund or units of the Mauritius Sub-fund may become taxable in India unless the unitholder of Sun Life Excel India Fund, or holder of units of the Mauritius Sub-fund satisfies the small investor threshold or is a resident of a country with which India has a favourable tax treaty which exempts such unitholder from Indian capital gains tax. There is no provisions in the Indo-Canada tax treaty which provides for such an exemption.

Such indirect transfer provisions are not applicable to investors in Category I FPI under the SEBI (FPI) Regulations 2019. The Company being a Category II FPI under the SEBI (FPI) regulations 2019, the exemption from indirect transfer provisions will not apply.

Tracking risk

A Fund may seek to have its returns linked to the performance of an underlying fund by purchasing securities of the underlying fund. The Fund may not be able to track the performance of the underlying fund to the extent desired for the following reasons:

- The Fund pays fees and expenses, which affects returns;
- The Fund may incur withholding tax from the income of the underlying fund, which affects returns;
- The level of subscription and redemption activity in securities of the Fund and the underlying fund differs;

- Under normal circumstances, there will be at least a one business day delay between the time an investor buys securities of the Fund and the time the Fund gets additional exposure to the underlying fund. The possible impact of such a delay will be increased if new purchases of securities are large compared to existing investments in the Fund. This “cash drag” is often generally more significant in Funds with relatively smaller assets under management; and
- A Fund may be permitted to invest in other assets.

Transaction costs risk

The asset allocation process used by a Fund may result in an increased number of portfolio transactions and potentially higher overall transaction costs. This process can have an adverse effect on the performance of the Fund during periods of increased equity market volatility. In addition, the investment strategy used by a Fund may result in the Fund having a higher portfolio turnover rate. Portfolio turnover refers to the frequency of portfolio transactions and the percentage of portfolio assets being bought and sold during the year, which may increase overall costs.

Underlying fund risk

A Fund may pursue its investment objectives by investing indirectly in securities of other mutual funds, including exchange-traded funds, in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a Fund. If an underlying fund that is not traded on an exchange suspends redemptions, a Fund that invests in such underlying fund will be unable to value part of its portfolio and may be unable to redeem its securities.

Investment funds that are traded on an exchange (i.e. exchange-traded funds) are subject to the following risks that do not apply to conventional mutual funds: (i) an exchange-traded fund’s securities often trade on the exchange at a premium or discount to the net asset value of such securities; (ii) an active trading market for an exchange-traded fund’s securities may not develop or be maintained, and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange.

The Funds have obtained exemptive relief to invest in exchange-traded funds that may use leverage, seek to track an index on an inverse basis or seek to gain exposure to gold and/or silver, subject to certain conditions. Leveraged exchange-traded funds seek to deliver multiples of the performance of the index or benchmark they track. Leverage involves borrowing money to increase the size of an investment. Inverse exchange-traded funds seek to deliver the opposite of the performance of the index or benchmark they track. Leveraged exchange-traded funds and inverse exchange-traded funds generally use derivatives to achieve their investment objectives. The strategies used by such exchange-traded funds have the potential of magnifying the risk associated with the underlying market segments or indexes to which such exchange-traded funds are exposed, particularly in volatile market conditions.

To the extent that a Fund or an underlying fund invests in other investment fund(s), the Fund or the underlying fund would be exposed to the risks to which such investment funds are exposed and the risks of investing in such investment funds.

Zero coupon securities risk

Each Milestone Fund invests a portion of its portfolio in zero coupon securities and some of the other Funds may invest in zero coupon securities. Zero coupon securities tend to be more highly sensitive to interest rate fluctuations than securities with similar terms to maturity that pay a coupon.

Specific risks in respect of the Milestone Funds

The following are risks that are specific to the Milestone Funds.

Accelerated Maturity Date risk

An Accelerated Maturity Date of a Milestone Fund may be selected if we determine that; (i) the Milestone Fund's asset size is not economically viable; (ii) if Sun Life resigns or is terminated as sub-advisor and we determine that a replacement sub-advisor will not be appointed; or (iii) if we determine, in our sole discretion, that it is in the best interests of investors to select an Accelerated Maturity Date, for example if all of the assets of the Milestone Fund are invested in zero coupon bonds.

On the Accelerated Maturity Date, you will be entitled to receive the Accelerated Guaranteed Value for each unit of the Milestone Fund then held. Because the Accelerated Guaranteed Value is based on a net present value calculation that takes into account the time value of money, the amount you receive could be less than \$10.00 per unit (the NAV per unit on the start date) and could be less than your original investment. However, the Accelerated Guaranteed Value will not be less than the NAV of the Milestone Fund as of Accelerated Maturity Date.

Investors who redeem their units on the Accelerated Maturity Date will receive the Accelerated Guaranteed Value per unit, less any redemption or other charges that may apply.

All units of a particular series of a Milestone Fund that are not redeemed on the Accelerated Maturity Date of the Milestone Fund will be automatically switched on the Accelerated Maturity Date to the same series of units of Sun Life Money Market Fund under the applicable purchase option based on the Accelerated Guaranteed Value. These units of Sun Life Money Market Fund will have the same remaining term of any applicable redemption fee schedule as the corresponding series of units of the Milestone Fund that you held. No sales charges or switch fees will be payable in respect of this switch. The switch will be treated as a redemption for tax purposes. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a redemption of units.

Investors will receive at least 60 days' prior written notice of any Accelerated Maturity Date of a Milestone Fund. If an Accelerated Maturity Date is declared, the Milestone Fund will be automatically closed to new purchases, subject to such rules relating to distributions and pre-authorized chequing plans as we may determine.

Please see *Shortfall risk* below for details on the risk of not receiving the Accelerated Guarantee Value on the Accelerated Maturity Date.

Early redemption risk

The Guaranteed Value is only available on the scheduled Maturity Date. Investors who redeem units of a Milestone Fund before the scheduled Maturity Date of their Milestone Fund will receive the current NAV per unit (less redemption fees, if any), which may be less than the Guaranteed Value.

Shortfall risk

We, as the portfolio manager, and Sun Life, as the sub-advisor of the Milestone Funds, intend to manage each Milestone Fund so that it will have sufficient assets on the scheduled Maturity Date to pay the Guaranteed Value to investors for each unit of the Milestone Fund then held. If on the scheduled Maturity Date or Accelerated Maturity Date the NAV per unit (calculated without taking into account any obligation to pay the Shortfall) is less than the Guaranteed Value or the Accelerated Guaranteed Value, as the case may be, then under the sub-advisory agreement Sun Life has agreed to pay the Shortfall to the Milestone Fund. This sub-advisory agreement, including this shortfall payment obligation may be terminated by a party if one of the other parties to the agreement: commits a fraudulent act or makes a deliberate misrepresentation; fails to discharge its material duties or obligations; engages in willful misconduct, negligence, or malfeasance in the performance of its duties; takes steps to be dissolved; becomes insolvent or bankrupt; ceases to be qualified to perform its duties according to the provisions of applicable securities legislation; or is in breach of its obligations and does not remedy such breach within 30 days after it receives notice. If the sub-advisory agreement with Sun Life is terminated, we expect that we will either find an acceptable replacement sub-advisor for the Milestone Funds or the scheduled Maturity Date of each Milestone Fund will be accelerated to an Accelerated Maturity Date prior to the termination of the existing sub-advisory agreement.

Any Shortfall will be paid by Sun Life to the applicable Milestone Fund and not to the investors of the Milestone Fund. If there is a Shortfall, the likelihood that the Milestone Fund will receive the amount owed to it will be dependent upon the financial health and creditworthiness of Sun Life. If the sub-advisory agreement has been terminated or if Sun Life defaults on its obligation, we could take a variety of actions (any of which would be presented to the IRC prior to proceeding), including replacing Sun Life. However, we may not be able to find a replacement sub-advisor and we are under no obligation to do so. Neither we nor any of our affiliates, or any other entity or organization, is obligated to pay the Shortfall to a Milestone Fund in the event that Sun Life defaults on its obligation or the sub-advisory agreement is terminated. In either case, if on the scheduled Maturity Date or Accelerated Maturity Date a Milestone Fund does not have sufficient assets to pay the Guaranteed Value (or the Accelerated Guaranteed Value, as applicable), then investors will only receive the NAV per unit (calculated without taking into account any obligation to pay the Shortfall), less, in the case of any Accelerated Maturity Date, any applicable charges. Simply put, if the sub-advisory agreement is not in effect or if Sun Life defaults on its obligation, then we cannot ensure that investors will receive the Guaranteed Value on the scheduled Maturity Date.

Receipt by a Milestone Fund of any payment in respect of the Shortfall from Sun Life may result in taxable distributions to investors with respect to such amount.

Organization and management of the Funds

Who organizes and manages the Funds?

SLGI Asset Management Inc. is a Canadian investment management firm wholly-owned (indirectly) by Sun Life Financial Inc. Sun Life Financial Inc. is a global international financial services organization providing a diverse range of protection and wealth accumulation products and services as well as investment products to individuals and institutions.

Who works with the Funds?

MANAGER

SLGI Asset Management Inc.

One York Street, Suite 3300
Toronto, Ontario
M5J 0B6
1-877-344-1434
www.sunlifeglobalinvestments.com

The manager is responsible for the day to day business and operations of the Funds and for appointing portfolio managers and any sub-advisors. We may hire arm's length third parties or affiliates to perform some of the services required by the Funds.

TRUSTEE

SLGI Asset Management Inc.

Toronto, Ontario

The Trust Funds are organized as mutual fund trusts. When you invest in one of the Trust Funds, you buy units of the trust. The trustee holds title to the Trust Funds' investments in trust for the unitholders.

PORTFOLIO MANAGER TO THE FUNDS

SLGI Asset Management Inc.

Toronto, Ontario

We are the portfolio manager of each Fund. In such capacity, we are responsible for managing the investment portfolio of the Funds. We may appoint sub-advisors for the Funds.

SUB-ADVISORS

1832 Asset Management L.P.

Toronto, Ontario

1832 Asset Management L.P. ("1832 LP") acts as a sub-advisor for Sun Life Dynamic Equity Income Fund* and Sun Life Dynamic Strategic Yield Fund*. In this capacity, 1832 LP manages the investment portfolio (or a portion of such portfolio) for these Funds. 1832 LP is the manager of the Dynamic Funds*.

1832 LP is not an affiliate of the Manager.

*Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

Amundi Canada Inc.

Montréal, Québec

Amundi (UK) Limited

London, England

We have retained Amundi Canada Inc. (“**Amundi Canada**”) to act as a sub-advisor for Sun Life Excel High Income Fund in respect of the Fund’s securities portfolio. Amundi Canada has in turn engaged its affiliate Amundi (UK) Limited (“**Amundi**”) to provide investment advisory services to the Fund. We have also retained Amundi to provide commodity futures services with respect to Sun Life Excel High Income Fund. Amundi will therefore manage the investment portfolio (or portion of such portfolio) for this Fund. Amundi Canada oversees the investment advisory services provided by Amundi and it is responsible for the securities advice provided by Amundi. Amundi Canada and Amundi are collectively referred to as the sub-advisor to Sun Life Excel High Income Fund.

It may be difficult to enforce legal rights against Amundi because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada.

Amundi Canada and Amundi are not an affiliate of the Manager.

BlackRock Asset Management Canada Limited

Toronto, Ontario

BlackRock Institutional Trust Company, N.A.

San Francisco, California, U.S.A.

We have retained BlackRock Asset Management Canada Limited (“**BlackRock**”) to act as a sub-advisor for the Sun Life BlackRock Canadian Equity Fund. BlackRock has in turn retained BlackRock Institutional Trust Company, N.A. (“**BTC**”) to act as sub-advisor for this Fund. In this capacity, BTC manages the investment portfolio (or a portion of such portfolio) for this Fund. BlackRock and BTC are collectively referred to as the sub-advisor to this Fund.

It may be difficult to enforce legal rights against BTC because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada. BlackRock, as the sub-advisor, is responsible for the investment advice provided by BTC.

BlackRock and BTC are not affiliates of the Manager.

Connor, Clark & Lunn Investment Management Ltd.

Vancouver, British Columbia

We have retained Connor, Clark & Lunn Investment Management Ltd. (“**CC&L**”) to act as a sub-advisor for Sun Life Multi-Strategy Bond Fund. In this capacity, CC&L will manage a portion of the investment portfolio for this Fund.

CC&L is not an affiliate of the Manager.

JPMorgan Asset Management (Canada) Inc.

Toronto, Ontario

We have retained JPMorgan Asset Management (Canada) Inc. (“**JPMAMC**”) to act as a sub-advisor for Sun Life JPMorgan International Equity Fund. In this capacity, JPMAMC manages the investment portfolio (or a portion of such portfolio) for this Fund.

JPMAMC is not an affiliate of the Manager.

KBI Global Investors (North America) Ltd.

Dublin, Ireland

We have retained KBI Global Investors (North America) Ltd. (“**KBI**”) to act as sub-advisor for Sun Life Global Dividend Private Pool and to act as direct portfolio manager for a portion of the investment portfolio of Sun Life Granite Income Portfolio and Sun Life Granite Enhanced Income Portfolio. KBI also acts as sub-advisor for a portion of the investment portfolio of Sun Life Real Assets Private Pool.

It may be difficult to enforce legal rights against KBI because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada.

KBI is not an affiliate of the Manager.

Lazard Asset Management (Canada), Inc.

New York, New York, U.S.A.

Lazard Asset Management LLC

New York, New York, U.S.A

We have retained Lazard Asset Management (Canada), Inc. (“**Lazard Canada**”) to act as sub-advisor for a portion of the investment portfolio for Sun Life Real Assets Private Pool. Lazard has engaged its affiliate, Lazard Asset Management LLC (“**LAM LLC**”), to provide investment advisory services with respect to Sun Life Real Assets Private Pool. In this capacity, LAM LLC will manage a portion of the investment portfolio for Sun Life Real Assets Private Pool. Lazard Canada oversees the management by LAM LLC and is responsible for the investment advice provided by LAM LLC. Lazard Canada and LAM LLC are collectively referred to as “**Lazard**”.

It may be difficult to enforce legal rights against Lazard because they are resident outside of Canada and all, or substantially all, of their assets are situated outside of Canada.

Lazard are not affiliates of the Manager.

MFS Investment Management Canada Limited

Toronto, Ontario

MFS Institutional Advisors, Inc.

Boston, Massachusetts, U.S.A.

We have retained MFS Investment Management Canada Limited (“**MFS IMC**”) to act as a sub-advisor for Sun Life Money Market Fund, the MFS IMC Funds and a portion of the investment portfolio for Sun Life Real Assets Private Pool. Except for Sun Life Money Market Fund, MFS IMC has engaged its affiliate, MFS Institutional Advisors, Inc. (“**MFS**”), to provide investment advisory services for each of these Funds. In this capacity, MFS will manage the investment portfolio (or a portion of such portfolio) for these Funds. MFS IMC oversees the portfolio management by MFS and is responsible for the investment advice provided by MFS. MFS IMC and MFS are collectively referred to as the sub-advisor for these Funds.

It may be difficult to enforce legal rights against MFS because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada.

MFS IMC and MFS are affiliates of the Manager.

NWQ Investment Management Company, LLC

Los Angeles, California, U.S.A.

We have retained NWQ Investment Management Company, LLC (“**NWQ**”) to act as sub-advisor for Sun Life NWQ Flexible Income Fund. In this capacity, NWQ manages the investment portfolio (or a portion of such portfolio) for this Fund.

NWQ is not an affiliate of the Manager.

Schroder Investment Management North America Inc.

New York, New York, U.S.A.

Schroder Investment Management North America Limited

London, U.K.

We have retained Schroder Investment Management North America Inc. (“**Schroders**”) to act as a sub-advisor for Sun Life Excel Emerging Markets Fund and Sun Life Schroder Global Mid Cap Fund. Schroders has engaged its affiliate, Schroder Investment Management North America Limited (“**SIMNA Ltd.**”), to provide investment advisory services with respect to these Funds. In this capacity, SIMNA Ltd. will manage the investment portfolio (or a portion of such portfolio) for these Funds. Schroders oversees the portfolio management by SIMNA Ltd. and is responsible for the investment advice provided by SIMNA Ltd. Schroders and SIMNA Ltd. are collectively referred to as the sub-advisor to Sun Life Excel Emerging Markets Fund and Sun Life Schroder Global Mid Cap Fund.

It may be difficult to enforce legal rights against Schroders and SIMNA Ltd. because they are resident outside of Canada and all, or substantially all, of their assets are situated outside of Canada.

Schroders and SIMNA Ltd. are not affiliates of the Manager.

Sun Life Assurance Company of Canada

Toronto, Ontario

We have retained Sun Life Assurance Company of Canada to act as a sub-advisor for the Milestone Funds. In this capacity, Sun Life will manage the investment portfolio (or a portion of such portfolio) for each of these Funds.

Sun Life Assurance Company of Canada is an affiliate of the Manager.

Sun Life Capital Management (Canada) Inc.

Toronto, Ontario

We have retained Sun Life Capital Management (Canada) Inc. (“**SLC Management**”) to act as sub-advisor for Sun Life Core Advantage Credit Private Pool. In this capacity, SLC Management manages the investment portfolio for Sun Life Core Advantage Credit Private Pool.

SLC Management is an affiliate of the Manager.

PORTFOLIO MANAGERS TO CERTAIN UNDERLYING FUNDS

Aditya Birla Sun Life AMC Limited

Singapore

Aditya Birla Sun Life AMC Limited (“**Aditya Birla**”) acts as a portfolio manager for Growth & Income Class and for New Leaders Class of the Mauritius Company, each underlying funds to Sun Life Excel India Balanced Fund and Sun Life Excel New India Leaders Fund, respectively. In this capacity, Aditya Birla will manage the investment portfolio (or a portion of such portfolio) for these underlying funds.

It may be difficult to enforce legal rights against Aditya Birla because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada.

Aditya Birla is an affiliate of the Manager.

Birla Sun Life AMC Limited

Mumbai, India

Birla Sun Life AMC Limited (“**BSLAMC**”) acts as a portfolio manager for the India Sub-fund, an underlying fund to Sun Life Excel India Fund. In this capacity, BSLAMC will manage the investment portfolio (or a portion of such portfolio) for the India sub-fund.

It may be difficult to enforce legal rights against BSLAMC because it is resident outside of Canada and all, or substantially all, of its assets are situated outside of Canada.

BSLAMC is an affiliate of the Manager.

CUSTODIAN

RBC Investor Services Trust

Toronto, Ontario

The custodian holds all of the Funds’ investments for safekeeping. The custodian is not an affiliate of the Manager.

RECORD KEEPER

International Financial Data Services (Canada) Limited

Toronto, Ontario

The record keeper maintains a record of the owners of securities of the Funds and processes changes in ownership. The record keeper is not an affiliate of the Manager.

INDEPENDENT AUDITORS

Ernst & Young LLP

Waterloo, Ontario

Ernst & Young LLP audit the Funds' annual financial statements and provide an opinion as to whether they present fairly the Funds' financial position, results and changes in net assets in accordance with applicable accounting principles. The auditors are independent of the Funds in accordance with the rules of professional conduct of the Chartered Professional Accountants of Ontario.

SECURITIES LENDING AGENT

RBC Investor Services Trust

Toronto, Ontario

In the event that a Fund engages in a securities lending or repurchase transaction, RBC Investor Services Trust will be appointed as the Fund's securities lending agent. The securities lending agent will act on behalf of the Fund in administering the securities lending and repurchase transactions entered into by the Fund.

The securities lending agent will be independent of us.

INDEPENDENT REVIEW COMMITTEE (IRC)

The Manager has established an independent review committee for the Funds. The mandate of the IRC is to review, and provide input on, our written policies and procedures that deal with conflict of interest matters in respect of the Funds and to review and, in some cases, approve conflict of interest matters. The IRC may also approve any change of the auditor of the Funds and, in certain circumstances, approve a fund merger. Investor approval will not be obtained in these circumstances, but you will be sent a written notice at least 60 days before the effective date of any such change of auditor or merger.

As at the date of this Simplified Prospectus, the IRC is composed of three members. Each member of the IRC is independent of us, the Funds and any party related to us. The costs associated with the IRC will form part of the operating expenses of the Funds. The IRC will prepare, at least annually, a report of its activities for investors. This report will be available on our website at www.sunlifeglobalinvestments.com, or you may request a copy, at no cost to you, by contacting us at info@sunlifeglobalinvestments.com.

Additional information about the IRC, including the names of the members, is available in the Funds' AIF.

Fund of funds

Some of the Funds (referred to in this context as a top fund) may buy securities of an underlying fund. Where we are the manager of both the top fund and an underlying fund, we will not vote the securities of the underlying fund that are held by the top fund. However, in our discretion, we may decide to flow those voting rights to investors in the top fund.

Purchases, redemptions and switches

Series of securities

Each Fund may have an unlimited number of series of securities and may issue an unlimited number of securities of each series. The description of each Fund starting on page 87 sets out the series of securities currently offered by that Fund. We may offer additional securities under separate simplified prospectuses or other offering documents. The offering of any series of securities can be terminated at any time and any additional series of securities may be offered at any time.

Each series of securities is intended for different types of investors or, in the case of Series AH, FH, IH and OH for investors who wish to minimize the currency risk associated with their investments. Investors must meet eligibility criteria established by us from time to time in order to hold certain series of securities of the Funds. We will publicly announce any new eligibility criteria or any change to existing eligibility criteria before such criteria or change becomes effective. If, at any time, you cease to be eligible to hold your series of a Fund, we may switch you to another series of securities of the same Fund (including a series that may be created in the future).

Private Client Pricing

SLGI offers a program (“**Private Client Pricing**”), which provides clients with a cost effective investment solution. Certain Series A, Series AH, Series C, Series AT5, Series T5, Series AT8 and Series T8 securities of an SLGI Mutual Fund purchased or held under the Front End Sales Charge option (as described in *Choosing a purchase option*) and certain Series F, Series FC, Series F5, Series F8, Series FT5, Series FT8, Series FH, Series O and Series OH securities of an SLGI Mutual Fund are eligible for Private Client Pricing and collectively are referred to as “**Eligible Securities**”.

Effective February 26, 2020, the securities of Sun Life Real Assets Private Pool are not eligible for reduced management fees, but will continue to be eligible for the calculation to determine the market value of Eligible Securities in Private Client Pricing.

Investors participating in Private Client Pricing may benefit from reduced management fees. Investors with Eligible Securities of SLGI Mutual Funds having a minimum market value in their account are automatically enrolled in Private Client Pricing. Until November 1, 2020, qualifying investors who link their account to a master account with a minimum market value of Eligible Securities may also enrol in Private Client Pricing. Effective November 1, 2020, qualifying investors will have individual accounts automatically linked for Private Client Pricing. The securities of certain SLGI Mutual Funds are ineligible for reduced management fees, but have been deemed eligible for the calculation to determine the market value of Eligible Securities in Private Client Pricing. For all series of securities of a Fund, other than Series O and Series OH securities, management fees are paid by the Fund. Any management fee reduction that is paid to a Private Client Pricing investor, either as a distribution in the case of a Trust Fund or as a rebate in the case of a Corporate Class, will generally be reinvested in additional securities of the applicable Fund.

Until November 1, 2020, Private Client Pricing fees are calculated on a monthly basis and you must be eligible for Private Client Pricing for the entire month in order to benefit from reduced management fees. Until November 1, 2020, if a Private Client Pricing investor switches their securities to a series that is not eligible for Private Client Pricing, redeems their securities or if the market value of their Eligible Securities falls below the minimum market value for Private Client Pricing at any time during a month, that investor will no longer be eligible for Private Client Pricing and the management fee reduction will not be applied to the securities that investor held during that month.

Effective November 1, 2020, Private Client Pricing will be applied for eligible investors on a daily basis. Effective November 1, 2020, if a Private Client Pricing investor switches their securities to a series that is not eligible for Private Client Pricing, redeems their securities, or if the market value of their securities eligible for Private Client Pricing falls below the minimum market value required to participate in Private Client Pricing, the management fee reduction will be applied on a daily basis to the securities held in the current month.

For Eligible Securities of either Series O and Series OH securities of a Fund, no management fees are paid by the Fund. Management fees are paid directly by Series O and Series OH investors by redeeming a sufficient amount of the investor's securities from the Fund to pay the amount owing, and for Series O and Series OH investors in Private Client Pricing, after subtracting any management fee reduction.

Please contact us or your advisor for more information on Private Client Pricing.

We may modify or discontinue Private Client Pricing at any time, at our discretion. Existing clients in the Private Client Pricing will receive at least 90 days' prior notice of the discontinuance of Private Client Pricing.

Series A securities

Series A securities are available to all investors.

Series AH securities

Series AH securities are available to all investors. The characteristics of Series AH securities are the same as Series A securities, except that the return of Series AH securities will reflect the performance of the Fund after hedging substantially all of the foreign currency exposure. Series AH securities are designed for investors who want exposure to foreign investments but wish to minimize the impact of foreign currency movements relative to the Canadian dollar on their investments.

Series AT5 and AT8 securities

Series AT5 and Series AT8 securities are available to all investors. Series AT5 and Series AT8 securities are designed to provide investors with a fixed monthly distribution based on a target annualized distribution rate of 5% and 8% of the NAV per security, respectively, at the end of the prior year. The amount of the monthly distribution will be reset at the beginning of each calendar year. The monthly distributions are not intended to reflect a Fund's investment performance and should not be confused with "yield" or "income". **The monthly distributions will be comprised of capital.** The distribution rate on Series AT5 and Series AT8 securities may be greater than the return on the Fund's investments. **If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.** A distribution of capital is not immediately taxable to you but will reduce the adjusted cost base of your securities. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution of capital. **Ordinary dividends and capital gains dividends may also be paid on Series AT5 and Series AT8 securities, if required.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5 or Series AT8 securities will make any distributions in any particular month.

Series T5 and Series T8 securities

Series T5 and Series T8 securities are available to all investors. Series T5 and Series T8 securities are designed to provide investors with a fixed monthly distribution based on a target annualized distribution rate of 5% (in the case of Series T5) and 8% (in the case of Series T8) of the NAV per security of the relevant series at the end of the prior year. The amount of the monthly distribution will be reset at the beginning of each calendar year. The monthly distributions are not intended to reflect a Fund's investment performance and should not be confused with "yield" or "income". **The target monthly distributions may be paid out of income, capital gains or capital of the Fund and the composition may vary from month to month. A portion of the monthly distribution for Series T5 or Series T8 securities is likely to include a return of capital.** The distribution rate on these series may be greater than the return on the Fund's investments. **If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.** A distribution of capital is not immediately taxable to you but will reduce the adjusted cost base of your securities. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution of capital. **Additional distributions of income and capital gains will be made in December if required.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 or Series T8 securities will make any distributions in any particular month.

Series D securities

Series D securities of a Fund are only available for purchase by existing investors who held Series D securities of the same Fund on March 30, 2012. Investors may switch their Series D securities of one Fund into Series D securities of another SLGI Mutual Fund, but may not switch securities of another series into Series D securities. Once a Series D investor no longer owns any Series D securities, the investor may not purchase additional Series D securities. In addition, Series D securities may be switched into any other series (if available), if the investor meets the applicable requirements for those series. Series D securities are not eligible for Private Client Pricing.

Series DB securities

Series DB securities of Sun Life Excel High Income Fund and Sun Life Excel India Fund are not available for purchase, other than purchases from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on February 7, 2018. Series DB securities of Sun Life Excel Emerging Markets Fund are not available for purchase, other than purchases from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on June 15, 2018. Holders of Series DB securities continue to be able to redeem those units in the normal course.

Series DB securities of Sun Life MFS Global Total Return Fund were created to facilitate the merger of Sun Life Excel Emerging Markets Balanced Fund into Sun Life MFS Global Total Return Fund, where Series DB securityholders of Sun Life Excel Emerging Markets Balanced Fund received Series DB securities of Sun Life MFS Global Total Return Fund in exchange for their securities. Series DB securities of Sun Life MFS Global Total Return Fund are closed to purchases by new investment accounts. Series DB securityholders of Sun Life MFS Global Total Return Fund may continue to purchase Series DB securities in their accounts. Once a Series DB securityholder of Sun Life MFS Global Total Return Fund ceases to hold any Series DB securities of Sun Life MFS Global Total Return Fund, the investor may no longer purchase additional Series DB securities of Sun Life MFS Global Total Return Fund.

Series F securities

Series F securities are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with us. Instead of paying sales charges, investors buying Series F securities pay fees to their dealer for investment advice and other services. We do not pay any commissions to dealers in respect of Series F securities, and we generally charge a lower management fee.

If you cease to be eligible to hold Series F securities, we may change your Series F securities for Series A securities of the same Fund under the Front End Sales Charge option.

Series FH securities

Series FH securities are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with us. The characteristics of Series FH securities are the same as Series F securities, except that the return of Series FH securities will reflect the performance of the Fund after hedging substantially all of the foreign currency exposure attributable to Series FH. Series FH securities are designed for investors who want exposure to foreign investments but wish to minimize the impact of foreign currency movements relative to the Canadian dollar on their investments.

If you cease to be eligible to hold Series FH securities, we may change your Series FH securities for Series AH securities of the same Fund under the Front End Sales Charge option.

Series F5 and Series F8 securities

Series F5 and Series F8 securities are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with us. Instead of paying sales charges, investors buying Series F5 and Series F8 securities pay fees to their dealer for investment advice and other services. We do not pay any commissions to dealers in respect of Series F5 and Series F8 securities, so we can charge a lower management fee.

Series F5 and Series F8 securities are designed to provide investors with a fixed monthly distribution based on a target annualized distribution rate of 5% (in the case of Series F5) and 8% (in the case of Series F8) of the NAV per security of the relevant series at the end of the prior year. The amount of the monthly distribution will be reset at the beginning of each calendar year. The monthly distributions are not intended to reflect a Fund's investment performance and should not be confused with "yield" or "income". **The target monthly distributions may be paid out of income, capital gains or capital of the Fund and the composition may vary from month to month. A portion of the monthly distribution for Series F5 or Series F8 securities is likely to include a return of capital.** The distribution rate on these series may be greater than the return on the Fund's investments. **If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.** A distribution of capital is not immediately taxable to you but will reduce the adjusted cost base of your securities. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution of capital. **Additional distributions of income and capital gains will be made in December if required.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series F5 or Series F8 securities will make any distributions in any particular month. If you cease to be eligible to hold Series F5 and Series F8 securities, we may change your Series F5 and Series F8 securities to Series T5 and Series T8 securities, respectively, of the same Fund under the Front End Sales Charge option.

Series FT5 and FT8 securities

Series FT5 and Series FT8 securities are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with us. Instead of paying sales charges, investors buying Series FT5 and Series FT8 securities pay fees to their dealer for investment advice and other services. We do not pay any commissions to dealers in respect of Series FT5 and Series FT8 securities, so we can charge a lower management fee.

Series FT5 and Series FT8 securities are designed to provide investors with a fixed monthly distribution based on a target annualized distribution rate of 5% and 8% of the NAV per security, respectively, at the end of the prior year. The amount of the monthly distribution will be reset at the beginning of each calendar year. The monthly distributions are not intended to reflect a Fund's investment performance and should not be confused with "yield" or "income". **The monthly distributions will be comprised of capital.** The distribution rate on Series FT5 and Series FT8 securities may be greater than the return on the Fund's investments. **If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.** A distribution of capital is not immediately taxable to you but will reduce the adjusted cost base of your securities. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a distribution of capital. **Ordinary dividends and capital gains dividends may also be paid on Series FT5 and Series FT8 securities, if required.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series FT5 and Series FT8 securities will make any distributions in any particular month. If you cease to be eligible to hold Series FT5 and Series FT8 securities, we may change your Series FT5 and Series FT8 securities to Series AT5 and Series AT8 securities, respectively, of the same Fund under the Front End Sales Charge option.

Series I securities

Series I securities are special purpose securities that are currently only available to other mutual funds and eligible institutional investors. Series I securities are not sold to the general public. Each Series I investor negotiates its own

management and advisory fee that is paid directly to us. Series I securities are not generally sold through dealers, and no sales commissions are payable to dealers for selling these securities. We must approve any switch to or from Series I securities. Series I securities are not eligible for Private Client Pricing.

If you cease to be eligible to hold Series I securities, we may change your Series I securities for Series A securities of the same Fund under the Front End Sales Charge option.

Series IH securities

Series IH securities are special purpose securities that are currently only available to other mutual funds and eligible institutional investors. Series IH securities are not sold to the general public. The characteristics of Series IH securities are the same as Series I securities, except that the return of Series IH securities will reflect the performance of the Fund after hedging substantially all of the foreign currency exposure attributable to Series IH. Series IH securities are designed for investors who want exposure to foreign investments but wish to minimize the impact of foreign currency movements relative to the Canadian dollar on their investments.

If you cease to be eligible to hold Series IH securities, we may change your Series IH securities for Series AH securities of the same Fund under the Front End Sales Charge option.

Series O securities

Series O securities are available to investors whose dealer has signed a Series O dealer agreement with us. Each Series O investor pays a management fee directly to us. The Series O management fee is paid by a redemption of Series O securities held in the investor's account, and if the Series O investor participates in Private Client Pricing, after subtracting any management fee reduction.

If you cease to be eligible to hold Series O securities, we may change your Series O securities for Series A securities of the same Fund under the Front End Sales Charge option.

Effective February 26, 2020, Series O securities of Sun Life Real Assets Private Pool are no longer available for purchase in new investment accounts. Investors with accounts that held Series O securities of Sun Life Real Assets Private Pool on February 26, 2020 (the "**Eligible Series O Investors**") may continue to purchase Series O securities of Sun Life Real Assets Private Pool in those accounts. Eligible Series O Investors may switch their Series O securities of Sun Life Real Assets Private Pool into Series O securities (or another series, provided they meet the applicable requirements for that series) of another SLGI Mutual Fund. Once an Eligible Series O Investor no longer owns any Series O securities of Sun Life Real Assets Private Pool, the investor ceases to be an Eligible Series O Investor and may no longer purchase additional Series O securities of Sun Life Real Assets Private Pool.

Series OH securities

Series OH securities are available to investors whose dealer has signed an agreement with us. The characteristics of Series OH securities are the same as Series O securities, except that the return of Series OH securities will reflect the performance of the Fund after hedging substantially all of the foreign currency exposure attributable to Series OH. Series OH securities are designed for investors who want exposure to foreign investments but wish to minimize the impact of foreign currency movements relative to the Canadian dollar on their investments.

If you cease to be eligible to hold Series OH securities, we may change your Series OH securities for Series AH securities of the same Fund under the Front End Sales Charge option.

How to buy securities of the Funds

You can buy securities of the Funds through a registered dealer. You must be of the age of majority in the province or territory in which you live to buy securities of a mutual fund. You may hold securities in trust for a minor.

Purchase price

When you buy securities of a Fund, the price you pay is the NAV of those securities. Each series of securities of a Fund has a separate NAV (“**series NAV**”). In general, we calculate the series NAV by:

- taking that series’ proportionate share of the assets of the Fund; and
- subtracting that series’ expenses and its proportionate share of the class expenses and the Fund’s common expenses.

For Funds that have created a Hedged Class, the proportionate share of the assets of the Fund attributed to each series is as follows:

- For series in the Ordinary Class, the Fund’s assets to be allocated to each series in the class do not include the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class;
- For series in the Hedged Class, the Fund’s assets to be allocated to each series in the class is:
 - o the series’ proportionate share of the assets of the Fund, excluding the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class; plus
 - o the series’ proportionate share of the foreign currency hedging derivatives and related expenses entered into specifically for the Hedged Class, which is allocated among only the series in the Hedged Class.

The NAV per security of each series is calculated by dividing the series NAV by the total number of outstanding securities of that series.

We calculate the NAV for each series of each Fund in Canadian dollars.

You may elect to purchase Series A, Series F, Series O and Series DB securities, as applicable, of Sun Life MFS Global Total Return Fund, Sun Life MFS Global Growth Fund, Sun Life MFS International Opportunities Fund, Sun Life MFS U.S. Growth Fund, Sun Life MFS U.S. Value Fund, Sun Life Excel Emerging Markets Fund, Sun Life JPMorgan International Equity Fund, Sun Life Excel High Income Fund, Sun Life Excel India Balanced Fund, Sun Life Excel India Fund and Sun Life Excel New India Leaders Fund in U.S. dollars (“**U.S. Dollar Purchase Option**”). Under this option, we will determine your purchase price per security by taking the Canadian dollar series NAV per security and converting it into U.S. dollars based on the exchange rate at the time the NAV is calculated on the day your purchase order is received. Similarly, any distributions or dividends made on securities purchased under the U.S. Dollar Purchase Option are determined in Canadian dollars and paid out in U.S. dollars using the exchange rate at the time of the distribution or dividend. The U.S. Dollar Purchase Option is offered as a convenience to allow investors to purchase securities of these Funds with U.S. dollars. It does not act as a currency hedge or protect against losses caused by fluctuations in the exchange rates between the Canadian and U.S. dollars. Any apparent difference in performance between securities purchased in Canadian dollars versus securities purchased in U.S. dollars is solely the result of the difference in the value between the Canadian and U.S. dollar and does not reflect any difference in the actual performance of the Fund.

If we receive your purchase order before 4 p.m. Eastern Time (“**ET**”) on a day that the Toronto Stock Exchange (“**TSX**”) is open for business or before the TSX closes for the day, whichever is earlier, we will process your order based on the NAV calculated on that day. If we receive your order after that time, we will process your order based on the NAV calculated on the next business day. If the TSX closes earlier than 4:00 p.m. ET, we may impose an earlier deadline.

Choosing a purchase option

Certain series of the Funds are available for purchase under different purchase options. The purchase option you choose determines the amount of the sales charge and redemption fee and when you pay it. You and your advisor should decide which purchase option is appropriate for you. Your choice of purchase option will require you to pay different sales charges and redemption fees and will affect the amount of compensation your dealer will receive. Not all dealers may make all series or all purchase options available. See *Fees and expenses* and *Dealer compensation* for more information.

Generally, there are three different purchase options:

- **Front End Sales Charge option.** You and your dealer negotiate the fee, which may be up to 5% of the cost of the securities, and you pay this sales charge to your dealer when you buy the securities. You will not pay a redemption fee when you redeem your securities.
- **Deferred Sales Charge option.** You do not pay a fee when you buy the securities. However, if you redeem the securities within seven years of buying them, you will pay a redemption fee that starts at 5.5% of the original cost of the securities at the time they were purchased and declines over time. See *Fees and expenses payable directly by you* for the redemption fee schedule.
- **Low Load Sales Charge option.** You do not pay a fee when you buy the securities. However, if you redeem the securities within three years of buying them, you will pay a redemption fee that starts at 2.5% of the original cost of the securities at the time they were purchased and declines over time.

Series A, Series AH, Series AT5, Series T5, Series AT8 and Series T8 securities are generally available for purchase under the Front End Sales Charge option, the Deferred Sales Charge option and the Low Load Sales Charge option. Series A securities of the Private Pools and the Tactical ETF Portfolios are generally only available under the Front End Sales Charge option.

Effective February 26, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of Sun Life Real Assets Private Pool are no longer available for purchase in new investment accounts. Investors with accounts that held Series A securities of Sun Life Real Assets Private Pool purchased under the Deferred Sales Charge option or Low Load Sales Charge option on February 26, 2020 (the “**Eligible Series A Investors**”) may continue to purchase Series A securities of Sun Life Real Assets Private Pool in those accounts under the Deferred Sales Charge option or Low Load Sales Charge option.

Effective on or about August 1, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class are no longer available for purchase in new investment accounts. Investors with accounts that hold Series A securities of Sun Life Money Market Fund or Sun Life Money Market Class purchased under the Deferred Sales Charge option or Low Load Sales Charge option on or about August 1, 2020 (the “**Existing Money Market Series A Investors**”) may continue to purchase Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class in those accounts under the Deferred Sales Charge option or Low Load Sales Charge option. Switching from securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to Sun Life Money Market Fund or Sun Life Money Market Class, under the same purchase option (the “**Transferred Money Market Series A Investors**”) will continue to be permitted after August 1, 2020. An exception will be granted to Transferred Money Market Series A Investors, who will be permitted to purchase Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class in accounts created by a switch of securities purchased under the Deferred Sales Charge option or Low Load Sales Charge option. Upon redemption, the deferred sales charge fee or the low load sales charge fee will generally be based on the purchase date of your original securities.

Series O and Series OH securities are available for purchase under the Front End Sales Charge option. Only Eligible Series O Investors may continue to purchase Series O securities of Sun Life Real Assets Private Pool.

There are no sales charges for the purchase of Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH securities. However, Series F, Series FH, Series F5, Series F8, Series FT5 and

Series FT8 investors pay a separate fee to their dealer. In addition, Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities are not available under the Deferred Sales Charge option or the Low Load Sales Charge option.

Securities must be purchased or held under either the Front End Sales Charge option or in Series F, Series FC, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series O or Series OH securities to be eligible for Private Client Pricing.

For securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, upon the completion of the redemption fee schedule applicable to those securities, such securities will be automatically changed to Front End Sales Charge option securities of the same series without increased costs to you. Your dealer may, from the time your securities are changed, receive the higher level of service fees or trailing commissions that are applicable to securities purchased under the Front End Sales Charge option. See *Fees and expenses* and *Dealer compensation* for more information.

Minimum investment

The minimum initial investment in Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series O or Series OH securities of the Funds is \$500.00. The minimum initial investment in Series DB securities is \$250.00. Each additional investment in Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series O or Series OH securities must be at least \$50.00. Each additional investment in Series D securities must be at least \$100.00. These minimum investment amounts may be adjusted or waived in our absolute discretion and without notice to securityholders.

The minimum initial investment and each additional investment in Series I or Series IH securities of any of the Funds is negotiated between each Series I investor and the Manager.

Please see *Automatic redemption* for more information on the minimum balance that must be maintained for investments in other series of the securities of the Funds and the consequences of failing to maintain such minimum.

How we process your order

You and your advisor are responsible for ensuring that your purchase order is accurate and that we receive all the necessary documents or instructions. If we receive funds and a purchase order that fails to provide investment instructions but is otherwise valid, we will deem such order to be for Series A securities of Sun Life Money Market Fund (in the case of an incomplete order for a Trust Fund) and Sun Life Money Market Class (in the case of an incomplete order for a Corporate Class) and invest your money in such securities, under the Front End Sales Charge option at a 0% sales charge. Once we receive instructions specifying the Fund, series and sales charge option that you have selected and we have received your documentation in good order, we will switch this investment into that Fund, series and sales charge option that you have selected, without additional charge, at the NAV per security of the series of the Fund you selected on the applicable switch date.

We must receive full payment within two business days of processing your order (or one business day in the case of Sun Life Money Market Fund and Sun Life Money Market Class). If we do not receive payment within that time or if the payment is returned, we will sell your securities on the next business day. If the proceeds are greater than the amount you owe us, the Fund will keep the difference. If the proceeds are less than the amount you owe us, your dealer will pay the difference to the Fund and you may have to reimburse your dealer.

We can accept or reject your order within one business day of receiving it. If we accept your order, you will receive a written confirmation from us and/or your dealer or the intermediary. If we reject your order, we will return your money to you without interest.

How to redeem your securities

If you want to redeem any of your securities of the Funds, contact your advisor, who may ask you to complete a redemption request form.

Upon redemption, for all Funds other than the Milestone Funds, we will pay you the current NAV for your securities, less any applicable redemption fees described below. If we receive your redemption request before 4 p.m. ET on a day that the TSX is open for business, we will calculate your redemption value as of that day. If we receive your redemption request after that time, we will calculate your redemption value as of the next business day. If the TSX closes earlier than 4:00 p.m. ET, we may impose an earlier deadline.

All series of the Funds will pay redemption proceeds in Canadian dollars, unless you purchased under the U.S. Dollar Purchase Option. Redemptions of securities purchased under the U.S. Dollar Purchase Option will be paid in U.S. dollars only.

If you purchased securities under the U.S. Dollar Purchase Option, we will calculate your redemption value by taking the Canadian dollar series NAV per security and converting it into U.S. dollars based on the exchange rate at the time the NAV is calculated on the day your redemption order is received and multiplying it by the number of securities you are redeeming.

Redemption requests in any of the following cases are required to have signatures guaranteed by a Canadian chartered bank or trust company or by your dealer:

- your redemption proceeds are at least \$50,000;
- you ask us to send your redemption proceeds to another person or to a different address than which is recorded for your account;
- your redemption proceeds are not payable to all joint owners on your account; or
- a corporation, partnership, agent, fiduciary or surviving joint owner is redeeming securities.

You should consult your advisor with respect to the documentation required.

For the Milestone Funds, redemptions processed on the Maturity Date will be processed at the Guaranteed Value and redemptions processed on the Accelerated Maturity Date will be processed at the Accelerated Guaranteed Value. All units that are not redeemed by the Maturity Date (or Accelerated Maturity Date, if applicable) will be automatically switched on the Maturity Date (or Accelerated Maturity Date, as the case may be) to units of Sun Life Money Market Fund based on the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be). Please see *Guaranteed Value* below. Please also see *Shortfall risk* for details on the risk of not receiving the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable) on the Maturity Date or Accelerated Maturity Date. Other than on the Maturity Date or Accelerated Maturity Date, the redemption amount you will receive is the NAV of the units redeemed less any redemption fee, short-term or excessive trading fee, large redemption penalty and/or withholding taxes that may apply. If you redeem your units prior to the Maturity Date or Accelerated Maturity Date of your Milestone Fund, you will not receive the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be) for those units.

Guaranteed Value

We have structured each Milestone Fund so that it will have sufficient assets to pay to investors on the scheduled Maturity Date an amount for each outstanding unit equal to the greatest of the following three values: (i) \$10.00 per unit, (ii) the highest month end NAV per unit during the period from the start date until the scheduled Maturity Date or (iii) the NAV per unit on the scheduled Maturity Date. This amount is called the “Guaranteed Value”.

The initial Guaranteed Value of each unit of each series of a Milestone Fund is \$10.00 per unit, being the NAV per unit on the start date. On the last business day of each calendar month during the term of a Milestone Fund, we

compare the then current Guaranteed Value of each series with the NAV per unit of such series calculated on that day. For any series, if this NAV per unit is higher than the current Guaranteed Value, the Guaranteed Value will be increased to equal the higher NAV per unit.

In effect, for each series, the Guaranteed Value is moved up each time the month end NAV per unit is higher than the current Guaranteed Value. In no event will the Guaranteed Value be decreased, regardless of any subsequent decrease in the NAV per unit. On the scheduled Maturity Date, the then current Guaranteed Value for each series is compared with the NAV per unit of such series on the Maturity Date and, if applicable, is moved up to the higher of these two values. The Guaranteed Value is the same for each investor of a series of a Milestone Fund, regardless of when during the term of the Fund the investor purchased his, her or its units.

If you hold your units until the Maturity Date or Accelerated Maturity Date and redeem them on that day, then you will receive the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be) for each redeemed unit. All units of a particular series of a Milestone Fund outstanding on the Maturity Date or Accelerated Maturity Date that are not redeemed will be automatically switched to the same series of units of Sun Life Money Market Fund under the applicable purchase option based on the Guaranteed Value (or the Accelerated Guaranteed Value, as the case may be). No sales charges or switch fees will be payable in respect of this switch. The switch will be treated like a redemption for tax purposes. Please see *Income tax considerations for investors* for a discussion of the tax consequences of a redemption of units.

Please see *Shortfall* risk for details on the risk of not receiving the Guaranteed Value (or the Accelerated Guaranteed Value, if applicable). If on the Maturity Date or Accelerated Maturity Date there is a Shortfall and, for any reason, Sun Life does not pay the Shortfall to the Milestone Fund, then the above redemptions and switches will be based on the applicable NAV per unit on the Maturity Date or Accelerated Maturity Date, as the case may be.

Redemption fees

When you redeem Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities, you may be charged redemption fees for securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option. You will not be charged a redemption fee for redeeming any other series of the Funds. The amount of those fees depends on the purchase option you chose when you bought the securities. If you have held the securities for less than 30 days, you may also pay a short-term or excessive trading fee. If we have notified you that you are a Large Investor (as defined below), and you wish to make a Large Redemption (as defined below) and you do not provide the required five (5) business days' notice prior to completing the transaction, you will also pay a large redemption penalty. See *Short-term or excessive trading fees* and *Large redemption penalties*.

Deferred Sales Charge and Low Load Sales Charge options

When you redeem Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities that you bought under the Deferred Sales Charge option within seven years of buying them, you may pay a redemption fee. The fee is calculated as a percentage of the amount you originally paid for the securities, and that percentage declines over the period that you hold the securities. See *Deferred Sales Charge option* and the redemption fee schedule under *Fees and expenses payable directly by you* for details. Units of a Milestone Fund may not be purchased under the Deferred Sales Charge option in the last seven years prior to the scheduled Maturity Date of a Milestone Fund.

When you redeem Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities that you bought under the Low Load Sales Charge option within three years of buying them, you may pay a redemption fee. The fee is calculated as a percentage of the amount you originally paid for the securities, and that percentage declines over the period that you hold the securities. See *Low Load Sales Charge option* and the redemption fee schedule under *Fees and expenses payable directly by you* for details. Units of a Milestone Fund may not be purchased under the Low Load Sales Charge option in the last three years prior to the scheduled Maturity Date of a Milestone Fund.

If you chose either of the Deferred Sales Charge or Low Load Sales Charge options for a Fund and then switched into another SLGI Mutual Fund, the redemption fee for the securities you receive upon switching will generally be based on the original cost of the securities and the original purchase date.

There is no redemption fee payable for Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities. However, if you have held the securities for less than 30 days, you may pay a short-term or excessive trading fee. If we have notified you that you are a Large Investor (as defined below), and you wish to make a Large Redemption (as defined below) and you do not provide the required five (5) business days' notice prior to completing the transaction, you will also pay a large redemption penalty. See *Short-term or excessive trading fees* and *Large redemption penalties*.

Order of redemption

Your Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities bought under the Deferred Sales Charge or the Low Load Sales Charge options are redeemed in the following order:

- securities that qualify for free redemption entitlement (in order of maturity date) – see *10% free redemption entitlement* below;
- matured securities (securities that are no longer subject to a redemption fee); then
- securities for which a redemption fee is payable, starting with those that will mature first.

10% free redemption entitlement

If you bought Series A, Series AT5, Series T5 or Series T8 securities under the Deferred Sales Charge or the Low Load Sales Charge options, each year you can generally redeem the following at no charge:

- up to 10% of the number of Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities you held on December 31 of the previous year; plus
- up to 10% of the number of Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities you bought during the current year prior to the date of redemption.

You cannot carry forward your unused free redemption entitlement to the next year.

We may modify or discontinue this free redemption entitlement at any time in our sole discretion.

Redemption of Deferred Sales Charge and Low Load Sales Charge Securities Following death of an investor

We may waive the redemption fee for securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option if securities are redeemed following the death of the holder of an individual account. Once we receive the required estate documentation in good order, we will process the redemption as requested, and in accordance with our current policies. Please contact us or your advisor for more information.

Front End Sales Charge option

You do not pay a redemption fee for redeeming securities that you bought under the Front End Sales Charge option. You may have to pay a short-term or excessive trading fee if you redeem securities within 30 days of purchase. If we have notified you that you are a Large Investor (as defined below), and you wish to make a Large Redemption (as defined below) and you do not provide the required five (5) business days' notice prior to completing the transaction, you will also pay a large redemption penalty. See *Short-term or excessive trading fees* and *Large redemption penalties*.

Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities

You do not pay a redemption fee for redeeming Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities. You may have to pay a short-term or excessive trading fee if you redeem securities within 30 days of purchase. If we have notified you that you are a Large Investor (as defined below), and you wish to make a Large Redemption (as defined below) and you do not provide the required

five (5) business days' notice prior to completing the transaction, you will also pay a large redemption penalty. See *Short-term or excessive trading fees* and *Large redemption penalties*.

Short-term or excessive trading

In general, the Funds are long-term investments. Frequent trading or switching securities of the Funds by one or more investors can hurt a Fund's performance, affecting all the investors in a Fund by forcing the Fund to keep more cash than would otherwise be required or sell investments during unfavourable market conditions to meet redemptions.

Some investors may seek to trade or switch frequently to try to take advantage of the difference between the Fund's NAV and the value of the Fund's portfolio holdings. This activity is sometimes referred to as "market-timing".

We use a combination of measures to detect and deter market timing activity, including:

- monitoring trading activity in our client accounts and, through this monitoring, declining certain trades;
- imposing short-term or excessive trading fees; and
- applying fair value pricing to foreign portfolio holdings in determining the prices of our Funds.

While we actively take steps to monitor, detect and deter short-term or excessive trading, we cannot ensure that such trading activity will be completely eliminated. We may reassess what is inappropriate short-term or excessive trading in the Funds at any time and may charge short-term or excessive trading fees or exempt transactions from such fees in our discretion. The short-term or excessive trading fees are paid to the applicable Fund and not to us.

Short-term or excessive trading fees

If you redeem or switch securities of a Fund within 30 days of purchase, the transaction may be subject to a short-term or excessive trading fee of 2% of the NAV of the securities redeemed or switched. The fee payable will be deducted from the amount you redeem or switch and will be paid to the applicable Fund. The short-term or excessive trading fee is in addition to any redemption or switch fees that you may pay. See *Fees and expenses payable directly by you*. Each additional switch counts as a new purchase for this purpose. No short-term or excessive trading fees are charged:

- for a redemption of securities when an investor fails to meet the minimum investment amount for the Funds;
- for a redemption of securities acquired through automatic reinvestment of all distributions by a Fund;
- for a redemption of securities in connection with a failed settlement of a purchase of securities;
- for a switch or a redemption from Sun Life Money Market Fund or from Sun Life Money Market Class;
- for a switch under a systematic transfer plan ("STP");
- for a switch as a result of a rebalancing transaction under the Account Rebalancing Service (as defined below);
- for a change of securities from one series to another of the same Fund;
- for a redemption of securities by another investment fund or investment product approved by us;
- for a transfer of securities purchased under the Deferred Sales Charge option or Low Load Sales Charge option to the Front End Sales Charge option; or
- in the absolute discretion of the Manager.

In addition, we may also waive the short-term or excessive trading fee in certain extenuating circumstances including severe financial hardship or the death of an investor.

See also *Switch fees* and *Minimum investment* for details.

Large Investments

Investors may make large investments in securities of the Funds. Where investors hold large investments in the securities of a Fund, their trading activities have the potential to disadvantage the Fund's other securityholders. The Manager has implemented policies and procedures for both retail and institutional investors to help minimize the potential impact of large transactions by an investor on a Fund's other securityholders.

A retail investor is deemed to be a "**Large Investor**" in a Fund under our policies and procedures when the investor owns securities (other than Series I or IH securities) of a Fund (other than Sun Life Money Market Fund or Sun Life Money Market Class) valued at:

- \$5,000,000 or more, where the Fund's total net assets are less than \$100,000,000 and the Fund has been available for sale for at least two (2) years; or
- more than 5% of the Fund's total net assets, for Funds with total net assets greater than or equal to \$100,000,000

(either is considered a "**Large Retail Investment**").

We will notify you once you become a Large Investor in a Fund.

Effective August 31, 2020, Large Investors will be required to provide us with five (5) business days' prior notice of a redemption or switch that is greater than or equal to a Large Retail Investment (a "**Large Redemption**"). Large Redemptions will be subject to a large redemption penalty of 1% of the NAV of the securities redeemed or switched, if the required notice is not provided. The large redemption penalty will be deducted from the amount redeemed or switched and will be paid to the applicable Fund and not to us.

If the Large Redemption would be subject to both a large redemption penalty and a short-term or excessive trading fee, only the short-term or excessive trading fee will apply.

See "*Large Transaction Risk*" and "*Large redemption penalties*".

Fair value pricing

The TSX generally closes at 4 p.m. ET. We price a Fund's portfolio holdings using the market values of those securities as of 4 p.m. ET. For securities traded on North American markets, the closing prices are generally an accurate reflection of market values at 4 p.m. ET. However, closing prices on foreign securities exchanges may, in certain cases, no longer accurately reflect market values. Events affecting the values of the Fund's foreign portfolio holdings may have occurred after the foreign market closed but before 4 p.m. ET. Our fair value pricing process makes adjustments to closing prices of foreign securities if there is a significant event which has occurred between the time the foreign market closed and the time at which the NAV for the Funds is calculated. The intent of fair value pricing is to increase the likelihood that a Fund's NAV truly reflects the value of its holdings at the time the Fund's price is determined and to deter market timing activity by decreasing the likelihood that an investor is able to take inappropriate advantage of market developments that occur following the foreign market close and prior to 4 p.m. ET.

How we process your redemption request

We will pay you the proceeds of your redemption request within two business days of receiving all the required documents or instructions. We will deduct any redemption fees and withholding tax from the payment.

If your account is registered in the name of your dealer or an intermediary, we will send the proceeds to that account unless your dealer or the intermediary tells us otherwise.

If we do not receive all the necessary documents or instructions within 10 business days of receiving your redemption order, we will buy back your securities on the tenth business day after the redemption. If the sale proceeds are greater than the cost, the Fund will keep the difference. If the sale proceeds are less than the cost, your dealer will pay the difference to the Fund and you may have to reimburse your dealer.

Automatic redemption

Investors in Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities of the Funds must keep at least \$500.00 in their accounts. If your account falls below \$500.00, we may notify you and give you 30 days to make another investment. If your account stays below \$500.00 after those 30 days, we may redeem all of the securities in your account and send the proceeds to you.

Investors in Series DB securities must keep at least \$250.00 in their accounts. If your account falls below \$250.00, we may notify you and give you 30 days to make another investment. If your account stays below \$250.00 after those 30 days, we may redeem all of the securities in your account and send the proceeds to you.

In addition, we reserve the right to redeem, without notice to you, all of the securities that you hold in a Fund if your investment in that Fund falls below \$500.00. We also intend to observe all redemption policies that may be implemented from time to time by industry participants such as Fundserv, which provides a transaction processing system used by most mutual funds in Canada.

Irrespective of the size of your investment in a Fund, we reserve the right to redeem all of the securities that you hold in a Fund if we believe it is in the best interest of the Fund to do so.

Suspending your right to redeem

Canadian securities regulators allow us to suspend your right to redeem your securities when:

- normal trading is suspended in any market where securities or derivatives that make up more than 50% of the Fund's total value are traded and there is no other market or exchange that represents a reasonable alternative; or
- Canadian securities regulatory authorities provide their consent.

If we suspend redemption rights after you have requested a redemption and before your redemption proceeds have been determined, you may either withdraw your redemption request or redeem your securities at the NAV determined after the suspension period ends. We will not accept orders to buy securities of a Fund during any redemption suspension period.

How to switch your securities

You may, at any time, switch all or part of your investment in one Fund to a different SLGI Mutual Fund (provided that you are eligible to make the switch). You may also change between series of the same Fund (which, in the case of a change between series of a Trust Fund, is referred to as a “**redesignation**” and in the case of a change between series of a Corporate Class, is referred to as a “**conversion**”), provided that you are eligible to purchase the new series) or change between purchase options. It is generally not advisable to make changes between purchase options if you would be required to pay any redemption fees or any other fees to your dealer. You, by retaining the original purchase option, will avoid any unnecessary additional charges. See *Changing between purchase options*.

If you switch out of a Milestone Fund prior to the scheduled Maturity Date of that Milestone Fund, the switch transaction will be based on the NAV of the units being switched and not on the Guaranteed Value of such units.

You must place all switch orders through your advisor.

Switching between SLGI Mutual Funds

You can switch your securities of one series of a Fund into securities of the same series or a different series of another SLGI Mutual Fund, provided you are qualified to purchase the series you are switching into. This involves both a redemption of securities of the Fund and a purchase of securities of the other SLGI Mutual Fund. A redemption is a disposition for tax purposes and will generally result in you realizing a capital gain or capital loss if you hold your securities outside a registered plan. See *Income tax considerations for investors* for more details.

Switches from a series of a Fund purchased under the U.S. Dollar Purchase Option to a series of another Fund which offers the U.S. Dollar Purchase Option will be processed in U.S. dollars.

If you switch from securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to securities of another SLGI Mutual Fund under the same purchase option, upon redemption, the deferred sales charge fee or the low load sales charge fee will generally be based on the purchase date of your original securities.

Changing between series

You may change your securities of one series of a Fund into securities of a different series of the same Fund if you are eligible to purchase the new series. See *Series of securities* for eligibility details. Generally, a change between series of the same Fund is processed as a redesignation, in the case of a Trust Fund, or a conversion, in the case of a Corporate Class and is not considered to be a disposition of the securities for tax purposes. You will not realize a capital gain or loss upon a conversion or redesignation unless securities are redeemed to pay any fees or charges. See *Income tax considerations for investors* for more details. A change to or from units of any of the series in the Hedged Class (including a switch between those series) of a Trust Fund to or from units of any other series of the same Trust Fund is processed as a redemption of your units followed by a purchase of units. A redemption is a disposition for tax purposes and will generally result in realizing a capital gain or loss. See *Income tax considerations for investors* for more details.

Switches from a series of a Fund purchased under the U.S. Dollar Purchase Option to another series of the Fund which offers the U.S. Dollar Purchase Option will be processed in U.S. dollars.

The following are some more things you should keep in mind about changing between series:

- If you change Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of a Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option into Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities of the same Fund, you will have to pay any applicable redemption fees.
- If you change from Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities of an SLGI Mutual Fund into Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of the same or another SLGI Mutual Fund, you may have the option to choose between the Deferred Sales Charge option (if such purchase option is available), the Low Load Sales Charge option (if such purchase option is available) or the Front End Sales Charge option for your new securities. You will generally only be able to switch to Series A securities of a Private Pool or a Tactical ETF Portfolio under the Front End Sales Charge Option.
- Any change into Series I or Series IH securities is subject to the prior written approval of the Manager.
- A change from one series of a Fund to another series will likely result in a change in the number of securities of the Fund you hold since each series of a Fund generally has a different NAV per security.
- If you are no longer eligible to hold Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities, we may change your Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities to Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities, as applicable, of the same Fund under the Front End Sales Charge option.

Changing between purchase options

Changes in purchase options may involve a change in the compensation paid to your dealer. For the reasons set out below, it is generally not advisable to make changes between purchase options.

Changes between purchase options will generally be permitted only if you provide the Manager with instructions to redeem your original securities of a Fund and buy new securities under a different purchase option. A redemption is a disposition for tax purposes and will generally result in realizing a capital gain or loss. See *Income tax considerations for investors* for more details. If your original securities are subject to a redemption fee or do not have a free redemption amount (as described above), such a change will trigger any applicable redemption fees. In addition, if you are changing to either of the Deferred Sales Charge option or the Low Load Sales Charge option from a different purchase option, a new redemption fee schedule will be imposed on your new securities. See *Choosing a purchase option* for more details.

A change from securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option that are not subject to redemption fees to securities purchased under the Front End Sales Charge option will generally result in an increase in the trailing commissions being paid to your dealer, although no incremental charges will be payable by you, other than any switch fee as described in *Switch fees*. See *Trailing commission* under *Dealer compensation* for more details. If the securities are registered in your own name, we generally require written authorization from you through your dealer. If your securities are registered in the name of your dealer or an intermediary, we generally require written authorization from your dealer or intermediary. Your dealer or intermediary will generally be required to make certain disclosures to you and to obtain your written consent to a change between purchase options.

We automatically change securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to Front End Sales Charge option securities upon the completion of the redemption fee schedule of those securities. This change is a redesignation or conversion of securities of a Fund and is not a disposition of the securities for tax purposes. This will result in an increase in the trailing commissions being paid to your dealer, although no incremental charges to you. See *Trailing commission* under *Dealer compensation* for more details.

You may not change to units of a Milestone Fund under the Deferred Sales Charge option during the last seven years prior to the scheduled Maturity Date of the Milestone Fund, or the Low Load Sales Charge option during the last three years prior to the scheduled Maturity Date of the Milestone Fund.

Switch fees

Dealers may charge you a switch fee of up to 2% of the amount switched to cover their time and processing costs associated with a switch transaction. Generally, dealers may charge you a switch fee for a switch to or from Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series O or Series OH securities of an SLGI Mutual Fund. You and your advisor negotiate the fee.

Switch fees and sales commissions are exclusive of each other. Dealers may receive a switch fee or a sales commission for a switch transaction, but not both.

If you are no longer eligible to hold a certain series of securities and the Manager changes your securities to another series of the same Fund, the dealer will not receive a switch fee or a sales commission.

You may also have to pay a short-term or excessive trading fee if you switch from securities purchased within the last 30 days. See *Short-term or excessive trading* and *Short-term or excessive trading fees*.

No switch fees are charged when:

- you change securities of a series of a Fund to securities of another series of the same Fund, including changes to or from Series AH, Series FH, Series IH and Series OH securities (where such changes are permitted);

- you are switching Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of an SLGI Mutual Fund purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to the Front End Sales Charge option, and your dealer charges you a sales commission for the switch transaction;
- you are switching from Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH securities to Series D, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH securities of the same or another SLGI Mutual Fund;
- you are switching securities as a result of a rebalancing transaction under the Account Rebalancing Service (as defined below); or
- you are switching under a STP.

Optional services

Pre-authorized chequing (PAC) plan

You can set up a PAC plan with us so that money is automatically withdrawn from your bank account at regular intervals and invested in the Funds that you choose. PAC plans allow you to take advantage of dollar cost averaging. Dollar cost averaging is investing a fixed dollar amount at regular intervals. You will buy fewer securities when the price is high and more securities when the price is low, averaging out the cost of your investment. Your dealer may offer a similar plan.

You can only buy securities in Canadian dollars through your PAC plan, other than securities purchased under the U.S. Dollar Purchase Option, which must be purchased in U.S. dollars.

To set up a PAC plan, you must:

- provide us with an imprinted void cheque;
- tell us how much to withdraw;
- tell us when and how often to make the withdrawals; and
- tell us how to invest your contributions.

You may choose this option when you first buy securities of the Funds or at any time afterwards. You must set up your PAC plan through your advisor. We require at least three business days' notice to set up a PAC plan.

We do not charge a fee for setting up your PAC plan. However, there is a minimum contribution amount of \$50.00 (\$100.00 for Series D and \$500.00 for each of Series O and Series OH) for each Fund you hold in a PAC plan. This minimum amount may be adjusted or waived in our absolute discretion and without notice to securityholders.

You may change your PAC plan instructions or cancel your PAC plan at any time as long as we receive at least two business days' notice. Most changes to accounts administered by us must be made through your dealer. If you redeem all of the securities in your account, we will terminate your PAC plan unless you tell us otherwise.

Systematic withdrawal plan (SWP)

You can set up a SWP with us so that we automatically make regular payments to you. We do this by redeeming securities in your account. Your dealer may offer a similar plan.

To set up a SWP, you must:

- have a minimum account balance of \$5,000.00 in your SWP;
- complete the required form and give it to your advisor or send it to us; and
- tell us the frequency and amount of the withdrawals you want.

We require at least three business days' notice to set up a SWP. We do not charge a fee for setting up a SWP. However, there is a minimum withdrawal amount of \$50.00 for each withdrawal (\$500.00 for each withdrawal of Series O and Series OH securities). This minimum withdrawal amount may be adjusted or waived in our absolute discretion and without notice to investors. Your redemption fees will depend on the purchase option that applies to the securities redeemed.

You may change your SWP instructions or cancel your SWP at any time as long as we receive at least two business days' notice. Most changes must be made through your advisor or dealer.

If your regular withdrawals are greater than the growth in your account, you will eventually exhaust your original investment. In certain circumstances, such as when the amount in your account falls below \$500.00, we may redeem all your securities and close your account. See *Automatic redemption* for more details.

Withdrawals from your registered retirement savings plan (“**RRSP**”) and withdrawals of more than the minimum amount required to be withdrawn from your registered retirement income fund (“**RRIF**”) in a year are generally subject to withholding tax. Withdrawals from a tax free savings account (“**TFSA**”) are not subject to withholding tax. The SWP is not offered on securities held within a registered education savings plan (“**RESP**”). RRSPs, RRIFs, TFSAs and RESPs, together with deferred profit sharing plans, are collectively, the “**Registered Plans**”.

Systematic transfer plan (STP)

You can set up a STP with us so that we automatically switch a specified dollar amount (minimum \$50.00 for all series of securities other than Series O or Series OH securities or \$500.00 for Series O and Series OH securities) of a series of securities from one SLGI Mutual Fund (the “first fund”) to the same series of securities of another SLGI Mutual Fund (if the same series is offered) (the “other fund”) on a weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annual or annual basis.

To set up a STP, you must:

- complete the required form and give it to your advisor or send it to us;
- tell us the SLGI Mutual Fund from which you wish to switch from and the SLGI Mutual Fund to which you wish to switch to; and
- tell us the frequency and amount of the switches you want.

We require at least three business days' notice to set up a STP. We do not charge a fee for setting up a STP.

You may change your STP instructions or cancel your STP at any time as long as we receive at least three business days' notice. Most changes must be made through your advisor or dealer.

All the rules with respect to switching securities of a Fund, as described under *How to switch your securities* apply to switches under a STP. However, switches under a STP are not subject to the switch fee, the short-term or excessive trading fees or a large redemption penalty.

See *Income tax considerations for investors* for details on the tax consequences of switching securities of the Funds.

Account Rebalancing

You can set up account rebalancing (“**Account Rebalancing Service**”) with us and we will automatically rebalance the investments in your account. This service permits you to establish a target allocation for your investments within an account. You will tell us the applicable SLGI Mutual Funds, the target allocation for each fund, the percentage that you will allow the actual values of your investments in the funds to differ from your target allocations before a rebalancing occurs (i.e. the “variance percentage”), and the frequency at which you want the rebalancing to occur (monthly, quarterly, semi-annually or annually). Your account will be reviewed and, if necessary, rebalanced on the last business day in the calendar period of the frequency you selected.

All rebalancing transactions are subject to the rules related to switching as set out in the simplified prospectus of the applicable SLGI Mutual Funds, unless otherwise indicated. Short-term or excessive trading fees and the large redemption penalty will not be applied to rebalancing transactions. There is no fee for the Account Rebalancing Service and a dealer must not charge a switch fee as a result of any rebalancing. The rebalancing service is not offered

on securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option or within a RESP.

Before an account is subject to the Account Rebalancing Service, a form must be completed. Please ask your advisor for more details.

Registered Plans

Generally, we can set up an RRSP, RRIF, any one of the various types of locked in Registered Plans (such as a locked in retirement account or a life income fund), RESP or TFSA for you when you invest in the Funds. Please contact your advisor for more details.

Please see *Income tax considerations for investors* for details on holding securities of the Funds in Registered Plans.

Fees and expenses

The following tables show the fees and expenses you may have to pay if you invest in the Funds. You may pay some of these fees and expenses directly, depending on the purchase option you select. The Funds may pay some of these fees and expenses, which reduces the value of your investment.

If the basis of the calculation of a fee or expense that is charged to a Fund is changed in a way that could result in an increase in charges to the Fund or to its investors, or if a fee or expense to be charged to a Fund or directly to the Fund's investors by the Fund or us in connection with holding securities of the Fund that could result in an increase in charges to the Fund or its investors is introduced, and, in both cases, when this fee or expense is charged by an entity that is at arm's length to the Fund, the approval of such Fund's investors will not be obtained. Instead, investors in the Fund will be sent a written notice at least 60 days before the effective date of the change.

For Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I or Series IH of a Fund, we may change the basis of the calculation of a fee or expense, or introduce a new fee or expense, in each case in a way that could result in an increase in charges to the series or to their securityholders upon providing at least 60 days' written notice before the effective date of any such change.

Fees and expenses payable by the Funds

The Funds generally pay two types of fees: management fees and administration fees.

Management fees Each Fund pays us a management fee based on the NAV of each series of the Fund, plus HST and other applicable taxes.

Management fees pay for the services we provide to the Funds, including the following:

- Portfolio and investment advisory services
- Oversight of any service providers to the Funds
- General administration of fund operations
- Marketing and other promotional activities
- Arranging for the distribution and sale of securities of the Funds
- Commissions to advisors and dealers

This list is not exhaustive.

The annual rate of the fee, excluding HST and other applicable taxes, if any, but before any management fee reduction that may be applicable to you, is set out below. The fee is accrued daily and paid monthly.

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D securities*	Series DB Securities**	Series F, FH securities	Series F5, F8, FT5, FT8 securities
Sun Life MFS Global Growth Fund ⁺	1.85%	1.25%	--	0.85%	0.85%
Sun Life MFS Global Value Fund ⁺	2.00%	--	--	1.00%	1.00%
Sun Life MFS U.S. Growth Fund ⁺	1.85%	--	--	0.85%	0.85%
Sun Life MFS U.S. Value Fund ⁺	1.85%	--	--	0.85%	0.85%
Sun Life MFS International Opportunities Fund ⁺	1.85%	1.25%	--	0.85%	0.85%

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D securities*	Series DB Securities**	Series F, FH securities	Series F5, F8, FT5, FT8 securities
Sun Life MFS International Value Fund ⁺	2.00%	--	--	1.00%	1.00%
Sun Life Excel Emerging Markets Fund ⁺	2.15%	--	1.40%	1.15%	--
Sun Life MFS Global Total Return Fund ⁺	1.80%	--	1.15%***	0.80%	0.80%
Sun Life JPMorgan International Equity Fund ⁺	1.90%	--	--	0.90%	0.90%
Sun Life Multi-Strategy Bond Fund ⁺	1.05%	--	--	0.55%	--
Sun Life Money Market Fund	1.00%****	0.55%	--	0.75%*****	--
Sun Life Excel High Income Fund ⁺	1.75%	--	1.15%	0.90%	--
Sun Life Excel India Balanced Fund ⁺	1.90%	--	--	0.90%	--
Sun Life Excel India Fund ⁺	2.05%	--	1.30%	1.05%	--
Sun Life Excel New India Leaders Fund ⁺	2.05%	--	--	1.05%	--
Sun Life Schroder Global Mid Cap Fund ⁺	2.00%	--	--	1.00%	1.00%
Sun Life Dynamic Equity Income Fund ^{^+}	1.75%	--	--	0.75%	--
Sun Life Dynamic Strategic Yield Fund ^{^+}	1.85%	--	--	0.85%	--
Sun Life NWQ Flexible Income Fund ⁺	1.35%	--	--	0.85%	--
Sun Life BlackRock Canadian Equity Fund ⁺	1.50%	--	--	0.50%	0.50%
Sun Life MFS Canadian Bond Fund ⁺	1.05%	0.65%	--	0.55%	--
Sun Life MFS Canadian Equity Fund ⁺	1.80%	1.25%	--	0.80%	--
Sun Life MFS Dividend Income Fund ⁺	1.70%	1.25%	--	0.70%	--
Sun Life MFS U.S. Equity Fund ⁺	1.85%	1.25%	--	0.85%	--
Sun Life MFS Low Volatility International Equity Fund ⁺	1.80%	--	--	0.80%	0.80%
Sun Life MFS Low Volatility Global Equity Fund ⁺	1.80%	--	--	0.80%	0.80%
Sun Life Tactical Fixed Income ETF Portfolio	0.95%	--	--	0.45%	--
Sun Life Tactical Conservative ETF Portfolio	1.20%	--	--	0.45%	0.45%
Sun Life Tactical Balanced ETF Portfolio	1.50%	--	--	0.50%	0.50%
Sun Life Tactical Growth ETF Portfolio	1.55%	--	--	0.55%	--
Sun Life Tactical Equity ETF Portfolio	1.55%	--	--	0.55%	--

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D securities*	Series DB Securities**	Series F, FH securities	Series F5, F8, FT5, FT8 securities
Sun Life Granite Conservative Portfolio ⁺	1.50%	--	--	0.75%	0.75%
Sun Life Granite Moderate Portfolio ⁺	1.75%	--	--	0.75%	0.75%
Sun Life Granite Balanced Portfolio ⁺	1.80%	0.95%	--	0.80%	0.80%
Sun Life Granite Balanced Growth Portfolio ⁺	1.85%	--	--	0.85%	0.85%
Sun Life Granite Growth Portfolio ⁺	1.90%	--	--	0.90%	0.90%
Sun Life Granite Income Portfolio ⁺	1.50%	--	--	0.75%	0.75%
Sun Life Granite Enhanced Income Portfolio ⁺	1.80%	--	--	0.80%	--
Sun Life Core Advantage Credit Private Pool	0.98%	--	--	0.48%	--
Sun Life Global Dividend Private Pool	1.75%	--	--	0.75%	--
Sun Life Global Tactical Yield Private Pool	1.68%	--	--	0.68%	--
Sun Life Real Assets Private Pool	1.90%	--	--	0.90%	--
Sun Life Money Market Class	1.00% ***** *	--	--	0.75% ***** **	--
Sun Life Granite Conservative Class ⁺	1.50%	--	--	0.75%	0.75%
Sun Life Granite Moderate Class ⁺	1.75%	--	--	0.75%	0.75%
Sun Life Granite Balanced Class ⁺	1.80%	--	--	0.80%	0.80%
Sun Life Granite Balanced Growth Class ⁺	1.85%	--	--	0.85%	0.85%
Sun Life Granite Growth Class ⁺	1.90%	--	--	0.90%	0.90%
Sun Life MFS U.S. Growth Class ⁺	1.85%	--	--	0.85%	0.85%
Sun Life MFS Global Growth Class ⁺	1.85%	--	--	0.85%	0.85%
Sun Life MFS International Opportunities Class ⁺	1.85%	--	--	0.85%	0.85%

[^]Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

* Series D securities of a Fund are only available for purchase by investors who held Class D securities of an SLGI Mutual Fund on March 30, 2012 (or funds that may have subsequently been merged with an SLGI Mutual Fund). See *Series D securities* for more details.

** Series DB securities of Sun Life Excel High Income Fund and Sun Life Excel India Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on February 7, 2018. Series DB securities of Sun Life Excel Emerging Markets Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on June 15, 2018. See *Series DB securities* for more details.

*** Series DB securities of Sun Life MFS Global Total Return Fund are only available for purchase by existing Series DB securityholders who received Series DB securities of Sun Life MFS Global Total Return Fund as part of the merger of Sun Life Excel Emerging Markets Balanced Fund into Sun Life MFS Global Total Return Fund. See *Series DB securities* for more details.

**** Effective on or about August 1, 2020, the management fee of Series A securities of Sun Life Money Market Fund will be reduced from 1.00% to 0.55%.

***** Effective on or about August 1, 2020, the management fee of Series F securities of Sun Life Money Market Fund will be reduced from 0.75% to 0.45%.

***** Effective on or about August 1, 2020, the management fee of Series A securities of Sun Life Money Market Class will be reduced from 1.00% to 0.55%.

***** Effective on or about August 1, 2020, the management fee of Series F securities of Sun Life Money Market Class will be reduced from 0.75% to 0.45%.

[†]Effective on or about November 1, 2020, the management fees for Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 securities, as applicable, of this Fund, will be reduced by 5 basis points.

Effective on or about November 1, 2020, management fees for the following Funds will be reduced by 5 basis points as indicated in the table below. Unless expressly changed in the table below, current management fees of the Funds, as included in the table above, continue to apply.

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D securities *	Series DB Securities **	Series F, FH securities	Series F5, F8, FT5, FT8 securities
Sun Life MFS Global Growth Fund	1.80%	1.25%	--	0.80%	0.80%
Sun Life MFS Global Value Fund	1.95%	--	--	0.95%	0.95%
Sun Life MFS U.S. Growth Fund	1.80%	--	--	0.80%	0.80%
Sun Life MFS U.S. Value Fund	1.80%	--	--	0.80%	0.80%
Sun Life MFS International Opportunities Fund	1.80%	1.25%	--	0.80%	0.80%
Sun Life MFS International Value Fund	1.95%	--	--	0.95%	0.95%
Sun Life Excel Emerging Markets Fund	2.10%	--	1.40%	1.10%	--
Sun Life MFS Global Total Return Fund	1.75%	--	1.15%***	0.75%	0.75%
Sun Life JPMorgan International Equity Fund	1.85%	--	--	0.85%	0.85%
Sun Life Multi-Strategy Bond Fund	1.00%	--	--	0.50%	--
Sun Life Excel High Income Fund	1.70%	--	1.15%	0.85%	--
Sun Life Excel India Balanced Fund	1.85%	--	--	0.85%	--
Sun Life Excel India Fund	2.00%	--	1.30%	1.00%	--
Sun Life Excel New India Leaders Fund	2.00%	--	--	1.00%	--
Sun Life Schroder Global Mid Cap Fund	1.95%	--	--	0.95%	0.95%
Sun Life Dynamic Equity Income Fund^	1.70%	--	--	0.70%	--
Sun Life Dynamic Strategic Yield Fund^	1.80%	--	--	0.80%	--
Sun Life NWQ Flexible Income Fund	1.30%	--	--	0.80%	--
Sun Life BlackRock Canadian Equity Fund	1.45%	--	--	0.45%	0.45%
Sun Life MFS Canadian Bond Fund	1.00%	0.65%	--	0.50%	--
Sun Life MFS Canadian Equity Fund	1.75%	1.25%	--	0.75%	--
Sun Life MFS Dividend Income Fund	1.65%	1.25%	--	0.65%	--
Sun Life MFS U.S. Equity Fund	1.80%	1.25%	--	0.80%	--

Sun Life MFS Low Volatility International Equity Fund	1.75%	--	--	0.75%	0.75%
Sun Life MFS Low Volatility Global Equity Fund	1.75%	--	--	0.75%	0.75%
Sun Life Granite Conservative Portfolio	1.45%	--	--	0.70%	0.70%
Sun Life Granite Moderate Portfolio	1.70%	--	--	0.70%	0.70%
Sun Life Granite Balanced Portfolio	1.75%	0.95%	--	0.75%	0.75%
Sun Life Granite Balanced Growth Portfolio	1.80%	--	--	0.80%	0.80%
Sun Life Granite Growth Portfolio	1.85%	--	--	0.85%	0.85%
Sun Life Granite Income Portfolio	1.45%	--	--	0.70%	0.70%
Sun Life Granite Enhanced Income Portfolio	1.75%	--	--	0.75%	--
Sun Life Granite Conservative Class	1.45%	--	--	0.70%	0.70%
Sun Life Granite Moderate Class	1.70%	--	--	0.70%	0.70%
Sun Life Granite Balanced Class	1.75%	--	--	0.75%	0.75%
Sun Life Granite Balanced Growth Class	1.80%	--	--	0.80%	0.80%
Sun Life Granite Growth Class	1.85%	--	--	0.85%	0.85%
Sun Life MFS U.S. Growth Class	1.80%	--	--	0.80%	0.80%
Sun Life MFS Global Growth Class	1.80%	--	--	0.80%	0.80%
Sun Life MFS International Opportunities Class	1.80%	--	--	0.80%	0.80%

[^]Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

* Series D securities of a Fund are only available for purchase by investors who held Class D securities of an SLGI Mutual Fund on March 30, 2012 (or funds that may have subsequently been merged with an SLGI Mutual Fund). See *Series D securities* for more details.

** Series DB securities of Sun Life Excel High Income Fund and Sun Life Excel India Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on February 7, 2018. Series DB securities of Sun Life Excel Emerging Markets Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on June 15, 2018. See *Series DB securities* for more details.

*** Series DB securities of Sun Life MFS Global Total Return Fund are only available for purchase by existing Series DB securityholders who received Series DB securities of Sun Life MFS Global Total Return Fund as part of the merger of Sun Life Excel Emerging Markets Balanced Fund into Sun Life MFS Global Total Return Fund. See *Series DB securities* for more details.

The rate of the management fee chargeable to each Milestone Fund reduces over time based on the remaining years to the scheduled Maturity Date of the Milestone Fund. This reduction in the management fee is based on the fact that the portion of the portfolio of each Milestone Fund invested in the underlying fund will decrease over time.

	Remaining Years to Maturity		
	More than 5	5 to more than 1	1 or less
Series A	1.85%*	1.30%**	1.00%***

* Effective on or about November 1, 2020, the management fee of Series A securities of each Milestone Fund, where there are more than five remaining years to maturity will be reduced from 1.85% to 1.80%.

** Effective on or about November 1, 2020, the management fee of Series A securities of each Milestone Fund, where there are less than five and greater than one remaining years to maturity will be reduced from 1.30% to 1.25%.

*** Effective on or about November 1, 2020, the management fee of Series A securities of each Milestone Fund, where there is one or fewer remaining years to maturity will be reduced from 1.00% to 0.95%.

We may, at our discretion, waive a portion or the entire amount of the management fee chargeable to a series of a Fund at any given time.

For Series I and Series IH securities, investors negotiate and pay a management fee directly to us. The Series I and Series IH management fees are described below under *Fees and expenses payable directly by you*.

For Series O and Series OH securities, investors pay a management fee directly to us. The management fee is paid from the redemption of Series O or Series OH securities held in the investor’s account, and if the Series O or Series OH investor participates in Private Client Pricing, after subtracting any management fee reduction. The Series O and Series OH management fees are described below under *Fees and expenses payable directly by you*.

Generally, we may reduce the fees and expenses charged to a Fund (including the management fee and the administration fee) for the benefit of institutional and individual investors who invest large amounts in a Fund. These reductions are negotiable by institutional investors or an individual investor’s advisor and us. To achieve the reduction, we reduce the fee and/or expenses charged to the Fund and then, in the case of a Trust Fund, the Fund makes a special distribution to the investor of income, capital gains and/or capital of the Fund equal to the amount of the reduction (a “**fee distribution**”) and in the case of a Corporate Class, we pay an amount equal to the reduction as a rebate. Fee distributions and rebates are generally reinvested in additional securities. However, some institutional investors may choose to receive these amounts in cash. Investors participating in Private Client Pricing benefit from reduced management fees. Depending on your investment amount, management fee reductions may be available. **Please contact us or your advisor for more information on Private Client Pricing.**

Administration fees and operating expenses

We pay certain of the operating expenses of each Fund, other than Fund Costs (as defined below) (the “**Administration Expenses**”), in return for a fixed-rate annual administration fee paid to us by each Fund (“**administration fee**”). The administration fee is based on the NAV of each series of the Fund. The annual rate of the administration fee, excluding HST and other applicable taxes, if any, is set out below. The fee is accrued daily and paid monthly. 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, administrative and systems costs, costs of reports to investors, prospectuses and other disclosure documents, regulatory filing fees (including any regulatory fees and expenses payable by the Manager in connection with acting as manager of the Funds) and trustee fees for Registered Plans.

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D Securities*	Series DB Securities**	Series F and FH securities	Series F5, F8, FT5 and FT8 securities	Series I and IH securities	Series O and OH securities
Sun Life MFS Global Growth Fund	0.20%	0.20%	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS Global Value Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS U.S. Growth Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS U.S. Value Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS International Opportunities Fund	0.20%	0.20%	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS International Value Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life Excel Emerging Markets Fund	0.25%	--	0.25%	0.20%	--	0.05%	0.20%
Sun Life MFS Global Total Return Fund	0.20%	--	0.20%***	0.15%	0.15%	0.05%	0.15%
Sun Life JPMorgan International Equity Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life Milestone 2025 Fund	0.10%	--	--	--	--	--	--
Sun Life Milestone 2030 Fund	0.20%	--	--	--	--	--	--
Sun Life Milestone 2035 Fund	0.20%	--	--	--	--	--	--
Sun Life Multi-Strategy Bond Fund	0.15%	--	--	0.10%	--	0.03%	0.10%
Sun Life Money Market Fund	0.05%	0.01%	--	0.05%	--	0.01%	0.05%
Sun Life Excel High Income Fund	0.20%	--	0.20%	0.15%	--	0.03%	--
Sun Life Excel India Balanced Fund	0.20%	--	--	0.15%	--	--	--
Sun Life Excel India Fund	0.25%	--	0.25%	0.20%	--	0.05%	0.20%
Sun Life Excel New India Leaders Fund	0.25%	--	--	0.20%	--	--	--
Sun Life Schroder Global Mid Cap Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life Dynamic Equity Income Fund^	0.15%	--	--	0.15%	--	0.05%	0.15%
Sun Life Dynamic Strategic Yield Fund^	0.20%	--	--	0.15%	--	0.05%	0.15%
Sun Life NWQ Flexible Income Fund	0.20%	--	--	0.15%	--	0.05%	0.15%

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D Securities*	Series DB Securities**	Series F and FH securities	Series F5, F8, FT5 and FT8 securities	Series I and IH securities	Series O and OH securities
Sun Life BlackRock Canadian Equity Fund	0.10%	--	--	0.05%	0.05%	0.05%	0.05%
Sun Life MFS Canadian Bond Fund	0.15%	0.15%	--	0.10%	--	0.03%	0.10%
Sun Life MFS Canadian Equity Fund	0.20%	0.20%	--	0.15%	--	0.05%	0.15%
Sun Life MFS Dividend Income Fund	0.20%	0.20%	--	0.15%	--	0.05%	0.15%
Sun Life MFS U.S. Equity Fund	0.20%	0.20%	--	0.15%	--	0.05%	0.15%
Sun Life MFS Low Volatility International Equity Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life MFS Low Volatility Global Equity Fund	0.20%	--	--	0.15%	0.15%	0.05%	0.15%
Sun Life Tactical Fixed Income ETF Portfolio	0.20%	--	--	0.15%	--	0.03%	--
Sun Life Tactical Conservative ETF Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	--
Sun Life Tactical Balanced ETF Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	--
Sun Life Tactical Growth ETF Portfolio	0.20%	--	--	0.15%	--	0.03%	--
Sun Life Tactical Equity ETF Portfolio	0.20%	--	--	0.15%	--	0.03%	--
Sun Life Granite Conservative Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	0.15%
Sun Life Granite Moderate Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	0.15%
Sun Life Granite Balanced Portfolio	0.20%	0.20%	--	0.15%	0.15%	0.03%	0.15%
Sun Life Granite Balanced Growth Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	0.15%
Sun Life Granite Growth Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	0.15%

Fund Name	Series A, AH, AT5, T5, AT8 and T8 securities	Series D Securities*	Series DB Securities**	Series F and FH securities	Series F5, F8, FT5 and FT8 securities	Series I and IH securities	Series O and OH securities
Sun Life Granite Income Portfolio	0.20%	--	--	0.15%	0.15%	0.03%	0.15%
Sun Life Granite Enhanced Income Portfolio	0.20%	--	--	0.15%	--	0.03%	0.15%
Sun Life Core Advantage Credit Private Pool	0.15%	--	--	0.10%	--	0.03%	--
Sun Life Global Dividend Private Pool	0.20%	--	--	0.15%	--	0.05%	--
Sun Life Global Tactical Yield Private Pool	0.20%	--	--	0.15%	--	0.05%	--
Sun Life Real Assets Private Pool	0.20%	--	--	0.15%	--	0.05%	0.15%****
Sun Life Money Market Class	0.05%	--	--	0.05%	--	--	0.05%
Sun Life Granite Conservative Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life Granite Moderate Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life Granite Balanced Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life Granite Balanced Growth Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life Granite Growth Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life MFS U.S. Growth Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life MFS Global Growth Class	0.20%	--	--	0.15%	0.15%	--	0.15%
Sun Life MFS International Opportunities Class	0.20%	--	--	0.15%	0.15%	--	0.15%

^ Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

* Series D securities of a Fund are only available for purchase by investors who held Class D securities of an SLGI Mutual Fund on March 30, 2012 (or funds that may have subsequently been merged with an SLGI Mutual Fund). See *Series D securities* for more details.

** Series DB securities of Sun Life Excel High Income Fund and Sun Life Excel India Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on February 7, 2018. Series DB securities of Sun Life Excel Emerging Markets Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00pm on June 15, 2018. See *Series DB securities* for more details.

*** Series DB securities of Sun Life MFS Global Total Return Fund are only available for purchase by existing Series DB securityholders who received Series DB securities of Sun Life MFS Global Total Return Fund as part of the merger of Sun Life Excel Emerging Markets Balanced Fund into Sun Life MFS Global Total Return Fund. See *Series DB securities* for more details.

****Effective February 26, 2020, Series O securities of Sun Life Real Assets Private Pool are no longer available for purchase in new investment accounts. Eligible Series O Investors may continue to purchase Series O securities of Sun Life Real Assets Private Pool. See *Series O securities* for more details.

Each Fund also pays certain operating expenses directly (the “**Fund Costs**”). Fund Costs are: (a) borrowing costs incurred by the Funds from time to time; (b) fees and expenses payable to or in connection with the Funds’ IRC; (c) taxes payable by the Funds; and (d) the costs of complying with any new regulatory or legal requirement imposed on the Funds commencing: (i) after September 25, 2014 with respect to the Trust Funds (other than the Sun Life Excel Funds) existing as of this date; (ii) after June 18, 2018 with respect to the Sun Life Excel Funds existing as of this date; (iii) after July 29, 2013 with respect to the Corporate Classes existing as of this date; and (iv) after the inception date of any other Fund not existing as of these dates. Fund Costs are allocated to the series to which they apply in a manner that, in the Manager’s view, is considered fair and reasonable. Each Fund also pays costs in connection with brokerage commissions, prime broker fees (if applicable) including borrowing costs for short sales, and other portfolio transaction costs, including any tax applicable to such costs, which are expenses of the Fund, but are not included in the management expense ratio (“**MER**”) of a series of a Fund.

We may, at our discretion, (i) waive a portion or the entire amount of the administration fee chargeable to a Fund at any given time; and (ii) pay certain Fund Costs for a Fund.

We may reduce the administration fee and Fund Costs charged to a Fund for the benefit of institutional and individual investors who invest large amounts in a Fund. These reductions are negotiable by the institutional investor or your advisor and us. To achieve this reduction, we make a payment directly to the investors, which is generally invested in additional securities. However, some institutional investors may choose to receive cash.

Each member of the IRC is currently entitled to an annual retainer of \$32,000.00 (\$36,000.00 for the Chair). A quarterly meeting fee is also payable to each IRC member (\$1,000.00 for the Chair, \$750.00 for individual members) for attending regularly scheduled quarterly meetings. In the event that additional or special meetings are held, each IRC member is entitled to a special meeting fee of \$1,000.00. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties. The fees and expenses of IRC members are allocated among the SLGI Mutual Funds by the Manager in a manner that the Manager considered as fair and reasonable.

Fund of funds fees and expenses

When a Fund invests in securities of an underlying fund, the underlying fund may pay a management fee and other expenses in addition to the fees and expenses payable by the Fund. In certain cases, a fee equivalent to the portfolio management fees arising at the underlying fund level will be charged at the underlying fund level. The Manager anticipates that this fee will be in the 0.10% to 0.65% range. The fees and expenses of the underlying fund will have an impact on the management expense ratio of a Fund that invests in such underlying fund, as the Fund is required, in determining its management expense ratio, to take into account the expenses incurred by the Fund that are attributable to its investment in the underlying fund. However, the Fund will not pay management fees on the portion of its assets that it invests in the underlying fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service. In addition, the Fund will not pay duplicate sales charges or redemption fees for its purchase or redemption of securities of the underlying fund.

Fees and expenses payable directly by you

Management fees Series I and Series IH investors negotiate and pay an annual management fee, plus any applicable taxes, to us directly. The fee is accrued daily and paid monthly. These fees will not exceed 1.50% or the Series A management fee (or Series AH in the case of Series IH management fees) of the same Fund, whichever is

less. Where there are no Series A (or Series AH) securities of a Fund, the Series I or Series IH annual management fee of that Fund will not exceed 1.00%.

Series O and Series OH investors pay an annual management fee, based on the NAV of Series O or Series OH securities of the applicable Fund, plus any applicable taxes, to us directly. This fee is paid by a redemption of Series O or Series OH securities held in the investor's account, and if the Series O or Series OH investor participates in Private Client Pricing, after subtracting any management fee reduction. The rate of the fee, excluding HST and any other applicable taxes, is set out below. The fee is calculated daily and paid monthly. By investing in Series O securities, the investor agrees to the automatic redemption of such securities from their account by the Manager to pay the management fee.

Fund	Series O and Series OH management fee
Sun Life MFS Global Growth Fund ⁺	0.85%
Sun Life MFS Global Value Fund ⁺	1.00%
Sun Life MFS U.S. Growth Fund ⁺	0.85%
Sun Life MFS U.S. Value Fund ⁺	0.85%
Sun Life MFS International Opportunities Fund ⁺	0.85%
Sun Life MFS International Value Fund ⁺	1.00%
Sun Life Excel Emerging Markets Fund ⁺	1.15%
Sun Life MFS Global Total Return Fund ⁺	0.80%
Sun Life JPMorgan International Equity Fund ⁺	0.90%
Sun Life Multi-Strategy Bond Fund ⁺	0.55%
Sun Life Money Market Fund	0.75%*
Sun Life Excel India Fund ⁺	1.05%
Sun Life Schroder Global Mid Cap Fund ⁺	1.00%
Sun Life Dynamic Equity Income Fund ^{^+}	0.75%
Sun Life Dynamic Strategic Yield Fund ^{^+}	0.85%
Sun Life NWQ Flexible Income Fund ⁺	0.85%
Sun Life BlackRock Canadian Equity Fund ⁺	0.50%
Sun Life MFS Canadian Bond Fund ⁺	0.55%
Sun Life MFS Canadian Equity Fund ⁺	0.80%
Sun Life MFS Dividend Income Fund ⁺	0.70%
Sun Life MFS U.S. Equity Fund ⁺	0.85%
Sun Life MFS Low Volatility International Equity Fund ⁺	0.80%
Sun Life MFS Low Volatility Global Equity Fund ⁺	0.80%
Sun Life Granite Conservative Portfolio ⁺	0.75%
Sun Life Granite Moderate Portfolio ⁺	0.75%
Sun Life Granite Balanced Portfolio ⁺	0.80%
Sun Life Granite Balanced Growth Portfolio ⁺	0.85%

Sun Life Granite Growth Portfolio ⁺	0.90%
Sun Life Granite Income Portfolio ⁺	0.75%
Sun Life Granite Enhanced Income Portfolio ⁺	0.80%
Sun Life Real Assets Private Pool	0.90%**
Sun Life Money Market Class	0.75%***
Sun Life Granite Conservative Class ⁺	0.75%
Sun Life Granite Moderate Class ⁺	0.75%
Sun Life Granite Balanced Class ⁺	0.80%
Sun Life Granite Balanced Growth Class ⁺	0.85%
Sun Life Granite Growth Class ⁺	0.90%
Sun Life MFS U.S. Growth Class ⁺	0.85%
Sun Life MFS Global Growth Class ⁺	0.85%
Sun Life MFS International Opportunities Class ⁺	0.85%

[^] Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

* Effective on or about August 1, 2020, the management fee of Series O securities of Sun Life Money Market Fund will be reduced from 0.75% to 0.45%.

**Effective February 26, 2020, Series O securities of Sun Life Real Assets Private Pool are no longer available for purchase in new investment accounts. Eligible Series O Investors may continue to purchase Series O securities of Sun Life Real Assets Private Pool. See *Series O securities* for more details.

*** Effective on or about August 1, 2020, the management fee of Series O securities of Sun Life Money Market Class will be reduced from 0.75% to 0.45%.

⁺Effective on or about November 1, 2020, the management fee for Series O securities of this Fund will be reduced by 5 basis points.

Effective on or about November 1, 2020, management fees for the following Funds will be reduced by 5 basis points as indicated in the table below. Unless expressly changed in the table below, current management fees of the Funds, as included in the table above, continue to apply.

Fund	Series O and Series OH management fee
Sun Life MFS Global Growth Fund	0.80%
Sun Life MFS Global Value Fund	0.95%
Sun Life MFS U.S. Growth Fund	0.80%
Sun Life MFS U.S. Value Fund	0.80%
Sun Life MFS International Opportunities Fund	0.80%
Sun Life MFS International Value Fund	0.95%
Sun Life Excel Emerging Markets Fund	1.10%
Sun Life MFS Global Total Return Fund	0.75%
Sun Life JPMorgan International Equity Fund	0.85%
Sun Life Multi-Strategy Bond Fund	0.50%
Sun Life Excel India Fund	1.00%
Sun Life Schroder Global Mid Cap Fund	0.95%
Sun Life Dynamic Equity Income Fund [^]	0.70%

Sun Life Dynamic Strategic Yield Fund [^]	0.80%
Sun Life NWQ Flexible Income Fund	0.80%
Sun Life BlackRock Canadian Equity Fund	0.45%
Sun Life MFS Canadian Bond Fund	0.50%
Sun Life MFS Canadian Equity Fund	0.75%
Sun Life MFS Dividend Income Fund	0.65%
Sun Life MFS U.S. Equity Fund	0.80%
Sun Life MFS Low Volatility International Equity Fund	0.75%
Sun Life MFS Low Volatility Global Equity Fund	0.75%
Sun Life Granite Conservative Portfolio	0.70%
Sun Life Granite Moderate Portfolio	0.70%
Sun Life Granite Balanced Portfolio	0.75%
Sun Life Granite Balanced Growth Portfolio	0.80%
Sun Life Granite Growth Portfolio	0.85%
Sun Life Granite Income Portfolio	0.70%
Sun Life Granite Enhanced Income Portfolio	0.75%
Sun Life Granite Conservative Class	0.70%
Sun Life Granite Moderate Class	0.70%
Sun Life Granite Balanced Class	0.75%
Sun Life Granite Balanced Growth Class	0.80%
Sun Life Granite Growth Class	0.85%
Sun Life MFS U.S. Growth Class	0.80%
Sun Life MFS Global Growth Class	0.80%
Sun Life MFS International Opportunities Class	0.80%

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For Series O and Series OH securities, you are eligible for management fee reductions if your account meets the criteria of Private Client Pricing. Please contact us or your advisor for more information on Private Client Pricing.

The availability of management fee reductions on Series O or Series OH securities for investors participating in Private Client Pricing is in our sole and absolute discretion. Such management fee reductions may be changed or cancelled by us at any time. At all times, we are entitled to charge Private Client Pricing investors an annual management fee on Series O and Series OH securities. We will provide investors in Series O and Series OH securities with at least 90 days' prior written notice before we reduce the rate of management fee reductions on Series O or Series OH securities or cancel the management fee reduction program.

Effective February 26, 2020, Series O securities of Sun Life Real Assets Private Pool are no longer eligible for reduced management fees, but continue to be eligible for the calculation to determine the market value of Eligible Securities in Private Client Pricing. Please contact us or your advisor for more information on our Private Client Pricing and see *Private Client Pricing* for more details.

Sales charges Under the Front End Sales Charge option, you may have to pay up to 5% of the purchase price of the Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series O or Series OH securities you buy. You negotiate the sales charges with your advisor.

Switch fees Dealers may charge you a switch fee of up to 2% of the value of the securities switched to cover the time and processing costs associated with a switch transaction. Generally, dealers may charge you a switch fee for a switch to or from Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series O and Series OH securities. You and your advisor negotiate the fee. See *Switch fees* for details.

Redemption fees Effective February 26, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of Sun Life Real Assets Private Pool are no longer available for purchase in new investment accounts. Eligible Series A Investors may continue to purchase Series A securities of Sun Life Real Assets Private Pool under the Deferred Sales Charge option or Low Load Sales Charge option.

Effective on or about August 1, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class are no longer available for purchase in new investment accounts. Existing Money Market Series A Investors may continue to purchase Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class under the Deferred Sales Charge option or Low Load Sales Charge option. Transferred Money Market Series A Investors will be permitted to purchase Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class in accounts created by a switch of securities purchased under the Deferred Sales Charge option or Low Load Sales Charge option.

Deferred Sales Charge option You pay up to 5.5% of the original cost of the Series A, Series AH, Series AT5, Series T5, Series AT8, or Series T8 securities if you redeem them within seven years, as follows:

<u>If redeemed during:</u>	<u>you pay:</u>
Year 1	5.5%
Year 2	5.0%
Year 3	5.0%
Year 4	4.0%
Year 5	4.0%
Year 6	3.0%
Year 7	2.0%
After year 7	Nil

Low Load Sales Charge option You pay up to 2.5% of the original cost of the Series A, Series AH, Series AT5, Series T5, Series AT8, or Series T8 securities if you redeem them within three years, as follows:

<u>If redeemed during:</u>	<u>you pay:</u>
Year 1	2.5%
Year 2	2.0%
Year 3	2.0%
After year 3	Nil

**Series F,
Series FH,
Series F5,
Series F8,
Series FT5
and
Series FT8
service fees**

If you invest in Series F, Series FH, Series F5, Series F8, Series FT5 or Series FT8 securities, you may have to pay your dealer a fee for investment advice and other services. Investors in Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 securities do not pay sales charges and we do not pay any commissions to dealers in respect of Series F, Series FH, Series F5, Series F8, Series FT5, or Series FT8 securities. In certain cases, we may collect the fee for investment advice on behalf of your dealer. The fee is negotiated between you and your advisor and agreed to by way of a signed agreement.

**Series O
service fees**

If you invest in Series O or Series OH securities, you may have to pay your dealer a service fee of up to 1.00% based on the value of the Series O or Series OH securities held in your account (the “**Series O Service Fee**”). The Series O Service Fee rate is negotiated between you and your advisor and agreed to by way of a signed agreement. If we do not receive an agreement evidencing a negotiated Series O Service Fee, the default Series O Service Fee will be 0%. Any negotiated Series O Service Fee will be subject to applicable taxes.

The Series O Service Fee, plus applicable taxes, is payable by you, calculated daily and paid monthly, by a redemption of Series O or Series OH securities held in your account. By purchasing Series O securities and completing a Series O service fee agreement, you expressly authorize us to automatically redeem such securities from your account for the purposes of remitting payment of the Series O Service Fee to your dealer.

**Short-term
or excessive
trading fee**

You may pay 2% of the current value of the securities if you redeem or switch them within 30 days of purchase. No short-term or excessive trading fees are charged (i) for a redemption of securities when an investor fails to meet the minimum investment amount for the Funds; (ii) for a redemption of securities acquired through automatic reinvestment of all distributions by a Fund; (iii) for a redemption of securities in connection with a failed settlement of a purchase of securities; (iv) for a switch or a redemption from Sun Life Money Market Fund or Sun Life Money Market Class; (v) for a switch under a STP; (vi) for a switch as a result of a rebalancing transaction under the Account Rebalancing Service; (vii) for a change of securities from one series to another; (viii) for a redemption of securities by another investment fund or investment product approved by us; or (ix) in the absolute discretion of the Manager.

See *Short-term or excessive trading fees* for details.

**Large
redemption
penalties**

If we have notified you that you are a Large Investor, and you wish to make a Large Redemption, you will pay 1% of the NAV of the securities redeemed or switched, if you do not provide the required five (5) business days’ notice prior to completing the transaction.

If the Large Redemption would be subject to both a large redemption penalty and a short-term or excessive trading fee, only the short-term or excessive trading fee will apply.

See *Large Transaction Risk* and *Large Investments* for details.

**Registered
plan fees**

None.

Other fees and expenses We will charge you an NSF fee (\$30 for each returned item) should any cheque or purchase order be returned because of insufficient funds in your account.

If you request that redemption proceeds be forwarded to you by courier or wire transfer, we may charge you for any cost incurred by us in connection with such delivery method.

Impact of sales charges

The following table shows the maximum sales charge or redemption fee you would pay under the different purchase options if you made an investment of \$1,000.00 in a Fund, held that investment for one, three, five or ten years and redeemed immediately before the end of the period.

The table assumes you are paying the maximum possible sales charge under the Front End Sales Charge option, although you may negotiate a lower sales charge with your advisor.

For Series A, Series AH, Series AT5, Series T5, Series AT8 and Series T8 securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option, redemption fees apply only if you redeem such Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities in a particular year and if those securities do not qualify for free redemption. The following table does not take into account the free redemption amounts.

Option	At purchase	1 year	3 years	5 years	10 years
Front End Sales Charge ¹	\$50.00	None	None	None	None
Deferred Sales Charge ²	None	\$55.00	\$50.00	\$40.00	None
Low Load Sales Charge ³	None	\$30.00	\$20.00	None	None

- 1 There are no sales charges for Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I and Series IH securities. However, Series F, Series FH, Series F5, Series F8, Series FT5 and Series FT8 investors pay a separate fee to their dealer.
- 2 Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities are not available under the Deferred Sales Charge option. Effective February 26, 2020, Series A securities of Sun Life Real Assets Private Pool can only be purchased under the Deferred Sales Charge option by Eligible Series A Investors. Effective on or about August 1, 2020, Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class can only be purchased under the Deferred Sales Charge option by Existing Money Market Series A Investors or Transferred Money Market Series A Investors.
- 3 Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities are not available under the Low Load Sales Charge option. Effective February 26, 2020, Series A securities of Sun Life Real Assets Private Pool can only be purchased under the Low Load Sales Charge option by Eligible Series A Investors. Effective on or about August 1, 2020, Series A securities of Sun Life Money Market Fund and Sun Life Money Market Class can only be purchased under the Low Load Sales Charge option by Existing Money Market Series A Investors or Transferred Money Market Series A Investors.

Dealer compensation

Commissions we pay to your Dealer

We pay your dealer a sales commission when you buy Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities of the Funds under the Deferred Sales Charge or the Low Load Sales Charge purchase options. In addition, we pay your dealer (including your discount broker when you purchase securities through a discount brokerage account) an ongoing trailing commission when you hold Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D or Series DB securities of the Funds. Payment of trailing commissions to discount brokers is subject to compliance with applicable securities legislation and may be discontinued at any time.

We do not pay your dealer (including your discount broker when you purchase securities through a discount brokerage account) a sales commission if you buy Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities. However, Series F, Series FH, Series F5, Series F8, Series FT5 and Series

FT8 investors may pay a separate fee to their dealer directly. Series O and Series OH investors may pay a Series O Service Fee to their dealer. The Series O Service Fee is based on the value of the Series O and Series OH securities held in the investor's account and is paid by a redemption of Series O and Series OH securities held in such account.

Sales commission

If you buy Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series O or Series OH securities of the Funds under the Front End Sales Charge option, the commission you negotiate (up to 5% of your purchase amount) is deducted from your purchase amount and paid by you to your dealer.

If you buy Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities under the Deferred Sales charge option, we will pay your dealer up to 5% of your purchase amount.

If you buy Series A, Series AH, Series AT5, Series T5, Series AT8 or Series T8 securities under the Low Load Sales Charge option, we will pay your dealer up to 2.5% of your purchase amount.

Trailing commission

We may pay a trailing commission to your dealer (including to your discount broker when you purchase securities through a discount brokerage account) monthly based upon a percentage of the value of the Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D or Series DB securities of the Funds you hold. No trailing commission is paid on Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O or Series OH securities of the Funds. We may change the terms of the trailing commission program at any time. You can contact us at any time to confirm the amount of trailing commissions paid to your dealer on a series of securities of a Fund.

The tables below show the sales and trailing commissions payable for each Fund, which vary depending on the purchase option you choose.

Series A, Series AH, Series AT5, Series T5, Series AT8 and Series T8 Trailing Commissions

Fund	Front End Sales Charge Option		Deferred Sales Charge Option		Low Load Sales Charge Option	
	Sales commission (%)	Annual trailing commission (%)	Sales commission (%)	Annual trailing commission ¹ (%)	Sales commission (%)	Annual trailing commission ¹ (%)
Sun Life MFS Global Growth Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Global Value Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS U.S. Growth Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS U.S. Value Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS International Opportunities Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS International Value Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Excel Emerging Markets Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Global Total Return Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5

Fund	Front End Sales Charge Option		Deferred Sales Charge Option		Low Load Sales Charge Option	
	Sales commission (%)	Annual trailing commission (%)	Sales commission (%)	Annual trailing commission ¹ (%)	Sales commission (%)	Annual trailing commission ¹ (%)
Sun Life JPMorgan International Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Multi-Strategy Bond Fund	Up to 5.0	0.5	Up to 5.0	0.25	Up to 2.5	0.25
Sun Life Money Market Fund	Up to 5.0	0.25*	Up to 5.0	0.0	Up to 2.5	0.0
Sun Life Excel High Income Fund	Up to 5.0	0.85	Up to 5.0	0.25	Up to 2.5	0.25
Sun Life Excel India Balanced Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Excel India Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Excel New India Leaders Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Schroder Global Mid Cap Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Dynamic Equity Income Fund [^]	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Dynamic Strategic Yield Fund [^]	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life NWQ Flexible Income Fund	Up to 5.0	0.5	Up to 5.0	0.25	Up to 2.5	0.25
Sun Life BlackRock Canadian Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Canadian Bond Fund	Up to 5.0	0.5	Up to 5.0	0.25	Up to 2.5	0.25
Sun Life MFS Canadian Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Dividend Income Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS U.S. Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Low Volatility International Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Low Volatility Global Equity Fund	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Conservative Portfolio	Up to 5.0	0.75	Up to 5.0	0.375	Up to 2.5	0.375
Sun Life Granite Moderate Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Balanced Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Balanced Growth Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Growth Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5

Fund	Front End Sales Charge Option		Deferred Sales Charge Option		Low Load Sales Charge Option	
	Sales commission (%)	Annual trailing commission (%)	Sales commission (%)	Annual trailing commission ¹ (%)	Sales commission (%)	Annual trailing commission ¹ (%)
Sun Life Granite Income Portfolio	Up to 5.0	0.75	Up to 5.0	0.375	Up to 2.5	0.375
Sun Life Granite Enhanced Income Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Tactical Fixed Income ETF Portfolio	Up to 5.0	0.5	N/A	N/A	N/A	N/A
Sun Life Tactical Conservative ETF Portfolio	Up to 5.0	0.75	N/A	N/A	N/A	N/A
Sun Life Tactical Balanced ETF Portfolio	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Tactical Growth ETF Portfolio	Up to 5.0	1.0	N/A	N/A	N/A	N/A
Sun Life Tactical Equity ETF Portfolio	Up to 5.0	1.0	N/A	N/A	N/A	N/A
Sun Life Core Advantage Credit Private Pool	Up to 5.0	0.5	N/A	N/A	N/A	N/A
Sun Life Global Dividend Private Pool	Up to 5.0	1.0	N/A	N/A	N/A	N/A
Sun Life Global Tactical Yield Private Pool	Up to 5.0	1.0	N/A	N/A	N/A	N/A
Sun Life Real Assets Private Pool	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Money Market Class	Up to 5.0	0.25**	Up to 5.0	0.0	Up to 2.5	0.0
Sun Life Granite Conservative Class	Up to 5.0	0.75	Up to 5.0	0.375	Up to 2.5	0.375
Sun Life Granite Moderate Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Balanced Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Balanced Growth Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life Granite Growth Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS U.S. Growth Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS Global Growth Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5
Sun Life MFS International Opportunities Class	Up to 5.0	1.0	Up to 5.0	0.5	Up to 2.5	0.5

[^] Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

* Effective on or about August 1, 2020, the annual trailing commission of Series A securities of Sun Life Money Market Fund will be reduced from 0.25% to “up to 0.10%”.

** Effective on or about August 1, 2020, the annual trailing commission of Series A securities of Sun Life Money Market Class will be reduced from 0.25% to “up to 0.10%”.

¹ We automatically change securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option to Front End Sales Charge option securities upon the completion of the redemption fee schedule of those securities. This change is not a disposition of the securities for tax purposes. This will result in an increase in the trailing commissions being paid to your dealer (or discount broker) and there will be no incremental charges to you.

Series D and Series DB Trailing Commissions

Fund	Annual trailing commission (%)
Sun Life MFS Global Growth Fund	0.25
Sun Life MFS International Opportunities Fund	0.25
Sun Life Excel Emerging Markets Fund	0.25
Sun Life MFS Global Total Return Fund	0.25
Sun Life Money Market Fund	0.10*
Sun Life Excel High Income Fund	0.25
Sun Life Excel India Fund	0.25
Sun Life MFS Canadian Bond Fund	0.10
Sun Life MFS Canadian Equity Fund	0.25
Sun Life MFS Dividend Income Fund	0.25
Sun Life MFS U.S. Equity Fund	0.25
Sun Life Granite Balanced Portfolio	0.25

* Effective on or about August 1, 2020, the annual trailing commission of Series D securities of Sun Life Money Market Fund will be modified from 0.10% to “up to 0.10%”.

Like the management fees, the maximum trailing commissions payable for the Milestone Funds decrease over the term of each Milestone Fund, as the portion of the portfolio of each Milestone Fund invested in the underlying fund will decrease over time.

Remaining Years to Maturity*	Front End Sales Charge option		Deferred Sales Charge option		Low Load Sales Charge option	
	Sales commission (%)	Annual trailing commission (%)	Sales commission (%)	Annual trailing commission ¹ (%)	Sales commission (%)	Annual trailing commission ¹ (%)
More than 5	Up to 5.0	Up to 1.00	Up to 5.0	Up to 0.50	Up to 2.5	Up to 0.50
5 to more than 1	Up to 5.0	Up to 0.50	Up to 5.0	Up to 0.25	Up to 2.5	Up to 0.25
1 or less	Up to 5.0	Up to 0.25	Up to 5.0	Up to 0.125	Up to 2.5	Up to 0.125

* The applicable range of trailing commission rate will change at the start of the first trailing commission payment period after the date shown above.

¹ We automatically change securities purchased under the Deferred Sales Charge option or the Low Load Sales Charge option as Front End Sales Charge option securities upon the completion of the redemption fee schedule of those securities. This change is not a disposition of the securities for tax purposes. This will result in an increase in the trailing commissions being paid to your dealer (or discount broker) and there will be no incremental charges to you.

Series O Service Fees

You may have to pay your dealer a Series O Service Fee of up to 1.00% based on the value of the Series O and/or Series OH securities held in your account. The Series O Service Fee rate is negotiated between you and your advisor and agreed to by way of a signed agreement. If we do not receive the signed agreement evidencing a negotiated Series O Service Fee, the default Series O Service Fee will be 0%. Any negotiated Series O Service Fee will be subject to any applicable taxes.

The Series O Service Fee, plus applicable taxes, is payable by you, calculated daily and paid monthly, by a redemption of Series O and/or Series OH securities held in your account. By purchasing Series O securities and completing a Series O service fee agreement, you expressly authorize us to automatically redeem such securities from your account for the purposes of remitting payment of the Series O Service Fee to your dealer.

Other sales incentives

We may from time to time pay the permitted marketing expenses of participating dealers on a co-operative basis. We may also hold educational conferences that sales representatives of participating dealers may attend and may pay certain of the expenses incurred by participating dealers in holding such educational conferences for sales representatives. In addition, we may provide promotional items of minimal value to representatives of participating dealers.

These activities are in compliance with applicable laws and regulations and any costs incurred by them will be paid by us and not the Funds.

Equity interest

Each of SLGI Asset Management Inc. and Sun Life Financial Investment Services (Canada) Inc. are indirect wholly-owned subsidiaries of Sun Life Financial Inc. Sun Life Financial Investment Services (Canada) Inc. is a participating dealer of the Funds.

Dealer compensation from management fees

During the financial year ended December 31, 2019, we paid dealers compensation of approximately 41% of the total management fees we received from the SLGI Mutual Funds. This includes amounts we paid to dealers for commissions, trailing commissions, and marketing support programs.

Income tax considerations for investors

This information is a general summary of Canadian federal income tax rules applicable to a natural individual who is a Canadian resident who holds securities in the Funds as capital property either directly or in his or her Registered Plan. It is not intended to be legal or tax advice.

We do not describe the tax rules in detail or cover all the tax consequences that may apply. We recommend you consult your tax advisor for advice about your individual situation.

Mutual fund earnings

Mutual funds may earn income and capital gains in a number of ways. For example, a mutual fund is generally required to include in income for tax purposes, interest as it accrues, dividends when received, trust income in the year that it is received or receivable, and capital gains and losses when realized. A mutual fund is required to include in income for tax purposes an amount as notional interest on zero-coupon securities. Gains and losses from cash-settled options, futures and other derivatives are generally treated as income and losses rather than capital gains and capital losses, though in certain situations, gains and losses on derivatives used by a mutual fund as a hedge to limit gains and losses on a specific capital asset or group of capital assets held by the mutual fund may be a capital gain or capital loss. Gains and losses from the disposition of commodities such as gold, silver and other metals, are treated as income and loss rather than capital gains and capital losses. A mutual fund realizes a capital gain (or loss) if it sells an investment for more (or less) than the adjusted cost base (“ACB”) of the investment. However, a capital loss realized on a security will be suspended if the mutual fund purchases an identical security within a certain period of time. There are other loss restriction rules that may prevent a mutual fund from deducting losses. Each Trust Fund will distribute enough of its income and capital gains so that it does not have to pay normal income tax.

The Mutual Fund Corporation will typically pay enough ordinary dividends and capital gains dividends so that it will not pay Part IV tax on its Canadian source dividend income or normal income tax on its net realized capital gains. Generally, the Mutual Fund Corporation flows its Canadian source dividend income through to investors in the form of an ordinary dividend and its net realized capital gains in the form of a capital gains dividend. The Mutual Fund Corporation will pay tax on other types of income if that income is more than the Mutual Fund Corporation’s deductible expenses and investment losses. Other types of income include interest, foreign source dividends, income distributions from a trust and income gains from short sales and derivatives.

We keep track of the assets and liabilities of each Corporate Class separately, but for tax purposes the Mutual Fund Corporation must calculate its net income, net realized capital gains, tax credits, tax refunds and tax liability as a single corporation. As a result, the ordinary dividends and capital gains dividends paid to you on your securities of a Corporate Class can be expected to be different than the amount you would have received if that Corporate Class was a stand-alone mutual fund. To explain, if the expenses or investment losses of a Corporate Class in a year are more than its income for that year, it may be necessary to deduct those expenses against the income or capital gains of another Corporate Class. In this way, the expenses or losses from one Corporate Class may reduce the income or capital gains of another Corporate Class, thus reducing the tax liability that would otherwise be attributed to that other Corporate Class or reducing the capital gains dividends that the other Corporate Class would be required to pay to eliminate its tax liability. Also, the total amount of capital gains dividends that Sun Life Global Investments Corporate Class Inc. would need to pay to eliminate its tax liability on all of its net realized capital gains will be affected by a number of things, including the level of redemptions of all securities of all Corporate Classes, the net accrued capital gains on the assets of all Corporate Classes, earlier recognition of gains and losses on the asset of a Corporate Class because of switching between the Corporate Classes.

How your investment is taxed

The tax you pay on your mutual fund investment depends on whether the securities are held in a non-registered account or Registered Plan.

Non-registered accounts

Distributions

If you hold your securities in a non-registered account, you must include in your income for tax purposes the taxable portion of all distributions (including fee distributions) paid to you by a Trust Fund and the taxable portion of all dividends received on securities of a Corporate Class. This is the case whether you receive them in cash or reinvest them in additional securities. The amount of any reinvested distributions or dividends is added to your ACB and thus reduces your capital gain or increases your capital loss when you redeem those securities, so that you do not pay tax twice on the same amount. The Funds will take steps so that capital gains and Canadian dividends will retain their character when paid to you as a distribution by a Trust Fund or a dividend by a Corporate Class. One half of a capital gain distribution or capital gain dividend is included in income as a taxable capital gain. Canadian dividends are subject to the dividend gross up and tax credit rules. The Funds will take steps to pass on to you the benefit of the enhanced dividend tax credit when it is available. A Trust Fund may take steps so that you are able to claim a foreign tax credit in respect of foreign source income distributed to you.

Distributions from the Funds may include returns of capital. A distribution of capital is not included in your income for tax purposes, but will reduce the ACB of your securities on which it was paid. Where the reductions to the ACB of your securities causes the ACB to become negative, the negative amount is treated as a capital gain realized by you and the ACB of your securities will then be nil.

Sales charges paid on the purchase of securities are not deductible in computing your income, but are added to the ACB of your securities. In general you should include in your income any payment received as a fee reduction in connection with your securities of a Corporate Class. However, in certain circumstances, you may be able to instead elect to have the amount of the fee reduction reduce the cost of the related securities.

Management fees paid on Series I, Series IH, Series O and Series OH securities by an investor are generally not deductible by the investor. We will provide you with tax slips showing the amount and type of distributions or dividends (ordinary income, Canadian dividends other than eligible dividends, Canadian dividends eligible for the enhanced dividend tax credit, foreign income, capital gains and/or returns of capital) you received from each Fund, and showing any related foreign tax credits.

Buying securities before a distribution date

When buying securities, some of your purchase price may reflect income and capital gains of the Fund that have not yet been realized or distributed. You must include in your income the taxable portion of any distribution or dividend paid to you by a Fund, even where the Fund may have earned the income or realized the capital gains that gave rise to the distribution or dividend before you owned your securities and which was included in the purchase price of your securities. This could be particularly significant if you purchase securities of a Fund late in the year, or on or before the date on which a distribution or dividend is paid.

Portfolio turnover rate

The portfolio turnover rate is how often the portfolio manager/portfolio management team bought and sold securities for the Fund. The higher a Fund's portfolio turnover rate is, the greater the chance that you will receive a distribution of capital gains or a capital gain dividend. Gains realized by the Fund are generally offset by any losses realized on its portfolio transactions. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a Fund.

Switching your securities

A redesignation to or from units of any of the series in the Hedged Class of a Trust Fund to or from units of another series of the same Trust Fund is a disposition for tax purposes. See *Redeeming or disposing of your securities* below.

In all other circumstances, a redesignation of units of a Trust Fund for units of the same Trust Fund is not considered to be a disposition for tax purposes and should not result in a capital gain or loss unless units are redeemed to pay fees. The conversion of shares of a Corporate Class for shares of the same Corporate Class is not a disposition for tax purposes and should not result in a capital gain or loss, unless shares are redeemed to pay fees. The total cost of the securities you receive on a redesignation or conversion is the same as the total ACB of the securities that you redesignated or converted.

Any other switch involves a redemption and purchase of securities. See *Redeeming or disposing of your securities* below.

Redeeming or disposing of your securities

If you redeem or otherwise dispose of securities with a NAV that is greater than the ACB, you realize a capital gain. If you redeem or otherwise dispose of securities with a NAV that is less than the ACB, you realize a capital loss. You may deduct any redemption fees or other expenses of disposition when calculating your capital gains or losses. You must include one-half of a capital gain in your income as a taxable capital gain, and, generally, may deduct one-half of your capital losses from your taxable capital gains.

When you redeem securities of a Fund, the Fund may distribute capital gains to you as partial payment of the redemption price. Any capital gains so distributed must be included in the calculation of your income in the manner described above, and should be deducted from the redemption price for your units in determining your proceeds of disposition.

In certain circumstances, loss restriction rules will limit or eliminate the amount of a capital loss that you may deduct. For example, a capital loss that you realize on a redemption of securities will be deemed to be nil if, during the period that begins 30 days before and ends 30 days after the day of that redemption, you acquired identical securities (including on the reinvestment of distributions or dividends) and you continue to own these identical securities at the end of that period. The amount of this denied capital loss is added to your ACB.

We will provide you with details of your proceeds of redemption. However, you must keep a record of the price you paid for your securities, any distributions or dividends you receive and the NAV of securities redeemed or switched. These records will allow you to calculate your ACB and the capital gains or capital losses when you redeem or switch your securities.

Adjusted cost base (ACB)

The total ACB of your securities of a series of a Fund is made up of:

- the amount you paid for all your securities of the series, including sales commissions
- plus any reinvested distributions or dividends
- minus any capital distributions
- in the case of securities redesignated or converted on a tax-deferred basis, plus the ACB of the securities that were changed into securities of the series and minus the ACB of the securities changed out of the series
- in the case of securities switched on a taxable basis, plus the NAV of securities of the series acquired on the switch and minus the ACB of the securities of the series that were redeemed on a switch out of the Fund
- minus the ACB of securities of the series already redeemed.

The ACB of a single security is the average of the ACB of all identical securities. Your tax advisor can help you with these calculations.

International Tax Reporting

Generally, you will be required to provide your advisor or dealer with information related to your citizenship, tax residence and, if applicable, your foreign tax identification number. If you (i) are identified as a U.S. Person (including a U.S. resident or a U.S. citizen (including a U.S. citizen living in Canada)); (ii) are identified as a tax resident of a country other than Canada or the U.S.; or (iii) do not provide the required information and indicia of U.S. or non-Canadian status is present, information about you and your investment in a Fund will generally be reported to the CRA unless securities are held in your Registered Plan. The CRA will provide that information to the U.S. Internal Revenue Service (in the case of U.S. citizens or tax residents) or the relevant tax authority of any country that is a signatory of the *Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information* or that has otherwise agreed to a bilateral information exchange with Canada under the Common Reporting Standard.

Pursuant to the Intergovernmental Agreement for the Exchange of Information under the Mauritius – US Tax Convention entered into between Mauritius and the U.S. on 27 December 2013 (the “**Mauritius IGA**”), and related Mauritius legislation, the Mauritius Company and the Mauritius Sub-fund are required to report certain information with respect to unitholders who are U.S. residents and U.S. citizens, and certain other “U.S. Persons” as defined under the Mauritius IGA, to the Mauritius Revenue Authority (“**MRA**”). It is expected that the MRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the “**OECD CRS**”), the Mauritius Company and the Mauritius Sub-fund are required under Mauritius legislation to identify and report to the MRA certain information, including certain financial information, relating to unitholders in the Mauritius Company and the Mauritius Sub-fund who are resident in a country outside of Mauritius and the U.S. that has adopted the OECD CRS. The MRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the OECD CRS.

Pursuant to the Intergovernmental Agreement for the Exchange of Information under the India – US Tax Convention entered into between India and the U.S. on 9 July 2015 (the “**Indian IGA**”), and related Indian legislation, the India Sub-fund is required to report certain information as far as may be legally permitted with respect to unitholders who are U.S. residents and U.S. citizens, and certain other “U.S. Persons” as defined under the Indian IGA, to the Indian Revenue Authority (“**IRA**”) for the purpose of onward transmission to the U.S. Internal Revenue Service pursuant to the new reporting regime under Foreign Account Tax Compliance Act (“**FATCA**”). It is expected that the IRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the OECD CRS, the India Sub-fund is required under Indian legislation to identify and report to the IRA certain information, including certain financial information, relating to unitholders of the India Sub-fund who are resident in a country outside of India and the U.S. The IRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the OECD CRS.

Registered Plans

If securities of a Fund are held in your Registered Plan, generally neither you nor your Registered Plan is subject to tax on distributions or dividends paid by a Fund on those securities or on capital gains realized on the disposition of those securities unless the securities are a non-qualified investment or a prohibited investment under Tax Act for your Registered Plan.

The securities of each Fund are expected to be a qualified investment for Registered Plans at all times. Securities of a Fund may be a prohibited investment for your Registered Plan (other than a deferred profit sharing plan) even if the securities are a qualified investment. If your Registered Plan holds a prohibited investment, you become liable to a 50% potentially refundable tax on the value of the prohibited investment and a 100% tax on income and capital gains attributable to, and capital gains realized on the disposition (or deemed disposition) of, the prohibited investment.

Under a safe harbour rule for newly established mutual funds, securities of a Fund will not be a prohibited investment for a Registered Plan of any planholder at any time during the first 24 months of the Fund's existence provided the Fund qualifies as a mutual fund trust under the Tax Act and the Fund either remains in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification during the safe harbour period.

You should consult your own tax advisor for advice regarding the implications of acquiring, holding and disposing of securities of a Fund in your Registered Plan, including whether or not securities of a Fund would be a prohibited investment for your Registered Plans.

What are your legal rights?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days after you receive the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours after you receive confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the Simplified Prospectus, AIF, Fund Facts, MRFP or financial statements misrepresent any facts about the Fund. You must usually exercise these rights within a certain time period.

You can get more information from the securities legislation of your province or territory or from your lawyer.

Specific information about each of the mutual funds described in this document

You will find detailed descriptions of each of the Funds in this part of the Simplified Prospectus. Here are explanations of what you will find under each heading.

Fund details

This tells you:

- **Fund type:** the type of mutual fund
- **Securities offered:** the series of securities that the Fund offers
- **Start date:** the date each series of securities could first be bought by the public
- **Registered plan eligibility:** whether the Fund is, or is expected to be, a qualified investment for a Registered Plan. You should consult your own tax advisor to determine whether securities of a Fund would be a prohibited investment for your Registered Plan.
- **Portfolio manager:** SLGI is the portfolio manager for each Fund
- **Sub-advisor(s):** the name of any sub-advisor(s) we have retained to manage some or all of the investment portfolio of the Fund

What does the Fund invest in?

This tells you the Fund's:

- **Investment objectives:** the goals of the Fund, including any specific focus it has, and the kinds of securities it may invest in
- **Investment strategies:** how the portfolio manager and/or sub-advisor tries to meet the Fund's objectives

What are the risks of investing in the Fund?

This tells you the specific risks of investing in the Fund. You'll find details about what each risk means in *What are the specific risks of investing in a mutual fund?* beginning on page 10.

Fund risk classification

We assign an investment risk rating to each Fund to provide you with further information to help you determine whether the Fund is appropriate for you. Each Fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high, or high risk.

The investment risk level of each Fund is required to be determined in accordance with a standardized risk classification methodology set out in NI 81-102. This risk methodology is based on the Fund's historical volatility as measured by the 10-year standard deviation of the returns of the Fund. Standard deviation is used to quantify the historical dispersion of returns around the average returns over a recent 10-year period. In this context, it can provide an indication of the amount of variability of returns that occurred relative to the average return over the 10-year measurement period. The higher the standard deviation of a Fund, the greater the range of returns it experienced in the past. In general, the greater the range of observed or possible returns, the higher the risk.

For those Funds that do not have a 10-year return history, we calculate the investment risk level by using the actual return history of the Fund, and imputing the return history of one or more reference indices for the remainder of the 10-year period. In certain cases where a Fund either invests substantially all of its assets in an underlying fund that has existed for at least 10 years, or there is another mutual fund with 10 years of performance history that has the same manager, portfolio manager, objectives and strategies as the Fund, then we use the returns of the underlying fund or other fund to complete a 10-year return history of the Fund for the purpose of estimating its 10-year standard deviation.

Where a Fund has undergone a fundamental change, such as a change in investment objective, historical data is reset, meaning the Fund cannot use its historical returns prior to the fundamental change to calculate the standard deviation. In such cases, the Fund is treated as if it does not have any history prior to the date of the fundamental change and one or more references indices is used as described above to calculate its investment risk level.

The following chart sets out a description of the reference index or other fund used for each Fund that has a return history of less than 10 years.

Fund	Reference index or fund
Sun Life MFS Global Growth Fund	MSCI AC World C\$ Index
Sun Life MFS Global Value Fund	MSCI World C\$ Index
Sun Life MFS U.S. Growth Fund	Russell 1000 C\$ Index
Sun Life MFS U.S. Value Fund	Russell 1000 C\$ Index
Sun Life MFS International Opportunities Fund	MSCI EAFE C\$ Index
Sun Life MFS International Value Fund	MSCI EAFE C\$ Index
Sun Life Excel Emerging Markets Fund	MSCI Emerging Markets C\$ Index
Sun Life MFS Global Total Return Fund	60% MSCI World C\$ Index, 40% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$
Sun Life JPMorgan International Equity Fund	MSCI AC World ex U.S. C\$ Index
Sun Life Milestone 2025 Fund*	95.4% FTSE Canada Universe Bond Index, 4.6% MSCI AC World Index - Local Currency
Sun Life Milestone 2030 Fund*	88.6% FTSE Canada Universe Bond Index, 11.4% MSCI AC World Index - Local Currency
Sun Life Milestone 2035 Fund*	80.5% FTSE Canada Universe Bond Index, 19.5% MSCI AC World Index - Local Currency
Sun Life Multi-Strategy Bond Fund	FTSE Canada Universe Bond Index
Sun Life Money Market Fund	FTSE Canada 91 Day T-Bill Index
Sun Life Excel High Income Fund	50% JPM GBI-EM Global Diversified Composite Unhedged CAD Index; 50% JPM EMBI Global Diversified Composite C\$ Index
Sun Life Excel India Balanced Fund	65% MSCI India C\$ Index, 35% Credit Rating Information Services of India Limited Composite Bond Fund Index
Sun Life Excel New India Leaders Fund	MSCI India Small Cap C\$ Index
Sun Life Schroder Global Mid Cap Fund	MSCI World Small Cap C\$ Index
Sun Life Dynamic Equity Income Fund^	Dynamic Equity Income Fund

Sun Life Dynamic Strategic Yield Fund^	50% S&P/TSX Composite Index, 50% FTSE Canada Universe Bond Index
Sun Life NWQ Flexible Income Fund	Bloomberg Barclays U.S. Aggregate Bond Index Hedged C\$
Sun Life BlackRock Canadian Equity Fund	S&P/TSX Capped Composite Index
Sun Life MFS Low Volatility International Equity Fund	MSCI EAFE C\$ Index
Sun Life MFS Low Volatility Global Equity Fund	MSCI AC World C\$ Index
Sun Life Tactical Fixed Income ETF Portfolio	10% FTSE Canada 91 Day T-Bill Index, 50% FTSE Canada Universe Bond Index, 40% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$
Sun Life Tactical Conservative ETF Portfolio	5% FTSE Canada 91 Day T-Bill Index, 35.5% FTSE Canada Universe Bond Index, 24.5% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 11% S&P/TSX Capped Composite Index, 24% MSCI World C\$ Index
Sun Life Tactical Balanced ETF Portfolio	2.5% FTSE Canada 91 Day T-Bill Index, 21.5% FTSE Canada Universe Bond Index, 16% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 19% S&P/TSX Capped Composite Index, 41% MSCI World C\$ Index
Sun Life Tactical Growth ETF Portfolio	2.5% FTSE Canada 91 Day T-Bill Index, 9% FTSE Canada Universe Bond Index, 8.5% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 25.5% S&P/TSX Capped Composite Index, 54.5% MSCI World C\$ Index
Sun Life Tactical Equity ETF Portfolio	31.5% S&P/TSX Capped Composite Index, 68.5% MSCI World C\$ Index
Sun Life Granite Conservative Portfolio*	34.3% FTSE Canada Universe Bond Index, 5.0% FTSE Canada 91 Day T-Bill Index, 33.7% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 6.6% S&P/TSX Capped Composite Index, 20.4% MSCI AC World C\$ Index
Sun Life Granite Moderate Portfolio*	23.2% FTSE Canada Universe Bond Index, 5.0% FTSE Canada 91 Day T-Bill Index, 24.8% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 11.4% S&P/TSX Capped Composite Index, 35.6% MSCI ACWI C\$ Index
Sun Life Granite Balanced Portfolio*	2.5% FTSE Canada 91 Day T-Bill Index, 17.4% FTSE Canada Universe Bond index, 20.1% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 14.6% S&P/TSX Capped Composite Index, 45.4% MSCI AC World C\$ Index
Sun Life Granite Balanced Growth Portfolio*	2.5% FTSE Canada 91 Day T-Bill Index, 11.9% FTSE Canada Universe Bond index, 15.6% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 17.0% S&P/TSX Capped Composite Index, 53.0% MSCI AC World C\$ Index
Sun Life Granite Growth Portfolio*	2.5% FTSE Canada 91 Day T-Bill Index, 6.6% FTSE Canada Universe Bond Index, 10.9% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 19.4% S&P/TSX Capped Composite Index, 60.6% MSCI AC World C\$ Index

Sun Life Granite Income Portfolio**	2.5% FTSE Canada 91 Day T-Bill Index, 17.5% FTSE Canada Universe Bond Index, 40.0% Bloomberg Barclays Multiverse Index Hedged C\$, 12.5% S&P/TSX Capped Composite Index, 27.5% MSCI World C\$ Index
Sun Life Granite Enhanced Income Portfolio**	2.5% FTSE Canada 91 Day T-Bill Index, 5.0% FTSE Canada Universe Bond Index, 35.0% MSCI World C\$ Index, 15.0% S&P/TSX Capped Composite Index, 42.5% Bloomberg Barclays Multiverse Index Hedged C\$
Sun Life Core Advantage Credit Private Pool	FTSE Canada Universe Bond Index
Sun Life Global Dividend Private Pool	MSCI World C\$ Index
Sun Life Global Tactical Yield Private Pool	10% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 40% FTSE Canada Universe Bond Index, 50% MSCI World C\$ Index
Sun Life Real Assets Private Pool	35% FTSE EPRA/NAREIT Developed Real Estate C\$ Index, 35% S&P Global Infrastructure C\$ Index, 30% S&P Global Natural Resource C\$ Index
Sun Life Money Market Class	FTSE Canada 91 Day T-Bill Index
Sun Life Granite Conservative Class*	34.3% FTSE Canada Universe Bond Index, 5.0% FTSE Canada 91 Day T-Bill Index, 33.7% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 6.6% S&P/TSX Capped Composite Index, 20.4% MSCI AC World C\$ Index
Sun Life Granite Moderate Class*	23.2% FTSE Canada Universe Bond Index, 5.0% FTSE Canada 91 Day T-Bill Index, 24.8% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 11.4% S&P/TSX Capped Composite Index, 35.6% MSCI AC World C\$ Index
Sun Life Granite Balanced Class*	2.5% FTSE Canada 91 Day T-Bill Index, 17.4% FTSE Canada Universe Bond index, 20.1% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 14.6% S&P/TSX Capped Composite Index, 45.4% MSCI AC World C\$ Index
Sun Life Granite Balanced Growth Class*	2.5% FTSE Canada 91 Day T-Bill Index, 11.9% FTSE Canada Universe Bond index, 15.6% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 17.0% S&P/TSX Capped Composite Index, 53.0% MSCI AC World C\$ Index
Sun Life Granite Growth Class*	2.5% FTSE Canada 91 Day T-Bill Index, 6.6% FTSE Canada Universe Bond Index, 10.9% Bloomberg Barclays Global Aggregate Bond Index Hedged C\$, 19.4% S&P/TSX Capped Composite Index, 60.6% MSCI AC World C\$ Index
Sun Life MFS U.S. Growth Class	Russell 1000 C\$ Index
Sun Life MFS Global Growth Class	MSCI AC World C\$ Index
Sun Life MFS International Opportunities Class	MSCI EAFE C\$ Index

^ Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

*The blended reference index for this Fund changed, effective July 1, 2020, due to the reallocation of weightings of certain benchmarks that comprise the blended reference index. This change in the blended reference index was made to more adequately reflect the portfolio holdings of the Fund.

**The blended reference index for this Fund changed, effective June 1, 2019, due to the reallocation of weightings of certain benchmarks that comprise the blended reference index. This change in the blended reference index was made to more adequately reflect the portfolio holdings of the Fund.

Benchmark Definitions:

The **Bloomberg Barclays Global Aggregate Bond Index** measures global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

The **Bloomberg Barclays Multiverse Index** provides a broad-based measure of the global fixed-income bond market. The index represents the union of the Global Aggregate Index and the Global High-Yield Index and captures investment grade and high yield securities.

The **Bloomberg Barclays U.S. Aggregate Bond Index** is a market capitalization weighted index of taxable investment-grade, US dollar-denominated, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage backed securities, with maturities of one year or more.

The **Credit Rating Information Services of India Limited Composite Bond Fund Index** is a total return index seeking to track the performance of a debt portfolio that includes government securities and AAA/AA+/AA rated corporate bonds.

The **FTSE Canada 91 Day T-Bill Index** measures the performance of the 91 day Treasury Bill market.

The **FTSE Canada Universe Bond Index** is a market capitalization weighted index composed of investment grade, fixed coupon, government and corporate bonds, issued in Canada and denominated in Canadian dollars, with a remaining term to maturity of at least one year.

The **FTSE EPRA/NAREIT Developed Real Estate Index** is designed to track the performance of listed real estate companies and REITs worldwide.

The **J.P. Morgan Government Bond Index Emerging Markets (GBI-EM) Global Diversified Composite** is a market capitalization weighted comprehensive global emerging markets index of local government bond debt. The index has a diversification overlay which limits the maximum weight per country to 10%.

The **J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified** is an Emerging Markets sovereign bond index denominated in USD. The index limits weights of countries by only including a specified portion of those countries' eligible current face amounts of debt outstanding.

The **J.P. Morgan Government Bond Index Global (GBI Global)** is a market capitalization weighted bond index representative of the fixed-rate government securities across 13 developed government bond markets. The index notably excludes bonds with less than one year to maturity, floating rate notes and perpetuals.

The **MSCI All Country ("AC") World Index** is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in global developed and emerging markets.

The **MSCI All Country ("AC") World ex U.S. Index** is a market capitalization weighted index that is designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The MSCI All Country ("AC") World ex U.S. Index includes both developed and emerging markets.

The **MSCI Europe, Australia, Far East ("EAFE") Index** is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in 21 developed market countries within Europe, Australia and the Far East.

The **MSCI Emerging Markets C\$ Index** is a free float-adjusted market capitalization weighted index that is designed to capture large and mid cap representation across 24 Emerging Markets (EM) countries.

The **MSCI India C\$ Index** is a free float-adjusted market capitalization weighted index that is designed to capture large and mid cap representation across 79 constituents that represent 85% of the Indian equity universe.

The **MSCI India Small Cap C\$ Index** is a free float-adjusted market capitalization weighted index that is designed to capture small cap representation across 262 constituents that represent 14% of the Indian equity universe.

The **MSCI World Index** is a free float adjusted market capitalization index that is designed to measure global developed market equity performance.

The **MSCI World Small Cap C\$ Index** is a free float adjusted market capitalization index that captures small cap representation across 23 developed markets countries.

The **Russell 1000 Index** is designed to track the performance of approximately 1,000 of the largest companies in the U.S. equity market. It is a subset of the Russell 3000, which lists the largest 3,000 public companies in the U.S. equity market.

The **S&P Global Infrastructure Index** is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

The **S&P Global Natural Resource Index** is designed to track 90 of the largest publicly-traded global companies in natural resources and commodities that meet specific investability requirements, offering investors equity exposure across 3 primary commodity-related sectors: agribusiness, energy, and metals & mining.

The **S&P/TSX Capped Composite Index** imposes capped weights of 10% on all of the constituents included in the S&P/TSX Composite. The S&P/TSX Composite covers approximately 95% of the Canadian equities market, and has been the primary gauge for Canadian-based, TSX-listed companies since 1977.

We assign a risk rating category that is at, or higher than, the applicable rating indicated by the standard deviation ranges in the standardized risk classification methodology, as outlined in the table below.

Standard deviation range	Risk rating
0 to less than 6	Low
6 to less than 11	Low to medium
11 to less than 16	Medium
16 to less than 20	Medium to high
20 or greater	High

It is important to note that other types of risks, both measurable and non-measurable, may exist. It is also important to note that a Fund's historical volatility may not be indicative of future volatility. We may exercise our discretion and assign a Fund a higher risk classification than indicated by the 10-year annualized standard deviation and the prescribed ranges if we believe that the Fund may be subject to other foreseeable risks that the 10-year annualized standard deviation does not reflect.

The risk rating assigned to each Fund adheres to the Manager's policy that describes the standardized risk classification methodology used to determine the investment risk level of each Fund (the "**Fund Risk Classification Policy**"). The risk rating for each Fund is reviewed at least annually, as well as if there is a material change in a Fund's risk profile that may affect its classification, or a change in the Fund's investment objective or investment strategy.

You can request a copy of our Fund Risk Classification Policy that we use to determine the investment risk level of each Fund, at no cost to you, by calling us at 1-877-344-1434, by writing to us at One York Street, Suite 3300, Toronto Ontario M5J 0B6 or by emailing us at info@sunlifeglobalinvestments.com.

Who should invest in this Fund?

This section will help you decide whether a Fund is right for you. This information is only a guide. When you are choosing investments, you should, together with your investment and tax adviser, consider your whole portfolio, your investment objectives and your risk tolerance level.

Distribution policy

This tells you how often you will receive a distribution and how it is paid. Each Fund makes distributions if and when it has amounts to distribute.

Fund expenses indirectly borne by investors

Each Fund pays us a management fee and an administration fee. In addition, each Fund also pays certain operating expenses directly. These amounts are paid for out of the assets of the Fund, which means that you indirectly pay for these amounts through lower returns.

The chart in this section lets you compare the cost of investing in each series of securities of the Fund with the cost of investing in other mutual funds. The chart shows the cumulative fees and expenses you would have paid if:

- you invested \$1,000.00 for the period shown (without any sales charges);
- the Fund's return was 5% each year;
- you did not use the 10% free redemption entitlement; and
- the Fund paid the same MER in each period shown as it did in its last completed financial year.

The information in the chart is for those series of the Fund that have been issued to investors and which have completed a financial year. No information is included under this section for new series or new Funds because the expenses for such series or Funds are not yet known.

See *Fees and expenses* for more information about the cost of investing in the Funds.

General information about the Milestone Funds

The Milestone Funds are a group of mutual funds aimed at investors who want to preserve and potentially grow their capital over a specified period of time. Unlike the other Funds, each Milestone Fund has a set maturity date (the scheduled **Maturity Date**) on which the Milestone Fund will be terminated. In addition, we have structured each Milestone Fund to ensure that on the scheduled Maturity Date the Milestone Fund will have sufficient assets to pay to investors an amount for each outstanding unit equal to the greatest of the following three values:

- \$10.00 per unit (the NAV per unit on the start date),
- the highest month end NAV per unit during the period from the start date until the scheduled Maturity Date or
- the NAV per unit on the scheduled Maturity Date (the Guaranteed Value).

For example, the scheduled Maturity Date for Sun Life Milestone 2025 Fund is June 30, 2025. If the NAV per unit of Series A units of this Milestone Fund on the start date is \$10.00, increases to an all time month end high of \$15.00 per unit during the term of the Milestone Fund and subsequently decreases in value to \$14.00 per unit prior to the scheduled Maturity Date, the Guaranteed Value of Series A units for this Milestone Fund will be \$15.00 per unit. Therefore, investors who remain in Series A units of the Milestone Fund until the scheduled Maturity Date will receive \$15.00 per unit. However, investors who redeem their Series A units prior to the scheduled Maturity Date will not be entitled to the Guaranteed Value and will receive the NAV per unit (less applicable redemption fees and other charges)

as of the date of redemption, which may be less than the Guaranteed Value. Therefore, investors should select the appropriate Milestone Fund by matching their investment horizon with the scheduled Maturity Date of the appropriate Milestone Fund.

Investors should note that a mid-month NAV per unit may be higher than the Guaranteed Value, as the Guaranteed Value is only reset on the last business day of each month. The Guaranteed Value is the same for each investor in a series of a Milestone Fund, regardless of when during the term of the Milestone Fund the investor purchased his, her or its units.

We are the portfolio manager of each Milestone Fund and have retained our affiliate, Sun Life, to act as sub-advisor. If on the Maturity Date or Accelerated Maturity Date of a Milestone Fund the NAV per unit (calculated without taking into account any obligation to pay the Shortfall) of a series is less than the Guaranteed Value or the Accelerated Guaranteed Value, as the case may be, of that series, then under the sub-advisory agreement Sun Life has agreed to pay the Shortfall to the applicable Milestone Fund. Sun Life is one of Canada's largest life insurance companies with over \$1,023 billion in global assets as of March 31, 2020. The financial strength of Sun Life was rated "AA (very strong)" by Standard and Poor's as of May 20, 2020. See *Shortfall risk*.

The Milestone Funds will invest in units of Sun Life Milestone Global Equity Fund, cash, cash equivalents and zero coupon bonds issued by the Canadian federal or provincial governments and Canadian corporations. The allocation between the portion of each Milestone Fund's portfolio invested in zero coupon bonds and the portion invested in units of Sun Life Milestone Global Equity Fund and cash equivalents will be determined by us and Sun Life and will be based on a number of factors, including the remaining time until the scheduled Maturity Date and the amount of the Milestone Fund's portfolio that needs to be invested in zero coupon bonds to cover the Guaranteed Value. As the scheduled Maturity Date of a Milestone Fund approaches and/or as the Guaranteed Value increases, the Milestone Fund will be increasingly invested in zero coupon bonds and the Milestone Fund's equity exposure will decrease. Should there be a significant decline in interest rates, equity market values or both during the term of a Milestone Fund, the investment strategy may significantly reduce or eliminate the Milestone Fund's equity exposure well before the Milestone Fund's scheduled Maturity Date. This could accelerate the scheduled Maturity Date of the Milestone Fund to an Accelerated Maturity Date. The scheduled Maturity Date of a Milestone Fund may be accelerated in certain other circumstances. See *Accelerated Maturity Date risk*.

Sun Life Milestone Global Equity Fund is a mutual fund managed by us that offers only Series I units and which is an underlying fund to the Milestone Funds. It is a reporting issuer, but is no longer offered for sale under a prospectus.

Sun Life MFS Global Growth Fund

Fund details

Fund type	Global Equity
Securities offered	Series A, Series T5, Series T8, Series D, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: October 1, 2010 Series T5: September 1, 2011 Series T8: September 1, 2011 Series D: November 1, 2012 Series F: October 1, 2010 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located anywhere in the world that are considered to have above-average earnings growth potential compared to other issuers.

The investment objective of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;

- may invest in securities of issuers located anywhere in the world, including those in emerging markets;
- may invest in securities of companies of any size;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun MFS Global Growth owned 33.63% and 11.46%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want to add global equity diversification with growth characteristics to their investment portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Sun Life MFS Global Growth Fund (continued)

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.27	\$73.35	\$128.57	\$292.66
Series D	\$15.58	\$49.12	\$86.09	\$195.96
Series F	\$11.48	\$36.19	\$63.43	\$144.39
Series F5	\$11.58	\$36.51	\$64.00	\$145.68
Series F8	\$11.48	\$36.19	\$63.43	\$144.39
Series I*	\$0.62	\$1.91	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92
Series T5	\$23.17	\$73.03	\$128.00	\$291.37
Series T8	\$23.47	\$74.00	\$129.70	\$295.23

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life MFS Global Value Fund

Fund details

Fund type	Global Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: October 1, 2010 Series T5: September 1, 2011 Series T8: September 1, 2011 Series F: October 1, 2010 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located anywhere in the world that are considered to be undervalued compared to their perceived worth.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest in companies of any size anywhere in the world, including those in emerging markets;

- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life MFS Global Value owned 22.72% and 10.19%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want to add global equity diversification with value characteristics to their investment portfolio;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Sun Life MFS Global Value Fund (continued)

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$25.22	\$79.49	\$139.33	\$317.15
Series T5	\$25.42	\$80.14	\$140.46	\$319.73
Series T8	\$25.01	\$78.84	\$138.20	\$314.57
Series F	\$13.22	\$41.68	\$73.06	\$166.31
Series F5	\$13.33	\$42.01	\$73.06	\$167.60
Series F8	\$13.22	\$41.68	\$73.06	\$166.31
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life MFS U.S. Growth Fund

Fund details

Fund type	U.S. Equity
Securities offered	Series A, Series AH, Series T5, Series T8, Series F, Series FH, Series F5, Series F8, Series I, Series IH, Series O and Series OH units of a mutual fund trust
Start date	Series A: October 1, 2010 Series AH: February 1, 2011 Series T5: September 1, 2011 Series T8: September 1, 2011 Series F: October 1, 2010 Series FH: July 29, 2016 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series IH: July 29, 2016 Series O: April 1, 2014 Series OH: July 29, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located in the United States that are considered to have above-average earnings growth potential compared to other companies.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest in companies of any size;

- may invest up to 20% of the Fund's assets in non-U.S. foreign securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund uses derivatives, such as forward contracts, to hedge its foreign currency exposure on the Fund's foreign dollar denominated portfolio investments allocated to Series AH, Series FH, Series IH and Series OH. While this strategy may not achieve a perfect hedge of the foreign currency exposure for Series AH, Series FH, Series IH and Series OH units, Series AH, Series FH, Series IH and Series OH units will generally have a rate of return that is based on the performance of the Fund's portfolio investments excluding the performance attributable to foreign currency fluctuations relative to the Canadian dollar. As a result of this strategy, the portfolio turnover rate of the Fund is expected to be higher. The increased trading costs are allocated to Series AH, Series FH, Series IH and Series OH and therefore may lower its returns. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders.

The Fund may or may not hedge some or all of its foreign currency exposure on the foreign dollar denominated investments allocated to the other series of the Fund. The return on these series of units of the Fund will generally be based on both the performance of the Fund's portfolio investments and any performance attributable to foreign currency fluctuations relative to the Canadian dollar. The extent to which returns will be based on foreign currency fluctuations will depend on how much of the foreign currency exposure is hedged.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Transaction costs risk (for Series AH, Series FH, Series IH and Series OH)

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

Derivatives are used for Series AH, Series FH, Series IH and Series OH units to hedge against foreign

currency exposure and as a result Series AH, Series, Series FH, Series IH and Series OH units will be subject to greater derivative risk than units in other series of the Fund. Series AH, Series FH, Series IH and Series OH units will be subject to less currency risk than units of other series of the Fund because their foreign currency exposure is hedged. However, the hedging strategy may not achieve a perfect hedge of the foreign currency exposure for Series AH, Series FH, Series IH and Series OH units.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 29.19% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want to add a U.S. equity fund with growth characteristics to their investment portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Investors who seek exposure primarily to U.S. equities but who want to minimize their foreign currency exposure relative to the Canadian dollar should invest in Series AH, Series FH, Series IH or Series OH units of the Fund.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional**

Sun Life MFS U.S. Growth Fund (continued)

units of the Fund, unless you provide us a written request that you wish to receive them in cash.

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.37	\$73.67	\$129.13	\$293.95
Series AH	\$23.47	\$74.00	\$129.70	\$295.23
Series T5	\$23.47	\$74.00	\$129.70	\$295.23
Series T8	\$22.35	\$70.44	\$123.47	\$281.05
Series F	\$11.38	\$35.87	\$62.87	\$143.10
Series FH	\$11.79	\$37.16	\$65.13	\$148.26
Series F5	\$11.58	\$36.51	\$64.00	\$145.68
Series F8	\$10.76	\$33.93	\$59.47	\$135.37
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series IH*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92
Series OH	\$1.74	\$5.49	\$9.63	\$21.92

* Series I and Series IH units are not charged a management fee. Instead, investors in Series I and Series IH units negotiate and pay a management fee directly to us.

Sun Life MFS U.S. Value Fund

Fund details

Fund type	U.S. Equity
Securities offered	Series A, Series AH, Series T5, Series T8, Series F, Series FH, Series F5, Series F8, Series I, Series IH, Series O and Series OH units of a mutual fund trust
Start date	Series A: October 1, 2010 Series AH: February 1, 2011 Series T5: September 1, 2011 Series T8: September 1, 2011 Series F: October 1, 2010 Series FH: July 29, 2016 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series IH: July 29, 2016 Series O: April 1, 2014 Series: OH: July 29, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of companies with large market capitalizations located in the United States that are considered to be undervalued compared to their perceived worth.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- invests primarily in companies with large capitalizations (the sub-advisor generally considers large market capitalization issuers

as issuers with market capitalizations of at least USD \$5 billion at the time of purchase);

- may invest up to 20% of the Fund's assets in non-U.S. foreign securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund uses derivatives, such as forward contracts, to hedge its foreign currency exposure on the Fund's foreign dollar denominated portfolio investments allocated to Series AH, Series FH, Series IH and Series OH. While this strategy may not achieve a perfect hedge of the foreign currency exposure for Series AH, Series FH, Series IH and Series OH units, Series AH, Series FH, Series IH and Series OH units will generally have a rate of return that is based on the performance of the Fund's portfolio investments excluding the performance attributable to foreign currency fluctuations relative to the Canadian dollar. As a result of this strategy, the portfolio turnover rate of the Fund is expected to be higher. The increased trading costs are allocated to Series AH, Series FH, Series IH and Series OH and therefore may lower its returns. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders.

The Fund may or may not hedge some or all of its foreign currency exposure on the foreign dollar denominated investments allocated to the other series of the Fund. The return on these series of units of the Fund will generally be based on both the performance of the Fund's portfolio investments and any performance attributable to foreign currency fluctuations relative to the Canadian dollar. The extent

to which returns will be based on foreign currency fluctuations will depend on how much of the foreign currency exposure is hedged.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Specialization risk
- Transaction costs risk (for Series AH, Series FH, Series IH and Series OH)

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

Derivatives are used for Series AH, Series FH, Series IH and Series OH units to hedge against foreign currency exposure and as a result Series AH, Series FH, Series IH and Series OH units will be subject to greater derivative risk than units in other series of the Fund. Series AH, Series FH, Series IH and Series OH units will be subject to less currency risk than units of other series of the Fund because their foreign currency exposure is hedged. However, the hedging strategy may not achieve a perfect hedge of the foreign currency exposure for Series AH, Series FH, Series IH and Series OH units.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Balanced Portfolio owned 38.28% and 19.09%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want to add a U.S. equity fund with value characteristics to their investment portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Investors who seek exposure primarily to U.S. equities but who want to minimize their foreign currency exposure relative to the Canadian dollar should invest in Series AH, Series FH, Series IH or Series OH units of the Fund.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically**

Sun Life MFS U.S. Value Fund (continued)

reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.27	\$73.35	\$128.57	\$292.66
Series AH	\$23.58	\$74.32	\$130.27	\$296.52
Series T5	\$22.86	\$72.06	\$126.30	\$287.50
Series T8	\$23.68	\$74.64	\$130.83	\$297.81
Series F	\$11.48	\$36.19	\$63.43	\$144.39
Series FH	\$11.58	\$36.51	\$64.00	\$145.68
Series F5	\$11.58	\$36.51	\$64.00	\$145.68
Series F8	\$10.87	\$34.25	\$60.04	\$136.66
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series IH*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

Series OH	\$1.74	\$5.49	\$9.63	\$21.92
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* Series I and Series IH units are not charged a management fee. Instead, investors in Series I and Series IH units negotiate and pay a management fee directly to us.

Sun Life MFS International Opportunities Fund

Fund details

Fund type	International Equity
Securities offered	Series A, Series T5, Series T8, Series D, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: October 1, 2010 Series T5: September 1, 2011 Series T8: September 1, 2011 Series D: November 1, 2012 Series F: October 1, 2010 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers outside of Canada and the U.S. that are considered to have above-average earnings growth potential compared to other issuers.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest in companies of any size;
- may invest in securities of issuers located anywhere in the world, including those in emerging markets;

- may invest in U.S. and Canadian issuers, however these investments will be limited to those issuers having material economic exposure to markets outside the U.S. and Canada;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under

Repurchase and reverse repurchase transactions and securities lending risk on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Balanced Portfolio owned 37.24% and 18.98%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek geographic equity diversification outside of Canada and the United States (international equities) with growth characteristics;
- are long-term investors; and

- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.27	\$73.35	\$128.57	\$292.66
Series T5	\$22.35	\$70.44	\$123.47	\$281.05
Series T8	\$23.06	\$72.70	\$127.43	\$290.08
Series D	\$15.89	\$50.09	\$87.79	\$199.83
Series F	\$11.38	\$35.87	\$62.87	\$143.10
Series F5	\$11.17	\$35.22	\$61.74	\$140.53
Series F8	\$11.58	\$36.51	\$64.00	\$145.68
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life MFS International Value Fund

Fund details

Fund type	International Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: October 1, 2010 Series T5: September 1, 2011 Series T8: September 1, 2011 Series F: October 1, 2010 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

exposure to markets outside the U.S. and Canada;

- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located outside of Canada and the U.S. that are considered to be undervalued compared to their perceived worth.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest in companies of any size;
- may invest in emerging markets;
- may invest in U.S. and Canadian issuers, however these investments will be limited to those issuers having material economic

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 17.18% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek geographic equity diversification outside of Canada and the United States (international equities) with value characteristics;

- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Sun Life MFS International Value Fund (continued)

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$25.11	\$79.17	\$138.76	\$315.86
Series T5	\$25.32	\$79.81	\$139.90	\$318.44
Series T8	\$25.42	\$80.14	\$140.46	\$319.73
Series F	\$13.12	\$41.36	\$72.50	\$165.02
Series F5	\$12.92	\$40.71	\$71.36	\$162.44
Series F8	\$12.51	\$39.42	\$69.10	\$157.29
Series I*	\$0.31	\$0.97	\$1.70	\$3.87
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Excel Emerging Markets Fund

Fund details

Fund type	Emerging Markets Equity
Securities offered	Series A, Series DB, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: September 1, 2011 Series DB*: June 15, 2018 Series F: September 1, 2011 Series I: September 1, 2011 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Schroder Investment Management North America Inc. New York, New York, U.S.A.
Sub-advisor to Schroders	Schroder Investment Management North America Ltd. London, U.K.

*Series DB securities of the Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00 p.m. on June 15, 2018. See *Series DB securities* for more details.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of companies with a connection to emerging markets.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- generally invests in equity securities of companies with a connection to countries other than those classified as "Developed" by MSCI;
- may invest in issuers of any size;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a

single country, a small number of countries, or a particular geographic region;

- may invest in companies that are not domiciled in emerging markets but derive a significant portion of their revenues or profits from, or hold a significant portion of their assets in, an emerging market country;
- may invest up to 10% of the net asset value of the Fund in Schroder International Selection Fund Frontier Markets Equity, which is managed by Schroder Investment Management (Luxembourg) S.A. (an affiliate of the sub-advisor) and organized under the laws of Luxembourg as a Société d'Investissement à Capital Variable, an open-end investment company, in order to obtain exposure to equity securities in certain frontier markets, which are countries included in the MSCI Frontier Markets Index or any other recognized Frontier Markets financial index;
- uses a combination of quantitative and fundamental models, seeking to add value from country decisions and stock selection;
- may invest in fixed-income securities of governments and companies in emerging markets;
- may invest in depository receipts of companies domiciled in emerging markets or which derive a significant portion of their revenues or profits from, or hold a significant portion of their assets in, emerging markets and in equity-linked derivatives the underlying interest of which is tied to one or more of such companies; and
- may invest up to 20% of the Fund's portfolio in other investment funds, including exchange-traded funds, to opportunistically gain exposure to markets or segments of the market which are related to emerging markets.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Concentration risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 10.22% of the net asset value of the Fund was invested in units of Alibaba Group Holding Ltd. Please see

Concentration risk for details of the risk associated with this holding.

As at June 24, 2020 Sun Life Assurance Company of Canada and Sun Life Granite Balanced Portfolio owned 43.24% and 19.65%, respectively, of all the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek global geographic diversification with exposure to emerging markets;
- wish to gain emerging markets exposure using a balanced approach of stock selection and country allocation;
- are long-term investors; and
- are comfortable with medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Sun Life Excel Emerging Markets Fund (continued)

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$26.24	\$82.72	\$144.99	\$330.04
Series DB	\$17.94	\$56.55	\$99.12	\$225.62
Series F	\$15.07	\$47.50	\$83.26	\$189.52
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life MFS Global Total Return Fund

Fund details

Fund type	Global Balanced
Securities offered	Series A, Series T5, Series DB, Series F, Series F5, Series I and Series O units of a mutual fund trust
Start date	Series A: October 1, 2010 Series T5: September 1, 2011 Series DB*: June 5, 2020 Series F: October 1, 2010 Series F5: February 9, 2018 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

* Series DB securities of this Fund are closed to purchases by new investment accounts. Existing Series DB securityholders on June 5, 2020 may continue to purchase Series DB securities. See *Series DB securities* for more details.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek total return by investing primarily in a mix of equity securities and debt instruments of issuers located anywhere in the world.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- normally invests in a combination of equity securities and debt instruments;
- normally invests between 40% and 75% of the Fund's assets in equity securities and at least 25% of the Fund's assets in debt instruments;

- focuses the Fund's equity portfolio on equity securities of companies that it believes are undervalued compared to their perceived worth;
- may invest in companies of any size, but will seek to place a focus on companies with large capitalizations;
- may invest in securities of issuers located anywhere in the world, including those in emerging markets;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- focuses the Fund's debt portfolio on debt instruments rated investment grade but may also invest in non-investment grade securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and/or instruments and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions;
- considers factors for equity securities such as earnings, cash flows, competitive position and management ability of issuers;
- considers factors for debt securities such as an instrument's credit quality, collateral characteristics, and indenture provisions and the issuer's management ability, capital structure, leverage, and ability to meet its current obligations; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives to hedge against foreign currency fluctuations or potential loss. The Fund may

also use derivatives for non-hedging purposes, such as to gain exposure to certain securities without investing directly in such securities or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Credit risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun MFS Global Total Return owned 22.16% of the issued and outstanding units of

the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek a moderate degree of growth and income;
- want to add global diversification to their investment portfolio;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5 and Series F5 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the Series at the end of the prior year. The target monthly distributions on Series T5 and Series F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are**

Sun Life MFS Global Total Return Fund (continued)

greater than the net increase in value of your investment, the distributions will erode the value of your original investment.

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.96	\$72.38	\$126.87	\$288.79
Series T5	\$23.27	\$73.35	\$128.57	\$292.66
Series F	\$10.97	\$34.58	\$60.60	\$137.95
Series F5	\$10.56	\$33.28	\$58.34	\$132.79
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

This information is not available for Series DB because the series is new and therefore its expenses are not yet known.

Sun Life JPMorgan International Equity Fund

Fund details

Fund type	International Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: July 13, 2018 Series T5: July 13, 2018 Series T8: July 13, 2018 Series F: July 13, 2018 Series F5: July 13, 2018 Series F8: July 13, 2018 Series I: July 13, 2018 Series O: July 13, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	JPMorgan Asset Management (Canada) Inc. Toronto, Ontario

- may invest in companies of any size;
- may invest up to 100% of the Fund's assets in foreign securities (including those in emerging markets);
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager, sub-advisor and/or an affiliate or associate of the Manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above;
- May invest up to 10% of the Fund's assets in securities domiciled in Canada and the United States.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers domiciled outside of Canada and the United States.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- seeks to add value through stock selection by investing in securities where there is a favourable view on risk and return; utilizes a flexible investment approach, identifying attractive global investment opportunities across multiple sectors and regions, through fundamental research;

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under

Sun Life JPMorgan International Equity Fund (continued)

Repurchase and reverse repurchase transactions and securities lending risk on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada, Sun Life Granite Balanced Portfolio and Sun Life Granite Balanced Growth Portfolio owned 45.99%, 22.07% and 10.96%, respectively, of all the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek international equity diversification;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund intends to make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Sun Life JPMorgan International Equity Fund (continued)

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$22.96	\$72.38	\$126.87	\$288.79
Series T5	\$24.40	\$76.91	\$134.80	\$306.84
Series T8	\$24.40	\$76.91	\$134.80	\$306.84
Series F	\$12.20	\$38.45	\$67.40	\$153.42
Series F5	\$12.20	\$38.45	\$67.40	\$153.42
Series F8	\$12.20	\$38.45	\$67.40	\$153.42
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Milestone 2025 Fund

Fund details

Fund type	2025 Target Date
Securities offered	Series A units of a mutual fund trust
Start date	Series A: October 1, 2010
Scheduled Maturity Date	June 30, 2025
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Sun Life Assurance Company of Canada Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek long-term capital appreciation and, in respect of each series, to pay, on the scheduled Maturity Date, an amount per unit equal to the greatest of the following three values: (i) \$10.00 per unit (the net asset value per unit on the start date), (ii) the highest month-end net asset value per unit during the period from the start date until the scheduled Maturity Date, or (iii) the net asset value per unit on the scheduled Maturity Date of the Fund (the "**Guaranteed Value**"). The Fund invests in an underlying fund that provides exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives, as well as in fixed-income securities and cash equivalents. The Fund uses an asset allocation strategy to determine the balance among these assets. See *General information about the Milestone Funds* on page 85 for additional information about the Guaranteed Value.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager and the sub-advisor:

- use an asset allocation strategy to determine the balance between the portion of the Fund's portfolio invested in zero-coupon bonds and

the portion invested in units of Sun Life Milestone Global Equity Fund (a mutual fund managed by us) and cash equivalents, based on the remaining time until the Fund's scheduled Maturity Date and the amount of the portfolio required to cover the Guaranteed Value;

- invest in sufficient zero-coupon (strip) bonds, and/or cash instruments issued by the Canadian federal or provincial governments and Canadian corporations to support the Guaranteed Value and to serve as an operating expense reservation for the Fund;
- allocate the remainder of the Fund's portfolio in units of Sun Life Milestone Global Equity Fund; and
- invest in additional zero-coupon bonds each time that the Fund's Guaranteed Value rises in order to support the higher Guaranteed Value. As a result, the percentage of the Fund that is exposed to fluctuations in equity markets will normally decrease as the Fund's Guaranteed Value rises.

The Fund will invest primarily in zero-coupon bonds and cash equivalents, with the balance in units of Sun Life Milestone Global Equity Fund. Over time, the Fund will increase the percentage of its assets invested in zero-coupon bonds until, prior to the Maturity Date, the Fund will invest substantially all of its assets in zero-coupon bonds and cash equivalents.

The investment objective and investment strategies of Sun Life Milestone Global Equity Fund are as follows:

Investment Objective

The investment objective of Sun Life Milestone Global Equity Fund is to seek long-term capital appreciation by obtaining an enhanced exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives.

Investment Strategies

The portfolio manager and sub-advisor for Sun Life Milestone Global Equity Fund:

Sun Life Milestone 2025 Fund (continued)

- will seek larger exposure to global equity markets through an actively managed derivatives portfolio;
- invest in options and futures on regional stock indices across the globe;
- monitor and rebalance the fund's portfolio daily so that the fund's exposure is within target ranges;
- will manage the fund's market exposures to ensure that at all times only a net long exposure to any individual market will exist;
- will employ risk management techniques to hedge a portion of the risk of a sudden downward valuation of a market index.

Sun Life Milestone Global Equity Fund's use of derivatives will result in a larger exposure to the regional equity indices than a direct investment in the securities comprising such indices.

Sun Life Milestone Global Equity Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

In addition, Sun Life Milestone Global Equity Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities and any exemptive relief obtained by the Fund.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund (and an indirect investment in Sun Life Milestone Global Equity Fund):

- Accelerated Maturity Date risk
- Concentration risk
- Credit risk

- Derivatives risk
- Early redemption risk
- Foreign investment risk
- Government securities risk
- Interest rate risk
- Shortfall risk
- Transaction costs risk
- Zero-coupon securities risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 10.99% of the net asset value of the Fund was invested in units of Sun Life Milestone Global Equity Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek preservation of capital and the potential for capital appreciation over a set period of time until the scheduled Maturity Date;
- are planning to invest for a period of time consistent with the Fund's scheduled Maturity Date; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units are automatically reinvested in additional units of the Fund. Following each distribution, the number of outstanding units will be immediately consolidated, so that the NAV per unit after the**

Sun Life Milestone 2025 Fund (continued)

distribution is the same as the NAV per unit before the distribution.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$22.14	\$69.80	\$122.34	\$278.47

Sun Life Milestone 2030 Fund

Fund details

Fund type	2030 Target Date
Securities offered	Series A units of a mutual fund trust
Start date	Series A: October 1, 2010
Scheduled Maturity Date	June 30, 2030
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Sun Life Assurance Company of Canada Toronto, Canada

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek long-term capital appreciation and, in respect of each series, to pay, on the scheduled Maturity Date, an amount per unit equal to the greatest of the following three values: (i) \$10.00 per unit (the net asset value per unit on the start date), (ii) the highest month-end net asset value per unit during the period from the start date until the scheduled Maturity Date, or (iii) the net asset value per unit on the scheduled Maturity Date of the Fund (the "**Guaranteed Value**"). The Fund invests in an underlying fund that provides exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives, as well as in fixed-income securities and cash equivalents. The Fund uses an asset allocation strategy to determine the balance among these assets. See *General information about the Milestone Funds* on page 85 for additional information about the Guaranteed Value.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager and the sub-advisor:

- use an asset allocation strategy to determine the balance between the portion of the Fund's portfolio invested in zero-coupon bonds and the portion invested in units of Sun Life

Milestone Global Equity Fund (a mutual fund managed by us) and cash equivalents, based on the remaining time until the Fund's scheduled Maturity Date and the amount of the portfolio required to cover the Guaranteed Value;

- invest in sufficient zero-coupon (strip) bonds, and/or cash instruments issued by the Canadian federal or provincial governments and Canadian corporations to support the Guaranteed Value and to serve as an operating expense reservation for the Fund;
- allocate the remainder of the Fund's portfolio in units of Sun Life Milestone Global Equity Fund; and
- invest in additional zero-coupon bonds each time that the Fund's Guaranteed Value rises in order to support the higher Guaranteed Value. As a result, the percentage of the Fund that is exposed to fluctuations in equity markets will normally decrease as the Fund's Guaranteed Value rises.

The Fund will invest the majority of its assets in zero-coupon bonds and cash equivalents, with the balance in units of Sun Life Milestone Global Equity Fund. Over time, the Fund will increase the percentage of its assets invested in zero-coupon bonds until, prior to the Maturity Date, the Fund will invest substantially all of its assets in zero-coupon bonds and cash equivalents.

The investment objective and investment strategies of Sun Life Milestone Global Equity Fund are as follows:

Investment Objective

The investment objective of Sun Life Milestone Global Equity Fund is to seek long-term capital appreciation by obtaining an enhanced exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives.

Investment Strategies

The portfolio manager and sub-advisor for Sun Life Milestone Global Equity Fund:

Sun Life Milestone 2030 Fund (continued)

- will seek larger exposure to global equity markets through an actively managed derivatives portfolio;
- invest in options and futures on regional stock indices across the globe;
- monitor and rebalance the fund's portfolio daily so that the fund's exposure is within target ranges;
- will manage the fund's market exposures to ensure that at all times only a net long exposure to any individual market will exist;
- will employ risk management techniques to hedge a portion of the risk of a sudden downward valuation of a market index.

Sun Life Milestone Global Equity Fund's use of derivatives will result in a larger exposure to the regional equity indices than a direct investment in the securities comprising such indices.

Sun Life Milestone Global Equity Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

In addition, Sun Life Milestone Global Equity Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities and any exemptive relief obtained by the Fund.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund (and an indirect investment in Sun Life Milestone Global Equity Fund):

- Accelerated Maturity Date risk
- Concentration risk
- Credit risk

- Derivatives risk
- Early redemption risk
- Foreign investment risk
- Government securities risk
- Interest rate risk
- Shortfall risk
- Transaction costs risk
- Zero-coupon securities risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 20.63% of the net asset value of the Fund was invested in units of Sun Life Milestone Global Equity Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek preservation of capital and the potential for capital appreciation over a set period of time until the scheduled Maturity Date;
- are planning to invest for a period of time consistent with the Fund's scheduled Maturity Date; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units are automatically reinvested in additional units of the Fund. Following each distribution, the number of outstanding units will be immediately consolidated, so that the NAV per unit after the**

Sun Life Milestone 2030 Fund (continued)

distribution is the same as the NAV per unit before the distribution.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$23.37	\$73.67	\$129.13	\$293.95

Sun Life Milestone 2035 Fund

Fund details

Fund type	2035 Target Date
Securities offered	Series A units of a mutual fund trust
Start date	Series A: October 1, 2010
Scheduled Maturity Date	June 30, 2035
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Sun Life Assurance Company of Canada Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek long-term capital appreciation and, in respect of each series, to pay, on the scheduled Maturity Date, an amount per unit equal to the greatest of the following three values: (i) \$10.00 per unit (the net asset value per unit on the start date), (ii) the highest month-end net asset value per unit during the period from the start date until the scheduled Maturity Date, or (iii) the net asset value per unit on the scheduled Maturity Date of the Fund (the "**Guaranteed Value**"). The Fund invests in an underlying fund that provides exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives, as well as in fixed-income securities and cash equivalents. The Fund uses an asset allocation strategy to determine the balance among these assets. See *General information about the Milestone Funds* on page 85 for additional information about the Guaranteed Value.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager and the sub-advisor:

- use an asset allocation strategy to determine the balance between the portion of the Fund's portfolio invested in zero-coupon bonds and the portion invested in units of Sun Life

Milestone Global Equity Fund (a mutual fund managed by us) and cash equivalents, based on the remaining time until the Fund's scheduled Maturity Date and the amount of the portfolio required to cover the Guaranteed Value;

- invest in sufficient zero-coupon (strip) bonds and/or cash instruments issued by the Canadian federal or provincial governments and Canadian corporations to support the Guaranteed Value and to serve as an operating expense reservation for the Fund;
- allocate the remainder of the Fund's portfolio in units of Sun Life Milestone Global Equity Fund; and
- invest in additional zero-coupon bonds each time that the Fund's Guaranteed Value rises in order to support the higher Guaranteed Value. As a result, the percentage of the Fund that is exposed to fluctuations in equity markets will normally decrease as the Fund's Guaranteed Value rises.

The Fund will invest the majority of its assets in zero-coupon bonds and cash equivalents, with the balance in units of Sun Life Milestone Global Equity Fund. Over time, the Fund will increase the percentage of its assets invested in zero-coupon bonds until, prior to the Maturity Date, the Fund will invest substantially all of its assets in zero-coupon bonds and cash equivalents.

The investment objective and investment strategies of Sun Life Milestone Global Equity Fund are as follows:

Investment Objective

The investment objective of Sun Life Milestone Global Equity Fund is to seek long-term capital appreciation by obtaining an enhanced exposure to equity market indices in North America, Europe and the Far East through investments primarily in derivatives.

Investment Strategies

The portfolio manager and sub-advisor for Sun Life Milestone Global Equity Fund:

Sun Life Milestone 2035 Fund (continued)

- will seek larger exposure to global equity markets through an actively managed derivatives portfolio;
- invest in options and futures on regional stock indices across the globe;
- monitor and rebalance the fund's portfolio daily so that the fund's exposure is within target ranges;
- will manage the fund's market exposures to ensure that at all times only a net long exposure to any individual market will exist;
- will employ risk management techniques to hedge a portion of the risk of a sudden downward valuation of a market index.

Sun Life Milestone Global Equity Fund's use of derivatives will result in a larger exposure to the regional equity indices than a direct investment in the securities comprising such indices.

Sun Life Milestone Global Equity Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

In addition, Sun Life Milestone Global Equity Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities and any exemptive relief obtained by the Fund.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund (and an indirect investment in Sun Life Milestone Global Equity Fund):

- Accelerated Maturity Date risk
- Concentration risk
- Credit risk

- Derivatives risk
- Early redemption risk
- Foreign investment risk
- Government securities risk
- Interest rate risk
- Shortfall risk
- Transaction costs risk
- Zero-coupon securities risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 30.62% of the net asset value of the Fund was invested in units of Sun Life Milestone Global Equity Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek preservation of capital and the potential for capital appreciation over a set period of time until the scheduled Maturity Date;
- are planning to invest for a period of time consistent with the Fund's scheduled Maturity Date; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units are automatically reinvested in additional units of the Fund. Following each distribution, the number of outstanding units will be immediately consolidated, so that the NAV per unit after the**

Sun Life Milestone 2035 Fund (continued)

distribution is the same as the NAV per unit before the distribution.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$23.17	\$73.03	\$128.00	\$291.37

Sun Life Multi-Strategy Bond Fund

Fund details

Fund type	Canadian Bond
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: September 1, 2011 Series F: September 1, 2011 Series I: September 1, 2011 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor (for the direct investment portion of the portfolio)	Connor, Clark & Lunn Investment Management Ltd. Vancouver, British Columbia

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to earn a high rate of income by investing primarily in fixed-income securities of Canadian government and corporate issuers.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund seeks to achieve its investment objectives by investing primarily in fixed-income securities of Canadian government and corporate issuers. The Fund will invest a portion of its net assets directly in such securities, and will invest the remainder of its net assets indirectly in underlying funds that invest in such securities. The Manager will determine the portion of Fund's net assets that is invested directly in securities and the portion invested indirectly in such securities through underlying funds.

The portfolio manager, together with the sub-advisor, will actively manage the portfolio to seek to add value. In pursuing the Fund's investment objective, the portfolio manager may invest the Fund's assets in underlying funds and the sub-advisor may invest the Fund's assets in securities resulting in the Fund being exposed to some or all of the following:

- a well-diversified portfolio of Canadian government and Canadian corporate debt instruments of various maturities, either in the market or through private placement;
- debt instruments that have a credit rating of BBB (or equivalent) or higher by a recognized rating agency;
- debt securities that are rated below investment grade, commonly referred to as "high yield securities"; and
- money market instruments of insurance companies, trust companies, banks or other eligible issuers.

The Fund will have exposure to different investment philosophies and strategies within the Canadian fixed-income market and to a lesser extent the global fixed-income market. These strategies may include a combination of fundamental bottom up and macro analysis, duration, interest rate, credit and liquidity strategies as well as yield curve positioning and currency management.

The Fund may from time to time invest up to 20% of its portfolio in fixed income securities of governments and companies outside of Canada.

The Fund may invest up to 100% of its assets in underlying mutual funds (including exchange-traded funds or other investment funds) that may be managed by the portfolio manager, its affiliates and/or other investment fund managers.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

Sun Life Multi-Strategy Bond Fund (continued)

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Concentration risk
- Credit risk
- Derivative risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 94.50% of all the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk

associated with a possible redemption of units of the Fund by this investor.

During the 12 months preceding June 24, 2020, up to 48.28% and 31.48% of the net asset value of the Fund was invested in units of PH&N Bond Fund and Sun Life BlackRock Canadian Universe Bond Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek a moderate degree of income and potential for capital gains;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Distribution policy

The Fund normally distributes income monthly. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$13.74	\$43.30	\$75.89	\$172.76
Series F	\$7.48	\$23.59	\$41.35	\$94.11
Series I*	\$0.41	\$1.29	\$2.27	\$5.16
Series O	\$1.23	\$3.88	\$6.80	\$15.47

Sun Life Multi-Strategy Bond Fund (continued)

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Money Market Fund

Fund details

Fund type	Canadian Money Market
Securities offered	Series A, Series D, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A*: October 1, 2010 Series D: March 30, 2012 Series F: October 1, 2010 Series I: October 1, 2010 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario

* Effective on or about August 1, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of Sun Life Money Market Fund are no longer available for purchase in new investment accounts. Existing Money Market Series A Investors may continue to purchase Series A securities of Sun Life Money Market Fund under the Deferred Sales Charge option or Low Load Sales Charge option. Transferred Money Market Series A Investors will be permitted to purchase Series A securities of Sun Life Money Market Fund in accounts created by a switch of securities purchased under the Deferred Sales Charge option or Low Load Sales Charge option.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to achieve a high level of current income while seeking to protect capital and to maintain liquidity by investing primarily in Canadian dollar-denominated money market instruments.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- invests in Canadian dollar-denominated money market instruments of Canadian issuers, which may include short-term debt

obligations of corporations (such as commercial paper), governments (such as treasury bills) and floating rate notes maturing within one year;

- may invest up to 10% of the Fund's assets in Canadian dollar-denominated money market instruments of foreign issuers;
- may, to the extent permitted by applicable securities legislation, invest in securities of other money market funds.

The Fund is managed to maintain a constant NAV per unit of \$10.00, although this cannot be guaranteed and the NAV per unit may fluctuate.

What are the risks of investing in the Fund?

While the sub-advisor intends to maintain a constant unit price for Sun Life Money Market Fund, there is no guarantee that the unit price will not fluctuate. For example, if a significant number of investors request redemptions at the same time, the Fund may be obliged to sell its investments at disadvantageous prices. The NAV per unit could then fall below \$10.00. The Fund reduces this risk by keeping the maturities of most of the Fund's investments to less than 90 days.

The following are other risks associated with an investment in the Fund:

- Credit risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 83.42% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a

Sun Life Money Market Fund (continued)

possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are conservative and income-oriented;
- have a shorter investment time horizon; and
- are comfortable with low investment risk.

Distribution policy

Net income, if any, is credited daily and distributed monthly or on redemption of all units. **Distributions**

are automatically reinvested in additional units of the Fund, unless units are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$5.64	\$17.77	\$31.15	\$70.91
Series D	\$2.87	\$9.05	\$15.86	\$36.10
Series F	\$2.87	\$9.05	\$15.86	\$36.10
Series I*	\$0.10	\$0.32	\$0.57	\$1.29
Series O	\$0.00	\$0.00	\$0.00	\$0.00

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee.

Sun Life Excel High Income Fund

Fund details

Fund type	Emerging Markets Fixed Income
Securities offered	Series A, Series DB, Series F and Series I units of a mutual fund trust
Start date	Series A: October 22, 2010 Series DB*: October 24, 2016 Series F: November 4, 2010 Series I: February 16, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor (commodity futures)	Amundi (UK) Limited London, England
Sub-advisor (securities)	Amundi Canada Inc. Montréal, Québec.

*Series DB securities of the Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00 p.m. on February 7, 2018. See *Series DB securities* for more details.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to achieve total return comprised of a combination of interest income and capital growth by investing primarily in debt securities issued by governmental and corporate issuers located in emerging market countries throughout the world.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisors:

- invest primarily in debt securities issued by governmental issuers located in emerging markets throughout Latin America, Africa, Central and Eastern Europe (including Russia) Asia and the Middle East;

- may invest a portion of the Fund's assets in debt securities of corporate issuers in the regions listed above.
- seek to invest in a portfolio of investment-grade securities (BBB- or above), speculative-grade securities or securities that have not been rated by any internationally-recognized rating agency.
- invests in debt securities that include all manner of bond issues (fixed-rate bonds, variable-rate bonds, indexed-bonds, convertible bonds, perpetual bonds and bonds with share subscription warrants), money market instruments (negotiable debt securities, treasury bills, euro commercial paper) and other interest-bearing securities, which debt securities may be of any duration; and
- may invest in asset-backed securities or mortgage-backed securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-back securities risk
- Capital depletion risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tax risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

We have classified this Fund’s risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund’s risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want exposure to emerging market debt securities with a focus on government-issued debt; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not

intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. The distribution rate on your units may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.

We reserve the right to adjust the amount of monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.35	\$70.44	\$123.47	\$281.05
Series DB	\$15.58	\$49.12	\$86.09	\$195.96
Series F	\$11.99	\$37.81	\$66.27	\$150.84
Series I*	\$0.41	\$1.29	\$2.27	\$5.16

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Excel India Balanced Fund

Fund details

Fund type	India Balanced
Securities offered	Series A and Series F units of a mutual fund trust
Start date	Series A: April 22, 2016 Series F: April 25, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Portfolio manager to Balanced Underlying Fund	Aditya Birla Sun Life AMC Limited Singapore

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to provide monthly cash distributions and long-term capital appreciation by investing directly in an actively-managed, diversified portfolio of publicly-listed equity securities and investment grade fixed income securities, issued by entities located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund will invest in these securities through a "fund-of-fund" arrangement by investing in the Growth & Income Class of Excel Funds Mauritius Company Ltd. (the "**Balanced Underlying Fund**"). The Balanced Underlying Fund is a class of shares of the Mauritius Company, a multi-class collective investment scheme organized under the laws of Mauritius, see *Structure of the Sun Life Excel Funds* on page 5, for a description of the Mauritius Company. The Balanced Underlying Fund represents a distinct portfolio in the Mauritius Company having its own assets and liabilities and its NAV being calculated separately. The assets and liabilities of the Balanced Underlying Fund are segregated from other classes of the Mauritius Company except for the purpose of determining solvency or in case the Mauritius Company is required to meet any liabilities arising under the law

The Balanced Underlying Fund was created to facilitate the investment by the Fund in securities of companies located in India and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the Balanced Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Balanced Underlying Fund.

In pursuing its investment objective, the Balanced Underlying Fund:

- targets an allocation of 50% to 75% for Indian Equities (defined below) and 25% to 50% for Indian Bonds (defined below);
- uses a combination of macro analysis and bottom-up fundamental and technical analysis of the local Indian market to determine the asset mix;
- in respect of equity securities:
 - employs a Growth at a Reasonable Price ("**GARP**") approach; GARP is an equity investment strategy that combines growth and value investing focusing on identifying companies with consistent above-average earnings growth (the growth component) while excluding growth stocks that have very high valuations (the value component);
 - will invest in publicly-listed equity securities of businesses located in India ("**Indian Equities**") that the portfolio manager expects will benefit from India's new reform-oriented, business-friendly government and its favourable demographics which are expected to drive a gross domestic product ("**GDP**") growth expansion;
 - focuses the Indian Equity investments on the following areas of the Indian economy that it believes will benefit the

- most from GDP growth expansion: (i) infrastructure; (ii) consumption; and (iii) exports;
- in respect of debt instruments:
 - seeks to generate consistent income through superior yields on investments at moderate levels of risk utilizing a laddered bond approach;
 - will invest in fixed income securities, primarily of investment grade, of corporate issuers located in India and, if permitted by applicable regulations, sovereign debt securities issued by the Government of India (collectively, “**Indian Bonds**”);
- may invest in exchange-traded funds listed on stock exchanges in India or developed markets and may invest in other areas of the Indian economy to diversify its portfolio; and
- may also invest in publicly-listed equity securities or investment grade fixed income securities of non-Indian domiciled businesses that have customers, suppliers or operations primarily conducted in, or dependent on, India.

The Balanced Underlying Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

It is expected that the securities in the Balanced Underlying Fund’s portfolio will primarily be denominated in the Indian Rupee (“**INR**”), but may also include other currencies such as the U.S. dollar and the Euro. The Balanced Underlying Fund may enter into currency hedging arrangements to reduce the effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the Balanced Underlying Fund’s foreign currency exposure may be hedged back to the Canadian dollar. The Balanced Underlying Fund does not currently intend to hedge the value of the portfolio of the Balanced Underlying Fund to any currency.

The Balanced Underlying Fund may use derivatives to hedge against foreign currency fluctuations, potential loss or to manage the effective maturity or duration of fixed-income securities in the Balanced Underlying Fund’s portfolio. The Balanced Underlying Fund may

also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The Balanced Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Balanced Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Balanced Underlying Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The Balanced Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The Balanced Underlying Fund may engage in short selling in a manner which is consistent with its investment objective and as permitted by Canadian securities regulatory authorities, please see the discussion under *Short selling risk* on page 18.

The Balanced Underlying Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund’s portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders. There is not necessarily a relationship between a high turnover rate and the Balanced Underlying Fund’s performance.

What are the risks of investing in the Fund?

The Fund invests in the Underlying Balanced Fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Underlying Balanced Fund.

In the event of excessive redemptions, the Fund may not be able to make payment of redemption proceeds within 2 business days of a redemption date. This risk is being managed by both the Fund and the Balanced Underlying Fund by holding sufficient liquid assets in their respective investment portfolios.

Sun Life Excel India Balanced Fund (continued)

The Fund also will be exposed to the following risks:

- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign custodian risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Indo-Mauritius tax risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Tax risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 101.10% of the net asset value of the Fund was invested in securities of the Growth & Income Class of Excel Funds Mauritius Company Ltd. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as medium to high. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want exposure to equity and debt securities of companies located in India;

- are willing to accept short-term volatility for potentially higher long-term returns;
- are seeking a growth component within a diversified portfolio; and
- are comfortable with medium to high investment risk.

Distribution policy

The Fund normally distributes income monthly. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.37	\$73.37	\$129.13	\$293.95
Series F	\$11.48	\$36.19	\$63.43	\$144.39

Sun Life Excel India Fund

Fund details

Fund type	India Equity
Securities offered	Series A, Series DB, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: April 14, 1998 Series DB*: October 11, 2016 Series F: January 5, 2005 Series I: February 16, 2018 Series O: July 18, 2019
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager to the Fund	SLGI Asset Management Inc. Toronto, Ontario
Portfolio manager to the India Sub-fund	Birla Sun Life AMC Limited (“BSLAMC”) Mumbai, India

*Series DB securities of the Fund are only available for purchase from existing investors who purchase through a pre-authorized chequing plan established prior to 4:00 p.m. on February 7, 2018. See *Series DB securities* for more details.

What does the Fund invest in?

Investment objectives

The Fund’s investment objective is to seek long term superior growth of capital by investing directly in equity securities of companies located in India or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund will invest its assets primarily in equity securities of companies located in India through a “fund-of-fund” arrangement with India Excel (Mauritius) Fund (the “**Mauritius Sub-fund**”). The Mauritius Sub-fund is an open-end investment trust organized under the laws of Mauritius. The Mauritius Sub-fund will, in turn, invest most of its assets in India Excel (Offshore) Fund (the “**India Sub-fund**”), an open-end investment trust organized under the laws of India.

The Fund may:

- invest up to 100% of the Fund’s net assets in units of the Mauritius Sub-fund;
- invest in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers, American Depositary Receipts, Global Depositary Receipts or exchange-traded funds listed on stock exchanges in developed markets and euro convertible bonds issued by Indian corporations and other securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Mauritius Sub-fund and India Sub-fund were created to facilitate the investment in equity securities of companies located in India by the Fund and have the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this three-tiered fund-of-fund structure, the Mauritius Sub-fund and India Sub-fund have adopted and comply with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*. Any changes in the provisions of the material contracts of the Mauritius Sub-fund and the India Sub-fund which would delete or amend the foregoing will require the prior approval of the Manager and the securities regulatory authorities. The Fund will redeem its investment in the Mauritius Sub-fund and the Mauritius Sub-fund will redeem its position in the India Sub-fund in the event that such contractual provisions are breached.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the Mauritius Sub-fund and indirectly the India Sub-fund.

In pursuing its investment objective, the Mauritius Sub-fund:

- invests in units of the India-Sub fund ; and
- invests in American or global depository receipts, eurobonds, euro convertible bonds and other securities issued by Indian issuers in the international capital markets, debt

securities of foreign issuers and cash and cash equivalents.

To achieve its investment objective, the portfolio manager of the India Sub-fund:

- employs a fundamental research based approach for stock selection. During periods when it is considered prudent to do so, equity allocations may be reduced for a limited period in favour of debt instruments, money market instruments, cash and cash equivalents.
- invests in equity and debt securities of companies located in India, American or global depository receipts, eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents; and

The India Sub-fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The India Sub-fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The India Sub-fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The India Sub-Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the India Sub-Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The India Sub-fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders. There is not

necessarily a relationship between a high turnover rate and the India Sub-fund's performance.

What are the risks of investing in the Fund?

The Fund invests in the Mauritius Sub-fund, which in turn may invest in the India Sub-fund and so the risks of investing in the Fund include the risks of investing in the Fund and the risks of investing in the Mauritius Sub-fund and the India Sub-fund.

The India Sub-fund is an arrangement of the Birla Mutual Fund and is affiliated with BSLAMC, therefore if the contract with BSLAMC were to be terminated, the Fund may be forced to restructure the holding of its direct investments in India.

Legal counsel in India and Mauritius have given opinions relating to the present tax treatment of the Fund. There may be difficulty enforcing any legal rights you may have against these legal counsel because they are resident outside Canada and all or a substantial portion of their assets are situated outside Canada.

The tax opinion relating to the India Sub-fund is based on the assumption that the Mauritius Sub-fund has obtained a Tax Residence Certificate in Mauritius from the Director General, Mauritius Revenue Authority, that this Tax Residence Certificate will be renewed annually by the Director General, Mauritius Revenue Authority (subject to: (i) the Mauritius Sub-fund being in good standing; (ii) appropriate undertakings being given; (iii) that the Mauritius Sub-fund complies with the provisions of the prevailing legislation governing global business (including regulations and rules made thereunder), in particular the statutory provisions set out in section 71(4) of the Financial Services Act 2007. The Manager has confirmed that these assumptions are true.

The India Sub-fund and the Mauritius Sub-fund will also be liable to pay securities transaction tax in respect of purchase or sale transactions of any equity share in a company in India, or a derivative or a unit of an equity-oriented mutual fund, entered into on a recognized stock exchange, as explained more fully in the AIF.

In order to provide for Indian settlement procedures, the India Sub-fund has received an exemption from securities regulators to allow payment of redemption proceeds within 10 business days of a redemption by the Mauritius Sub-fund. In the event of excessive redemptions, the Fund may not be able to make payment of redemption proceeds within 2 business

days of a redemption date. This risk is being managed by both the Fund and the Mauritius Sub-fund by holding sufficient liquid assets in their respective investment portfolios.

Investors in the Fund and the Mauritius Sub-fund could be subject to taxation of indirect offshore transfer of units with or without the transfer of units of the Fund in India.

The following risks are also associated with an investment in the Fund:

- Concentration risk
- Credit Risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign custodian risk
- Foreign investment risk
- Geographic concentration risk
- Indo-Mauritius tax risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tax risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 103.07% of the net asset value of the Fund was invested in securities of India Excel (Mauritius) Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as high. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want exposure to equity and debt securities of companies located in India; are long-term investors;
- are willing to accept short-term volatility for potentially higher long-term returns;
- are seeking a growth component within a diversified portfolio; and
- are comfortable with high investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$25.83	\$81.43	\$142.73	\$324.89
Series DB	\$17.32	\$54.61	\$95.72	\$217.88
Series F	\$13.84	\$43.62	\$76.46	\$174.05
Series I*	\$5.13	\$16.16	\$28.32	\$64.46
Series O	\$6.77	\$21.33	\$37.38	\$85.09

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Excel New India Leaders Fund

Fund details

Fund type	India Equity
Securities offered	Series A and Series F units of a mutual fund trust
Start date	Series A: April 22, 2016 Series F: April 26, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Portfolio manager to the New Leaders Underlying Fund	Aditya Birla Sun Life AMC Limited, Singapore

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek long-term growth of capital by investing directly in an actively managed portfolio comprised primarily of equity securities of companies located in India that are considered to be emerging industry leaders or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund will invest in these securities through a "fund-of-fund" arrangement by investing in the New Leaders Class of the Mauritius Company (the "**New Leaders Underlying Fund**"). The New Leaders Underlying Fund is a class of shares of the Mauritius Company, a multiclass collective investment scheme organized under the laws of Mauritius, see *Structure of the Sun Life Excel Funds* on page 5, for a description of the Mauritius Company. The New Leaders Underlying Fund represents a distinct portfolio in the Mauritius Company, having its own assets and liabilities and its NAV being calculated separately. The assets and liabilities of the New Leaders Underlying Fund are segregated from other classes of the Mauritius Company except for the purpose of determining solvency or in case the Mauritius Company is required to meet any liabilities arising under the law

The New Leaders Underlying Fund was created to facilitate the investment in securities of companies located in India by the Fund and has the same investment objectives, strategies and guidelines as the Fund. Except as necessary to implement this fund-of-fund structure, the New Leaders Underlying Fund has adopted and complies with the investment restrictions and practices of National Instrument 81-102 *Investment Funds*.

The Fund has obtained the approval of securities regulatory authorities to allow the Fund to invest more than 10% of its assets in, and hold more than 10% of, the New Leaders Underlying Fund.

In pursuing its investment objective, the New Leaders Underlying Fund:

- will invest primarily in publicly-listed equity securities of companies located in India and may also invest in Canadian equity securities with a focus on companies doing business in India, debt securities of Canadian issuers and/or securities of other mutual funds (including the Funds managed by the Manager);
- may invest in equity and debt securities of companies located in India, American or global depository receipts, exchange-traded funds listed on stock exchanges in India or developed markets, Eurobonds, euro convertible bonds or other securities issued by Indian issuers in the international capital markets, debt securities of foreign issuers, and cash and cash equivalents;
- will seek to invest in a concentrated portfolio of high-quality businesses with consistent growth profile;
- may invest in companies of any size;
- will employ a fundamental research-based approach for stock selection; and
- will permit equity allocations to be reduced for a limited period in favour of debt instruments, money market instruments, cash and cash equivalents.

It is expected that the portfolio securities of the New Leaders Underlying Fund will primarily be INR denominated but may also include other currencies such as the U.S. dollar and the Euro. The New Leaders Underlying Fund may enter into currency hedging arrangements to reduce the effects of changes in the value of the INR or such other currencies relative to the Canadian dollar. From time to time, between 0% and 100% of the value of the New Leaders Underlying Fund's foreign currency exposure may be hedged back to the Canadian dollar. The portfolio manager does not currently intend to hedge the value of the New Leaders Underlying Fund's portfolio to any currency.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The New Leaders Underlying Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. The New Leaders Underlying Fund may also use derivatives for non-hedging purposes, such as to gain exposure to individual stocks, foreign exchanges or stock market indices or to seek to enhance returns. The New Leaders Underlying Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The New Leaders Underlying Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The New Leaders Underlying Fund may take short positions in securities or exchange-traded funds to protect its portfolio during times of heightened volatility and down markets. The New Leaders Underlying Fund may also engage in short selling in a manner which is consistent with the investment objective of the fund and as permitted by Canadian securities regulatory authorities, please see the discussion under *Short selling risk* on page 18.

The New Leaders Underlying Fund may engage in active trading and may have a portfolio turnover rate

that exceeds 70%. The higher a fund's portfolio turnover rate is in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

What are the risks of investing in the Fund?

The Fund invests in the New Leaders Underlying Fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the New Leader Underlying Fund.

In the event of excessive redemptions, the Fund may not be able to make payment of redemption proceeds within 2 business days of a redemption date. This risk is being managed by both the Fund and the New Leaders Underlying Fund by holding sufficient liquid assets in their respective investment portfolios.

The Fund will also be exposed to the following risks:

- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign custodian risk
- Foreign investment risk
- Geographic concentration risk
- Indo-Mauritius tax risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk
- Tax risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a

Sun Life Excel New India Leaders Fund (continued)

detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 116.41% of the net asset value of the Fund was invested in securities of the New Leaders Underlying Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as high. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want exposure to equity securities of companies located in India;
- are willing to accept short-term volatility for potentially higher long-term returns;
- are seeking a growth component within a diversified portfolio; and
- are comfortable with high investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$25.63	\$80.78	\$141.59	\$322.31
Series F	\$13.84	\$43.62	\$76.46	\$174.05

Sun Life Schroder Global Mid Cap Fund

Fund details

Fund type	Global Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: February 2, 2015 Series T5: February 2, 2015 Series T8: February 2, 2015 Series F: February 2, 2015 Series F5: June 20, 2018 Series F8: February 9, 2018 Series I: February 2, 2015 Series O: February 2, 2015
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Schroder Investment Management North America Inc. New York, New York, U.S.A.
Sub-advisor to Schroders	Schroder Investment Management North America Ltd. London, U.K.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to achieve long-term capital appreciation primarily by investing directly in a diversified portfolio of medium capitalization global companies or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- invests primarily in the equity securities of medium capitalization global companies and, to a lesser extent, equity securities of small and large capitalization global companies;
- focuses on identifying companies with superior growth prospects, while remaining cognizant of valuations;
- uses a combination of quantitative and fundamental models, seeking to add value from country decisions and stock selection;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest all of the Fund's assets in foreign securities, including those in emerging markets;
- may invest in fixed-income securities and hybrid securities;
- may invest in private placements or other illiquid equity or debt securities of public or private companies as permitted by Canadian securities regulatory authorities; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above. This excludes exchange-traded funds the securities of which meet the definition of index participation units, in which case the Fund may invest up to 100% of its assets in such exchange-traded funds.

The Fund and may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-

hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk

- Specialization risk
- Transaction costs risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada, Sun Life Granite Balanced Portfolio, Sun Life Granite Balanced Growth Portfolio and Sun Life Granite Growth Portfolio owned 40.40%, 24.23%, 12.36% and 10.55%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek to add exposure to global mid cap equities;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Sun Life Schroder Global Mid Cap Fund (continued)

For Series T5, Series T8, Series F5 and Series F8 units, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that

Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$25.01	\$78.84	\$138.20	\$314.57
Series F	\$12.51	\$39.42	\$69.10	\$157.29
Series F5	\$13.12	\$41.36	\$72.50	\$165.02
Series F8	\$13.43	\$42.33	\$74.20	\$168.89
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.64	\$5.17	\$9.06	\$20.63
Series T5	\$25.52	\$80.46	\$141.03	\$321.02
Series T8	\$25.52	\$80.46	\$141.03	\$321.02

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Dynamic Equity Income Fund*

Fund details

Fund type	Equity Income
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2013 Series F: January 17, 2013 Series I: January 17, 2013 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub- advisor	1832 Asset Management L.P. (manager of the Dynamic Funds*) Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in equity securities that pay a dividend or distribution, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The sub-advisor currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in units of Dynamic Equity Income Fund* (the "**underlying fund**"), a mutual fund that is managed and advised by the sub-advisor.

In pursuing the underlying fund's investment objectives, the sub-advisor:

- seeks to invest primarily in a wide range of equity securities such as dividend or

distribution paying equity securities and real estate investment trusts on a global basis, as well as in other types of equity and/or debt securities;

- may invest up to 49% of the underlying fund's assets in foreign securities;
- may use warrants and derivatives such as options, forward contracts, futures contracts and swaps;
- generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet the underlying fund's objectives; and
- may, in its sole discretion, eliminate investments when original attributes, including valuation parameters, are no longer attractive.

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund and the underlying fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The underlying fund may invest up to 10% of its net asset value in securities of other mutual funds (including mutual funds managed by the sub-advisor or an affiliate or associate of the sub-advisor) ("**investee funds**"). The proportions and types of investee funds held by the underlying fund will be

* Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

selected with consideration for the investee funds' investment objectives and strategies, past performance and volatility, among other factors.

The underlying fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 25% of its net asset value in standardized futures contracts with underlying interests in sweet crude oil or natural gas (“**Oil and Gas Contracts**”) in order to hedge the risks associated with its portfolio investments, in oil and gas securities, subject to certain conditions.

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest up to 20% of its net asset value in Oil and Gas Contracts in order to hedge the risks associated with its portfolio investments in oil and gas securities, subject to certain conditions. These conditions are described in detail in the Fund's Annual Information Form. Please see *Derivative risk* for a discussion of the risks associated with investing in Oil and Gas Contracts.

Because the Fund's exemptive relief permits only 20% of its net asset value to be invested in Oil and Gas Contracts compared to the underlying fund's limit of 25%, the Manager will monitor the Fund and (for as long as the Fund invests primarily in units of the underlying fund) the underlying fund and will work with the sub-advisor to ensure that the Fund adheres to the lower 20% limit where the Fund invests directly in such securities.

Each of the Fund and the underlying fund may invest in gold and silver when deemed appropriate by the sub-advisor. Each of the Fund and the underlying fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. Each of the Fund and the underlying fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver. Please see *Commodity risk* for a discussion of the risks associated with investing directly or indirectly in gold or silver or in companies engaged commodity-focused industries.

Each of the Fund and the underlying fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for its portfolio. Each of the Fund and the underlying fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying fund

will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund and the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund and the underlying fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. Each of the Fund and the underlying fund will engage in short selling as a complement to its current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The Fund currently invests in the underlying fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying fund. The Fund will be exposed to the following risks:

- Capital depletion risk
- Commodity risk
- Concentration risk
- Credit risk
- Derivative risk
- Equity risk
- Foreign investment risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk

Sun Life Dynamic Equity Income Fund (continued)

- Short selling risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 100.21% of the net asset value of the Fund was invested in securities of Dynamic Equity Income Fund. Please see *Concentration risk* for details of the risk associated with this holding.

As at June 24, 2020, Sun Life Dynamic Equity Income Class and Sun Life Assurance Company of Canada owned 25.91% and 21.96%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital appreciation primarily through equities that pay a dividend or distribution;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of

income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 year	5 years	10 years
Series A	\$22.04	\$69.47	\$121.77	\$277.19
Series F	\$10.76	\$33.93	\$59.47	\$135.37
Series I*	\$0.92	\$2.91	\$5.10	\$11.60
Series O	\$2.05	\$6.46	\$11.33	\$25.78

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Dynamic Strategic Yield Fund*

Fund details

Fund type	Diversified Income
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2013 Series F: January 17, 2013 Series I: January 17, 2013 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	1832 Asset Management L.P. (manager of the Dynamic Funds*) Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to achieve income and long-term capital growth primarily by investing directly in a diversified portfolio of fixed income and income-oriented equity securities, or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- seeks to take a flexible approach to investing primarily in debt and income-oriented equity securities with no restrictions on market capitalization, industry sector or geographic mix. The sub-advisor can invest in these securities either directly or indirectly through investment in underlying funds;

- allocates portfolio assets depending on economic and market conditions;
- in respect of fixed income securities:
 - will invest in investment grade debt instruments but may also invest in non-investment grade or unrated debt instruments;
 - may invest in convertible bonds, high-yield debt and government bonds;
 - may invest in mortgage-backed securities; and
 - assesses the condition of credit markets, the yield curve, as well as the outlook on monetary conditions;
- in respect of equity securities:
 - will invest in dividend or income paying securities including preferred shares and convertible preferred shares, investment trust units and other equity securities with free cash flow, and REITs on a global basis;
 - may invest in closed-end funds trading at a discount to their net asset values;
 - analyzes the financial and managerial prospects for a particular company and its relevant sector; and
 - conducts management interviews with companies to determine the corporate strategy and business plan, as well as to evaluate management capabilities;
- may invest up to 100% of the Fund's assets in foreign securities;
- may use derivatives to hedge against interest rate risk, credit risk and currency fluctuations;

* Dynamic, Dynamic Funds, Dynamic Equity Income Fund and Dynamic Strategic Yield Fund are registered and proprietary trademarks of The Bank of Nova Scotia, an affiliate of 1832 Asset Management L.P., used under license by the Manager.

- may generate additional income through covered call writing and other derivative strategies;
- may invest in private placements in equity and/or debt securities of public or private companies; and
- may invest up to 100% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager or sub-advisor and/or an affiliate of the Manager or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting the individual securities as described above.

The portfolio manager will determine whether to invest the Fund's assets in the underlying fund or to invest the Fund's assets directly in securities similar to those held by the underlying fund based upon its view of which investment approach will result in the greatest overall economic benefit for the Fund. In making such determination, the portfolio manager will consider market conditions, the availability and costs associated with the strategy and the size and scale of the Fund. Once the portfolio manager makes this determination, the sub-advisor will implement the strategy by either investing the Fund in the underlying fund or by selecting the securities to be held by the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may invest in gold and silver when deemed appropriate by the sub-advisor. The Fund obtained exemptive relief from the Canadian securities regulatory authorities to permit it to invest in silver or permitted silver certificates. The Fund is permitted to invest up to 10% of its net asset value in gold (including Gold ETFs), permitted gold certificates, silver, permitted silver certificates and specified derivatives of which the underlying interest is gold or silver. Please see *Commodity risk* for a discussion of the risks associated with investing directly or indirectly in gold or silver or in companies engaged commodity-focused industries.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's

portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* for a discussion on the tax consequences to unitholders. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset back and mortgage backed securities risk
- Capital depletion risk

- Commodity risk
- Concentration risk
- Credit risk
- Derivative risk
- Equity risk
- Foreign investment risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 17.07% and 16.39% of the net asset value of the Fund was invested in securities of Dynamic Aurion Total Return Bond Fund and 1832AM Investment Grade U.S. Corporate Bond Pool, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 42.06% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund’s risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund’s risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital growth potential through investments in both equities and fixed income securities;

- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. The distribution rate on your units may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.

We reserve the right to adjust the amount of monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$23.58	\$74.32	\$130.27	\$296.52
Series F	\$11.69	\$36.84	\$64.57	\$146.97
Series I*	\$0.72	\$2.26	\$3.96	\$9.02
Series O	\$1.85	\$5.82	\$10.19	\$23.21

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life NWQ Flexible Income Fund

Fund details

Fund type	Tactical Balanced
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: February 3, 2014 Series F: February 3, 2014 Series I: February 3, 2014 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	NWQ Investment Management Company, LLC Los Angeles, California

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to achieve income and capital appreciation by investing primarily in a diversified portfolio of income producing securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- invests in a wide range of income producing securities of issuers, including but not limited to: preferred securities, corporate debt, mortgage-backed securities, taxable municipals and government and agency debt securities;
- given the investment process, may invest anywhere in the world but may have a tendency to have a high geographic concentration to the U.S.;

- will primarily invest in non-Canadian securities and may invest greater than 50% of the Fund's assets outside of Canada;
- may also invest in income-oriented equity securities such as common stocks, convertible securities, depositary receipts and other types of securities with equity characteristics;
- seeks to employ a rigorous, bottom-up research concentrated investment process that focuses on financial statement and absolute valuation analysis to identify undervalued companies that offer favourable risk/reward characteristics and capital preservation;
- focuses on the relative attractiveness of a particular security within a company's capital structure and sustainability of its income level;
- may invest a significant portion of the portfolio in below investment grade securities, commonly referred to as "high yield securities";
- may generate additional income through covered call writing and other derivative strategies; and
- may invest up to 20% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's

portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The following are risks associated with investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk
- Concentration risk
- Credit risk
- Derivative risk
- Equity risk
- Foreign investment risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk

- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada, Sun Life Granite Balanced Portfolio, Sun Life Granite Conservative Portfolio and Sun Life Granite Moderate Portfolio owned 26.80%, 22.10%, 14.47% and 10.65%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek regular monthly income and capital appreciation;
- seek diversified sources of income in a single fund;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary,

Sun Life NWQ Flexible Income Fund (continued)

the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.

We reserve the right to adjust the amount of monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$17.43	\$54.93	\$96.28	\$219.17
Series F	\$11.69	\$36.84	\$64.57	\$146.97
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life BlackRock Canadian Equity Fund

Fund details

Fund type	Canadian Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: April 15, 2011 Series T5: September 1, 2011 Series T8: September 1, 2011 Series F: April 15, 2011 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: April 15, 2011 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	BlackRock Asset Management Canada Limited Toronto, Ontario.
Sub-advisor to BlackRock	BlackRock Institutional Trust Company, N.A. San Francisco, California

- typically invests between 55% and 80% of the Fund's assets in securities that have exposure to Canadian equities;
- typically invests between 20% and 45% of the Fund's assets in securities that have exposure to foreign equities;
- uses a strategic asset allocation strategy to determine the balance between the portion of the Fund's portfolio exposed to Canadian equities and the portion exposed to foreign equities;
- may invest up to 100% of the Fund's assets in underlying mutual funds which may be managed by the Manager and/or exchange-traded funds which are managed by third parties, including the sub-advisor;
- typically seeks Canadian equity exposure by investing in units of Sun Life BlackRock Canadian Composite Equity Fund, which attempts to replicate the performance of a broad and recognized Canadian equity market index;
- seeks foreign equity exposure by investing in exchange-traded funds which have exposure to equity sectors that are underrepresented on the Canadian index that Sun Life BlackRock Canadian Composite Equity Fund attempts to replicate;
- monitors and periodically rebalances the Fund's portfolio according to strategic target allocations; and
- may change the strategic allocation of the Fund in order to meet the investment objective of the Fund.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in Canadian equity securities directly or indirectly through mutual funds and exchange-traded funds that invest in such securities.

The investment objective of the Fund can only be changed with the approval of a majority of the securityholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

If the Fund invests in exchange-traded funds which are not currency hedged, the Fund will have exposure to foreign currency fluctuations. The Fund may or may not hedge some or all of this foreign currency exposure. To the extent it does seek to do so, the portfolio manager will be responsible for this portion of the Fund's investment strategy.

In addition to using derivatives to hedge the exposure to foreign currencies, the Fund may use derivatives to hedge against potential loss. The Fund may also use derivatives for other hedging and non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, to generate income, or to provide protection for the Fund's portfolio. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities. The sub-advisor does not currently intend to use derivatives.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Concentration risk
- Derivative risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Tracking risk
- Transaction costs risk

- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 69.78% and 10.89% of the net asset value of the Fund was invested in units of Sun Life BlackRock Canadian Composite Equity Fund and iShares Global Tech ETF, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 81.22% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek a Canadian focused equity fund with broad sector diversification;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 securities may be suitable for investors holding securities outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on securities held in a Registered Plan are automatically reinvested in additional securities of the Fund. Distributions on securities held outside**

a Registered Plan are automatically reinvested in additional securities of the Fund, unless you provide us a written request that you wish to receive them in cash.

For Series T5, Series T8, Series F5 and Series F8 securities, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per security, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 securities may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 securities are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 securities is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate,

without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 securities will make any distributions in any particular month.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$19.89	\$62.69	\$109.88	\$250.11
Series F	\$7.89	\$24.88	\$43.61	\$99.27
Series F5	\$8.00	\$25.20	\$44.18	\$100.56
Series F8	\$8.00	\$25.20	\$44.18	\$110.56
Series I*	\$1.95	\$6.14	\$10.76	\$24.50
Series O	\$2.26	\$7.11	\$12.46	\$28.36
Series T5	\$20.19	\$63.66	\$111.58	\$253.98
Series T8	\$20.19	\$63.66	\$111.58	\$253.98

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS Canadian Bond Fund

Fund details

Fund type	Canadian Bond
Securities offered	Series A, Series D, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: March 31, 2009 Series D: July 15, 1988 Series F: March 30, 2012 Series I: November 28, 2008 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund aims to provide investors with high investment returns primarily through income, with reasonable safety of capital.

The investment objectives of the Fund can only be changed with the approval of a majority of the securityholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- normally invests at least 85% of the Fund's assets in debt instruments;
- invests mainly in debt instruments rated investment grade but may also invest in non-investment grade debt instruments;

- may invest up to 30% of the Fund's assets in foreign debt instruments and other foreign securities;
- uses a combination of bottom-up credit research and top-down macro analysis in constructing a diversified portfolio;
- actively manages the Fund to add value through a variety of strategies including interest rate anticipation, yield curve positioning, dynamic trading, sector and currency management;
- conducts monetary and fiscal policy analysis, macroeconomic analysis, inflationary outlook, valuation modeling, financial statement analysis, market and pricing analysis;
- seeks to actively control risk in the Fund by investing at least 70% of the Fund's assets in debt instruments rated BBB and above; and
- using the same bottom-up and top-down investment process as described above, may invest up to 100% of its assets in underlying mutual funds which may be managed the Manager or sub-advisor and/or in exchange-traded funds which are managed by third parties.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of

derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Concentration Risk
- Credit risk
- Derivative risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Granite Income Portfolio, Sun Life Granite Enhanced Income Portfolio, Sun Life MFS Canadian Bond owned 22.18%, 15.53% and 10.95%, respectively, of the issued and outstanding securities of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income while preserving capital;
- are medium to long-term investors; and
- are comfortable with low investment risk

Distribution policy

The Fund normally distributes income monthly. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year. The Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on securities held in a Registered Plan are automatically reinvested in additional securities of the Fund. Distributions on securities held outside a Registered Plan are automatically reinvested in additional securities of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$13.74	\$43.30	\$75.89	\$172.76
Series D	\$9.12	\$28.76	\$50.41	\$114.74
Series F	\$7.48	\$23.59	\$41.35	\$94.11
Series I*	\$0.31	\$0.97	\$1.70	\$3.87
Series O	\$1.13	\$3.55	\$6.23	\$14.18

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS Canadian Equity Fund

Fund details

Fund type	Canadian Equity
Securities offered	Series A, Series D, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: March 31, 2009 Series D: July 15, 1988 Series F: February 13, 2008 Series I: March 24, 2005 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest up to 40% of the Fund's assets in non-Canadian securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers;
- may also consider quantitative models that systematically evaluate these and other factors; and
- may invest up to 50% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

What does the Fund invest in?

Investment objectives

The Fund aims for long-term capital growth primarily by investing in Canadian growth equity securities. The Fund may invest in global equity securities or other mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the securityholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- seeks to invest in equity securities of companies it believes to have above-average earnings growth potential compared to other companies;
- may invest in companies of any size;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional

returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Granite Balanced Portfolio, Sun Life Granite Balanced Growth Portfolio and Sun Life Granite Growth Portfolio owned 26.09%, 12.64% and 11.18%, respectively, of the issued and outstanding securities of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund’s risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund’s risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek to add exposure to Canadian equities with growth characteristics to their investment portfolio;

- are long-term investors; and
- are comfortable with medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on securities held in a Registered Plan are automatically reinvested in additional securities of the Fund. Distributions on securities held outside a Registered Plan are automatically reinvested in additional securities of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.86	\$72.06	\$126.3	\$287.50
Series D	\$16.61	\$52.35	\$91.75	\$208.86
Series F	\$10.97	\$34.58	\$60.60	\$137.95
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS Dividend Income Fund

Fund details

Fund type	Dividend Income
Securities offered	Series A, Series D, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: March 31, 2009 Series D: March 27, 2006 Series F: February 13, 2008 Series I: November 28, 2008 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objective

The Fund aims for income generation and capital appreciation by investing primarily in dividend or income paying securities, including royalty trust securities, real-estate investment trust securities and limited partnership securities and other exchange-listed participating securities. The Fund may also invest in securities of other mutual funds.

The investment objective of the Fund can only be changed with the approval of a majority of the securityholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- normally invests in equity and fixed income securities that generate some form of income;

- may invest in dividend or income paying securities including preferred shares, securities convertible into stocks, real estate investment trust securities, royalty trust securities, limited partnership securities and other exchange-listed participating securities, or warrants on dividend and income paying securities;
- may invest in companies of any size; but may tend to place a focus on companies with large and medium capitalizations;
- seeks to invest primarily in securities of issuers located in Canada;
- may invest in equities around the world, including those in emerging markets;
- may invest up to 100% of the Fund's assets in foreign equities and other foreign securities;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up approach to buying and selling investments for the Fund – investments are selected based on fundamental and quantitative analysis of individual issuers and their potential in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative models that systematically evaluate an issuer's valuation, price and earnings, momentum, earnings quality, and other factors; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds, including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds,

uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life MFS Dividend Income Class owned 50.23% of the issued and outstanding securities of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek a moderate degree of growth and income;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund normally distributes income on the last business day of each quarter. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year. The Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on securities held in a Registered Plan are automatically reinvested in additional securities of the Fund. Distributions on securities held outside a Registered Plan are automatically reinvested in additional securities of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$21.73	\$68.50	\$120.07	\$273.32
Series D	\$16.71	\$52.67	\$92.32	\$210.15
Series F	\$9.84	\$31.02	\$54.37	\$123.77
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS U.S. Equity Fund

Fund details

Fund type	U.S. Equity
Securities offered	Series A, Series D, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: March 31, 2009 Series D: July 15, 1988 Series F: February 13, 2008 Series I: November 28, 2008 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund aims for long-term capital growth by investing primarily in companies domiciled in the United States or whose primary stock exchange listing is in the United States.

The investment objectives of the Fund can only be changed with the approval of a majority of the securityholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the sub-advisor:

- may invest in companies of any size;
- seeks to invest in equity securities of companies domiciled in the United States, or whose primary listing is in the United States;
- may invest up to 20% of the Fund's assets in non-U.S. securities;

- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Concentration risk
- Derivative risk
- Emerging markets risk
- Equity risk

- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada owned 77.23% of the issued and outstanding securities of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- want to add U.S. equity exposure to their investment portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on securities held in a Registered Plan are automatically reinvested in additional securities of the Fund. Distributions on securities held outside a Registered Plan are automatically reinvested in additional securities of the Fund, unless you**

provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

	Expenses payable over:			
	1 year	3 years	5 years	10 years
Series A	\$23.47	\$74.00	\$129.70	\$295.23
Series D	\$16.50	\$52.02	\$91.19	\$207.57
Series F	\$11.48	\$36.19	\$63.43	\$144.39
Series I*	\$0.31	\$0.97	\$1.70	\$3.87
Series O	\$1.74	\$5.49	\$9.63	\$21.92

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS Low Volatility International Equity Fund

Fund details

Fund type	International Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: February 11, 2016 Series T5: February 11, 2016 Series T8: February 11, 2016 Series F: February 11, 2016 Series F5: November 12, 2018 Series F8: February 9, 2018 Series I: February 11, 2016 Series O: February 11, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek long-term capital appreciation with low volatility by investing primarily in a diversified portfolio of equity securities of issuers outside Canada and the United States or indirectly by investing in mutual funds (including exchange-traded funds) that primarily invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- seeks to outperform the Fund's benchmark (the MSCI EAFE Index C\$) over the long-term at less volatility;
- maintains diversification amongst sectors, geographic regions, industry and stock levels; primarily investing in common stocks, preferred stocks, securities convertible into stocks, equity interests in real estate investment trusts (REITs), and depositary receipts for such securities;
- uses a blended research approach to buying and selling investments within the Fund - investments are selected based on the blended research score from fundamental and quantitative analysis;
- uses fundamental research analysis in assessing individual issuers and their potential for capital appreciation in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative analysis in evaluating and ranking stocks using the following factors: valuation, earnings quality, earnings momentum, price momentum, and an indicator model;
- may invest in companies it believes to have above average earnings growth potential compared to other companies (growth companies), in stocks of companies it believes are undervalued compared to their perceived worth (value companies), or in a combination of growth and value companies;

- may concentrate the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest in companies of any size;
- may invest up to 100% of the Fund's assets in foreign securities;
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above. This excludes exchange-traded funds deemed to be index participation units, in which case the Fund will not be limited.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is

described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life MFS Low Volatility International Equity segregated fund owned 29.46% and 22.52%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek to add international geographic diversification with less volatility compared to the Fund’s benchmark;
- are long-term investors; and
- are comfortable with medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make

any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.65	\$71.41	\$125.17	\$284.92
Series F	\$11.07	\$34.90	\$61.17	\$139.24
Series F5	\$10.97	\$34.58	\$60.60	\$137.25
Series F8	\$10.97	\$34.58	\$60.60	\$137.25
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92
Series T5	\$23.17	\$73.03	\$128.00	\$291.37
Series T8	\$22.96	\$72.38	\$126.87	\$288.79

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life MFS Low Volatility Global Equity Fund

Fund details

Fund type	Global Equity
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: February 11, 2016 Series T5: February 11, 2016 Series T8: February 11, 2016 Series F: February 11, 2016 Series F5: February 9, 2018 Series F8: February 9, 2018 Series I: February 11, 2016 Series O: February 11, 2016
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to achieve long-term capital appreciation with low volatility by investing primarily in a diversified portfolio of equity securities of issuers located anywhere in the world or indirectly by investing in mutual funds (including exchange-traded funds) that invest primarily in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- seeks to outperform the Fund's benchmark over the long-term at less volatility than the MSCI All Country World Index C\$;
- maintains diversification amongst sectors, geographic regions, industry and stock levels; primarily investing in common stocks, preferred stocks, securities convertible into stocks, equity interests in real estate investment trusts (REITs), and depositary receipts for such securities;
- uses a blended research approach to buying and selling investments within the Fund - investments are selected based on the blended score from fundamental and quantitative analysis;
- uses fundamental research analysis in assessing individual issuers and their potential for capital appreciation in light of their current financial condition, market, economic, political and regulatory conditions and considers factors such as analysis of an issuer's earnings, cash flows, competitive position and management ability;
- uses quantitative analysis in evaluating and ranking stocks using the following factors: valuation, earnings quality, earnings momentum, price momentum and an indicator model;
- may invest in companies it believes to have above average earnings growth potential compared to other companies (growth companies), in stocks of companies it believes are undervalued compared to their perceived worth (value companies), or in a combination of growth and value companies;
- may concentrate the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest in companies of any size;

- may invest in equities around the world, including those in emerging markets;
- may invest up to 100% of the Fund's assets in foreign securities;
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above. This excludes exchange-traded funds deemed to be index participation units, in which case the Fund will not be limited.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the

issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Granite Enhanced Income Portfolio, Sun Life MFS Low Volatility Global Equity segregated fund offered by Sun Life Assurance Company of Canada and Sun Life Granite Income Portfolio owned 23.00%, 21.25% and 15.14%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek to add global geographic diversification with less volatility compared to the Fund’s benchmark;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate,

without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.45	\$70.77	\$124.04	\$282.34
Series F	\$10.97	\$34.58	\$60.60	\$137.95
Series F5	\$10.97	\$34.58	\$60.60	\$137.95
Series F8	\$11.07	\$34.90	\$61.17	\$139.24
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.74	\$5.49	\$9.63	\$21.92
Series T5	\$23.27	\$73.35	\$128.57	\$292.66
Series T8	\$23.17	\$73.03	\$128.00	\$291.37

* Series I securities are not charged a management fee. Instead, investors in Series I securities negotiate and pay a management fee directly to us.

Sun Life Tactical Fixed Income ETF Portfolio

Fund details

Fund type	Global Fixed Income
Securities offered	Series A, Series F and Series I units of a mutual fund trust
Start date	Series A: October 19, 2018 Series F: October 19, 2018 Series I: October 19, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income, by investing primarily in fixed income exchange traded funds and other fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in fixed income exchange traded funds and/or other fixed income mutual funds;
- typically selects fixed income underlying funds with exposure to Canadian debt instruments and international debt instruments;
- may also invest directly in fixed income securities;
- may invest a portion of the Fund's assets in equity exchange traded funds and/or other equity investment funds, and/or directly in equity securities;

- may invest up to 100% of the Fund's assets in foreign securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's asset allocation among domestic and international fixed income funds and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under

Repurchase and reverse repurchase transactions and securities lending risk on page 17.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transactions costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 54.30%, 17.77% and 12.88% of the net asset value of the Fund was invested in securities of Sun Life BlackRock Canadian Universe Bond Fund, iShares Core U.S. Aggregate Bond ETF and Sun Life Money Market Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Tactical Fixed Income ETF Portfolio owned 22.84% of the issued and outstanding

units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and potential for capital appreciation;
- seek diversification through a broad range of asset classes and geographies;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income".

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in

additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$12.71	\$40.07	\$70.23	\$159.87
Series F	\$6.87	\$21.65	\$37.95	\$86.38
Series I*	\$1.03	\$3.23	\$5.66	\$12.89

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Tactical Conservative ETF Portfolio

Fund details

Fund type	Global Fixed Income Balanced
Securities offered	Series A, Series T5, Series F, Series F5 and Series I units of a mutual fund trust
Start date	Series A: October 19, 2018 Series T5: October 19, 2018 Series F: October 19, 2018 Series F5: October 19, 2018 Series I: October 19, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income and capital appreciation, with a bias towards income, by investing primarily in a mix of fixed income and equity exchange traded funds and other mutual funds, with a bias toward fixed income exchange traded funds and other fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in a mix of fixed income and equity exchange traded funds and other mutual funds, with a bias toward fixed income exchange traded funds and other fixed income mutual funds;
- typically selects fixed income exchange traded funds and other mutual funds with exposure to Canadian debt instruments and international debt instruments;

- typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- may also invest directly in equity and/or fixed income securities;
- may invest up to 100% of the Fund's assets in foreign securities;
- typically invests between 55% and 75% of the Fund's assets in fixed income exchange traded funds, other fixed income mutual funds and fixed income securities, and between 25% and 45% of the Fund's assets in equity exchange traded funds, other equity mutual funds and equity securities;
- uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's allocation to each asset class and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt

securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk

- Specialization risk
- Tracking risk
- Transactions costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 37.92%, 11.62% and 11.06% of the net asset value of the Fund was invested in securities of Sun Life BlackRock Canadian Universe Bond Fund, iShares Core U.S. Aggregate Bond ETF and Sun Life BlackRock Canadian Composite Equity Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Tactical Conservative ETF Portfolio owned 18.56% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital appreciation, with a bias towards income;
- seek diversification through a broad range of asset classes and geographies;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the relevant series at the end of the prior year. The target monthly distributions on Series T5 and F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$16.09	\$50.73	\$88.92	\$202.41
Series F	\$6.66	\$21.00	\$36.81	\$83.80
Series F5	\$6.87	\$21.65	\$37.95	\$86.38
Series I*	\$0.92	\$2.91	\$5.10	\$11.60
Series T5	\$16.09	\$50.73	\$88.92	\$202.41

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Tactical Balanced ETF Portfolio

Fund details

Fund type	Global Neutral Balanced
Securities offered	Series A, Series T5, Series F, Series F5 and Series I units of a mutual fund trust
Start date	Series A: October 19, 2018 Series T5: October 19, 2018 Series F: October 19, 2018 Series F5: October 19, 2018 Series I: October 19, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, by investing primarily in a mix of equity and fixed income exchange traded funds and other mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in a mix of equity and fixed income exchange traded funds and other mutual funds;
- typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income exchange traded funds and other mutual funds with exposure to Canadian debt instruments and global debt instruments;

- may also invest directly in equity and/or fixed income securities;
- may invest up to 100% of the Fund's assets in foreign securities;
- typically invests between 50% and 70% of the Fund's assets in equity exchange traded funds, other equity mutual funds and equity securities, and between 30% and 50% of the Fund's assets in fixed income exchange traded funds, other fixed income mutual funds and fixed income securities;
- uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's allocation to each asset class and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's

portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transactions costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 22.77%, 18.61%, 17.45% and 12.23% of the net asset value of the Fund was invested in securities of Sun Life BlackRock Canadian Universe Bond Fund, Sun Life BlackRock Canadian Composite Equity Fund iShares Core S&P 500 ETF and SPDR Portfolio Developed World ex-US ETF, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Tactical Balanced ETF Portfolio owned 33.55% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation and income, with a small bias towards capital appreciation;
- seek diversification through a broad range of asset classes and geographies;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the relevant series at the end of the prior year. The target monthly distributions on Series T5 and F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$19.48	\$61.39	\$107.61	\$244.95
Series T5	\$19.58	\$61.72	\$108.18	\$246.24
Series F	\$7.28	\$22.94	\$40.21	\$91.54
Series F5	\$7.48	\$23.59	\$41.35	\$94.11
Series I*	\$0.92	\$2.91	\$5.10	\$11.60

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Tactical Growth ETF Portfolio

Fund details

Fund type	Global Equity Balanced
Securities offered	Series A, Series F and Series I units of a mutual fund trust
Start date	Series A: October 19, 2018 Series F: October 19, 2018 Series I: October 19, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity exchange traded funds and other equity mutual funds, and, to a lesser extent, fixed income exchange traded funds and other fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in equity exchange traded funds and other equity mutual funds, and, to a lesser extent, fixed income exchange traded funds and other fixed income mutual funds;
- typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income exchange traded funds and other mutual funds with exposure to Canadian debt instruments and global debt instruments;
- may also invest directly in equity and/or fixed income securities;
- may invest up to 100% of the Fund's assets in foreign securities;

- typically invests between 70% and 90% of the Fund's assets in equity exchange traded funds, other equity mutual funds and equity securities, and between 10% and 30% of the Fund's assets in fixed income exchange traded funds, other fixed income mutual funds and fixed income securities;
- uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be managed by the Manager, its affiliates and/or other investment fund managers;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's allocation to each asset class and change the underlying funds in which the Fund invests from time to time in order to meet the investment objectives of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of

derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transactions costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 24.89%, 22.93%, 17.42% and 10.10% of the net asset value of the Fund was invested in securities of Sun

Life BlackRock Canadian Composite Equity Fund, iShares Core S&P 500 ETF, SPDR Portfolio Developed World ex-US ETF and Sun Life BlackRock Canadian Universe Bond Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, SLGI Asset Management Inc. and Sun Life Tactical Growth ETF Portfolio owned 15.70% and 11.69%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation;
- seek diversification through a broad range of asset classes and geographies;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Sun Life Tactical Growth ETF Portfolio (continued)

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$20.09	\$63.33	\$111.01	\$252.69
Series F	\$8.00	\$25.20	\$44.18	\$100.56
Series I*	\$0.82	\$2.59	\$4.53	\$10.31

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Tactical Equity ETF Portfolio

Fund details

Fund type	Global Equity
Securities offered	Series A, Series F and Series I units of a mutual fund trust
Start date	Series A: October 19, 2018 Series F: October 19, 2018 Series I: October 19, 2018
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity exchange traded funds and other equity mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in securities of equity exchange traded funds and/or other equity mutual funds;
- typically selects equity exchange traded funds and other mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- may also invest directly in equity securities;
- may invest a portion of the Fund's assets in fixed income exchange traded funds and/or other fixed income investment funds, and/or directly in fixed income securities;
- may invest up to 100% of the Fund's assets in foreign securities;
- invests up to 100% of the Fund's assets in securities of exchange traded funds and/or other investment funds which may be

managed by the Manager, its affiliates and/or other investment fund managers;

- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objectives; and
- may, in its sole discretion, change the Fund's allocation among domestic and international equity funds and change the underlying funds in which the Fund invests from time to time in order to meet the investment objective of the Fund.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

Sun Life Tactical Equity ETF Portfolio (continued)

- Asset-backed and mortgage-backed securities risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transactions costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 34.83%, 31.60%, 23.18%, 12.16% and 10.25% of the net asset value of the Fund was invested in securities of iShares Core S&P 500 ETF, Sun Life BlackRock Canadian Composite Equity Fund, SPDR Portfolio Developed World ex-US ETF, iShares Core MSCI Emerging Markets ETF and iShares Core S&P 500 Index ETF CAD – Hedged, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, SLGI Asset Management Inc. and Sun Tactical Equity ETF Portfolio owned 22.65% and 17.50%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on

page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation;
- seek diversification through a broad range of asset classes and geographies;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$19.78	\$62.36	\$109.31	\$248.82
Series F	\$7.69	\$24.23	\$42.48	\$96.69
Series I*	\$0.72	\$2.26	\$3.96	\$9.02

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Conservative Portfolio

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series T5, Series F, Series F5, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2012 Series T5: January 17, 2012 Series F: January 17, 2012 Series F5: February 13, 2018 Series I: January 17, 2012 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income and capital appreciation, with a bias towards income, by investing primarily in fixed income mutual funds and, to a lesser extent, equity mutual funds.

The investment objective of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in fixed income mutual funds and, to a lesser extent, equity mutual funds and typically invests between 63% and 83% of the Fund's assets in fixed income mutual funds and between 17% and 37% of the Fund's assets in equity mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Fund invested in fixed income mutual funds;

- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- may indirectly invest up to 100% of the Fund's assets in foreign securities through investment in underlying funds;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objective; and
- may, in its sole discretion, change the Fund's allocation to each asset class in order to meet the investment objective of the Fund and change the underlying mutual funds in which the Fund invests from time to time.

The Fund has received exemptive relief from Canadian securities regulatory authorities to invest in securities of a sub-fund of ABSL Umbrella UCITS Fund PLC that has adopted an investment policy of obtaining exposure to the Indian market (an "**Indian Underlying Fund**"), subject to certain conditions, including that the Fund may not invest more than 10% of its net asset value in securities of Indian Underlying Funds.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt

securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk

- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 24.41%, 20.13% and 18.25% of the net asset value of the Fund was invested in units of PH&N Bond Fund, Sun Life BlackRock Canadian Universe Bond Fund and Sun Life U.S. Core Fixed Income Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada, Sun Life Granite Conservative segregated fund offered by Sun Life Assurance Company of Canada and Sun Life Granite Conservative Class owned 21.86%, 20.94% and 12.72%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital appreciation, with a bias towards income;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the relevant series at the end of the prior year. The target monthly distributions on Series T5 and F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are**

greater than the net increase in value of your investment, the distributions will erode the value of your investment.

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$19.68	\$62.04	\$108.74	\$247.53
Series F	\$10.66	\$10.66	\$58.90	\$134.08
Series F5	\$10.25	\$32.31	\$56.64	\$128.92
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.95	\$6.14	\$10.76	\$24.50
Series T5	\$19.78	\$62.36	\$109.31	\$248.82

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Moderate Portfolio

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series T5, Series F, Series F5, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2012 Series T5: January 17, 2012 Series F: January 17, 2012 Series F5: June 25, 2018 Series I: January 17, 2012 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income and capital appreciation by investing primarily in a mix of fixed income and equity mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in a mix of fixed income and equity mutual funds and typically invests between 43% and 63% of the Fund's assets in fixed income mutual funds and between 37% and 57% of the Fund's assets in equity mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Fund invested in equity mutual funds and the portion of the Fund invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on

economic conditions and relative value of equity and fixed income securities;

- may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investments funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- may indirectly invest up to 100% of the Fund's assets in foreign securities through investment in underlying funds;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objective; and
- may, in its sole discretion, change the Fund's allocation to each asset class in order to meet the investment objective of the Fund and change the underlying mutual funds in which the Fund invests from time to time.

The Fund has received exemptive relief from Canadian securities regulatory authorities to invest in securities of a sub-fund of ABSL Umbrella UCITS Fund PLC that has adopted an investment policy of obtaining exposure to the Indian market (an "**Indian Underlying Fund**"), subject to certain conditions, including that the Fund may not invest more than 10% of its net asset value in securities of Indian Underlying Funds.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 15.61%, 12.53% and 11.93% of the net asset value of the Fund was invested in units of PH&N Bond Fund, Sun Life BlackRock Canadian Universe Bond Fund and Sun Life U.S. Core Fixed Income Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Moderate segregated fund offered by Sun Life Assurance Company of Canada owned 35.71% and 15.38%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions**

on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the relevant series at the end of the prior year. The target monthly distributions on Series T5 and Series F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund’s investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.55	\$71.09	\$124.60	\$283.63
Series F	\$10.66	\$33.63	\$58.90	\$134.08
Series F5	\$10.15	\$31.99	\$56.07	\$127.63
Series I*	\$0.72	\$2.26	\$3.96	\$9.02
Series O	\$2.05	\$6.46	\$11.33	\$25.78
Series T5	\$22.45	\$70.77	\$124.04	\$282.34

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Balanced Portfolio

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series T5, Series D, Series F, Series F5, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2012 Series T5: January 17, 2012 Series D: July 29, 2016 Series F: January 17, 2012 Series F5: April 6, 2018 Series I: January 17, 2012 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, by investing primarily in a mix of equity and fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in a mix of equity and fixed income mutual funds and typically invests between 50% and 70% of the Fund's assets in equity mutual funds and between 30% and 50% of the Fund's assets in fixed income mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Fund invested in equity mutual funds and the portion of the Fund invested in fixed income mutual funds;

- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- may indirectly invest up to 100% of the Fund's assets in foreign securities through investment in underlying funds;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objective; and
- may, in its sole discretion, change the Fund's allocation to each asset class in order to meet the investment objective of the Fund and change the underlying mutual funds in which the Fund invests from time to time.

The Fund has received exemptive relief from Canadian securities regulatory authorities to invest in securities of a sub-fund of ABSL Umbrella UCITS Fund PLC that has adopted an investment policy of obtaining exposure to the Indian market (an "**Indian Underlying Fund**"), subject to certain conditions, including that the Fund may not invest more than 10% of its net asset value in securities of Indian Underlying Funds.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt

securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5 and Series F5 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk

- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 12.99% and 10.85% of the net asset value of the Fund was invested in units of PH&N Bond Fund and iShares Core S&P 500 ETF, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Balanced segregated fund offered by Sun Life Assurance Company of Canada owned 43.50% and 15.17%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation and income, with a small bias towards capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit of the relevant series at the end of the prior year. The target monthly distributions on Series T5 and Series F5 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5 and Series F5 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5 and Series F5 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5 and Series F5 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$23.06	\$72.70	\$127.43	\$290.08
Series D	\$13.53	\$42.65	\$74.76	\$170.18
Series F	\$11.17	\$35.22	\$61.74	\$140.53
Series F5	\$11.38	\$35.87	\$62.87	\$143.10
Series I*	\$0.72	\$2.26	\$3.96	\$9.02
Series O	\$2.05	\$6.46	\$11.33	\$25.78
Series T5	\$23.47	\$74.00	\$129.70	\$295.23

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Balanced Growth Portfolio

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8 Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2012 Series T5: January 17, 2012 Series T8: January 17, 2012 Series F: January 17, 2012 Series F5: October 17, 2018 Series F8: February 9, 2018 Series I: January 17, 2012 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation and income, with a bias towards capital appreciation, by investing primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds and typically invests between 60% and 80% of the Fund's assets in equity mutual funds and between 20% and 40% of the Fund's assets in fixed income mutual funds;

- uses an asset allocation strategy to determine the balance between the portion of the Fund invested in equity mutual funds and the portion of the Fund invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- may indirectly invest up to 100% of the Fund's assets in foreign securities through investment in underlying funds;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objective; and
- may, in its sole discretion, change the Fund's allocation to each asset class in order to meet the investment objective of the Fund and change the underlying mutual funds in which the Fund invests from time to time.

The Fund has received exemptive relief from Canadian securities regulatory authorities to invest in securities of a sub-fund of ABSL Umbrella UCITS

Fund PLC that has adopted an investment policy of obtaining exposure to the Indian market (an “**Indian Underlying Fund**”), subject to certain conditions, including that the Fund may not invest more than 10% of its net asset value in securities of Indian Underlying Funds.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund’s portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk

- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 12.61% of the net asset value of the Fund was invested in units of iShares Core S&P 500 ETF. Please see *Concentration risk* for details of the risk associated with this holding.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Balanced Growth segregated fund offered by Sun Life Assurance Company of Canada owned 46.53% and 17.03%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund’s risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund’s risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation and income, with a bias towards capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5 Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.58	\$74.32	\$130.27	\$296.52
Series F	\$11.79	\$37.16	\$65.13	\$148.26
Series F5	\$11.99	\$37.81	\$66.27	\$150.84
Series F8	\$11.99	\$37.81	\$66.27	\$150.84
Series I*	\$0.72	\$2.26	\$3.96	\$9.02
Series O	\$2.05	\$6.46	\$11.33	\$25.78
Series T5	\$23.88	\$75.29	\$131.97	\$300.39
Series T8	\$23.78	\$74.97	\$131.40	\$299.10

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Growth Portfolio

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series T5, Series T8, Series F, Series F5, Series F8, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2012 Series T5: January 17, 2012 Series T8: January 17, 2012 Series F: January 17, 2012 Series F5: December 20, 2018 Series F8: February 9, 2018 Series I: January 17, 2012 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation by investing primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objective, the portfolio manager:

- invests primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds and typically invests between 70% and 90% of the Fund's assets in equity mutual funds and between 10% and 30% of the Fund's assets in fixed income mutual funds;

- uses an asset allocation strategy to determine the balance between the portion of the Fund invested in equity mutual funds and the portion of the Fund invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- may indirectly invest up to 100% of the Fund's assets in foreign securities through investment in underlying funds;
- monitors and periodically rebalances the Fund's assets based on the portfolio manager's assessment of market conditions in light of the Fund's investment objective; and
- may, in its sole discretion, change the Fund's allocation to each asset class in order to meet the investment objective of the Fund and change the underlying mutual funds in which the Fund invests from time to time.

The Fund has received exemptive relief from Canadian securities regulatory authorities to invest in securities of a sub-fund of ABSL Umbrella UCITS Fund PLC that has adopted an investment policy of obtaining exposure to the Indian market (an "**Indian Underlying Fund**"), subject to certain conditions,

including that the Fund may not invest more than 10% of its net asset value in securities of Indian Underlying Funds.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The Fund invests in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series T5, Series T8, Series F5 and Series F8 investors only)
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk

- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 14.50% and 10.40% of the net asset value of the Fund was invested in units of iShares Core S&P 500 ETF and Sun Life BlackRock Canadian Composite Equity Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Assurance Company of Canada and Sun Life Granite Growth segregated fund offered by Sun Life Assurance Company of Canada owned 33.32% and 16.06%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Sun Life Granite Growth Portfolio (continued)

Series T5, Series T8, Series F5 and Series F8 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate. **Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.**

For Series T5, Series T8, Series F5 and Series F8 units, the Fund will make monthly distributions based on a target annualized rate of 5% or 8% of the NAV per unit, respectively, at the end of the prior year. The target monthly distributions on Series T5, Series T8, Series F5 and Series F8 units may be comprised of income, capital gains or capital.

The monthly distributions on Series T5, Series T8, Series F5 and Series F8 units are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". A portion of the monthly distribution for Series T5, Series T8, Series F5 and Series F8 units is likely to include a return of capital. **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in value of your investment, the distributions will erode the value of your investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series T5, Series T8, Series F5 and Series F8 units will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$24.09	\$75.94	\$133.10	\$302.97
Series F	\$12.20	\$38.45	\$67.40	\$153.42
Series F5	\$12.61	\$39.75	\$69.66	\$158.58
Series F8	\$12.71	\$40.07	\$70.23	\$159.87

Series I*	\$0.72	\$2.26	\$3.96	\$9.02
Series O	\$2.15	\$6.79	\$11.89	\$27.07
Series T5	\$23.99	\$75.61	\$132.53	\$301.68
Series T8	\$24.09	\$75.94	\$133.10	\$302.97

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Income Portfolio

Fund details

Fund type	Diversified Income Portfolio
Securities offered	Series A, Series T5, Series F, Series F5, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2013 Series T5: October 27, 2017 Series F: January 17, 2013 Series F5: August 8, 2018 Series I: January 17, 2013 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor (for the direct investment portion of the portfolio)	KBI Global Investors (North America) Ltd. Dublin, Ireland

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to generate a consistent level of income by investing primarily in a mix of income-focused fixed income and equity mutual funds (including exchange-traded funds).

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund seeks to achieve its investment objective through exposure to income generating securities, including dividend paying equity securities of issuers located around the world, REITs, and Canadian and global debt instruments. Such debt instruments may include high yield debt, investment grade corporate debt, government debt and emerging market debt. The Fund will primarily invest in underlying funds (either domestic or foreign) that invest in such securities and will invest the remainder of its net assets directly in such securities. The Manager will determine the portion of the Fund's net assets that is invested

indirectly in such securities through underlying funds and the portion that is invested directly in such securities.

The Manager, together with the sub-advisor, will actively manage the portfolio to seek to add value. The Manager may invest the Fund's assets in underlying funds and the sub-advisor may invest the Fund's assets directly in securities.

The Fund seeks to generate a consistent level of income through strategic asset allocation, tactical management and the selection of underlying funds and securities. The Manager and sub-advisor select securities in, or that give exposure to, both domestic and global markets.

The Fund uses an asset allocation strategy to determine the weighting within the Fund's portfolio of fixed income investments versus equity investments. The Manager may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of the securities.

The Manager monitors and periodically rebalances the Fund's assets based on the Manager's assessment of market conditions in light of the Fund's investment objective and may, in its sole discretion, change the Fund's asset allocation in order to meet the investment objective of the Fund, which may entail changing the underlying mutual funds and securities in which the Fund invests from time to time.

The Fund may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers.

The Fund may invest up to 100% of the Fund's assets in foreign securities, either indirectly by investing in underlying funds or by investing directly in such securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 23.00%, 19.05%, 15.34%, 12.33% and 10.55% of the net asset value of the Fund was invested in units of Sun Life MFS Canadian Bond Fund, iShares iBoxx \$ Investment Grade Corporate Bond ETF, Sun Life Real Assets Private Pool, Dynamic Equity Income Fund and Sun Life NWQ Flexible Income Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Granite Income segregated fund offered by Sun Life Assurance Company of Canada and Sun Life Assurance Company of Canada owned 22.61% and 15.90%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek regular income through monthly distributions;
- seek diversified sources of income in a single fund;
- seek diversification through exposure to a broad range of asset classes and geographies;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series T5 and Series F5 units may be suitable for investors holding units outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. For Series T5 and Series F5 units, the Fund will make monthly distributions based on a target annualized rate of 5% of the NAV per unit at the end of the prior year. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$19.48	\$61.39	\$107.61	\$244.95
Series F	\$10.25	\$32.31	\$56.64	\$128.92
Series F5	\$10.05	\$31.67	\$55.50	\$126.34
Series I*	\$0.62	\$1.94	\$3.47	\$7.74
Series O	\$1.95	\$6.14	\$10.76	\$24.50
Series T5	\$20.19	\$63.66	\$111.58	\$253.98

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Granite Enhanced Income Portfolio

Fund details

Fund type	Diversified Income Portfolio
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A: January 17, 2013 Series F: January 17, 2013 Series I: January 17, 2013 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor (for the direct investment portion of the portfolio)	KBI Global Investors (North America) Ltd. Dublin, Ireland

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to generate a consistent level of income by investing primarily in a mix of income-focused fixed income and equity mutual funds (including exchange-traded funds), with an emphasis towards higher yielding investments.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

The Fund seeks to achieve its investment objective through exposure to income generating securities, including dividend paying equity securities of issuers located around the world, REITs, and Canadian and global debt instruments. Such debt instruments may include high yield debt, investment grade corporate debt, government debt and emerging market debt. The Fund will primarily invest in underlying funds (either domestic or foreign) that invest in such securities and will invest the remainder of its net assets directly in such securities. The Manager will determine the portion of the Fund's net assets that is invested indirectly in such securities through underlying funds

and the portion that is invested directly in such securities.

The Manager, together with the sub-advisor, will actively manage the portfolio to seek to add value. The Manager may invest the Fund's assets in underlying funds and the sub-advisor may invest the Fund's assets directly in securities.

The Fund seeks to generate a consistent level of income through strategic asset allocation, tactical management and the selection of underlying funds and securities. The Manager and sub-advisor select securities in, or that give exposure to, both domestic and global markets.

The Fund uses an asset allocation strategy to determine the weighting within the Fund's portfolio of fixed income investments versus equity investments. The Manager may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of the securities.

The Manager monitors and periodically rebalances the Fund's assets based on the Manager's assessment of market conditions in light of the Fund's investment objective and may, in its sole discretion, change the Fund's asset allocation in order to meet the investment objective of the Fund, which may entail changing the underlying mutual funds and securities in which the Fund invests from time to time.

The Fund may invest up to 100% of the Fund's assets in underlying mutual funds (including exchange-traded funds or other investment funds) which may be managed by the Manager, its affiliates and/or other investment fund managers.

The Fund may invest up to 100% of the Fund's assets in foreign securities, either indirectly by investing in underlying funds or by investing directly in such securities.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk*.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk*.

What are the risks of investing in the Fund?

The following are the risks associated with an investment in the Fund:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk
- Tracking risk

- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 15.29%, 14.06%, 12.88%, 12.36%, 11.67%, 11.37% and 10.52% of the net asset value of the fund was invested in units of Sun Life Real Assets Private Pool, Dynamic Equity Income Fund, Sun Life MFS Canadian Bond Fund, RBC High Yield Bond Fund, RBC Emerging Markets Bond Fund (CAD Hedged), RBC Emerging Markets Bond Fund (RBF297) and Sun Life NWQ Flexible Income Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, Sun Life Granite Enhanced Income segregated fund offered by Sun Life Assurance Company of Canada owned 17.86% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by this investor.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek regular income through monthly distributions;
- seek diversified sources of income in a single fund;
- seek diversification through exposure to a broad range of asset classes and geographies;
- are medium to long-term investors; and

- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.27	\$73.35	\$128.57	\$292.66
Series F	\$11.17	\$35.22	\$61.74	\$140.53
Series I*	\$0.92	\$2.91	\$5.10	\$11.62
Series O	\$2.26	\$7.11	\$12.46	\$28.36

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Core Advantage Credit Private Pool

Fund details

Fund type	Fixed Income
Securities offered	Series A, Series F and Series I units of a trust
Start date	Series A: February 26, 2020 Series F: February 26, 2020 Series I: February 26, 2020
Registered plan eligibility	Expected to be a qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	Sun Life Capital Management (Canada) Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objectives are to seek to provide income while preserving capital primarily by investing directly in debt securities or indirectly by investing in mutual funds (including exchange traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- seeks to generally maintain a weighted average credit rating of investment grade;
- primarily invests in a well-diversified portfolio of North American debt securities, comprising of, but not limited to, corporate debt, federal / provincial / corporate real return bonds, federal / provincial nominal

bonds and U.S. treasury inflation-protected securities;

- utilizes both a top-down and bottom-up approach to identify opportunities that capture favourable risk-adjusted returns – top-down the sub-advisor seeks to establish and put into action views on interest rates, inflation, credit markets, as well as other quantitative and qualitative economic / capital markets data while bottom-up the sub-advisor considers the security's expected return, credit quality, liquidity, term, unique security attributes, expected transactions costs, and geographic attractiveness;
- allocates the Fund's assets among issuers in different market sectors, industries, and maturities, based on its view of the relative value;
- may invest up to 50% of the Fund's assets in foreign denominated debt securities primarily hedged back to the Canadian Dollar;
- may opportunistically allocate to debt securities of any quality and term;
- may invest up to 25% of the Fund's assets in non-investment grade high yield debt securities; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager, sub-advisor and/or an affiliate or associate of the Manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under "*Derivative risk*" beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under "*Repurchase and reverse repurchase transactions and securities lending risk*" on page 17.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis generally produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund may engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The Fund may invest in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be directly exposed to the following risks:

- Capital depletion risk
- Credit risk
- Derivative risk
- Geographic concentration risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see "*What are the specific risks of investing in a mutual fund?*" beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Granite Balanced Portfolio, Sun Life Granite Conservative Portfolio and Sun Life Granite Moderate Portfolio owned 32.40%, 29.95% and 19.12%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income while preserving capital;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income".

You can find information on the current monthly distribution amount of the Fund on our website at **www.sunlifeglobalinvestments.com**. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate,

without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside of a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

This information is not available because the Fund is new and therefore its expenses are not yet known.

Sun Life Global Dividend Private Pool

Fund details

Fund type	Global Equity
Securities offered	Series A, Series F and Series I units of a trust
Start date	Series A: February 26, 2020 Series F: February 26, 2020 Series I: February 26, 2020
Registered plan eligibility	Expected to be a qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor	KBI Global Investors (North America) Ltd. Dublin, Ireland

What does the Fund invest in?

Investment objectives

The Fund's investment objectives are to seek to achieve a blend of dividend income and capital appreciation by primarily investing in a diversified portfolio of dividend paying equity securities of issuers located around the world or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the sub-advisor:

- applies an actively managed systematic investment framework designed to capture the secular, cyclical and proprietary sources of alpha, focused on stocks with above

average dividend yields relative to their regional industry peers;

- seeks to identify stocks with the financial strength to maintain and grow their dividend, emphasizing sustainability, consistency and growth;
- seeks to identify companies that display strong capital management, sustainable earnings, dividend growth, high quality balance sheets, and attractive valuations;
- may invest a relatively large percentage of the Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest in securities of issuers located anywhere in the world, including those in emerging markets;
- may invest in securities of companies of any size; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the portfolio manager, sub-advisor and/or an affiliate or associate of the portfolio manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-

hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis generally produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund may engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The Fund may invest in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be directly exposed to the following risks:

- Capital depletion risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk

- Short selling risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see "*What are the specific risks of investing in a mutual fund?*" beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, SLGI Asset Management Inc. and Sun Life Global Tactical Yield Private Pool owned 51.33% and 32.62%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek dividend income and capital appreciation;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". You can find information on the current monthly distribution amount of the Fund on our website at www.sunlifeglobalinvestments.com. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the

Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

This information is not available because the Fund is new and therefore its expenses are not yet known.

Sun Life Global Tactical Yield Private Pool

Fund details

Fund type	Tactical Balanced
Securities offered	Series A, Series F and Series I units of a trust
Start date	Series A: February 26, 2020 Series F: February 26, 2020 Series I: February 26, 2020
Registered plan eligibility	Expected to be a qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objectives are to seek to achieve income and capital appreciation by primarily investing in a diversified portfolio of equity and fixed income securities around the world or indirectly by investing in mutual funds (including exchange-traded funds) that invest in such securities.

The investment objectives of the Fund can only be changed with the approval of a majority of the unitholders at a meeting called for such purpose.

Investment strategies

In pursuing the Fund's investment objectives, the portfolio manager:

- invests primarily in a mix of fixed income and equity mutual funds and typically invests between 30% and 70% of the Fund's assets in fixed income mutual funds and between 30% and 70% of the Fund's assets in equity mutual funds;

- uses an asset allocation strategy to determine the balance between the portion of the Fund exposed to equities and the portion of the Fund exposed to fixed income. The portfolio manager may tactically adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may also invest directly in equity and/or fixed income securities;
- may invest up to 100% of the Fund's assets in foreign securities; and
- may invest up to 100% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the portfolio manager, sub-advisor and/or an affiliate or associate of the portfolio manager and/or sub-advisor and, in selecting these underlying funds, uses the same criteria as it uses for selecting individual securities as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under “*Derivative risk*” beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under “*Repurchase and reverse repurchase transactions and securities lending risk*” on page 17.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, the Manager utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the Manager’s view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis generally produces, in the Manager’s view, an unfavourable outlook, the issuer is a candidate for a short sale. The Fund may engage in short selling as a complement to the Fund’s current primary discipline of buying securities with the expectation that they will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The Fund may invest in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be directly exposed to the following risks:

- Capital depletion risk
- Concentration risk
- Credit risk
- Derivative risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Interest rate risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see “*What are the specific risks of investing in a mutual fund?*” beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 61.17%, 27.08% and 14.45% of the net asset value of the fund was invested in units of Sun Life Global Dividend Private Pool, Sun Life Core Advantage Credit Private Pool and Sun Life Money Market Fund, respectively. Please see *Concentration risk* for details of the risk associated with these holdings.

As at June 24, 2020, SLGI Asset Management Inc. and an investor owned 79.23% and 14.89%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund’s risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund’s risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek income and capital appreciation;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

The Fund intends to make monthly distributions at a fixed rate, which may be comprised of income, capital gains or capital. The monthly distributions are not intended to reflect the Fund’s investment performance and should not be confused with “yield” or “income”. You can find information on the current monthly distribution amount of the Fund on our website at **www.sunlifeglobalinvestments.com**. If necessary, the Fund will make an additional distribution of income and capital gains in December of each year,

though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

A portion of the monthly distribution on your units is likely to include a return of capital. **The distribution rate on your units may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distribution will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that the Fund will make any distributions in any particular month.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund, unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

This information is not available because the Fund is new and therefore its expenses are not yet known.

Sun Life Real Assets Private Pool

Fund details

Fund type	Global Equity
Securities offered	Series A, Series F, Series I and Series O units of a mutual fund trust
Start date	Series A*: February 2, 2015 Series F: February 2, 2015 Series I: February 2, 2015 Series O**: February 2, 2015
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario
Sub-advisor (infrastructure)	Lazard Asset Management (Canada), Inc. New York, New York, U.S.A.
Sub-advisor to Lazard Canada (infrastructure)	Lazard Asset Management LLC New York, New York, U.S.A.
Sub-advisor (REITs)	MFS Investment Management Canada Limited Toronto, Ontario
Sub-advisor to MFS IMC (REITs)	MFS Institutional Advisors, Inc. Boston, Massachusetts, U.S.A.
Sub-advisor (natural resources)	KBI Global Investors (North America) Ltd. Dublin, Ireland

*Effective February 26, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A securities of the Fund are no longer available for purchase in new investment accounts. Eligible Series A Investors may continue to purchase Series A securities of the Fund in those accounts under the Deferred Sales Charge option or Low Load Sales Charge option.

**Effective February 26, 2020, Series O units of the Fund are no longer available for purchase in new investment accounts. Eligible Series O Investors may continue to purchase Series O units of the Fund. See *Series O securities* for more details.

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to provide long-term capital appreciation while preserving purchasing power, including during periods of rising inflation, by investing primarily in a diversified portfolio of global securities.

Investment strategies

In pursuing the Fund's investment objectives, the portfolio manager:

- allocates the Fund's assets among the sub-advisors, each of which has expertise in different asset classes and sectors. Each sub-advisor will follow its own investment philosophies and strategies within its respective asset allocation to identify securities that meet the Fund's investment objective. The portfolio manager will monitor and periodically rebalance the Fund's assets. Asset allocation will be based on the portfolio manager's assessment of the market conditions in light of the Fund's investment objective;

Each sub-advisor will manage the assets allocated to it by the portfolio manager. The sub-advisors:

- invest primarily in a diversified portfolio of global equity securities that provide exposure to real assets. Examples of real assets include but are not limited to: natural resources (for example, agriculture, water and renewable energy), infrastructure (for example, toll roads, railroads, utilities, communication infrastructure, airports and pipelines), and real estate (for example, office, industrial, retail and multi-family). Real assets are assets that have historically maintained a positive correlation to inflation. The Fund may obtain exposure to real assets across a range of sectors and asset classes;

- may invest up to 100% of the Fund's assets in foreign equity securities; and
- may invest up to 10% of the Fund's assets in securities of other mutual funds (including exchange-traded funds), including mutual funds that may be managed by the Manager and/or an affiliate of the Manager. In selecting these underlying funds, each sub-advisor will use the same criteria as it uses for selecting individual securities, as described above.

The Fund may hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's portfolio. The Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages risk associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

The Fund may also engage in short selling in a manner which is consistent with the investment objective of the Fund and as permitted by Canadian securities regulatory authorities. In determining whether securities of a particular issuer should be sold short, each sub-advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces, in the sub-advisor's view, a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces, in the sub-advisor's view, an unfavourable outlook, the issuer is a candidate for a short sale. The

Fund may engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that these securities will appreciate in market value. Please see the discussion under *Short selling risk* on page 18.

What are the risks of investing in the Fund?

The Fund may invest in underlying funds and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying funds. The Fund will be directly exposed to the following risks:

- Commodity risk
- Derivative risk
- Equity risk
- Foreign investment risk
- Large transaction risk
- Real estate risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Short selling risk
- Small company risk
- Specialization risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

As at June 24, 2020, Sun Life Assurance Company of Canada, Sun Life Granite Balanced Portfolio and Sun Life Granite Balanced Growth Portfolio owned 39.72%, 21.57% and 10.39%, respectively, of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of units of the Fund by these investors.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- seek to preserve purchasing power, including during periods of rising inflation;
- seek long-term capital appreciation;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Distribution policy

If necessary, income and capital gains are paid in December of each year, though the Fund may make distributions of income, capital gains or capital at any other time as we consider appropriate.

Distributions on units held in a Registered Plan are automatically reinvested in additional units of the Fund. Distributions on units held outside a Registered Plan are automatically reinvested in additional units of the Fund unless you provide us a written request that you wish to receive them in cash.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$24.81	\$78.20	\$137.06	\$311.99
Series F	\$13.33	\$42.01	\$73.63	\$167.60
Series I*	\$0.62	\$1.94	\$3.40	\$7.74
Series O	\$1.95	\$6.14	\$10.76	\$24.50

* Series I units are not charged a management fee. Instead, investors in Series I units negotiate and pay a management fee directly to us.

Sun Life Money Market Class

Fund details

Fund type	Canadian Money Market
Securities offered	Series A, Series F and Series O shares of a class of a mutual fund corporation
Start date	Series A*: August 1, 2013 Series F: August 1, 2013 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

* Effective on or about August 1, 2020, the Deferred Sales Charge option and the Low Load Sales Charge option for Series A shares of Sun Life Money Market Class is no longer be available for purchase in new investment accounts. Existing Money Market Series A Investors may continue to purchase Series A shares of Sun Life Money Market Class under the Deferred Sales Charge option or Low Load Sales Charge option. Transferred Money Market Series A Investors will be permitted to purchase Series A shares of Sun Life Money Market Class in accounts created by a switch of shares purchased under the Deferred Sales Charge option or Low Load Sales Charge option

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek to achieve a high level of current income while seeking to protect capital and to maintain liquidity through exposure to primarily Canadian dollar-denominated money market instruments by investing primarily in units of Sun Life Money Market Fund or its successor fund (the "underlying Trust Fund").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or

substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by us and sub-advised by MFS Investment Management Canada Limited (the "sub-advisor"). The underlying Trust Fund's investment objective is to achieve a high level of current income while seeking to protect capital and to maintain liquidity by investing primarily in Canadian dollar-denominated money market instruments.

In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:

- invests in Canadian dollar-denominated money market instruments of Canadian issuers, which may include short-term debt obligations of corporations (such as commercial paper), governments (such as treasury bills) and floating rate notes maturing within one year;
- may invest up to 10% of the underlying Trust Fund's assets in Canadian dollar-denominated money market instruments of foreign issuers;
- may, to the extent permitted by applicable securities legislation, invest in securities of other money market funds.

The underlying Trust Fund is managed to maintain a constant NAV per security of \$10.00, although this cannot be guaranteed and the NAV per unit of the underlying Trust Fund may fluctuate.

The Fund may engage in active trading and may have a portfolio turnover rate that exceeds 70%. The higher a Fund's portfolio turnover rate is in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution of capital gains in the year. Please see *Portfolio turnover rate* on page 76 for a discussion on the tax consequences to unitholders. There is not necessarily a relationship between a high turnover rate and the Fund's performance.

What are the risks of investing in the Fund?

The Fund invests in the underlying Trust Fund and so the risks of investing in the Fund include both the risks

Sun Life Money Market Class (continued)

of investing in the Fund and the risks of investing in the underlying Trust Fund. While the underlying Trust Fund intends to maintain a constant unit price, there is no guarantee that the unit price will not fluctuate. For example, if a significant number of investors request redemptions of their units of the underlying Trust Fund at the same time, the underlying Trust Fund may be obliged to sell its investments at disadvantageous prices. The NAV per unit of the underlying Trust Fund could then fall below \$10.00. The underlying Trust Fund reduces this risk by keeping the maturities of most of underlying Trust Fund's investments to less than 90 days.

The Fund will not maintain a constant NAV per security.

In addition, the Fund will be exposed to the following risks:

- Class risk
- Concentration risk
- Credit risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Tracking risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 182.81% of the net asset value of the Fund was invested in units of Sun Life Money Market Fund. Please see *Concentration risk* for details of the risk associated with this holding.

As at June 24, 2020, an investor owned 29.40% of the issued and outstanding shares of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of shares of the Fund by this investor.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- are conservative and income-oriented;
- have a shorter investment time horizon; and
- are comfortable with low investment risk.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$5.64	\$17.77	\$31.15	\$70.91
Series F	\$2.97	\$9.37	\$16.42	\$37.39
Series O	\$0.10	\$0.32	\$0.57	\$1.29

Sun Life Granite Conservative Class

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series AT5, Series F, Series FT5 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income and capital appreciation, with a bias towards income, through exposure to primarily fixed income and equity securities by investing primarily in units of Sun Life Granite Conservative Portfolio or its successor fund (the "**Portfolio**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the Portfolio invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the Portfolio, a mutual fund that is managed and advised by us. The Portfolio's investment objective is to seek income and capital appreciation, with a bias towards income, by investing primarily in fixed income mutual funds and, to a lesser extent, equity mutual funds.

In pursuing the Portfolio's investment objectives, the portfolio manager of the Portfolio:

- invests primarily in fixed income mutual funds and, to a lesser extent, equity mutual funds and typically invests between 63% and 83% of the Portfolio's assets in fixed income mutual funds and between 17% and 37% of the Portfolio's assets in equity mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Portfolio invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Portfolio's assets in other mutual funds (including exchange-traded funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments, and global debt instruments;
- monitors and periodically rebalances the Portfolio's assets based on the portfolio manager's assessment of market conditions in light of the Portfolio's investment objective; and
- may, in its sole discretion, change the Portfolio's allocation to each asset class in order to meet the investment objective of the Portfolio and change the other mutual funds in which the Portfolio invests from time to time.

The Fund and the Portfolio may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet

subscription or redemption requests, or for defensive or other purposes.

The Fund and the Portfolio may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the Portfolio's portfolio. The Fund and the Portfolio may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the Portfolio will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the Portfolio and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Portfolio. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series AT5 and Series FT5 investors only)
- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk

- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 101.09% of the net asset value of the Fund was invested in units of Sun Life Granite Conservative Portfolio. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek income and capital appreciation, with a bias towards income;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low investment risk.

Series AT5 and Series FT5 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5 and Series FT5 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% of the NAV per share at the end of the prior year. The monthly distributions on Series AT5 and Series FT5 shares are comprised of capital.

The monthly distributions on Series AT5 and Series FT5 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on this series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5 and Series FT5 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$19.58	\$61.72	\$108.18	\$246.24
Series AT5	\$19.89	\$62.69	\$109.88	\$250.11
Series F	\$10.87	\$34.25	\$60.04	\$136.66
Series FT5	\$10.15	\$31.99	\$56.07	\$127.63
Series O	\$2.15	\$6.79	\$11.89	\$27.07

Sun Life Granite Moderate Class

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series AT5, Series F, Series FT5 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek income and capital appreciation through exposure to primarily fixed income and equity securities by investing primarily in units of Sun Life Granite Moderate Portfolio or its successor fund (the "**Portfolio**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the Portfolio invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the Portfolio, a mutual fund that is managed and advised by us. The Portfolio's investment objective is to seek income and capital appreciation by investing primarily in a mix of fixed income and equity mutual funds.

In pursuing the Portfolio's investment objectives, the portfolio manager of the Portfolio:

- invests primarily in a mix of fixed income and equity mutual funds and typically invests

between 43% and 63% of the Portfolio's assets in fixed income mutual funds and between 37% and 57% of the Portfolio's assets in equity mutual funds;

- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Portfolio invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Portfolio's assets in other mutual funds (including exchange-traded funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- monitors and periodically rebalances the Portfolio's assets based on the portfolio manager's assessment of market conditions in light of the Portfolio's investment objective; and
- may, in its sole discretion, change the Portfolio's allocation to each asset class in order to meet the investment objective of the Portfolio and change the other mutual funds in which the Portfolio invests from time to time.

The Fund and the Portfolio may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

Sun Life Granite Moderate Class (continued)

The Fund and the Portfolio may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the Portfolio's portfolio. The Fund and the Portfolio may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the Portfolio will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the Portfolio and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Portfolio. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series AT5 and Series FT5 investors only)
- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Inflation risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk

- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 101.39% of the net asset value of the Fund was invested in units of Sun Life Granite Moderate Portfolio. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek income and capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series AT5 and Series FT5 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after

Sun Life Granite Moderate Class (continued)

December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5 and Series FT5 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% of the NAV per share at the end of the prior year. The monthly distributions on Series AT5 and Series FT5 shares are comprised of capital.

The monthly distributions on Series AT5 and Series FT5 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on this series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5 and Series FT5 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.24	\$70.12	\$122.90	\$279.76
Series AT5	\$22.35	\$70.44	\$123.47	\$281.05
Series F	\$10.76	\$33.93	\$59.47	\$135.37
Series FT5	\$10.87	\$34.25	\$60.04	\$136.66
Series O	\$2.15	\$6.79	\$11.89	\$27.07

Sun Life Granite Balanced Class

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series AT5, Series F, Series FT5 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, through exposure to primarily fixed income and equity securities by investing primarily in units of Sun Life Granite Balanced Portfolio or its successor fund (the "**Portfolio**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the Portfolio invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the Portfolio, a mutual fund that is managed and advised by us. The Portfolio's investment objective is to seek capital appreciation and income, with a small bias towards capital appreciation, by investing primarily in a mix of equity and fixed income mutual funds.

In pursuing the Portfolio's investment objectives, the portfolio manager of the Portfolio:

- invests primarily in a mix of equity and fixed income mutual funds and typically invests between 50% and 70% of the Portfolio's assets in equity mutual funds and between 30% and 50% of the Portfolio's assets in fixed income mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Portfolio invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Portfolio's assets in other mutual funds (including exchange-traded funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- monitors and periodically rebalances the Portfolio's assets based on the portfolio manager's assessment of market conditions in light of the Portfolio's investment objective; and
- may, in its sole discretion, change the Portfolio's allocation to each asset class in order to meet the investment objective of the Portfolio and change the other mutual funds in which the Portfolio invests from time to time.

The Fund and the Portfolio may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet

subscription or redemption requests, or for defensive or other purposes.

The Fund and the Portfolio may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the Portfolio's portfolio. The Fund and the Portfolio may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the Portfolio will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the Portfolio and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Portfolio. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series AT5 and Series FT5 investors only)
- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Passive management risk

- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 100.57% of the net asset value of the Fund was invested in units of Sun Life Granite Balanced Portfolio. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek capital appreciation and income, with a small bias towards capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and
- are comfortable with low to medium investment risk.

Series AT5 and Series FT5 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5 and Series FT5 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% of the NAV per share at the end of the prior year. The monthly distributions on Series AT5 and Series FT5 shares are comprised of capital.

The monthly distributions on Series AT5 and Series FT5 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on this series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5 and Series FT5 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$22.65	\$71.41	\$125.17	\$284.92
Series AT5	\$22.96	\$72.38	\$126.87	\$288.79
Series F	\$11.17	\$35.22	\$61.74	\$140.53
Series FT5	\$11.38	\$35.87	\$62.87	\$143.10
Series O	\$2.15	\$6.79	\$11.89	\$27.07

Sun Life Granite Balanced Growth Class

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series AT8: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series FT8: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation and income, with a bias towards capital appreciation, through exposure to primarily fixed income and equity securities by investing primarily in units of Sun Life Granite Balanced Growth Portfolio or its successor fund (the "**Portfolio**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the Portfolio invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the Portfolio, a mutual fund that is managed and advised by us. The Portfolio's investment objective is to seek capital appreciation and income, with a bias towards capital appreciation, by investing primarily in equity

mutual funds and, to a lesser extent, fixed income mutual funds.

In pursuing the Portfolio's investment objectives, the portfolio manager of the Portfolio:

- invests primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds and typically invests between 60% and 80% of the Portfolio's assets in equity mutual funds and between 20% and 40% of the Portfolio's assets in fixed income mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Portfolio invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Portfolio's assets in other mutual funds (including exchange-traded funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments and global debt instruments;
- monitors and periodically rebalances the Portfolio's assets based on the portfolio manager's assessment of market conditions in light of the Portfolio's investment objective; and
- may, in its sole discretion, change the Portfolio's allocation to each asset class in order to meet the investment objective of the Portfolio

and change the other mutual funds in which the Portfolio invests from time to time.

The Fund and the Portfolio may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund and the Portfolio may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the Portfolio's portfolio. The Fund and the Portfolio may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the Portfolio will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the Portfolio and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Portfolio. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series AT5, Series AT8, Series FT5 and Series FT8 investors only)
- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk

- Foreign investment risk
- Geographic concentration risk
- Government securities risk
- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

During the 12 months preceding June 24, 2020, up to 101.00% of the net asset value of the Fund was invested in units of Sun Life Granite Balanced Growth Portfolio. Please see *Concentration risk* for details of the risk associated with this holding.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

We have classified this Fund's risk level as low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek capital appreciation and income, with a bias towards capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are medium to long-term investors; and

Sun Life Granite Balanced Growth Class (continued)

- are comfortable with low to medium investment risk.

Series AT5, Series AT8, Series FT5 and Series FT8 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Series FT5	\$11.69	\$38.84	\$64.57	\$146.97
Series FT8	\$12.20	\$38.45	\$67.40	\$153.42
Series O	\$2.15	\$6.79	\$11.89	\$27.07

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5, Series AT8, Series FT5 and Series FT8 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% and 8% of the NAV per share, respectively, at the end of the prior year. The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are comprised of capital.

The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5, Series AT8, Series FT5 and Series FT8 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.06	\$72.70	\$127.43	\$290.08
Series AT5	\$23.17	\$73.03	\$128.00	\$291.37
Series AT8	\$23.27	\$73.35	\$128.57	\$292.66
Series F	\$11.58	\$36.51	\$64.00	\$145.68

Sun Life Granite Growth Class

Fund details

Fund type	Asset Allocation Portfolio
Securities offered	Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series AT8: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series FT8: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation through exposure to primarily fixed income and equity securities by investing primarily in units of Sun Life Granite Growth Portfolio or its successor fund (the "**Portfolio**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the Portfolio invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the Portfolio, a mutual fund that is managed and advised by us. The Portfolio's investment objective is to seek capital appreciation by investing primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds.

In pursuing the Portfolio's investment objectives, the portfolio manager of the Portfolio:

- invests primarily in equity mutual funds and, to a lesser extent, fixed income mutual funds and typically invests between 70% and 90% of the Portfolio's assets in equity mutual funds and between 10% and 30% of the Portfolio's assets in fixed income mutual funds;
- uses an asset allocation strategy to determine the balance between the portion of the Portfolio invested in equity mutual funds and the portion of the Portfolio invested in fixed income mutual funds;
- may review and adjust the asset allocation strategy, in its sole discretion, depending on economic conditions and relative value of equity and fixed income securities;
- may invest up to 100% of the Portfolio's assets in other mutual funds (including exchange-traded funds) which may be managed by the Manager, its affiliates and/or other investment fund managers, and/or directly in equity and/or fixed income securities;
- typically selects equity mutual funds with exposure to Canadian equity securities, U.S. equity securities and international equity securities;
- typically selects fixed income mutual funds with exposure to Canadian debt instruments, U.S. debt instruments, and global debt instruments;
- monitors and periodically rebalances the Portfolio's assets based on the portfolio manager's assessment of market conditions in light of the Portfolio's investment objective; and
- may, in its sole discretion, change the Portfolio's allocation to each asset class in order to meet the investment objective of the Portfolio and change the other mutual funds in which the Portfolio invests from time to time.

The Fund and the Portfolio may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities to meet subscription or redemption requests, or for defensive or other purposes.

The Fund and the Portfolio may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the Portfolio's portfolio. The Fund and the Portfolio may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the Portfolio will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the Portfolio and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the Portfolio. The Fund will be exposed to the following risks:

- Asset-backed and mortgage-backed securities risk
- Capital depletion risk (for Series AT5, Series AT8, Series FT5 and Series FT8 investors only)
- Class risk
- Concentration risk
- Credit risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Geographic concentration risk
- Government securities risk

- Interest rate risk
- Large transaction risk
- Passive management risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Transaction costs risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 101.72% of the net asset value of the Fund was invested in units of Sun Life Granite Growth Portfolio. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level to be low to medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek capital appreciation;
- seek diversification through a broad range of asset classes, geographies and investment styles;
- are long-term investors; and
- are comfortable with low to medium investment risk.

Sun Life Granite Growth Class (continued)

Series AT5, Series AT8, Series FT5 and Series FT8 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5, Series AT8, Series FT5 and Series FT8 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% and 8% of the NAV per share, respectively, at the end of the prior year. The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are comprised of capital.

The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5, Series AT8, Series FT5 and Series FT8 will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.78	\$74.97	\$131.40	\$299.10
Series AT5	\$24.60	\$77.55	\$135.93	\$309.42
Series AT8	\$24.91	\$78.52	\$137.63	\$313.28
Series F	\$12.40	\$39.10	\$68.53	\$156.00
Series FT5	\$12.92	\$40.71	\$71.36	\$162.44
Series FT8	\$12.92	\$40.71	\$71.36	\$162.44
Series O	\$2.36	\$7.43	\$13.03	\$29.65

Sun Life MFS U.S. Growth Class

Fund details

Fund type	U.S. Equity
Securities offered	Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series AT8: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series FT8: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation through exposure to primarily equity securities of issuers located in the United States that are considered to have above-average earnings growth potential compared to other companies by investing primarily in units of Sun Life MFS U.S. Growth Fund or its successor fund (the "**underlying Trust Fund**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by us and sub-advised by MFS Institutional Advisors, Inc. (the "**sub-advisor**"). The underlying Trust

Fund's investment objective is to seek capital appreciation primarily by investing primarily in equity securities of issuers located in the United States that are considered to have above-average earnings growth potential compared to other companies.

In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:

- may invest in companies of any size;
- may invest up to 20% of the underlying Trust Fund's assets in non-U.S. foreign securities;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the underlying Trust Fund's portfolio. In addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the underlying Trust Fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying Trust Fund. The Fund will be exposed to the following risks:

- Capital depletion risk (for Series AT5, Series AT8, Series FT5 and Series FT8 investors only)
- Class risk
- Derivative risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 102.37% of the net asset value of the Fund was invested in units of Sun Life MFS U.S. Growth Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- want to add a U.S. equity fund to their investment portfolio;
- wish to contribute to the growth component of a diversified portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series AT5, Series AT8, Series FT5 and Series FT8 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5, Series FT5, Series AT8 and Series FT8 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% and 8% of the NAV per share, respectively, at the end of the prior year. The monthly distributions on Series AT5, Series FT5, Series AT8 and Series FT8 shares are comprised of capital.

The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

Sun Life MFS U.S. Growth Class (continued)

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5, Series AT8, Series FT5 and Series FT8 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors**Expenses payable over:**

	1 year	3 years	5 years	10 years
Series A	\$23.17	\$73.03	\$128.00	\$291.37
Series AT5	\$22.96	\$72.38	\$126.87	\$288.79
Series AT8	\$23.99	\$75.61	\$132.53	\$301.68
Series F	\$11.99	\$37.81	\$66.27	\$150.84
Series FT5	\$12.20	\$38.45	\$67.40	\$153.42
Series FT8	\$12.20	\$38.45	\$67.40	\$153.42
Series O	\$2.26	\$7.11	\$12.46	\$28.36

Sun Life MFS Global Growth Class

Fund details

Fund type	Global Equity
Securities offered	Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series AT8: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series FT8: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation through exposure to primarily equity securities of issuers located anywhere in the world that are considered to have above-average earnings growth potential compared to other issuers by investing primarily in units of Sun Life MFS Global Growth Fund or its successor fund (the "**underlying Trust Fund**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or

substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by us and sub-advised by MFS Institutional Advisors, Inc. (the "**sub-advisor**"). The underlying Trust Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers located anywhere in the world that are considered to have above-average earnings growth potential compared to other issuers.

In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:

- may invest a relatively large percentage of the underlying Trust Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- may invest in securities of issuers located anywhere in the world, including those in emerging markets;
- may invest in securities of companies of any size;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to provide protection for the Fund's and the underlying Trust Fund's portfolio. In addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing

directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the underlying Trust Fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying Trust Fund. The Fund will be exposed to the following risks:

- Capital depletion risk (for Series AT5, Series AT8, Series FT5 and Series FT8 investors only)
- Class risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of investing in a mutual fund?* beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 112.51% of the net asset value of the Fund was invested in units of Sun Life MFS Global Growth Fund. Please see *Concentration risk* for details of the risk associated with this holding.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek global equity diversification and capital growth over the long-term;
- wish to contribute to the growth component of their investment portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series AT5, Series AT8, Series FT5 and Series FT8 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered Plan and you provide us a written request that you wish to receive them in cash.**

For Series AT5, Series FT5, Series AT8 and Series FT8 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% and 8% of the NAV per share, respectively, at the end of the prior year. The monthly distributions on Series AT5, Series FT5, Series AT8 and Series FT8 shares are comprised of capital.

Sun Life MFS Global Growth Class (continued)

The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5, Series AT8, Series FT5 and Series FT8 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.37	\$73.67	\$129.13	\$293.95
Series AT5	\$23.68	\$74.64	\$130.83	\$297.81
Series AT8	\$23.88	\$75.29	\$131.97	\$300.39
Series F	\$11.89	\$37.48	\$65.70	\$149.55
Series FT5	\$12.10	\$38.13	\$66.83	\$152.13
Series FT8	\$12.20	\$38.45	\$67.40	\$153.42
Series O	\$2.36	\$7.43	\$13.03	\$29.65

Sun Life MFS International Opportunities Class

Fund details

Fund type	International Equity
Securities offered	Series A, Series AT5, Series AT8, Series F, Series FT5, Series FT8 and Series O shares of a class of a mutual fund corporation
Start date	Series A: August 1, 2013 Series AT5: August 1, 2013 Series AT8: August 1, 2013 Series F: August 1, 2013 Series FT5: February 9, 2018 Series FT8: February 9, 2018 Series O: April 1, 2014
Registered plan eligibility	Qualified investment for Registered Plans
Portfolio manager	SLGI Asset Management Inc. Toronto, Ontario

What does the Fund invest in?

Investment objectives

The Fund's investment objective is to seek capital appreciation through exposure to primarily equity securities of issuers outside of Canada and the U.S. that are considered to have above-average earnings growth potential compared to other issuers by investing primarily in units of Sun Life MFS International Opportunities Fund or its successor fund (the "**underlying Trust Fund**").

Where the portfolio manager considers it appropriate or necessary, the Fund may invest in securities, which may include securities of other mutual funds (including exchange-traded funds), identical or substantially similar to those in which the underlying Trust Fund invests.

The investment objective of the Fund can only be changed with the approval of a majority of the shareholders at a meeting called for such purpose.

Investment strategies

The portfolio manager currently intends to achieve the Fund's investment objectives by investing all, or substantially all, of the assets of the Fund in the underlying Trust Fund, a mutual fund that is managed by us and sub-advised by MFS Institutional Advisors,

Inc. (the "**sub-advisor**"). The underlying Trust Fund's investment objective is to seek capital appreciation by investing primarily in equity securities of issuers outside of Canada and the U.S. that are considered to have above-average earnings growth potential compared to other issuers.

In pursuing the underlying Trust Fund's investment objectives, the sub-advisor:

- may invest in companies of any size;
- may invest in securities of issuers located anywhere in the world, including those in emerging markets;
- may invest in U.S. and Canadian issuers, however these investments will be limited to those issuers having material economic exposure to markets outside the U.S. and Canada;
- may invest a relatively large percentage of the underlying Trust Fund's assets in securities of issuers in a single country, a small number of countries, or a particular geographic region;
- uses a bottom-up investment approach – investments are selected primarily based on fundamental analysis of issuers and their potential in light of their current financial condition and industry position, as well as market, economic, political and regulatory conditions; considers factors such as earnings, cash flows, competitive position and management ability of issuers; and
- may also consider quantitative models that systematically evaluate these and other factors.

The Fund and the underlying Trust Fund may each hold all or a portion of its assets in cash, money market instruments, bonds or other debt securities for defensive or other purposes.

The Fund and the underlying Trust Fund may use derivatives for hedging purposes such as to hedge some or all of its foreign currency exposure, or to

provide protection for the Fund's and the underlying Trust Fund's portfolio. In addition, the Fund and the underlying Trust Fund may also use derivatives for non-hedging purposes, such as to gain exposure to certain securities or asset classes without investing directly in such securities or asset classes, or to generate income. The Fund and the underlying Trust Fund will only use derivatives as permitted by Canadian securities regulatory authorities.

For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivative risk* beginning on page 12.

The Fund and the underlying Trust Fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns. For a description of these transactions and how the Fund manages the risks associated with these transactions, please see the discussion under *Repurchase and reverse repurchase transactions and securities lending risk* on page 17.

What are the risks of investing in the Fund?

The Fund invests in the underlying Trust Fund and so the risks of investing in the Fund include both the risks of investing in the Fund and the risks of investing in the underlying Trust Fund. The Fund will be exposed to the following risks:

- Capital depletion risk (for Series AT5, Series AT8, Series FT5 and Series FT8 investors only)
- Class risk
- Derivative risk
- Emerging markets risk
- Equity risk
- Foreign investment risk
- Geographic concentration risk
- Large transaction risk
- Repurchase and reverse repurchase transactions and securities lending risk
- Small company risk
- Specialization risk
- Tracking risk
- Underlying fund risk

For a detailed description of these mutual fund risks, see *What are the specific risks of investing in a mutual fund?* beginning on page 10.

In addition to the above risks, certain general risks also apply to the Fund. See *What are the general risks of*

investing in a mutual fund? beginning on page 8 for a detailed description of the general risks associated with an investment in the Fund.

During the 12 months preceding June 24, 2020, up to 103.47% of the net asset value of the Fund was invested in units of Sun Life MFS International Opportunities Fund. Please see *Concentration risk* for details of the risk associated with this holding.

As at June 24, 2020, an investor owned 17.51% of the issued and outstanding units of the Fund. Please see *Large transaction risk* on page 16 for details of the risk associated with a possible redemption of shares of the Fund by this investor.

We have classified this Fund's risk level as medium. Please see *Fund risk classification* on page 79 for a description of the methodology we use to classify this Fund's risk level.

Who should invest in this Fund?

This Fund may be suitable for investors who:

- are investing in a non-registered account and want to invest in a fund that has the potential to share capital losses (if any) and expenses with other funds within the same corporate structure after having considered your specific tax circumstances;
- seek geographic equity diversification outside of Canada and the United States to their investment portfolio;
- wish to contribute to the growth component of a diversified portfolio;
- are long-term investors; and
- are comfortable with medium investment risk.

Series AT5, Series AT8, Series FT5 and Series FT8 shares may be suitable for investors holding shares outside of a Registered Plan and wishing to receive monthly distributions.

Distribution policy

The Fund pays any ordinary dividends in December and any capital gains dividends within 60 days after December 31 each year. **Distributions are automatically reinvested in additional shares of the Fund, unless shares are held outside a Registered**

Plan and you provide us a written request that you wish to receive them in cash.

For Series AT5, Series AT8, Series FT5 and Series FT8 shares, the Fund intends to make monthly distributions based on a target annualized rate of 5% and 8% of the NAV per share, respectively, at the end of the prior year. The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are comprised of capital.

The monthly distributions on Series AT5, Series AT8, Series FT5 and Series FT8 shares are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **The distribution rate on these series may be greater than the return on the Fund's investments. If the cash distributions to you are greater than the net increase in the value of your investment, the distributions will erode the value of your original investment.**

We reserve the right to adjust the amount of the monthly distribution if we consider it appropriate, without notice. There can be no assurance that Series AT5, Series AT8, Series FT5 and Series FT8 shares will make any distributions in any particular month.

Fund expenses indirectly borne by investors

Expenses payable over:

	1 year	3 years	5 years	10 years
Series A	\$23.27	\$73.35	\$128.57	\$292.66
Series AT5	\$23.06	\$72.70	\$127.43	\$290.08
Series AT8	\$23.68	\$74.64	\$130.83	\$297.81
Series F	\$11.79	\$37.16	\$65.13	\$148.26
Series FT5	\$12.20	\$38.45	\$67.40	\$153.42
Series FT8	\$12.30	\$38.78	\$67.97	\$154.71
Series O	\$2.26	\$7.11	\$12.46	\$28.36

SIMPLIFIED PROSPECTUS

Offering Series A, Series AH, Series AT5, Series T5, Series AT8, Series T8, Series D, Series DB, Series F, Series FH, Series F5, Series F8, Series FT5, Series FT8, Series I, Series IH, Series O and Series OH securities as indicated.

Sun Life MFS Global Growth Fund (Series A, T5, T8, D, F, F5, F8, I, O securities)

Sun Life MFS Global Value Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS U.S. Growth Fund (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

Sun Life MFS U.S. Value Fund (Series A, AH, T5, T8, F, FH, F5, F8, I, IH, O, OH securities)

Sun Life MFS International Opportunities Fund (formerly, Sun Life MFS International Growth Fund) (Series A, T5, T8, D, F, F5, F8, I, O securities)

Sun Life MFS International Value Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Excel Emerging Markets Fund (Series A, DB, F, I, O securities)

Sun Life MFS Global Total Return Fund (Series A, DB, T5, F, F5, I, O securities)

Sun Life JPMorgan International Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Milestone 2025 Fund (Series A securities)

Sun Life Milestone 2030 Fund (Series A securities)

Sun Life Milestone 2035 Fund (Series A securities)

Sun Life Multi-Strategy Bond Fund (Series A, F, I, O securities)

Sun Life Money Market Fund (Series A, D, F, I, O securities)

Sun Life Excel High Income Fund (Series A, DB, F, I securities)

Sun Life Excel India Balanced Fund (Series A, F securities)

Sun Life Excel India Fund (Series A, DB, F, I, O securities)

Sun Life Excel New India Leaders Fund (Series A, F securities)

Sun Life Schroder Global Mid Cap Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Dynamic Equity Income Fund (Series A, F, I, O securities)

Sun Life Dynamic Strategic Yield Fund (Series A, F, I, O securities)

Sun Life NWQ Flexible Income Fund (Series A, F, I, O securities)

Sun Life BlackRock Canadian Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS Canadian Bond Fund (Series A, D, F, I, O securities)

Sun Life MFS Canadian Equity Fund (formerly, Sun Life MFS Canadian Equity Growth Fund)
(Series A, D, F, I, O securities)

Sun Life MFS Dividend Income Fund (Series A, D, F, I, O securities)

Sun Life MFS U.S. Equity Fund (Series A, D, F, I, O securities)

Sun Life MFS Low Volatility International Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life MFS Low Volatility Global Equity Fund (Series A, T5, T8, F, F5, F8, I, O securities)

Sun Life Tactical Fixed Income ETF Portfolio (Series A, F, I securities)
Sun Life Tactical Conservative ETF Portfolio (Series A, T5, F, F5, I securities)
Sun Life Tactical Balanced ETF Portfolio (Series A, T5, F, F5, I securities)
Sun Life Tactical Growth ETF Portfolio (Series A, F, I securities)
Sun Life Tactical Equity ETF Portfolio (Series A, F, I securities)
Sun Life Granite Conservative Portfolio (Series A, T5, F, F5, I, O securities)
Sun Life Granite Moderate Portfolio (Series A, T5, F, F5, I, O securities)
Sun Life Granite Balanced Portfolio (Series A, T5, D, F, F5, I, O securities)
Sun Life Granite Balanced Growth Portfolio (Series A, T5, T8, F, F5, F8, I, O securities)
Sun Life Granite Growth Portfolio (Series A, T5, T8, F, F5, F8, I, O securities)
Sun Life Granite Income Portfolio (Series A, T5, F, F5, I, O securities)
Sun Life Granite Enhanced Income Portfolio (Series A, F, I, O securities)
Sun Life Core Advantage Credit Private Pool (Series A, F, I securities)
Sun Life Global Dividend Private Pool (Series A, F, I securities)
Sun Life Global Tactical Yield Private Pool (Series A, F, I securities)
Sun Life Real Assets Private Pool (formerly, Sun Life Real Assets Fund) (Series A, F, I, O securities)
Sun Life Money Market Class* (Series A, F, O securities)
Sun Life Granite Conservative Class* (Series A, AT5, F, FT5, O securities)
Sun Life Granite Moderate Class* (Series A, AT5, F, FT5, O securities)
Sun Life Granite Balanced Class* (Series A, AT5, F, FT5, O securities)
Sun Life Granite Balanced Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)
Sun Life Granite Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)
Sun Life MFS U.S. Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)
Sun Life MFS Global Growth Class* (Series A, AT5, AT8, F, FT5, FT8, O securities)
Sun Life MFS International Opportunities Class* (formerly, Sun Life MFS International Growth Class) (Series A, AT5, AT8, F, FT5, FT8, O securities)

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

You can find more information about each Fund in the Annual Information Form, fund facts, management report of fund performance and financial statements of each Fund. 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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