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# SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

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## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the financial year ended December 31, 2016

Sun Life Sionna Canadian Small Cap Equity Class



# Sun Life Sionna Canadian Small Cap Equity 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](mailto: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](http://www.sunlifeglobalinvestments.com) and on SEDAR at [www.sedar.com](http://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 Objective and Strategies

The fundamental investment objective of Sun Life Sionna Canadian Small Cap Equity Class (the "Fund") is to seek to achieve long-term capital appreciation primarily through exposure to equity securities of small to medium capitalization Canadian companies by tracking the performance of the Sionna Canadian Small Cap Equity Fund or its successor fund (the "underlying Trust Fund").

The Fund's sub-advisor is Brandes Investment Partners & Co. (operating as Bridgehouse Asset Managers) (the "sub-advisor"). The sub-advisor has retained Sionna Investment Managers Inc. to act as sub-advisor to them. In seeking to track the performance of the underlying Trust Fund, the sub-advisor may invest primarily in units of the underlying Trust Fund, or it may invest in securities, which may include securities of other mutual funds, identical or substantially similar to those in which the underlying Trust Fund invests. In pursuing the underlying Trust Fund investment objectives, the sub-advisor employs a value based strategy that seeks to invest in companies trading below intrinsic value and primarily invests in the equity securities of small Canadian issuers with equity market capitalizations of 0.15% or less of the S&P/TSX composite market capitalization.

### 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 \$22.4 million to \$41.6 million. The increase in net asset value was due to positive net sales, as well as positive performance during the period.

During the period, the Fund returned 18.2% for Series A shares. This result lagged the Fund's benchmark, the BMO Nesbitt Burns Small Cap Index, which returned 35.4%. The performance returns for 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 following commentary relates to the underlying Trust Fund.

In terms of underperformance, the underlying Trust Fund's position in Dream Unlimited (Dream) detracted from performance during the second half of the year. Dream is a major developer of various types of real estate, mainly residential, across Canada. The continued economic weakness in Alberta and Saskatchewan has hampered Dream's ability to develop properties there. Elsewhere in Canada, however, the company continues to make progress on its condominium sales and urban expansion.

Recently, Dream won the bid to revitalize a historic waterfront property located at Lakeshore Boulevard East in Toronto. Much of these new investments have been overshadowed by the heavily negative sentiment surrounding Western Canada, causing the stock to languish.

Computer Modelling Group (CMG) was another negative contributor for the period. CMG develops and sells reservoir simulation software to oil and gas companies; its stock has been negatively impacted as the price of oil continues to trade below its marginal cost of production. As the availability of easy-to-extract oil declines and production from unconventional supply sources increases, demand for CMG's products is expected to rise. The company is a dominant player in a niche market, with an excellent performance history, high margins, strong cash flow and no debt.

On the positive side, the underlying Trust Fund's position in Whistler Blackcomb Holdings (Whistler) was the most important positive contributor for the period. The sub-advisor sold its position in Whistler in October 2016 after Vail Resorts, a competitor to Whistler, offered to purchase the company at a significant premium to market value. The stock reacted positively to the news, so the sub-advisor took the opportunity to exit the name above their estimate of intrinsic value.

In addition, the underlying Trust Fund's position in Wajax was a positive contributor. Management has outlined a strategy for growth and the company continues to implement cost-cutting tactics. The sub-advisor believes that the business has

# Sun Life Sionna Canadian Small Cap Equity Class

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attractive economics, including high returns on equity, low capital intensity, strong cash flow and a recurring after-market revenue stream that covers most of the company's fixed costs.

Solium Capital (Solium) also contributed positively to performance. Solium is a software company specializing in solutions for managing employee equity compensation plans. The company's software is able to efficiently manage equity plans across various countries, simplifying the process for its customers. Solium has an attractive business that enjoys strong customer retention, high recurring revenue and generates strong free cash flow.

The underlying Trust Fund outperformed its benchmark, the BMO Small Cap Index, during the latter half of the year. In particular, the underlying Trust Fund benefitted from its positions in the Consumer Discretionary and Industrials sectors which gained 11.6% and 15.6%, respectively.

## Recent Developments

The S&P/TSX Composite has had four consecutive quarters of positive total returns. The Composite generated a total return of 21.1% for the year making the Canadian market the second-best performer across all major stock markets. Performance during the second half of the year was primarily driven by Financials and Energy. The banks drove much of the positive contribution within the Financials sector as performance was strong and loan losses remain below historical averages. The Energy sector also contributed positively over the period. West Texas Intermediate (WTI) rallied through to the end of the year to close at US\$54 per barrel. The Materials sector was the only significant negative contributor, mainly driven by weakness in the gold sub-sector as the price of the commodity fell.

While 2016 was full of historical events, their effect on the financial markets will become less consequential with the passage of time. Financial markets have always ebbed and flowed as one unexpected event unfolded after another. Yet, equities grow reliably over the long term. The sub-advisor believes that it is wise to be aware of, but not be fixated on, macroeconomic events. Come what may in 2017 and beyond, the sub-advisor will continue to invest with a disciplined approach; that is, investing in companies at attractive prices compared to their intrinsic value. This approach should protect capital and compound wealth over the long term regardless of the surprises that are certain to transpire.

Effective February 5, 2016, all Series E shares were converted to Series A shares, under the Front End Sales Charge option, of the same Fund. Please refer to the Fund's simplified prospectus for more details about the captioned change and for details about the Private Client Program.

## 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 has retained Brandes Investment Partners & Co. (operating as Bridgehouse Asset Managers) ("Bridgehouse") to act as a sub-advisor for the Fund. Bridgehouse retains Sionna Investment Managers Inc. to act as sub-advisor to Bridgehouse for this fund.

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.

# Sun Life Sionna Canadian Small Cap Equity Class

## Series Description

The Fund offers the following series of shares: A, AT5, F, I and O. The date of creation for all series was March 27, 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 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, so the Manager can charge 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, 2016.

### The Fund's Net Asset Value per Share (\$) <sup>(1)</sup>

#### Sun Life Sionna Canadian Small Cap Equity Class – Series A

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	8.31	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.19	0.13
Total expenses	(0.22)	(0.18)
Realized gains (losses) for the period	(0.01)	0.50
Unrealized gains (losses) for the period	1.75	(2.19)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.71</b>	<b>(1.74)</b>
<b>Distributions:</b>		
From income (excluding dividends)	–	–
From dividends	(0.15)	(0.10)
From capital gains	(0.25)	–
Return of capital	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.40)</b>	<b>(0.10)</b>
<b>Net asset value, end of period</b>	<b>9.37</b>	<b>8.31</b>

#### Sun Life Sionna Canadian Small Cap Equity Class – Series AT5

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	11.90	15.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.22	0.14
Total expenses	(0.31)	(0.27)
Realized gains (losses) for the period	(0.02)	0.48
Unrealized gains (losses) for the period	2.19	(2.70)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>2.08</b>	<b>(2.35)</b>
<b>Distributions:</b>		
From income (excluding dividends)	(0.60)	–
From dividends	(0.21)	(0.14)
From capital gains	(0.35)	–
Return of capital	–	(0.63)
<b>Total annual distributions<sup>(3)</sup></b>	<b>(1.16)</b>	<b>(0.77)</b>
<b>Net asset value, end of period</b>	<b>12.76</b>	<b>11.90</b>

# Sun Life Sionna Canadian Small Cap Equity Class

## Sun Life Sionna Canadian Small Cap Equity Class – Series F

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	8.38	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.22	0.11
Total expenses	(0.13)	(0.10)
Realized gains (losses) for the period	(0.01)	0.38
Unrealized gains (losses) for the period	1.74	(2.00)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.82</b>	<b>(1.61)</b>
<b>Distributions:</b>		
From income (excluding dividends)	–	–
From dividends	(0.16)	(0.10)
From capital gains	(0.25)	–
Return of capital	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.41)</b>	<b>(0.10)</b>
<b>Net asset value, end of period</b>	<b>9.55</b>	<b>8.38</b>

## Sun Life Sionna Canadian Small Cap Equity Class – Series I

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	8.47	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.19	0.12
Total expenses	–	–
Realized gains (losses) for the period	(0.01)	0.42
Unrealized gains (losses) for the period	1.71	(2.09)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.89</b>	<b>(1.55)</b>
<b>Distributions:</b>		
From income (excluding dividends)	–	–
From dividends	(0.16)	(0.10)
From capital gains	(0.25)	–
Return of capital	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.41)</b>	<b>(0.10)</b>
<b>Net asset value, end of period</b>	<b>9.79</b>	<b>8.47</b>

## Sun Life Sionna Canadian Small Cap Equity Class – Series O

	2016 (\$)	2015 (\$)
Net asset value, beginning of period	8.46	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.17	0.20
Total expenses	(0.02)	(0.01)
Realized gains (losses) for the period	(0.01)	0.65
Unrealized gains (losses) for the period	1.59	(2.68)
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.73</b>	<b>(1.84)</b>
<b>Distributions:</b>		
From income (excluding dividends)	–	–
From dividends	(0.16)	(0.10)
From capital gains	(0.25)	–
Return of capital	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.41)</b>	<b>(0.10)</b>
<b>Net asset value, end of period</b>	<b>9.76</b>	<b>8.46</b>

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

<sup>(2)</sup> 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.

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

## Ratios and Supplemental Data

### Sun Life Sionna Canadian Small Cap Equity Class – Series A

	2016	2015
Total net asset value (\$) <sup>(1)</sup>	1,045,498	318,978
Number of shares outstanding <sup>(1)</sup>	111,582	38,389
Management expense ratio (%) <sup>(2)</sup>	2.55	2.57
Management expense ratio before waivers or absorption (%) <sup>(2)</sup>	2.55	2.57
Trading expense ratio (%) <sup>(3)</sup>	–	0.17
Portfolio turnover rate (%) <sup>(4)(5)</sup>	4.62	2.08
Net asset value per share (\$) <sup>(1)</sup>	9.37	8.31

### Sun Life Sionna Canadian Small Cap Equity Class – Series AT5

	2016	2015
Total net asset value (\$) <sup>(1)</sup>	9,945	8,402
Number of shares outstanding <sup>(1)</sup>	779	706
Management expense ratio (%) <sup>(2)</sup>	2.62	2.62
Management expense ratio before waivers or absorption (%) <sup>(2)</sup>	2.62	2.62
Trading expense ratio (%) <sup>(3)</sup>	–	0.17
Portfolio turnover rate (%) <sup>(4)(5)</sup>	4.62	2.08
Net asset value per share (\$) <sup>(1)</sup>	12.76	11.90

# Sun Life Sionna Canadian Small Cap Equity Class

## Sun Life Sionna Canadian Small Cap Equity Class – Series F

	2016	2015
Total net asset value (\$) <sup>(1)</sup>	52,680	12,085
Number of shares outstanding <sup>(1)</sup>	5,518	1,443
Management expense ratio (%) <sup>(2)</sup>	1.47	1.48
Management expense ratio before waivers or absorption (%) <sup>(2)</sup>	1.47	1.48
Trading expense ratio (%) <sup>(3)</sup>	–	0.17
Portfolio turnover rate (%) <sup>(4)(5)</sup>	4.62	2.08
Net asset value per share (\$) <sup>(1)</sup>	9.55	8.38

## Sun Life Sionna Canadian Small Cap Equity Class – Series I

	2016	2015
Total net asset value (\$) <sup>(1)</sup>	40,371,661	21,905,277
Number of shares outstanding <sup>(1)</sup>	4,124,164	2,586,623
Management expense ratio (%) <sup>(2)</sup>	0.06	0.06
Management expense ratio before waivers or absorption (%) <sup>(2)</sup>	0.06	0.06
Trading expense ratio (%) <sup>(3)</sup>	–	0.17
Portfolio turnover rate (%) <sup>(4)(5)</sup>	4.62	2.08
Net asset value per share (\$) <sup>(1)</sup>	9.79	8.47

## Sun Life Sionna Canadian Small Cap Equity Class – Series O

	2016	2015
Total net asset value (\$) <sup>(1)</sup>	163,233	92,226
Number of shares outstanding <sup>(1)</sup>	16,723	10,904
Management expense ratio (%) <sup>(2)</sup>	0.21	0.22
Management expense ratio before waivers or absorption (%) <sup>(2)</sup>	0.21	0.22
Trading expense ratio (%) <sup>(3)</sup>	–	0.17
Portfolio turnover rate (%) <sup>(4)(5)</sup>	4.62	2.08
Net asset value per share (\$) <sup>(1)</sup>	9.76	8.46

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

<sup>(2)</sup> 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.

<sup>(3)</sup> 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.

<sup>(4)</sup> 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.

<sup>(5)</sup> 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:

	Maximum Annual Management Fee Rate (%)	As a Percentage of Management Fees	
		Dealer Compensation (%) <sup>1</sup>	General Administration, Investment Advice and Profit (%)
Series A Shares	2.10	38	62
Series AT5 Shares	2.10	42	58
Series F Shares	1.10	–	100
Series I Shares	–	–	–
Series O Shares <sup>2</sup>	1.10	–	100

<sup>1</sup> Includes sales and trailing commissions.

<sup>2</sup> Series O management fees are not paid by the Fund. Series O investors pay management fees directly to the manager.

## PAST PERFORMANCE

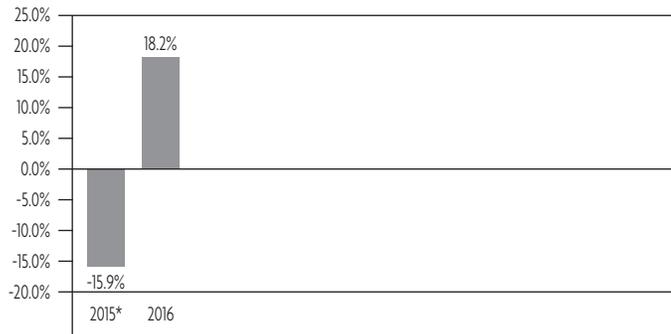
The indicated rates of return are the historical annualized and annual compounded total returns including changes in share value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any shareholder that would 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

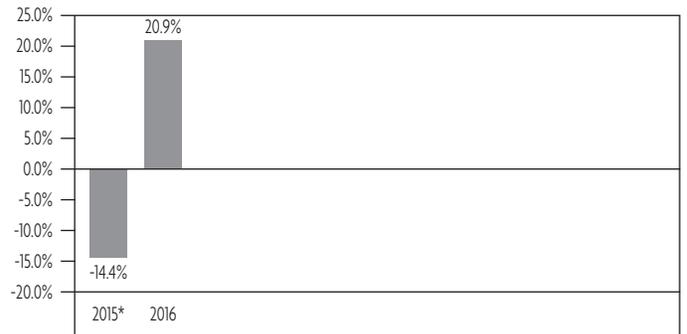
The following bar chart shows the Fund's annual performance for the period shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

# Sun Life Sionna Canadian Small Cap Equity Class

Series A Shares – Annual return for the period ended December 31, 2016

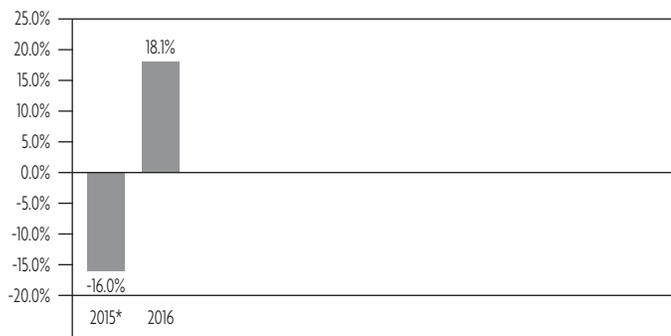


Series O Shares – Annual return for the period ended December 31, 2016



\* for the period of March 27, 2015 to December 31, 2015

Series AT5 Shares – Annual return for the period ended December 31, 2016



Series F Shares – Annual return for the period ended December 31, 2016



Series I Shares – Annual return for the period ended December 31, 2016



## Annual Compound Returns

The following table compares the historical annual compound total returns of Series A, AT5, F, I and O shares of the Fund with the BMO Nesbitt Burns Small Cap Index.

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

	1 Year	3 Year	5 Year	10 Year	Performance Start Date <sup>(1)</sup>
Sun Life Sionna Canadian Small Cap Equity Class – Series A	18.2%	N/A	N/A	N/A	(0.4%)
Sun Life Sionna Canadian Small Cap Equity Class – Series AT5	18.1%	N/A	N/A	N/A	(0.5%)
Sun Life Sionna Canadian Small Cap Equity Class – Series F	19.4%	N/A	N/A	N/A	0.7%
Sun Life Sionna Canadian Small Cap Equity Class – Series I	21.1%	N/A	N/A	N/A	2.1%
Sun Life Sionna Canadian Small Cap Equity Class – Series O	20.9%	N/A	N/A	N/A	2.0%
BMO Nesbitt Burns Small Cap Index	35.4%	N/A	N/A	N/A	8.7%

<sup>(1)</sup> The performance start date for Series A, AT5, F, I and O shares was March 27, 2015.

# Sun Life Sionna Canadian Small Cap Equity Class

## SUMMARY OF INVESTMENT PORTFOLIO<sup>(1)</sup>

as at December 31, 2016

### Top 25 Investments<sup>(2)</sup>

Holdings	Percentage of Net Asset Value of the Fund (%)
1 Cash	5.0
2 Computer Modelling Group Ltd.	4.3
3 Pulse Seismic Inc.	4.2
4 Guardian Capital Group Ltd.	4.1
5 Winpak Ltd.	4.1
6 Total Energy Services Inc.	3.9
7 Calian Group Ltd.	3.7
8 Great Canadian Gaming Corp.	3.5
9 Westshore Terminals	3.4
10 Dream Unlimited	3.3
11 Solium Capital Inc.	3.1
12 The Westaim Corporation	2.9
13 ShawCor Ltd.	2.9
14 Morguard Corp.	2.8
15 Equitable Group Inc.	2.7
16 AutoCanada Inc.	2.7
17 Firstservice Corp.	2.7
18 Laurentian Bank of Canada	2.6
19 Gamehost Inc.	2.5
20 Wajax Corp.	2.5
21 Mullen Group Ltd.	2.4
22 Gluskin Sheff & Associates Inc.	2.3
23 Granite Real Estate Inc.	2.1
24 Home Capital Group Inc.	2.1
25 Russel Metals Inc.	2.0
	<b>77.8</b>
<b>Total Net Asset Value (000's)</b>	<b>\$ 41,643</b>

### Sector Allocation<sup>(2)</sup>

	Percentage of Net Asset Value of the Fund (%)
Energy	16.9
Industrials	16.6
Financials	15.1
Consumer Discretionary	13.7
Real Estate	13.6
Materials	8.2
Information Technology	7.4
Cash and Cash Equivalents <sup>(3)</sup>	5.5
Consumer Staples	1.9
Health Care	1.1
	<b>100.0</b>

<sup>(1)</sup> All information is as at December 31, 2016. 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](http://www.sunlifeglobalinvestments.com) or by sending an email to us at [info@sunlifeglobalinvestments.com](mailto:info@sunlifeglobalinvestments.com).

<sup>(2)</sup> 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 underlying Trust Fund.

<sup>(3)</sup> 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 Sionna Canadian Small Cap Equity 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](http://www.sunlifeglobalinvestments.com) or [www.sedar.com](http://www.sedar.com).

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