SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the period ended March 31, 2019

SUN LIFE EXCEL INDIA FUND

Sun Life GLOBAL Investments

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SUN LIFE EXCEL INDIA FUND

This semi-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 semi-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, Toronto, Ontario, M5J 0B6. 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.

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

Results of Operations

During the period, the net asset value of the Sun Life Excel India Fund (the "Fund") increased from $307 million to $313.3 million due to positive performance, partially offset by net redemptions during the period.

During the period, the Fund returned 12.6% for Series A units. This result lagged the Fund's benchmark, the MSCI India Index, returned 13.6%. 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 of the Fund.

The Fund's underperformance relative to its benchmark can be primarily attributed to stock selection. During the period, stock selection in the Industrials, Materials and Technology sectors detracted from the Fund's performance. Within Industrials, holding securities like Ashok Leyland, Finolex Cables and Havells India contributed to the underperformance as these stocks underperformed the broader sector. Within Materials, allocation to companies like Jindal Steel, Hindalco Industries and Vedanta detracted from the Fund's performance as they underperformed the Materials sector overall. In the Technology sector, the Fund held Mindtree and Persistent systems that detracted from the Fund's performance, which also lagged its broader sector.

The Fund's underweight allocation to index heavyweight Reliance Industries and as a result underweight allocation to the Energy sector was an opportunity forgone, as Reliance was a strong performer during the reporting period.

Some of the Fund's underperformance during the period was offset by the Fund's stock selection gains in the Consumer Discretionary, Healthcare and Real Estate sectors. The Fund's overweight allocation to the Financials sector was also a contributor to the Fund's relative performance as this sector was a strong performer during the reporting period driven by easing liquidity in the non-banking financial services sector.

Recent Developments

Indian equities witness an increased volatility during the six-month period ending March 2019. Initial 4 months of the period witnessed market sell-off driven by both local macro factors and the sharp correction in global equities, however Indian markets reversed market weakness in Feb 2019 with renewed foreign inflows and sentiment boost from opinion polls, ahead of general elections, tilting further in favour of incumbent party Bharatiya Janata Party (BJP).

The period began with a sell-off in the market driven by fears of tightening liquidity and additional issues in the non-banking financial services (NBFC) sector. Global sentiment for equities was volatile given the noise around trade wars and a hawkish Fed. Brent crude oil prices continued to fall in December, down 9%, after a 21% drop in November and 11% drop in October ending the year at U.S. $53.2 per barrel.

Global equity markets began 2019 on a positive note as trade tensions appeared to be abating. Markets were also supported by a decisively dovish Fed, offsetting a stronger dollar and weak global macro growth data. In India, markets reacted positively to the outcome of Union Budget, however mixed earnings season with disproportionate losses in some large companies and heightened geopolitical tensions between India and Pakistan led to an increase in market volatility with downward bias.

The reporting period on a positive note, with the Indian markets performing positively in the month of March, driven by increased inflows from foreign investors and expectation of lower policy rates from the Reserve Bank of India.

Related Party Transactions

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

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As trustee, the Manager holds legal title to the Fund's investments in trust for unitholders. 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 Birla Sun Life AMC Limited to be the portfolio manager to the India Sub-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 a Fund administrative expense in the Fund's Statement of Comprehensive Income found in the semi-annual financial statements (unaudited).

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. The Fund Costs that are specific to a series of units are allocated to that series. These amounts are paid out of the assets attributed to each series of units of the Fund, which reduces the return you may receive.

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 March 31, 2019.

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

Sun Life Excel India Fund - Series A

	2019 ($)	2018 ($)	2017 ($)	2016 ($)	2015 ($)
Net asset value, beginning of period	36.63	39.56	35.86	33.40	26.97
Increase (decrease) from operations:					
Total revenue	-	0.02	-	0.01	0.01
Total expenses	(0.37)	(0.95)	(1.05)	(0.92)	(0.85)
Realized gains (losses) for the period	1.57	2.26	0.13	2.10	1.13
Unrealized gains (losses) for the period	3.13	(2.18)	5.87	1.01	5.94
Total increase (decrease) from operations[2]	**4.33**	**(0.85)**	**4.95**	**2.20**	**6.23**
Distributions:					
From income (excluding dividends)	(2.68)	(2.12)	(1.19)	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions[3]	**(2.68)**	**(2.12)**	**(1.19)**	**-**	**-**
Net asset value, end of period	**38.41**	**36.63**	**39.56**	**35.86**	**33.40**

Sun Life Excel India Fund - Series F

	2019 ($)	2018 ($)	2017 ($)	2016 ($)	2015 ($)
Net asset value, beginning of period	15.32	16.35	14.70	13.54	10.81
Increase (decrease) from operations:					
Total revenue	-	0.01	0.01	-	0.01
Total expenses	(0.06)	(0.20)	(0.25)	(0.23)	(0.20)
Realized gains (losses) for the period	0.65	0.96	0.03	0.90	0.48
Unrealized gains (losses) for the period	1.31	(1.56)	2.33	0.72	1.09
Total increase (decrease) from operations[2]	**1.90**	**(0.79)**	**2.12**	**1.39**	**1.38**
Distributions:					
From income (excluding dividends)	(1.33)	(0.86)	(0.53)	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions[3]	**(1.33)**	**(0.86)**	**(0.53)**	**-**	**-**
Net asset value, end of period	**15.94**	**15.32**	**16.35**	**14.70**	**13.54**

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Sun Life Excel India Fund - Series I

	2019 ($)	2018 ($)	2017 ($)	2016 ($)	2015 ($)
Net asset value, beginning of period	34.28	37.26	34.01	31.30	24.71
Increase (decrease) from operations:					
Total revenue	-	0.01	-	-	0.01
Total expenses	(0.01)	(0.14)	(0.18)	(0.16)	(0.11)
Realized gains (losses) for the period	1.52	2.93	0.14	1.99	1.01
Unrealized gains (losses) for the period	3.24	1.78	5.42	0.21	6.02
Total increase (decrease) from operations[2]	**4.75**	**4.58**	**5.38**	**2.04**	**6.93**
Distributions:					
From income (excluding dividends)	-	(3.01)	(2.04)	(0.30)	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions[3]	**-**	**(3.01)**	**(2.04)**	**(0.30)**	**-**
Net asset value, end of period	**39.00**	**34.28**	**37.26**	**34.01**	**31.30**

Sun Life Excel India Fund - Institutional Series

	2019 ($)	2018 ($)	2017 ($)
Net asset value, beginning of period	6.02	6.26	5.00
Increase (decrease) from operations:			
Total revenue	-	-	-
Total expenses	(0.02)	(0.05)	(0.04)
Realized gains (losses) for the period	0.26	0.37	(0.01)
Unrealized gains (losses) for the period	0.31	(0.38)	0.59
Total increase (decrease) from operations[2]	**0.55**	**(0.06)**	**0.54**
Distributions:			
From income (excluding dividends)	(0.51)	(0.18)	-
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions[3]	**(0.51)**	**(0.18)**	**-**
Net asset value, end of period	**6.28**	**6.02**	**6.26**

Sun Life Excel India Fund - Series DB

	2019 ($)	2018 ($)	2017 ($)
Net asset value, beginning of period	5.10	5.38	5.00
Increase (decrease) from operations:			
Total revenue	-	-	-
Total expenses	(0.03)	(0.08)	(0.10)
Realized gains (losses) for the period	0.22	0.32	0.01
Unrealized gains (losses) for the period	0.41	(0.47)	0.66
Total increase (decrease) from operations[2]	**0.60**	**(0.23)**	**0.57**
Distributions:			
From income (excluding dividends)	(0.41)	(0.20)	(0.18)
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions[3]	**(0.41)**	**(0.20)**	**(0.18)**
Net asset value, end of period	**5.33**	**5.10**	**5.38**

[1] This information is derived from the Fund's audited annual financial statements and from the semi-annual unaudited financial statements for the current period ended March 31, 2019.

[2] Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units 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 Excel India Fund - Series A

	2019	2018	2017	2016	2015
Total net asset value ($) (000's)[1]	196,071	186,223	203,373	187,719	196,988
Number of units outstanding (000's)[1]	5,105	5,084	5,141	5,235	5,897
Management expense ratio (%)[2]	2.51	2.76	3.19	3.30	3.08
Management expense ratio before waivers or absorption (%)[2]	2.51	2.76	3.20	3.30	3.09
Trading expense ratio (%)[3]	0.38	0.37	0.36	0.49	0.53
Portfolio turnover rate (%)[4][5]	38.38	90.87	76.69	120.93	129.57
Net asset value per unit ($)[1]	38.41	36.63	39.56	35.86	33.40

Sun Life Excel India Fund - Series F

	2019	2018	2017	2016	2015
Total net asset value ($) (000's)[1]	98,929	92,993	64,963	39,169	28,250
Number of units outstanding (000's)[1]	6,207	6,071	3,974	2,665	2,086
Management expense ratio (%)[2]	1.34	1.63	2.04	2.21	1.98
Management expense ratio before waivers or absorption (%)[2]	1.34	1.63	2.05	2.22	1.99
Trading expense ratio (%)[3]	0.38	0.37	0.36	0.49	0.53
Portfolio turnover rate (%)[4][5]	38.38	90.87	76.69	120.93	129.57
Net asset value per unit ($)[1]	15.94	15.32	16.35	14.70	13.54

Sun Life Excel India Fund - Series I

	2019	2018	2017	2016	2015
Total net asset value ($) (000's)[1]	10	9	24,918	27,083	33,139
Number of units outstanding (000's)[1]	-	-	669	796	1,059
Management expense ratio (%)[2]	0.49	0.76	0.91	0.97	0.82
Management expense ratio before waivers or absorption (%)[2]	0.49	0.76	0.91	0.98	0.82
Trading expense ratio (%)[3]	0.38	0.37	0.36	0.49	0.53
Portfolio turnover rate (%)[4][5]	38.38	90.87	76.69	120.93	129.57
Net asset value per unit ($)[1]	39.00	34.28	37.26	34.01	31.30

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Sun Life Excel India Fund - Institutional Series

	2019	2018	2017
Total net asset value ($) (000's)[1]	15,626	24,976	21,891
Number of units outstanding (000's)[1]	2,489	4,150	3,499
Management expense ratio (%)[2]	1.17	1.20	1.33
Management expense ratio before waivers or absorption (%)[2]	1.17	1.20	1.34
Trading expense ratio (%)[3]	0.38	0.37	0.36
Portfolio turnover rate (%)[4][5]	38.38	90.87	76.69
Net asset value per unit ($)[1]	6.28	6.02	6.26

Sun Life Excel India Fund - Series DB

	2019	2018	2017
Total net asset value ($) (000's)[1]	2,648	2,776	2,320
Number of units outstanding (000's)[1]	497	544	432
Management expense ratio (%)[2]	1.68	1.91	2.33
Management expense ratio before waivers or absorption (%)[2]	1.68	1.91	2.34
Trading expense ratio (%)[3]	0.38	0.37	0.36
Portfolio turnover rate (%)[4][5]	38.38	90.87	76.69
Net asset value per unit ($)[1]	5.33	5.10	5.38

(1) This information is provided as at September 30 of the period shown, except for the most recent semi-annual period, which is at March 31, 2019.

(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 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 (%)[2]	Dealer Compensation (%)[1]	General Administration, Investment Advice and Profit (%)
Series A Units	2.05	54	46
Series F Units	1.05	–	100
Series I Units	0.45	–	100
Institutional Series Units	0.85	–	100
Series DB Units	1.30	26	74

(1) Includes sales and trailing commissions.

(2) The Fund invests in the Mauritius Sub-fund. The Mauritius Sub-fund pays its own management fee. The management fee rate charged within the Mauritius Sub-fund combined with the net management fee rate charged within the Fund, equals the maximum annual management fee rate by series disclosed in the table above.

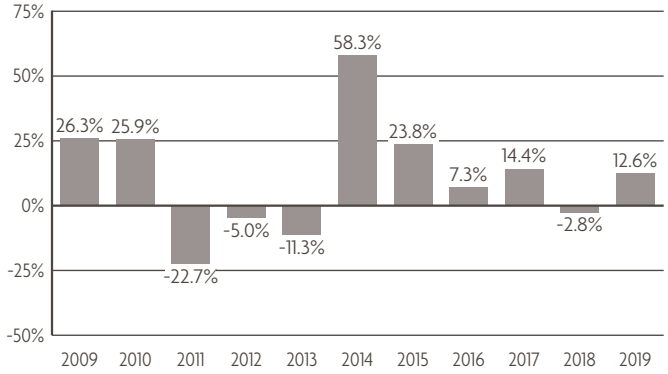
Past Performance

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 period.

Series A Units – Annual Returns for the periods ended September 30 and the six-month period ended March 31, 2019



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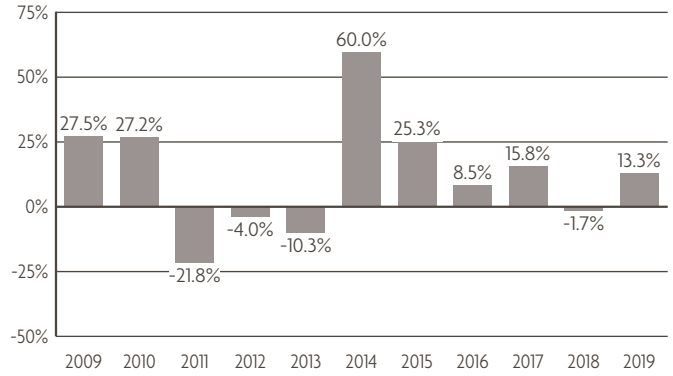
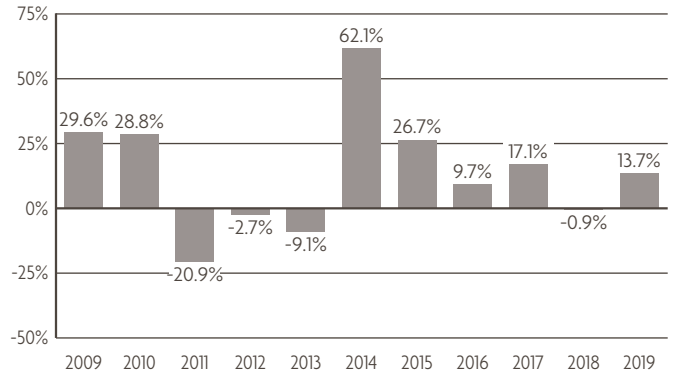
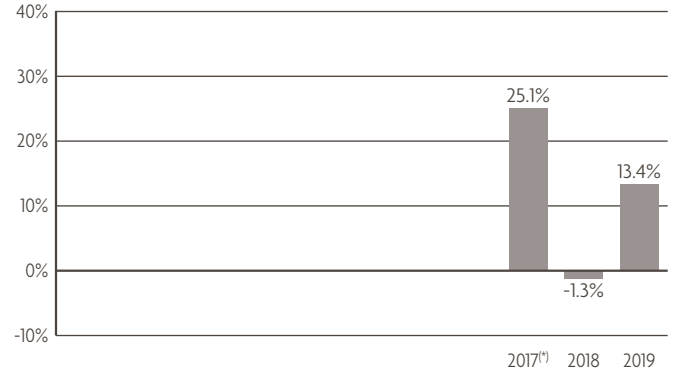
Series F Units – Annual Returns for the periods ended September 30 and the six-month period ended March 31, 2019



Series I Units – Annual Returns for the periods ended September 30 and the six-month period ended March 31, 2019

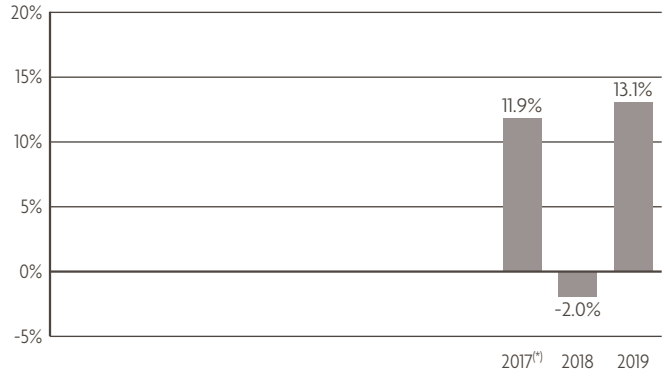


Institutional Series Units – Annual Returns for the periods ended September 30 and the six-month period ended March 31, 2019



(*) for the period of December 23, 2016 to September 30, 2017.

Series DB Units – Annual Returns for the periods ended September 30 and the six-month period ended March 31, 2019



(*) for the period of October 11, 2016 to September 30, 2017.

Summary of Investment Portfolio*

as at March 31, 2019

Top 25 Investments‡

	Holding Name	Percentage of Net Asset Value of the Fund (%)
1	HDFC Bank Limited	7.8
2	ICICI Bank Limited	7.3
3	Reliance Industries Limited	6.3
4	Infosys Limited	6.0
5	Indusind Bank Limited	4.4
6	Axis Bank Limited	3.2
7	Housing Development Finance Corporation Limited	3.1
8	Larsen & Toubro Limited	3.0
9	HCL Technologies Limited	2.6
10	ITC Limited	2.6
11	Bajaj Finance Limited	2.5
12	State Bank of India	2.5
13	TCNS CLOTHING COMPANY LIMITED	1.7
14	Zee Entertainment Enterprises Limited	1.7
15	Dabur India Limited	1.7
16	Hindustan Unilever Limited	1.7
17	Tech Mahindra Limited	1.7
18	Bandhan Bank Limited	1.6
19	Britannia Industries Limited	1.5
20	Crompton Greaves Consumer Electricals Limited	1.5
21	Tata Consultancy Services Limited	1.5
22	Sunteck Realty Limited	1.5
23	ODISHA CEMENT LIMITED	1.4
24	PNB Housing Finance Limited	1.4
25	KEC International Limited	1.4
		71.6

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Sector Allocation‡

	Percentage of Net Asset Value of the Fund %
Financials	39.0
Information Technology	13.3
Consumer Staples	8.2
Energy	8.0
Materials	7.3
Industrials	6.4
Consumer Discretionary	5.9
Health Care	3.5
Communication Services	3.1
Real Estate	1.5
Utilities	1.4
Treasury Bills	1.2
Other Asset (Liabilities)	1.1
Exchange-Traded Funds	0.1
	100.0

Portfolio Region Allocation‡

	Percentage of Net Asset Value of the Fund %
India	98.9
Other Assets (Liabilities)	1.1
	100.0

(*) All information is as at March 31, 2019. 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.

(‡) The portfolio allocation, portfolio region allocation and top 25 holdings are based on the Fund's equity holdings and the holdings of the India Excel (Mauritius) Fund and the India Excel (Offshore) Fund. The Fund directly owns 100% of the outstanding units of the India Excel (Mauritius) Fund and indirectly owns 100% of the India Excel (Offshore) Fund.

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.

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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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