

GRS Investment Solutions Watch List Summary



December 31, 2023

About the Watch List

Investment managers or individual funds are included in the Watch List for reasons related to qualitative factors such as organizational changes, loss of key investment personnel, changes in investment style, risk management, pending or ongoing legal or regulatory issues, persistent failure to comply with relevant legislation and/or investment guidelines, significant loss of assets or clients, etc.

Quantitative factors alone, such as past performance, do not warrant the placement of managers or funds on the Watch List if the manager/fund performed according to their stated style and investment philosophy.

Plan sponsors are responsible for monitoring the investment options offered in their plan to ensure that they continue to meet the needs of their plan members. Sun Life will take steps to remove a fund or investment manager from the Core investment platform if investment concerns are significant and if confidence is lost in a manager or a fund going forward.

Please note: This is a summary version of the Watch List. For full details and qualitative commentary, please contact your Investment Solutions Executive.

The Watch List is updated quarterly and consists of three distinct categories:



Suggested for Removal

Includes those investment managers or individual funds for which the Investment Solutions team has a **long-term Loss in confidence**, typically related to the qualitative factors described above. We expect Sun Life's governance activities for these funds to end within one year of placement on the Suggested For Removal list. Clients should consider removing or replacing these funds. Contact your Sun Life representative for assistance with identifying suitable replacement funds.



On Watch

Includes those investment managers or individual funds for which the Investment Solutions team has **material concerns** typically related to the qualitative factors described above.



Additional Monitoring

Includes those investment managers or individual funds that the Investment Solutions team is monitoring more closely, typically related to the qualitative factors described above. These changes are of **lesser concern** in comparison to funds On Watch, and may even constitute an enhancement that warrants increased scrutiny in the short term.



On Watch

Fund Manager	Funds name(s)	Reason(s)	Date listed in category	Date added to Watch list
CI Global Asset Management	CI Portfolio Series	Organization, People	Q2 2022	Q4 2020

On Watch due to the elimination of CI Investments' in-house brands - Cambridge Global Asset Management, CI Multi-Asset Management, Harbour Advisors, Signature Global Asset Management and Sentry Investment Management—and their integration into a single new brand, CI Global Asset Management (CI GAM). The CI GAM integration has resulted in significant senior and analyst level turnover over the past two years. This turnover has impacted a significant proportion of the underlying funds within CI Portfolio Series. This fund is no longer marketed on the core investment platform.

Fidelity	Fidelity Global	People, Strategy	Q3 2023	Q3 2023
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On Watch due to the pending departure of lead PM Jeremy Podger from the strategy in March 2024. Fidelity indicated they will announce a new lead PM prior to Podger stepping away. The strategy may have changes in style and risk as a result of the change of lead PM.

Invesco	Invesco Global Companies	People, Strategy	Q3 2023	Q3 2023
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On Watch due to the departure of lead PM Michael Hatcher and his team from Invesco in September 2023. The new team managing the strategy is lead by PM Andrew Hall and is based in the UK. The new team will manage the strategy with a more core, benchmark -aware approach and will have a more diversified portfolio.





Additional Monitoring

Fund Manager	Funds name(s)	Reason(s)	Date listed in category	Date added to Watch list
Beutel Goodman	BG Balanced BG Canadian Equity BG Fundamental Canadian Equity	People	Q4 2022	Q4 2022

Under Additional Monitoring due to the retirement of Canadian Equity PM Pat Palozzi in January 2024. BG Canadian Equity is a component of the BG Balanced fund.

Fidelity	Fidelity Canadian Asset Allocation	People	Q1 2023	Q1 2023
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Under Additional Monitoring due to the promotion of co-PM Geoff Stein to CIO of the Global Asset Allocation team and his departure from the strategy.

Invesco	Invesco Global Small Cap	People	Q2 2023	Q2 2023
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Under Additional Monitoring due to the departure of Lead PM Erik Esselink from the strategy and firm in July 2023.

Mawer	Mawer Global	People	Q3 2023	Q3 2023
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Under Additional Monitoring due to the pending departure of PM Paul Moroz from the strategy on March 31, 2024 and his replacement with a significantly less experienced co-PM.

PH&N	PH&N Canadian Equity Value	People	Q1 2023	Q1 2023
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Under Additional Monitoring due to co-PM's Doug Raymond and Stu Kedwell moving off of the strategy in July 2023

SLGI Asset Management (MFS)	Sun Life MFS U.S. Growth	People	Q1 2023	Q1 2023
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Under Additional Monitoring due to the retirement of co-PM Paul Gordon in May 2023.

TDAM	TDAM Greystone Target Date Plus	People, Strategy	Q2 2023	Q2 2023
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Under Additional Monitoring due to 1) significant asset inflows that are temporarily reducing the allocation to alternative assets (direct real estate, direct infrastructure, commercial mortgages) within the funds; and 2) the departure of Jeff Tripp, Head of Alternative Investments, from the firm.

TDAM	TDAM Low Volatility Canadian Equity TDAM Low Volatility U.S. Equity	Strategy	Q2 2023	Q2 2023
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Under Additional Monitoring due to the departure of PM Laurie-Anne Davison from the Canadian and U.S. low volatility strategies to lead the newly integrated passive equity and fixed income businesses.



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This document is intended to provide a general overview and facilitate a discussion of considerations for a plan sponsor who is monitoring funds for its group retirement and/or savings program. Sun Life Financial Inc. (Sun Life) owns an interest in Sun Life Capital Management (Canada) Inc., SLGI Asset Management Inc., and MFS Investment Management.; whose funds are on the Core investment platform. Investment Solutions Executives are subject to a Code of Conduct requiring that Sun Life's ownership interests will not influence services provided to clients, including guidance in selecting investment options. Typically, the holdings of the Segregated Funds are units of an Investment Manager's pooled or mutual fund.

Note: Sun Life is not responsible for any financial losses sustained as a result of a plan sponsor's monitoring, or the inadequacy of a plan sponsor's monitoring, of investment managers or individual funds within its group retirement and/or savings program, including any decision to retain or remove investment managers or individual funds based on information contained in this document.