
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the financial year ended December 31, 2015

Sun Life Dynamic Equity Income Class



I L L U M I N A T I N G



Sun Life Dynamic Equity Income Class

This annual management report of fund performance contains financial highlights but does not contain the complete financial statements of the investment fund. You can request a free copy of the annual financial statements by calling 1-877-344-1434, by sending an email to us at info@sunlifeglobalinvestments.com or by writing to us at Sun Life Global Investments (Canada) Inc., 150 King Street West, Toronto, Ontario, M5H 1J9. Our financial statements are available on our website at www.sunlifeglobalinvestments.com and on SEDAR at www.sedar.com. All of the financial information is calculated based on the pricing Net Asset Valuation for the investment fund, unless otherwise stated.

Shareholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objectives and Strategies

The fundamental objective of the Sun Life Dynamic Equity Income Class* (the "Fund") is to seek to achieve income and long-term capital growth through exposure to primarily equity securities that pay a dividend or distribution by investing primarily in units of Sun Life Dynamic Equity Income Fund or its successor fund (the "underlying Trust Fund").

The underlying Trust Fund's sub-advisor (the "sub-advisor") is 1832 Asset Management L.P. (Manager of the Dynamic Funds). The sub-advisor currently intends to achieve the underlying Trust Fund's investment objectives by investing all, or substantially all, of the assets of the underlying Trust Fund in the 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, including limited partnerships, master limited partnerships and high yield, corporate, convertible and government bonds and money market instruments. The underlying fund may also invest up to 49% of the underlying fund's assets in foreign securities and generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses.

Risk

There were no changes in the Fund's investment objective or strategy during the period which materially impacted the overall level of risk in the Fund. The risks associated with investing in the Fund remain as outlined in the Fund's Simplified Prospectus.

Results of Operations

During the period, the net asset value of the Fund increased from \$1.2 million to \$1.8 million. The increase in net asset value was due to positive net sales, as well as positive performance in the period.

During the period, the Fund returned 1.4% for Series A shares. This result surpassed the Fund's benchmark, the S&P/TSX Composite Index, which returned -8.3%. The performance returns of other series of this Fund are similar to those of Series A except for differences in expense structures. Please refer to the 'Past Performance' section of this report for performance of each series.

The Fund currently invests substantially all of its holdings in the underlying Trust Fund. The following commentary relates to the underlying Trust Fund.

The Fund's asset mix increased the weighting in Canadian dividend paying equities to 54%. A 10% allocation to predominately Canadian Real Estate Investment Trusts (REITs) was maintained. The U.S. continued to represent an attractive opportunity to access sectors not well represented in Canada and the weighting was increased to 27% by the end of December. The underlying Trust Fund's cash weight was reduced to 6%, while a small allocation to equities outside of North America was eliminated early in the period. Geographically, the U.S. was the most significant contributor to returns, with Canada a detractor.

The largest sector allocations were in Financials (which includes Real Estate), followed by Consumer Discretionary and Telecommunications. Overall Financials were increased to 37%, primarily through banks and insurance companies with the real estate component relatively unchanged. Exposure to the Consumer Discretionary, Telecommunications, Information Technology and Consumer Staples sectors were also increased over the period. The Energy weighting in the underlying Trust Fund was significantly reduced to 7%, with the decrease made equally between Energy Producers and Energy Infrastructure companies. Both segments of the Energy sector displayed sensitivity to the falling price of oil and gas and saw weakness.

On a sector level, holdings in Consumer Discretionary, Information Technology and Health Care were the largest contributors to returns. Energy and Industrials were the only detractors. Notable security contributors were U.S.-based Consumer Discretionary firms McDonald's and Nike, as well as Microsoft and Verizon Communications. Energy Infrastructure holdings Pembina Pipeline and Enbridge were the top detractors.

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Sun Life Dynamic Equity Income Class

Recent Developments

Global equity markets ended the period with relatively flat returns. Most global markets, primarily Japan and Europe, began the year on a positive return trajectory against a backdrop of accelerating global growth. North American markets were hindered by sluggish earnings growth, low commodity prices and a soft patch in economic data related to a colder than usual winter. The U.S. was also impacted by a strengthening U.S. dollar, which affected companies with international earnings. Entering the summer, market volatility returned. First, tensions in Europe temporarily flared in June as uncertainty over Greece's ability to service its debt obligations resurfaced, but was resolved in early July. In August and September, global markets experienced a large sell-off sparked by concerns over slowing growth in emerging markets and sluggish earnings growth globally. However, markets largely recovered in a broad-based October rally as multiple central banks expressed their intent to ease further if necessary, with the U.S. Federal Reserve (the "Fed") raising the Fed Funds rate in December.

The Canadian equity market lagged major developed markets, largely due to the impact of the continuing and significant decline experienced in commodity prices. The Energy and Materials sectors accounted for a large share of the market's underperformance. The Health Care sector was another major detractor, though this was mostly driven by a single name that experienced heavy losses. Information Technology and Consumer Staples were the best performing sectors.

The U.S. equity market led major developed markets with a roughly flat return in local currency but a strong U.S. dollar lifted the return into solid positive territory in Canadian dollar terms. There was a large divergence in sector returns with Energy and Materials, both impacted by commodity market weakness, posting losses. Meanwhile, Consumer Discretionary, Consumer Staples and Health Care delivered strong performance.

Effective July 29, 2015, the annual management fee for Series F shares dropped from 0.85% to 0.75%.

Related Party Transactions

Sun Life Global Investments (Canada) Inc. (the "Manager") is the manager and portfolio manager of the Fund.

The Manager is responsible for the provision of all general management and administrative services required by the Fund in its day-to-day operations, including providing or arranging for the provision of investment advice, bookkeeping, recordkeeping and other administrative services for the Fund.

For its services, the Manager receives a management fee that is calculated as a percentage of the average net asset value of the Fund. This fee is calculated daily and payable monthly.

As portfolio manager, the Manager is responsible for managing the investment portfolio of the Fund directly or through sub-advisors.

The Manager is an indirect wholly owned subsidiary of Sun Life Financial Inc.

Fund Administrative Expenses

The Manager pays certain of the operating expenses of each Fund (the "Administration Expenses") in return for a fixed administration fee paid to the Manager by each Fund ("Administration Fee"). The Administration Fee is based on the net asset value of each series of the Fund. 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, taxes, administrative and systems costs, costs of reports to investors, prospectuses and other disclosure documents, regulatory filing fees (including those incurred by the Manager) and trustee fees for registered plans. The amount of this charge is disclosed as a fund administrative expense in the Fund's Statement of Comprehensive Income found in the annual financial statements (audited).

Each Fund also pays certain operating expenses directly (the "Fund Costs"). Fund Costs include: borrowing costs incurred by the Fund from time to time; costs in connection with portfolio transactions; fees and expenses payable to or in connection with the Fund's Independent Review Committee ("IRC"); taxes payable by the Fund; and the costs of complying with any new regulatory or legal requirement imposed on the Fund. Each Fund allocates Fund Costs proportionately among its series of shares. The Fund Costs that are specific to a series of shares are allocated to that series. These amounts are paid out of the assets attributed to each series of shares of the Fund, which reduces the return you may receive.

Series Description

The Fund offers the following series of shares: A, AT5, E, EF, F, I and O. The date of creation for Series A, AT5 and F shares was August 1, 2013, the date of creation for Series E and O shares was April 1, 2014, the date of creation for Series I shares was May 1, 2015 and the date of creation for Series EF Shares was August 10, 2015.

Series A and AT5 shares are available to all investors.

Series AT5 shares are designed to provide investors with a fixed monthly cash distribution based upon a target annualized distribution rate of 5% of the net asset value per share as at the end of the prior year.

Series E shares are available to investors through the Private Client program and must be purchased through a Private Client account. Investors in Series E shares are eligible for

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management fee reductions, if any, based on the value of Series E shares held in their Private Client account. Any management fee reduction will be paid to investors as a fee distribution by the Fund, which will be reinvested in additional Series E shares. As announced on December 15, 2015, in connection with changes to the Private Client Program, all Series E shares will be converted to Series A shares on February 5, 2016. Please refer to the Fund's simplified prospectus for more details about the captioned change and for details about the Private Client Program.

Series EF shares are available to investors through the Private Client program and only available to investors who have a Private Client fee-based account with their dealer and whose dealer has signed an agreement with the Manager. Series EF shares must be purchased through a Private Client fee-based account. Instead of paying sales charges, investors buying Series EF shares pay fees to their dealer for investment advice and other services. Investors in Series EF shares are eligible for management fee reductions, if any, based on the value of Series EF shares held in their Private Client fee-based account, which management fee reduction will be paid to the investors by reinvesting in additional Series EF shares. The Manager does not pay any commissions to dealers in respect of Series EF shares. As announced on December 15, 2015, in connection with changes to the Private Client Program, all Series EF shares will be converted to Series F shares on February 5, 2016. Please refer to the Fund's simplified prospectus for more details about the captioned change and for details about the Private Client Program.

Series F shares are available to investors who have a fee-based account with their dealer and whose dealer has signed an agreement with the Manager. Instead of paying sales charges, investors buying Series F shares pay fees to their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of Series F shares resulting in a lower management fee.

Series I shares are special purpose securities that are currently only available to other mutual funds and eligible institutional investors. Series I shares are not sold to the general public. Each Series I investor negotiates its own management and advisory fee that is paid directly to the Manager.

Series O shares are available to investors through the Private Client program and must be purchased through a Private Client account. Each Series O investor pays a management fee directly to the Manager and is eligible for management fee reductions, if any, based on the value of Series O shares held in the investor's Private Client account. Series O management fee is paid, after subtracting any management fee reductions, by a redemption of Series O shares in the investor's account.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance from the date of inception to December 31, 2015.

The Fund's Net Asset Value per Share (\$)⁽¹⁾

Sun Life Dynamic Equity Income Class – Series A

	2015 (\$)	2014 (\$)	2013 (\$)
Net assets value, beginning of period	11.23	10.60	10.00
Increase (decrease) from operations:			
Total revenue	0.65	0.73	0.36
Total expenses	(0.24)	(0.24)	(0.09)
Realized gains (losses) for the period	0.08	0.10	0.19
Unrealized gains (losses) for the period	(0.21)	0.10	0.34
Total increase (decrease) from operations⁽²⁾	0.28	0.69	0.80
Distributions:			
From income (excluding dividends)	—	—	—
From dividends	(0.52)	(0.12)	(0.13)
From capital gains	(0.36)	(0.08)	—
Return of capital	—	—	—
Total annual distributions⁽³⁾	(0.88)	(0.20)	(0.13)
Net assets value, end of period	10.52	11.23	10.60

Sun Life Dynamic Equity Income Class – Series AT5

	2015 (\$)	2014 (\$)	2013 (\$)
Net assets value, beginning of period	15.71	15.58	15.00
Increase (decrease) from operations:			
Total revenue	0.88	0.98	0.57
Total expenses	(0.33)	(0.34)	(0.14)
Realized gains (losses) for the period	0.10	0.13	0.32
Unrealized gains (losses) for the period	(0.44)	0.34	0.69
Total increase (decrease) from operations⁽²⁾	0.21	1.11	1.44
Distributions:			
From income (excluding dividends)	—	—	—
From dividends	(0.70)	(0.18)	(0.19)
From capital gains	(0.50)	(0.12)	—
Return of capital	(0.79)	(0.76)	(0.31)
Total annual distributions⁽³⁾	(1.99)	(1.06)	(0.50)
Net assets value, end of period	13.95	15.71	15.58

Sun Life Dynamic Equity Income Class

Sun Life Dynamic Equity Income Class – Series E

	2015 (\$)	2014 (\$)
Net assets value, beginning of period	10.32	10.00
Increase (decrease) from operations:		
Total revenue	0.91	0.56
Total expenses	(0.21)	(0.17)
Realized gains (losses) for the period	0.09	0.08
Unrealized gains (losses) for the period	(1.32)	(0.30)
Total increase (decrease) from operations⁽²⁾	(0.53)	0.17
Distributions:		
From income (excluding dividends)	–	–
From dividends	(0.48)	(0.11)
From capital gains	(0.33)	–
Return of capital	–	–
Total annual distributions⁽³⁾	(0.81)	(0.11)
Net assets value, end of period	9.66	10.32

Sun Life Dynamic Equity Income Class – Series EF

	2015 (\$)
Net assets value, beginning of period	10.00
Increase (decrease) from operations:	
Total revenue	0.35
Total expenses	(0.04)
Realized gains (losses) for the period	0.03
Unrealized gains (losses) for the period	(0.37)
Total increase (decrease) from operations⁽²⁾	(0.03)
Distributions:	
From income (excluding dividends)	–
From dividends	(0.47)
From capital gains	–
Return of capital	–
Total annual distributions⁽³⁾	(0.47)
Net assets value, end of period	9.50

Sun Life Dynamic Equity Income Class – Series F

	2015 (\$)	2014 (\$)	2013 (\$)
Net assets value, beginning of period	11.38	10.65	10.00
Increase (decrease) from operations:			
Total revenue	0.93	0.67	0.30
Total expenses	(0.12)	(0.13)	(0.05)
Realized gains (losses) for the period	0.10	0.09	0.13
Unrealized gains (losses) for the period	(1.36)	0.28	0.39
Total increase (decrease) from operations⁽²⁾	(0.45)	0.91	0.77
Distributions:			
From income (excluding dividends)	–	–	–
From dividends	(0.53)	(0.12)	(0.13)
From capital gains	(0.36)	(0.08)	–
Return of capital	–	–	–
Total annual distributions⁽³⁾	(0.89)	(0.20)	(0.13)
Net assets value, end of period	10.76	11.38	10.65

Sun Life Dynamic Equity Income Class – Series I

	2015 (\$)
Net assets value, beginning of period	10.00
Increase (decrease) from operations:	
Total revenue	0.62
Total expenses	–
Realized gains (losses) for the period	0.05
Unrealized gains (losses) for the period	(0.65)
Total increase (decrease) from operations⁽²⁾	0.02
Distributions:	
From income (excluding dividends)	–
From dividends	(0.47)
From capital gains	–
Return of capital	–
Total annual distributions⁽³⁾	(0.47)
Net assets value, end of period	9.41

Sun Life Dynamic Equity Income Class – Series O

	2015 (\$)	2014 (\$)
Net assets value, beginning of period	10.47	10.00
Increase (decrease) from operations:		
Total revenue	0.69	0.54
Total expenses	(0.02)	(0.01)
Realized gains (losses) for the period	0.07	0.07
Unrealized gains (losses) for the period	(0.71)	(0.35)
Total increase (decrease) from operations⁽²⁾	0.03	0.25
Distributions:		
From income (excluding dividends)	–	–
From dividends	(0.50)	(0.11)
From capital gains	(0.33)	–
Return of capital	–	–
Total annual distributions⁽³⁾	(0.83)	(0.11)
Net assets value, end of period	9.99	10.47

⁽¹⁾ This information is derived from the Fund's audited annual financial statements.

⁽²⁾ Net Assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period.

⁽³⁾ Distributions were paid in cash, reinvested in additional shares of the Fund, or both.

Ratios and Supplemental Data

Sun Life Dynamic Equity Income Class – Series A

	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	688,388	966,041	378,838
Number of shares outstanding ⁽¹⁾	65,466	86,061	35,736
Management expense ratio (%) ⁽²⁾	2.22	2.21	2.19
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.22	2.21	2.19
Trading expense ratio (%) ⁽³⁾	0.08	0.11	0.08
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31	7.86	9.70
Net asset value per share (\$) ⁽¹⁾	10.52	11.23	10.60

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Sun Life Dynamic Equity Income Class – Series AT5

	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	79,899	113,874	60,463
Number of shares outstanding ⁽¹⁾	5,729	7,249	3,881
Management expense ratio (%) ⁽²⁾	2.24	2.24	2.22
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.24	2.24	2.22
Trading expense ratio (%) ⁽³⁾	0.08	0.11	0.08
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31	7.86	9.70
Net asset value per share (\$) ⁽¹⁾	13.95	15.71	15.58

Sun Life Dynamic Equity Income Class – Series E

	2015	2014
Total net asset value (\$) ⁽¹⁾	198,892	20,740
Number of shares outstanding ⁽¹⁾	20,597	2,010
Management expense ratio (%) ⁽²⁾	2.15	2.24
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.15	2.24
Trading expense ratio (%) ⁽³⁾	0.08	0.11
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31	7.86
Net asset value per share (\$) ⁽¹⁾	9.66	10.32

Sun Life Dynamic Equity Income Class – Series EF

	2015
Total net asset value (\$) ⁽¹⁾	9,971
Number of shares outstanding ⁽¹⁾	1,050
Management expense ratio (%) ⁽²⁾	1.14
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.14
Trading expense ratio (%) ⁽³⁾	0.08
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31
Net asset value per share (\$) ⁽¹⁾	9.50

Sun Life Dynamic Equity Income Class – Series F

	2015	2014	2013
Total net asset value (\$) ⁽¹⁾	76,647	13,282	10,773
Number of shares outstanding ⁽¹⁾	7,125	1,167	1,012
Management expense ratio (%) ⁽²⁾	1.14	1.23	1.20
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.14	1.23	1.20
Trading expense ratio (%) ⁽³⁾	0.08	0.11	0.08
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31	7.86	9.70
Net asset value per share (\$) ⁽¹⁾	10.76	11.38	10.65

Sun Life Dynamic Equity Income Class – Series I

	2015
Total net asset value (\$) ⁽¹⁾	407,266
Number of shares outstanding ⁽¹⁾	43,270
Management expense ratio (%) ⁽²⁾	0.08
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.08
Trading expense ratio (%) ⁽³⁾	0.08
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31
Net asset value per share (\$) ⁽¹⁾	9.41

Sun Life Dynamic Equity Income Class – Series O

	2015	2014
Total net asset value (\$) ⁽¹⁾	309,041	121,786
Number of shares outstanding ⁽¹⁾	30,935	11,629
Management expense ratio (%) ⁽²⁾	0.25	0.24
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.25	0.24
Trading expense ratio (%) ⁽³⁾	0.08	0.11
Portfolio turnover rate (%) ⁽⁴⁾⁽⁵⁾	40.31	7.86
Net asset value per share (\$) ⁽¹⁾	9.99	10.47

⁽¹⁾ This information is provided as at December 31 of the period shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding broker commissions and other portfolio transaction costs) including the Fund's allocated percentage of Fund-on-Funds' expenses for the stated period and is expressed as an annualized percentage of daily average Net Asset Value during the period.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Value during the period.

⁽⁴⁾ The Fund's portfolio turnover ratio indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover ratio of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover ratio in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund.

⁽⁵⁾ Percentages are annualized.

Management Fees

The annual maximum management fee paid by the Fund is a percentage of the average daily net asset value of each series exclusive of any applicable taxes and operating expenses, which is accrued daily and is paid to the Manager monthly in arrears. Management fees pay for portfolio and investment advisory services, oversight of any service providers, marketing and promotional activities, arranging for the distribution and sale of securities of the Fund, general administration of fund operations and sales and trailing commissions paid to dealers.

The percentages and major services paid for out of the management fees are set out below:

	As a Percentage of Management Fees		
	Maximum Annual Management Fee Rate (%)	Dealer Compensation (%) ¹	General Administration, Investment Advice and Profit (%)
Series A Shares	1.75	47	53
Series AT5 Shares	1.75	43	57
Series E Shares	1.75	55	45
Series EF Shares	0.75	—	100
Series F Shares ²	0.75	—	100
Series I Shares	—	—	—
Series O Shares ³	0.85	—	100

¹ Includes sales and trailing commissions and marketing support programs.

² Effective July 29, 2015, the annual management fee for Series F shares dropped from 0.85% to 0.75%.

³ Series O management fees are not paid by the fund. Series O investors pay management fees directly to the manager.

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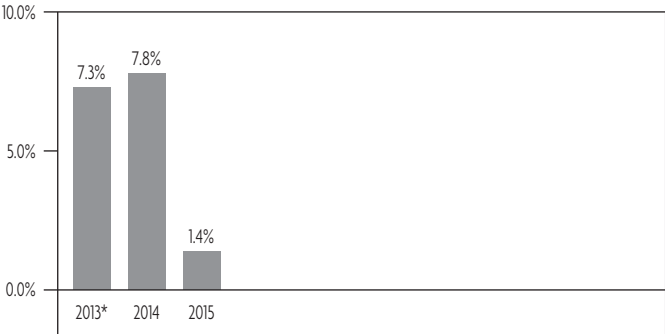
PAST PERFORMANCE

The indicated rates of return are the historical annualized and annual compounded total returns including changes in share value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any shareholder that would have reduced returns. Mutual funds are not guaranteed. How a fund performed in the past does not necessarily indicate how it will perform in the future.

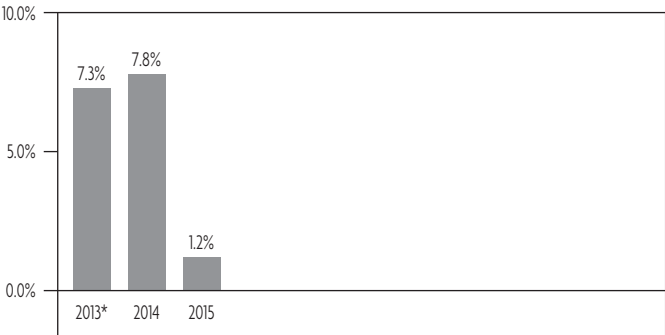
Year-by-Year Returns

The following bar chart shows the Fund's annual performance for the period shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

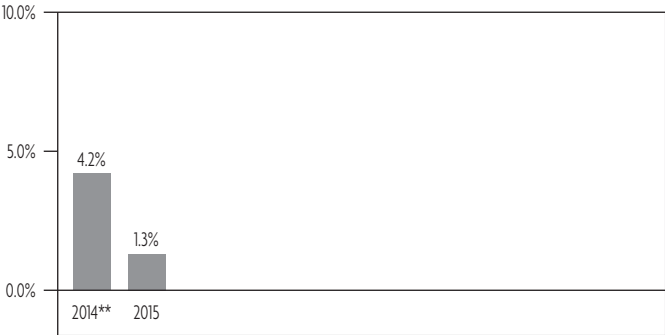
Series A Shares – Annual return for the periods ended December 31, 2015



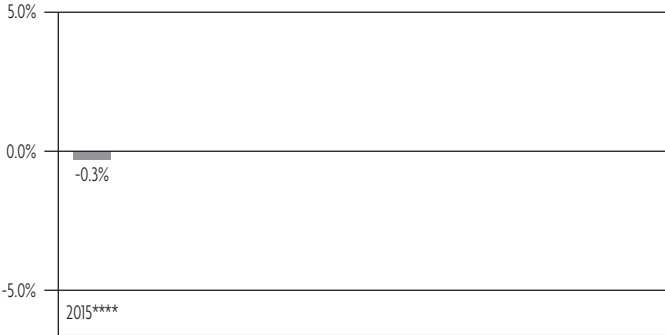
Series AT5 Shares – Annual return for the periods ended December 31, 2015



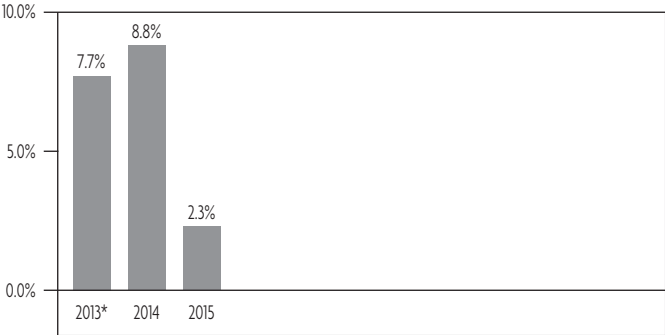
Series E Shares – Annual return for the periods ended December 31, 2015



Series EF Shares – Annual return for the period ended December 31, 2015

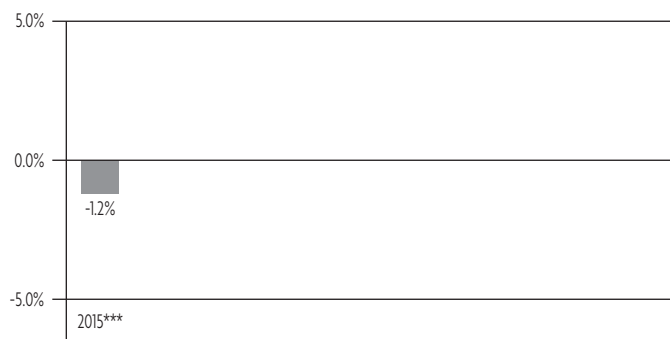


Series F Shares – Annual return for the periods ended December 31, 2015

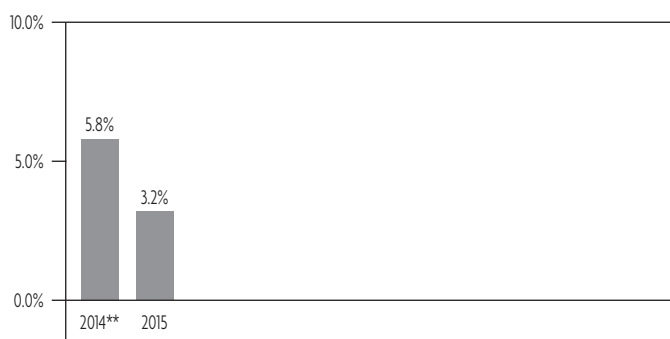


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Series I Shares – Annual return for the period ended December 31, 2015



Series O Shares – Annual return for the periods ended December 31, 2015



* for the period of August 1, 2013 to December 31, 2013

** for the period of April 1, 2014 to December 31, 2014

*** for the period of May 1, 2015 to December 31, 2015

**** for the period of August 10, 2015 to December 31, 2015

Annual Compound Returns

The following table compares the historical annual compound total returns of Series A, AT5, E, F and O shares of the Fund with the S&P/TSX Composite Index.

The S&P/TSX Composite Index covers approximately 95% of the Canadian equities market, and has been the primary gauge for Canadian-based, Toronto Stock Exchange-listed companies since 1977.

The Series A shares outperformed the benchmark since inception and over the past year.

	1 Year	3 Year	5 Year	10 Year	Performance Start Date ⁽¹⁾⁽²⁾⁽³⁾
Sun Life Dynamic Equity Income Class – Series A	1.4%	N/A	N/A	N/A	6.8%
Sun Life Dynamic Equity Income Class – Series AT5	1.2%	N/A	N/A	N/A	6.7%
Sun Life Dynamic Equity Income Class – Series F	2.3%	N/A	N/A	N/A	7.8%
S&P/TSX Composite Index	(8.3%)	N/A	N/A	N/A	4.8%
Sun Life Dynamic Equity Income Class – Series E	1.3%	N/A	N/A	N/A	3.2%
Sun Life Dynamic Equity Income Class – Series O	3.2%	N/A	N/A	N/A	5.2%
S&P/TSX Composite Index	(8.3%)	N/A	N/A	N/A	(2.6%)

⁽¹⁾ The performance start date for Series A, AT5 and F shares was August 1, 2013.

⁽²⁾ The performance start date for Series E and O shares was April 1, 2014.

⁽³⁾ Performance for Series EF and I shares is not shown as both Series EF and I have not been distributed under a simplified prospectus for 12 months.

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SUMMARY OF INVESTMENT PORTFOLIO⁽¹⁾

as at December 31, 2015

Top 25 Investments⁽²⁾

Holdings	Percentage of Net Asset Value of the Fund (%)
1 Royal Bank of Canada	4.7
2 Bank of Nova Scotia	4.5
3 Verizon Communications Inc.	3.5
4 TransCanada Corporation	3.5
5 McDonald's Corporation	3.4
6 Canadian Imperial Bank of Commerce	3.0
7 Canadian National Railway Company	2.9
8 The Toronto-Dominion Bank	2.9
9 TELUS Corporation	2.7
10 Innergex Renewable Energy Inc.	2.6
11 Milestone Apartments Real Estate Investment Trust	2.5
12 Manulife Financial Corporation	2.5
13 Agrium Inc.	2.4
14 Microsoft Corporation	2.4
15 Power Corporation of Canada	2.3
16 Comcast Corporation, Class "A"	2.3
17 Wells Fargo & Company	2.3
18 Cash	2.2
19 Chartwell Retirement Residences	2.1
20 Enbridge Inc.	2.1
21 Brookfield Infrastructure Partners L.P.	2.1
22 Automatic Data Processing, Inc.	1.9
23 Union Pacific Corporation	1.9
24 CVS Health Corporation	1.9
25 Brookfield Renewable Energy Partners L.P.	1.8
	66.4
Total Net Asset Value (000's)	\$ 1,708

Sector Allocation⁽²⁾

	Percentage of Net Asset Value of the Fund (%)
Financials	24.9
Consumer Discretionary	12.1
Real Estate	9.6
Telecommunication Services	9.6
Utilities	9.0
Energy Infrastructure	6.8
Industrials	6.6
Information Technology	5.7
Private Equity – Real Estate	4.3
Consumer Staples	3.5
Health Care	2.5
Materials	2.4
Cash and Cash Equivalents ⁽³⁾	2.2
Energy	0.8
	100.0

Asset Mix⁽²⁾

	Percentage of Net Asset Value of the Fund (%)
Canadian Equities	71.0
U.S. Equities	26.8
Cash and Cash Equivalents ⁽³⁾	2.2
	100.0

⁽¹⁾ All information is as at December 31, 2015. The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. You may obtain quarterly updates to these holdings free of charge by calling us at 1-877-344-1434, visiting our website at www.sunlifeglobalinvestments.com or by sending an email to us at info@sunlifeglobalinvestments.com.

⁽²⁾ The Fund invests substantially all of its assets directly in the underlying Trust Fund. The summary of investment portfolio for the Fund presents the investments as a percentage of the net asset value of the underlying Trust Fund.

⁽³⁾ Cash and Cash Equivalents, for the purpose of this chart, includes other assets less liabilities.

Forward-Looking Statements

This management report of fund performance may contain forward-looking statements about the Fund, including its strategy, results of operations, performance and condition. Forward-looking statements include statements that are predictive in nature, or that depend upon or refer to future events or conditions. They are based on current beliefs, expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and various economic factors. Many factors could cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, technological changes, changes in government regulations or in tax laws. Although the forward-looking statements contained in this report are based upon what management currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective", and similar expressions are intended to identify forward-looking statements.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

Sun Life Dynamic Equity Income Class

You can find more information about each Fund in our Annual Information Form, and each Fund's management report of fund performance and financial statements, once available. 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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