
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the financial year ended December 31, 2019

Sun Life Dynamic American Fund



Sun Life Dynamic American Fund

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., 1 York Street, Suite 3300, Toronto, Ontario, M5J 0B6. Our financial statements are available on our website at www.sunlifeglobalinvestments.com and on SEDAR at www.sedar.com.

Unitholders 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 Sun Life Dynamic American Fund* (the "Fund") seeks to achieve long-term capital appreciation primarily by investing directly in equity securities of United States based businesses deemed to be undervalued relative to their perceived worth or indirectly by investing in mutual funds that invest in such securities.

The Fund's Sub-Advisor is 1832 Asset Management L.P. (Dynamic Funds) (the "Sub-Advisor"). 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 the Dynamic American 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 United States based companies and may from time to time invest in companies in other countries in the Americas. The Sub-Advisor uses a value investment approach, investing in companies that represent good value based on current stock price relative to the company's intrinsic value.

Risk

There were no changes in the Fund's investment objectives or strategies 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 \$7.1 million to \$14.3 million due to positive net sales, as well as positive performance.

During the period, the Fund returned 20.9% for Series A units, this result lagged the Fund's benchmark, which returned 24.8%. 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 and a definition of the benchmark and broad-based index if applicable.

The Fund currently invests substantially all of its holdings in units of the Dynamic American Fund (the "Underlying Fund"). The following commentary relates to the Underlying Fund.

Stock selection in the Industrials and Consumer Discretionary sectors detracted from performance. During the period, an underweight allocation to Consumer Discretionary stock Amazon.com negatively affected the performance of the Fund, as Amazon outperformed the benchmark. The Fund's Industrials holdings were positive contributors to performance, but overall, underperformed those of the index. One of the key stock detractors from Fund performance was Equifax Inc., which was also held by the benchmark; however, it was not a notable detractor from benchmark performance.

Not owning any companies from the Energy, Utilities, and Real Estate sectors was a positive contributor to performance as these sectors underperformed the overall index. Energy posted the worst return for any sector of the index during the period. Information Technology was the largest weighted sector of the Fund at 28% and was also the highest weighted sector of benchmark with a weighting of approximately 23%. Information Technology was the best performer for the index; thus, the Fund's overweight was a positive for relative performance.

The most notable changes made to sector allocations during the period were decreases to the Health Care and Consumer Discretionary sectors, and increases to the Financials (not represented at end of previous period), Industrials, Information Technology, and Communications Services (not represented at end of previous period) sectors.

Recent Developments

The Manager announced on November 29, 2019 that it intended to separate Series O securities from the Sun Life Global Investments Private Client Program for all the mutual funds that it manages. Subsequent to the reporting period, the Manager implemented this change to the Private Client Program on February 26, 2020.

On February 19, 2020, the Manager announced a proposed merger of the Fund into the Sun Life MFS U.S. Growth Fund. The proposal is subject to securityholder and regulatory approvals. The securityholder vote is scheduled to take place on or about May 8, 2020. All costs and expenses associated with the merger will be borne by the Manager. In anticipation of the

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merger, the Fund is closed to investment in new accounts, effective 4:01 p.m. ET on February 26, 2020. If approved, the merger will take effect on or about June 5, 2020. If approved, the merger will take effect on or about June 5, 2020.

The U.S. equity market ended the year in double-digit positive territory. It was actually one of the best performing years in the past decade. Ironically, the year began with investors' concerns of a global economic slowdown resulting from the U.S.-China trade dispute and an inverted yield curve in the U.S. bond market. An inverted yield curve can sometimes be a signal of an upcoming recession. Due to this economic uncertainty, the Federal Reserve cut interest rates three times in the year. These rate cuts were looked upon as insurance cuts to keep the country's longest economic expansion running. The Federal Reserve's actions had a positive effect on the economy.

Mortgage rates fell to near all-time historical lows, resulting in a pickup in homes sales. The unemployment rate fell back to 3.5%, which is a 50-year low. While wage growth did increase modestly, inflation remained steady. On the U.S.-China trade front, both countries agreed to a limited deal (phase-one) in December. The deal calls for China to buy more agricultural products from U.S. farmers. In exchange, the U.S. will halt adding new tariffs and reduce some tariffs on existing imported Chinese goods.

All 11 GICs sectors in the benchmark posted positive returns over the 12-month time period. The best performing sectors were Information Technology, Communications, and Financials. The worst performing sectors were Energy, Health Care, and Materials.

The Manager cautions that the current global uncertainty with respect to the spread of the coronavirus (COVID-19) and its effect on the broader global economy may have a significant impact to the volatility of the financial market. While the precise impact remains unknown, rapid spread of the virus may have a material adverse effect on global economic activity and disrupt global supply chains, operations, mobility of people, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to fund performance.

Related Party Transactions

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

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.

As trustee, the Manager holds legal title to the Fund's investments in trust for unitholders.

As portfolio manager, the Manager is responsible for managing the investment portfolio of the Fund directly or through sub-advisors. The Manager has retained 1832 Asset Management L.P. to act as a sub-advisor for the Fund.

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

Fund Administrative Expenses

The Manager pays certain operating expenses of the Fund (the "Administration Expenses") in return for a fixed administration fee paid to the Manager by the 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 Fixed annual administration fees in the Fund's Statement of Comprehensive Income found in the annual financial statements.

The 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. The Fund allocates Fund Costs proportionately among each series of the Fund to which they apply. The Fund Costs that are specific to a series of securities are allocated to that series. These amounts are paid out of the assets attributed to each series of securities of the Fund, which reduces the return you may receive.

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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 for the previous five years or for the periods since inception to December 31, 2019.

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

Sun Life Dynamic American Fund - Series A

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	12.17	11.23	10.30	9.85	10.00
Increase (decrease) from operations:					
Total revenue	2.67	1.28	0.97	-	(0.01)
Total expenses	(0.34)	(0.31)	(0.26)	(0.23)	(0.24)
Realized gains (losses) for the period	0.43	0.40	0.21	(0.02)	2.67
Unrealized gains (losses) for the period	(0.53)	(0.24)	0.39	1.05	(1.17)
Total increase (decrease) from operations⁽²⁾	2.23	1.13	1.31	0.80	1.25
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(1.82)	(0.54)	(0.24)	-	(1.33)
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(1.82)	(0.54)	(0.24)	-	(1.33)
Net asset value, end of period	12.93	12.17	11.23	10.30	9.85

Sun Life Dynamic American Fund - Series T5

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	16.67	15.89	15.29	15.43	15.00
Increase (decrease) from operations:					
Total revenue	3.48	1.55	-	-	0.06
Total expenses	(0.46)	(0.44)	(0.39)	-	(0.35)
Realized gains (losses) for the period	0.54	0.46	0.32	-	2.11
Unrealized gains (losses) for the period	(0.08)	0.48	1.79	0.71	(0.11)
Total increase (decrease) from operations⁽²⁾	3.48	2.05	1.72	0.71	1.71
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.04)	-	(0.77)	(0.67)
From capital gains	(1.59)	(0.54)	(0.40)	-	(0.62)
Return of capital	(0.76)	(0.69)	(0.70)	-	-
Total annual distributions⁽³⁾	(2.35)	(1.27)	(1.10)	(0.77)	(1.29)
Net asset value, end of period	17.80	16.67	15.89	15.29	15.43

Sun Life Dynamic American Fund - Series T8

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	15.33	15.03	14.85	15.49	15.00
Increase (decrease) from operations:					
Total revenue	3.22	1.47	-	-	0.01
Total expenses	(0.42)	(0.40)	(0.37)	-	(0.35)
Realized gains (losses) for the period	0.50	0.45	0.31	-	2.46
Unrealized gains (losses) for the period	(0.28)	0.38	1.69	0.75	(0.46)
Total increase (decrease) from operations⁽²⁾	3.02	1.90	1.63	0.75	1.66
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.03)	-	(1.24)	-
From capital gains	(1.05)	(0.54)	(0.37)	-	(0.22)
Return of capital	(1.12)	(1.07)	(1.09)	-	(0.97)
Total annual distributions⁽³⁾	(2.17)	(1.64)	(1.46)	(1.24)	(1.19)
Net asset value, end of period	16.33	15.33	15.03	14.85	15.49

Sun Life Dynamic American Fund - Series F

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	11.87	11.11	10.51	9.95	10.00
Increase (decrease) from operations:					
Total revenue	2.45	1.50	-	-	0.05
Total expenses	(0.18)	(0.17)	(0.15)	(0.13)	(0.13)
Realized gains (losses) for the period	0.50	0.47	0.53	(0.02)	1.49
Unrealized gains (losses) for the period	(0.22)	(1.73)	0.62	0.41	(0.26)
Total increase (decrease) from operations⁽²⁾	2.55	0.07	1.00	0.26	1.15
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(2.14)	(0.80)	(0.73)	-	(1.35)
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(2.14)	(0.80)	(0.73)	-	(1.35)
Net asset value, end of period	12.42	11.87	11.11	10.51	9.95

Sun Life Dynamic American Fund - Series F5

	2019	2018
	(\$)	(\$)
Net asset value, beginning of period	15.71	15.00
Increase (decrease) from operations:		
Total revenue	3.25	1.51
Total expenses	(0.24)	(0.20)
Realized gains (losses) for the period	0.52	0.44
Unrealized gains (losses) for the period	(0.07)	0.56
Total increase (decrease) from operations⁽²⁾	3.46	2.31
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	(0.03)
From capital gains	(1.93)	(0.95)
Return of capital	(0.72)	(0.60)
Total annual distributions⁽³⁾	(2.65)	(1.58)
Net asset value, end of period	16.55	15.71

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Sun Life Dynamic American Fund - Series F8

	2019	2018
	(\$)	(\$)
Net asset value, beginning of period	15.36	15.00
Increase (decrease) from operations:		
Total revenue	3.14	1.50
Total expenses	(0.23)	(0.20)
Realized gains (losses) for the period	0.50	0.43
Unrealized gains (losses) for the period	(0.07)	0.55
Total increase (decrease) from operations⁽²⁾	3.34	2.28
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	(0.03)
From capital gains	(1.42)	(0.93)
Return of capital	(1.13)	(0.97)
Total annual distributions⁽³⁾	(2.55)	(1.93)
Net asset value, end of period	16.19	15.36

Sun Life Dynamic American Fund - Series I

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	12.19	11.43	10.75	10.04	10.00
Increase (decrease) from operations:					
Total revenue	2.69	1.29	1.20	-	(0.01)
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	0.45	0.39	0.29	(0.02)	1.90
Unrealized gains (losses) for the period	(0.50)	(0.08)	(0.13)	1.25	(0.37)
Total increase (decrease) from operations⁽²⁾	2.63	1.59	1.35	1.22	1.51
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(2.48)	(1.01)	(0.84)	-	(1.39)
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(2.48)	(1.01)	(0.84)	-	(1.39)
Net asset value, end of period	12.65	12.19	11.43	10.75	10.04

Sun Life Dynamic American Fund - Series O

	2019	2018	2017	2016	2015
	(\$)	(\$)	(\$)	(\$)	(\$)
Net asset value, beginning of period	12.18	11.41	10.72	10.03	10.00
Increase (decrease) from operations:					
Total revenue	2.73	1.37	1.14	-	0.05
Total expenses	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)
Realized gains (losses) for the period	0.46	0.43	0.26	(0.02)	1.61
Unrealized gains (losses) for the period	(0.48)	(0.82)	(0.12)	1.04	(0.33)
Total increase (decrease) from operations⁽²⁾	2.68	0.95	1.25	1.00	1.31
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(2.43)	(0.97)	(0.80)	-	(1.38)
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(2.43)	(0.97)	(0.80)	-	(1.38)
Net asset value, end of period	12.66	12.18	11.41	10.72	10.03

⁽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 securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the financial period.

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

Ratios and Supplemental Data

Sun Life Dynamic American Fund - Series A

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	3,523,373	1,937,603	1,075,752	996,098	534,589
Number of units outstanding ⁽¹⁾	272,513	159,161	95,773	96,674	54,256
Management expense ratio (%) ⁽²⁾	2.48	2.47	2.47	2.49	2.51
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.48	2.47	2.47	2.49	2.51
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	12.93	12.17	11.23	10.30	9.85

Sun Life Dynamic American Fund - Series T5

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	17,949	15,218	13,104	11,702	11,168
Number of units outstanding ⁽¹⁾	1,008	913	825	765	724
Management expense ratio (%) ⁽²⁾	2.53	2.54	2.54	2.55	2.55
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.53	2.54	2.54	2.55	2.55
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	17.80	16.67	15.89	15.29	15.43

Sun Life Dynamic American Fund - Series T8

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	28,306	22,022	17,685	16,375	15,754
Number of units outstanding ⁽¹⁾	1,734	1,436	1,176	1,102	1,017
Management expense ratio (%) ⁽²⁾	2.52	2.52	2.52	2.53	2.54
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.52	2.52	2.52	2.53	2.54
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	16.33	15.33	15.03	14.85	15.49

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Sun Life Dynamic American Fund - Series F

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	268,395	158,233	41,531	11,956	16,803
Number of units outstanding ⁽¹⁾	21,609	13,333	3,740	1,138	1,689
Management expense ratio (%) ⁽²⁾	1.38	1.41	1.41	1.42	1.41
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.38	1.41	1.41	1.42	1.41
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	12.42	11.87	11.11	10.51	9.95

Sun Life Dynamic American Fund - Series F5

	2019	2018
Total net asset value (\$) ⁽¹⁾	14,183	11,572
Number of units outstanding ⁽¹⁾	857	737
Management expense ratio (%) ⁽²⁾	1.41	1.38
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.41	1.38
Trading expense ratio (%) ⁽³⁾	0.15	0.15
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86
Net asset value per unit (\$) ⁽¹⁾	16.55	15.71

Sun Life Dynamic American Fund - Series F8

	2019	2018
Total net asset value (\$) ⁽¹⁾	14,184	11,572
Number of units outstanding ⁽¹⁾	876	753
Management expense ratio (%) ⁽²⁾	1.41	1.38
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.41	1.38
Trading expense ratio (%) ⁽³⁾	0.15	0.15
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86
Net asset value per unit (\$) ⁽¹⁾	16.19	15.36

Sun Life Dynamic American Fund - Series I

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	9,821,105	4,569,563	2,872,621	1,417,694	605,036
Number of units outstanding ⁽¹⁾	776,330	374,908	251,401	131,840	60,251
Management expense ratio (%) ⁽²⁾	0.11	0.11	0.11	0.11	0.11
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.11	0.11	0.11	0.11	0.11
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	12.65	12.19	11.43	10.75	10.04

Sun Life Dynamic American Fund - Series O

	2019	2018	2017	2016	2015
Total net asset value (\$) ⁽¹⁾	646,013	354,777	167,091	96,839	16,044
Number of units outstanding ⁽¹⁾	51,014	29,120	14,643	9,030	1,599
Management expense ratio (%) ⁽²⁾	0.28	0.28	0.28	0.28	0.28
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.28	0.28	0.28	0.28	0.28
Trading expense ratio (%) ⁽³⁾	0.15	0.15	0.15	0.18	0.21
Portfolio turnover rate (%) ⁽⁴⁾	24.48	19.86	17.53	9.44	2.98
Net asset value per unit (\$) ⁽¹⁾	12.66	12.18	11.41	10.72	10.03

⁽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.

Management Fees

The maximum annual management fee paid by the Fund is a percentage of the average daily net asset value of each series of securities of the Fund 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 (%) ^(*)	General Administration, Investment Advice and Profit (%)
Series A Units	2.00	44	56
Series T5 Units	2.00	39	61
Series T8 Units	2.00	43	57
Series F Units	1.00	–	100
Series F5 Units	1.00	–	100
Series F8 Units	1.00	–	100
Series I Units ^(†)	–	–	–
Series O Units ^(‡)	1.00	–	–

^(*) Includes sales and trailing commissions.

^(†) Series O management fees are not paid by the Fund. Series O investors pay management fees directly to the manager.

^(‡) Series I management fees are not paid by the Fund. Series I investors negotiate management fees and pay directly to the manager.

Sun Life Dynamic American Fund

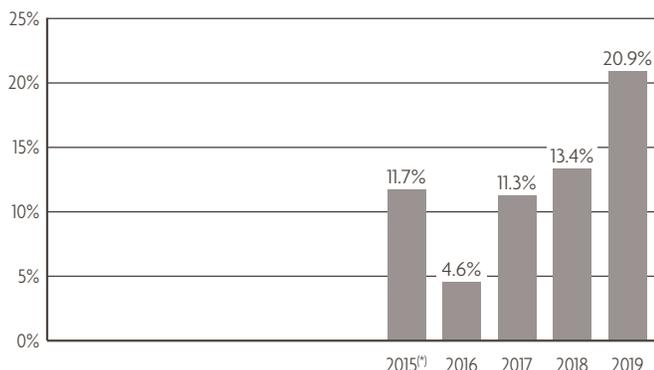
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution, other optional charges or income tax payable by any unitholder that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

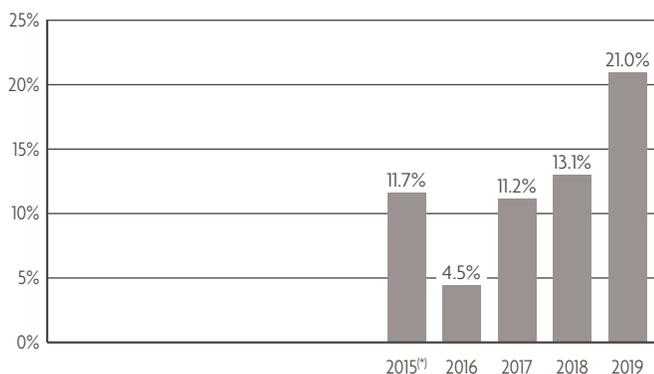
The following bar chart shows the Fund's annual performance for the period shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Series A Units – Annual return for the period ended December 31, 2019



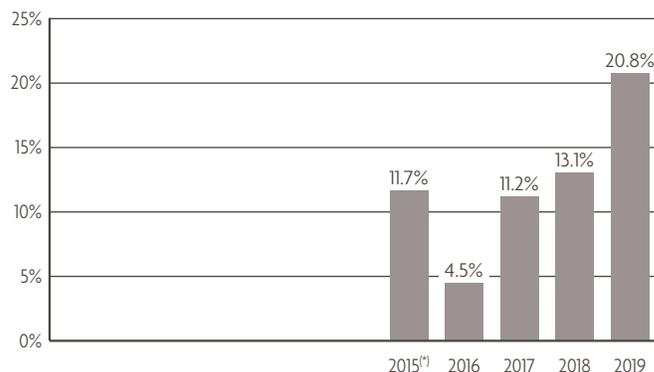
^(*) for the period of February 2, 2015 to December 31, 2015.

Series T5 Units – Annual return for the period ended December 31, 2019



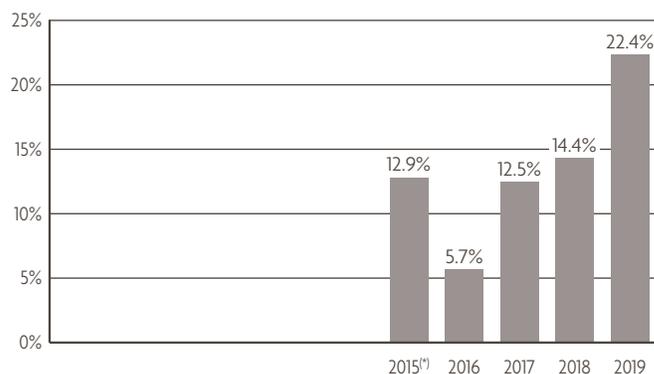
^(*) for the period of February 2, 2015 to December 31, 2015.

Series T8 Units – Annual return for the period ended December 31, 2019



^(*) for the period of February 2, 2015 to December 31, 2015.

Series F Units – Annual return for the period ended December 31, 2019



^(*) for the period of February 2, 2015 to December 31, 2015.

Series F5 Units – Annual return for the period ended December 31, 2019



^(*) for the period of February 9, 2018 to December 31, 2018.

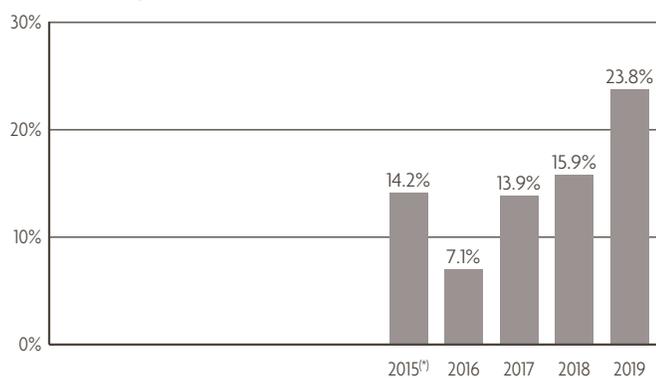
Sun Life Dynamic American Fund

Series F8 Units – Annual return for the period ended December 31, 2019



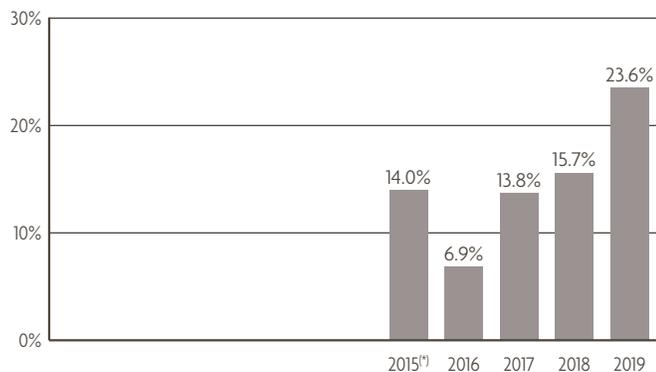
⁽¹⁾ for the period of February 9, 2018 to December 31, 2018.

Series I Units – Annual return for the period ended December 31, 2019



⁽¹⁾ for the period of February 2, 2015 to December 31, 2015.

Series O Units – Annual return for the period ended December 31, 2019



⁽¹⁾ for the period of February 2, 2015 to December 31, 2015.

Annual Compound Returns

The table compares the historical annual compound total returns of Series A, T5, T8, F, F5, F8, I and O securities of the Fund with the following benchmark and broad-based index, if applicable:

The benchmark (the “Benchmark”) is composed of:
S&P 500 Index C\$

The Series A units outperformed the benchmark over the past three years, but underperformed since inception, and over the past year.

	1 Year	3 Year	5 Year	10 Year	Performance Start Date ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾
Series A	20.9%	15.1%	N/A	N/A	12.5%
Series T5	21.0%	15.0%	N/A	N/A	12.4%
Series T8	20.8%	15.0%	N/A	N/A	12.4%
Series F	22.4%	16.3%	N/A	N/A	13.7%
Benchmark	24.8%	14.0%	14.2%	16.0%	13.1%
Series F5	22.2%	N/A	N/A	N/A	20.0%
Series F8	22.2%	N/A	N/A	N/A	20.0%
Benchmark	24.8%	14.0%	14.2%	16.0%	16.6%
Series I	23.8%	17.8%	N/A	N/A	15.1%
Series O	23.6%	17.6%	N/A	N/A	14.9%
Benchmark	24.8%	14.0%	14.2%	16.0%	13.1%

⁽¹⁾ The performance start date for Series A units was February 2, 2015.

⁽²⁾ The performance start date for Series T5 units was February 2, 2015.

⁽³⁾ The performance start date for Series T8 units was February 2, 2015.

⁽⁴⁾ The performance start date for Series F units was February 2, 2015.

⁽⁵⁾ The performance start date for Series F5 units was February 9, 2018.

⁽⁶⁾ The performance start date for Series F8 units was February 9, 2018.

⁽⁷⁾ The performance start date for Series I units was February 2, 2015.

⁽⁸⁾ The performance start date for Series O units was February 2, 2015.

INDEX DESCRIPTION(S)

The S&P 500 Index measures the performance of the stock market index based on the market capitalizations of 500 leading companies publicly traded in the U.S. stock market.

Sun Life Dynamic American Fund

Summary of Investment Portfolio*

as at December 31, 2019

Top 25 Investments†

Holding Name	Percentage of Net Asset Value of the Fund (%)
1 Microsoft Corp.	5.9
2 JPMorgan Chase & Co.	5.3
3 Bank of America Corporation	5.1
4 Danaher Corporation	5.0
5 Alphabet Inc.	4.9
6 Raytheon Company	4.9
7 Keysight Technologies, Inc.	4.9
8 MasterCard Inc.	4.6
9 NVIDIA Corporation	4.4
10 NIKE, Inc.	4.3
11 Moody's Corp.	4.2
12 Thermo Fisher Scientific Inc.	4.1
13 Visa Inc.	4.0
14 Applied Materials, Inc.	4.0
15 Air Products and Chemicals, Inc.	4.0
16 The Sherwin-Williams Company	3.9
17 Abbott Laboratories	3.9
18 Kansas City Southern	3.9
19 Rockwell Automation, Inc.	3.9
20 The Walt Disney Co.	3.8
21 MSCI Inc.	3.7
22 Zoetis Inc.	3.1
23 Merck & Co., Inc.	3.1
24 Cash and Cash Equivalents**	1.1
	100.0
Total Net Asset Value ('000's)	\$ 14,334

Sector Allocation‡

	Percentage of Net Asset Value of the Fund %
Information Technology	27.9
Health Care	19.2
Financials	18.2
Industrials	12.7
Communication Services	8.7
Consumer Discretionary	8.2
Materials	4.0
Cash and Cash Equivalents**	1.1
	100.0

(*) All information is as at December 31, 2019. The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Unless otherwise noted positions are long. 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.

(†) The Fund invests substantially all of its assets directly in the Dynamic American Value Fund, Series O. The summary of investment portfolio for the Fund presents the investments as a percentage of the net asset value of the Dynamic American Value Fund, Series O.

(**) 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. The Manager does not undertake any obligation to update or revise any forward-looking statements to reflect events or circumstances after the date of this document or to reflect new information or the occurrence of unanticipated events, except as required by law.

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

Sun Life Dynamic American Fund

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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