

Sun Life MFS Global Value Fund

FUND REVIEW Q4, 2017

All currency references are in C\$ unless otherwise indicated; opinions and data as of December 31, 2017 unless otherwise indicated.

CATEGORY¹

Global equity

INVESTMENT OBJECTIVE

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.

MANAGEMENT COMPANY

Sun Life Global Investments (Canada) Inc.

SUB-ADVISOR

MFS Institutional Advisors, Inc.
(MFS Investment Management)
Boston, Massachusetts

INCEPTION DATE

October 1, 2010

TOTAL ASSETS

\$430,824,210

BENCHMARK

MSCI World Index

PERFORMANCE SUMMARY

Opinions and data for "PERFORMANCE SUMMARY" provided by MFS Institutional Advisors

Sun Life MFS Global Value Fund (Series A) returned 4.6% in the fourth quarter, underperforming its benchmark by roughly 1.1 percentage points.

An underweight position in energy detracted from relative performance as the sector outperformed the broader market over the quarter. Losses were partially offset by strong stock selection within the industrials and health care sectors.

The fund's exposure at the sector level changed modestly from the third quarter, and the portfolio's turnover rate over the past twelve months is just below 15%. The largest sector change was increased exposure to the special products and services sector, with notable decreases in the basic materials and health care sectors. Many of the large trims during over the quarter were from stocks that have significantly outperformed and whose valuations have appreciated, including:

- Cadence Design Systems, 3M and Deutsche Wohnen

Consistent with the focus on investing in companies that have long-term sustainable and durable business models, the team continues to add more service-oriented information technology businesses to the fund.

Key contributors

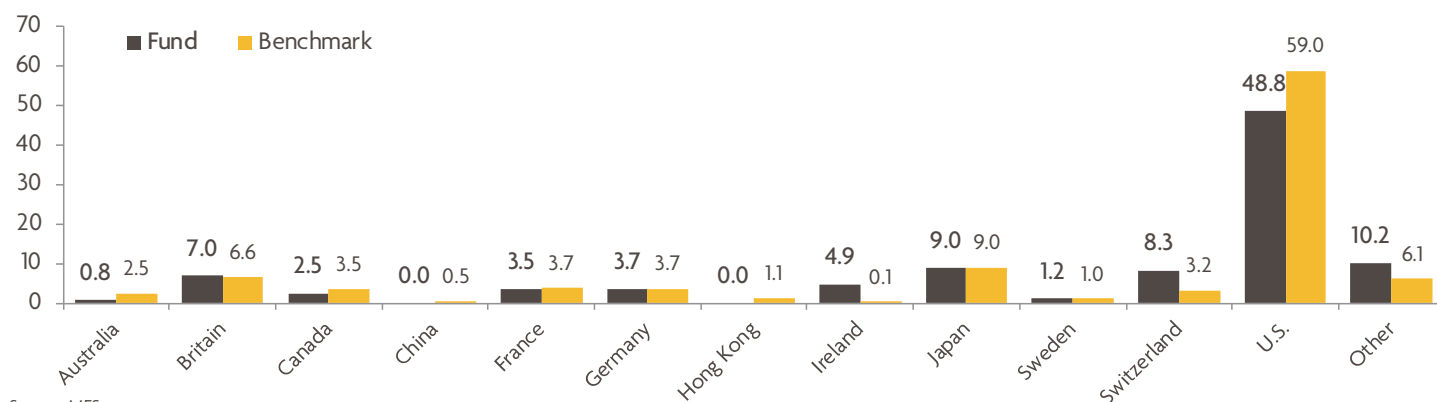
- 3M
 - Strong organic growth resulted in better than expected earnings per share, leading management to revise their full-year guidance upward.
- Accenture
 - Revenue and earnings for the quarter both came in above estimates, driven primarily by strong year-over-year growth in digital, cloud and security services.

Key detractors

- Aon
 - Strong organic growth resulted in better than expected earnings per share, leading management to revise their full-year guidance upward.
- Microsoft
 - Not holding Microsoft detracted from fund performance as the diversified multinational tech company reported strong earnings and raised its dividend.

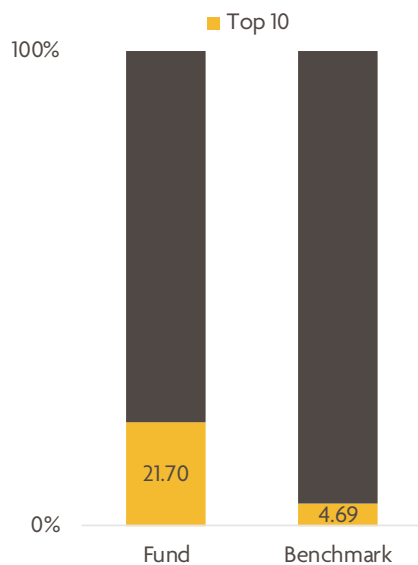
¹ Mutual fund categories are maintained by the Canadian Investment Funds Standards Committee (CIFSC).

GEOGRAPHIC ALLOCATION %



Source: MFS

HOLDINGS ANALYSIS



TOP 10 HOLDINGS

	FUND %	BENCHMARK %	+ / -
J.P. MORGAN CHASE & CO.	2.71	0.93	1.78
NESTLE	2.69	0.66	2.03
JOHNSON & JOHNSON	2.62	0.93	1.69
ACCENTURE	2.46	0.23	2.23
PHILIP MORRIS INTERNATIONAL	2.09	0.41	1.68
TEXAS INSTRUMENTS	1.97	0.26	1.71
WELLS FARGO	1.91	0.71	1.20
HONEYWELL INTERNATIONAL	1.89	0.27	1.62
LOCKHEED MARTIN	1.68	0.21	1.47
KAO CORP	1.68	0.08	1.60
Top 10 holdings % of net assets	21.70	4.69	
Total # fund holdings	116		

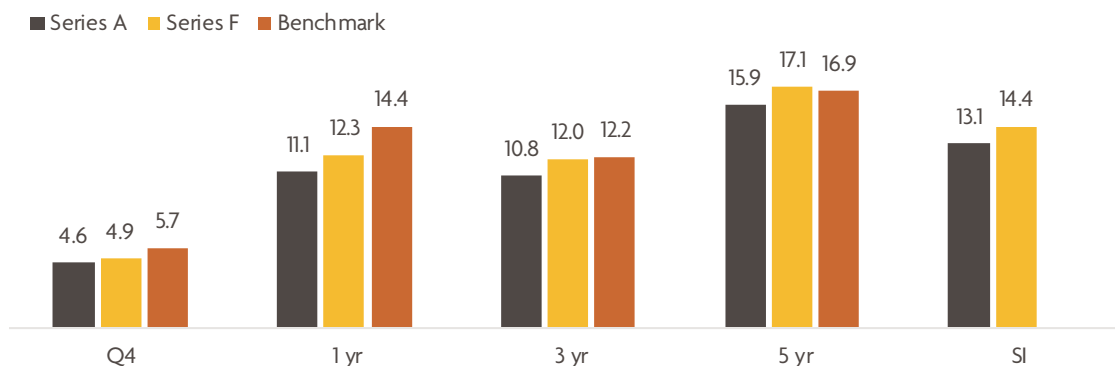
Holdings may change at any time without notice. Source: MFS and Morningstar.

CAPTURE RATIOS

FUND	UPSIDE	DOWNSIDE
Series A	93.0	90.2
Series F	96.6	85.5

Upside and downside capture ratios are for the five-year period ending December 31, 2017. Source: Morningstar.

PERFORMANCE %



When comparing the fund's performance with its benchmark, note the fund is a value-oriented fund, whereas the benchmark has no style bias. Series A and Series F have the same reference portfolio, but the management fees are different. Performance is expected to differ between series.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Commissions and trailing commissions are not payable on Series F units of the fund but management fees and expenses may be associated with these investments. Investors may pay a fee-based account fee that is negotiated and payable by them to their registered dealer. Investors should read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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