
SLGI ASSET MANAGEMENT INC.

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

for the period ended June 30, 2024

Sun Life KBI Sustainable Infrastructure Private Pool



Sun Life KBI Sustainable Infrastructure Private Pool

This interim 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 (unaudited) by calling 1-877-344-1434, by sending an email to us at info@sunlifeglobalinvestments.com or by writing to us at SLGI Asset Management Inc., 1 York Street, Suite 3300, Toronto, Ontario, M5J 0B6. The financial statements are available on our website at www.sunlifeglobalinvestments.com and on SEDAR+ at www.sedarplus.ca.

Securityholders 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.

SLGI Asset Management Inc. (the "Manager") is an indirect wholly owned subsidiary of Sun Life Financial Inc.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

During the period, the net asset value of the Sun Life KBI Sustainable Infrastructure Private Pool (the "Fund") decreased from \$40.7 million to \$38.5 million due to negative net sales, partially offset by positive performance.

During the period, the Fund returned 0.3% for Series A securities, this result lagged the Fund's benchmark, S&P Global Infrastructure Index, which returned 7.4%. Please refer to the 'Past Performance' section of this report for performance of each series of securities of the Fund.

During the reporting period, global stock markets advanced amid a resilient US economy and the ongoing enthusiasm around artificial intelligence. The general expectation of interest rate cuts also contributed to the market rally despite the slower pace of cuts relative to what the market had hoped for at the turn of this year. While the Federal Reserve kept rates unchanged, the Bank of Canada cut its overnight interest rates to 4.75%, down from 5%. The US stock market advanced during the reporting period, supported by well-received corporate earnings and ongoing expectations of rate cuts later in the year. In Europe, the financial markets posted a strong gain and economic momentum remained positive as the effects of the cost-of-living shock continued to abate. The consequence of the continued economic growth was sticky inflation. Investors' worries of an overheated economy proved overdone in Q1, but services inflation remained above levels that are consistent with central bank targets.

Against this resilient backdrop, developed market equities delivered positive total returns. These returns were concentrated in larger companies, while rate sensitive small cap stocks and Real Estate Investment Trusts (REITS) suffered from confirmation of the higher-for-longer interest rate environment. The Information Technology sector led the charge amid ongoing optimism over demand for AI-related technologies. Other top gaining sectors included Financials, Consumer Discretionary and Industrials. Improvements in the economic outlook boosted more economically sensitive stocks while banks were supported by some announcements of improvements to shareholder returns. Utilities, Consumer Staples and Real Estate were the main laggards. The Chinese stocks ended the first half of the year positive as foreign investors remained cautious about the state of China's post-pandemic economic recovery.

An underweight allocation to the global Energy Sector detracted from performance. Economic recovery in major markets like India and China has boosted global energy demand, contributing to the outperformance of this sector. OPEC and its allies have maintained production cuts, which has kept oil supplies tight, and prices elevated throughout the period, further supporting the sector's performance. Stock selection in Utilities Sector detracted from performance. An overweight position in RWE AG, a leading German electric utility company, hurt performance of the fund. During the period RWE underperformed as full year 2024 guidance was cut due to the contraction in power prices. Stock selection in the Real Estate sector detracted from performance. An overweight position in SBA Communications, leading owner, and operator of tower assets, detracted from performance. During the period, the stock was down as the likelihood of interest rate cuts was pushed out to later in the year. Further, the stock was down as the company's investment spending remained muted during the period.

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Stock Selection in Industrials contributed to performance. An overweight position in Waste Management Inc, a leading owner and operator of waste assets across the US, contributed to performance. Shares were up over the period with above normal growth expected in 2024 as the lagged pass-through of inflation continues in the form of higher pricing. An overweight position in Cadeler A/S, the world's largest wind shipping company, contributed to performance. Cadeler has secured numerous high-value contracts and strategic partnerships in the offshore wind sector. These agreements not only provide a steady stream of revenue but also enhanced the company's reputation and market position, leading to a significant increase in its share price.

ESG Impact

There are four components to the Fund's stock selection model – End Markets, Management, Environmental & Social and Governance (ESG). As a result, ESG considerations impact every position in the portfolio.

The Fund invests in companies that seek to address the challenges of developing clean energy, water treatment and lack of fresh water, and agricultural storage. In doing so, the Fund takes environmental, social and governance (ESG) factors into account. During the period, the Fund continued to apply its strategy of ESG research and continued to invest in companies that they believed to have favourable ESG characteristics.

Within the period the fund added Cia de Saneamento Basico do Estado de Sao Paulo (Sabesp), a Brazilian water and waste management company, based on positive governance drivers. The state of Sao Paulo is reducing their ownership stake in Sabesp to a minority position in the company from a majority stake, with favourable implications on cost control, regulatory returns, and achievement of universal sanitation targets.

Within the period the fund increased its position in National Grid and Enphase Energy. National Grid, a British multinational electricity and gas utility company, has a capex plan of £60bn, which is almost double the previous 5-year investment plan. This is absolutely critical to the UK's (and lesser extent the US) climate plans. Investing in the electrical grid is essential to upgrade the existing inefficiencies and energy loss, but also to adapt to intermittent energy sources, bilateral flows and increasing demand driven by increased adoption of Electric Vehicles, E-Mobility, Heat Pumps as well as Digital related Infrastructure such as Data Centres.

ESG considerations were integral to the fund's valuation of Enphase Energy, an American energy technology company. The company is considered a global leader in energy efficiency technology, which is key to the energy transition. The company is engaged in designing, developing, manufacturing, and selling microinverter systems for the solar photovoltaic industry. Its semiconductor-based microinverter system converts direct current (DC) electricity to alternating current (AC) electricity.

The fund's position in Cia de Saneamento de Minas Gerais-COPASA (Copasa MG), a Brazilian water supply and sanitation services company, was reduced during the period due to governance concerns. The state of Minas Gerais, which has majority ownership of Copasa MG, is publicly talking about a scenario in which they transfer their ownership to the federal government in lieu of paying debt the state owes the central government, which has introduced uncertainty into the investment thesis in the near term.

Recent Developments

Global tensions and conflicts within some geographic regions, such as the ongoing military conflict in Ukraine, have continued to impact global markets and economies. In addition, there continue to be tensions between larger nations over a number of issues, including trade, technology, human rights, and sovereignty. These issues have, in some cases, resulted in government sanctions and trade restrictions. These global tensions and regional conflicts, documented in the media, create a more challenging operating environment. The longer-term impact to geopolitical norms, supply chains and investment valuations is uncertain. The Manager continues to watch for developments and assess the impact to investment strategies.

Related Party Transactions

SLGI Asset Management Inc. 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 securityholders.

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As portfolio manager, the Manager is responsible for managing the investment portfolio of the Fund directly or through sub-advisors. The Manager has retained KBI Global Investors (North America) Ltd. to act as a sub-advisor for the Fund.

The Fund may have direct or indirect holdings in Sun Life Financial Inc. or its affiliates or other funds managed by the Manager or its affiliates. Funds managed by the Manager, or its affiliates, may invest in securities of the Fund.

The Manager has a distribution agreement with Sun Life Financial Investment Services (Canada) Inc. (the "Dealer"), a company under common control, under which the Dealer may distribute securities of the funds offered by the Manager in the jurisdictions in which the Dealer is so authorized.

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 securities 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 Statements 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 Independent Review Committee ("IRC"); taxes payable by the Fund; contingent fees for foreign tax reclaim filings; 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 securities 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.

Fees and expenses payable to or in connection with the Independent Review Committee ("IRC") are allocated to the fund and series to which they apply in a manner that, in the Manager's view, is considered fair and reasonable. For the purpose of allocating IRC costs across the Funds, the Manager distinguishes between two categories of Funds: Funds that are structured as fund of funds and Funds that hold direct investments. The Manager has determined that, based on the complexity of the issues to be reviewed by the IRC for the Funds in each category, it is appropriate for the Funds that are structured as fund of funds to be allocated a lesser proportion of IRC costs than Funds that hold direct investments. The Manager first attributes IRC costs to each such category of Funds, and then allocates such costs equally between the Funds in each category. The amounts of these charges are disclosed in the line item "Independent review committee fees" in the Fund's Statements of Comprehensive Income (Loss).

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 period(s) since inception to June 30, 2024.

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

Sun Life KBI Sustainable Infrastructure Private Pool - Series A

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
Net asset value, beginning of period	9.38	9.65	10.34	10.00
Increase (decrease) from operations:				
Total revenue	0.19	0.37	0.31	0.02
Total expenses	(0.13)	(0.27)	(0.28)	(0.07)
Realized gains (losses) for the period	0.02	0.11	0.26	-
Unrealized gains (losses) for the period	(0.10)	(0.31)	(0.28)	0.57
Total increase (decrease) from operations⁽²⁾	(0.02)	(0.10)	0.01	0.52
Distributions:				
From income (excluding dividends)	-	-	-	-
From dividends	(0.11)	(0.14)	(0.02)	-
From capital gains	-	(0.12)	(0.20)	-
Return of capital	-	-	-	(0.04)
Total annual distributions⁽³⁾	(0.11)	(0.26)	(0.22)	(0.04)
Net asset value, end of period	9.30	9.38	9.65	10.34

Sun Life KBI Sustainable Infrastructure Private Pool

Sun Life KBI Sustainable Infrastructure Private Pool - Series F

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
Net asset value, beginning of period	9.31	9.61	10.33	10.00
Increase (decrease) from operations:				
Total revenue	0.20	0.36	0.31	0.02
Total expenses	(0.08)	(0.16)	(0.17)	(0.05)
Realized gains (losses) for the period	0.02	0.11	0.29	-
Unrealized gains (losses) for the period	(0.06)	(0.25)	0.24	0.61
Total increase (decrease) from operations⁽²⁾	0.08	0.06	0.67	0.58
Distributions:				
From income (excluding dividends)	-	-	-	-
From dividends	(0.16)	(0.19)	(0.18)	(0.01)
From capital gains	-	(0.21)	(0.17)	-
Return of capital	-	-	(0.02)	(0.04)
Total annual distributions⁽³⁾	(0.16)	(0.40)	(0.37)	(0.05)
Net asset value, end of period	9.23	9.31	9.61	10.33

Sun Life KBI Sustainable Infrastructure Private Pool - Series I

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
Net asset value, beginning of period	9.34	9.64	10.33	10.00
Increase (decrease) from operations:				
Total revenue	0.20	0.37	0.30	0.03
Total expenses	(0.03)	(0.05)	(0.06)	(0.02)
Realized gains (losses) for the period	0.03	0.11	0.24	-
Unrealized gains (losses) for the period	(0.09)	(0.24)	(0.48)	0.39
Total increase (decrease) from operations⁽²⁾	0.11	0.19	-	0.40
Distributions:				
From income (excluding dividends)	-	-	-	-
From dividends	(0.22)	(0.30)	(0.21)	(0.01)
From capital gains	-	(0.20)	(0.23)	-
Return of capital	-	-	-	(0.06)
Total annual distributions⁽³⁾	(0.22)	(0.50)	(0.44)	(0.07)
Net asset value, end of period	9.25	9.34	9.64	10.33

(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 June 30, 2024.

(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 securities of the Fund, or both.

Ratios and Supplemental Data

Sun Life KBI Sustainable Infrastructure Private Pool - Series A

	2024	2023	2022	2021
Total net asset value (\$000s) ⁽¹⁾	4,376	5,377	4,676	349
Number of securities outstanding (000s) ⁽¹⁾	471	573	484	34
Management expense ratio (%)	2.53	2.51	2.49	2.44
Management expense ratio before waivers or absorption (%) ⁽²⁾	2.53	2.51	2.49	2.44
Trading expense ratio (%) ⁽³⁾	0.05	0.05	0.21	1.32
Portfolio turnover rate (%) ⁽⁴⁾	18.00	26.11	27.15	3.94
Net asset value per security (\$) ⁽¹⁾	9.30	9.38	9.65	10.34

Sun Life KBI Sustainable Infrastructure Private Pool - Series F

	2024	2023	2022	2021
Total net asset value (\$000s) ⁽¹⁾	29,010	30,093	23,997	1,048
Number of securities outstanding (000s) ⁽¹⁾	3,145	3,231	2,497	101
Management expense ratio (%)	1.35	1.32	1.26	1.25
Management expense ratio before waivers or absorption (%) ⁽²⁾	1.35	1.32	1.26	1.25
Trading expense ratio (%) ⁽³⁾	0.05	0.05	0.21	1.32
Portfolio turnover rate (%) ⁽⁴⁾	18.00	26.11	27.15	3.94
Net asset value per security (\$) ⁽¹⁾	9.23	9.31	9.61	10.33

Sun Life KBI Sustainable Infrastructure Private Pool - Series I

	2024	2023	2022	2021
Total net asset value (\$000s) ⁽¹⁾	5,084	5,194	4,334	3,257
Number of securities outstanding (000s) ⁽¹⁾	549	556	450	315
Management expense ratio (%)	0.16	0.14	0.14	0.07
Management expense ratio before waivers or absorption (%) ⁽²⁾	0.16	0.14	0.14	0.07
Trading expense ratio (%) ⁽³⁾	0.05	0.05	0.21	1.32
Portfolio turnover rate (%) ⁽⁴⁾	18.00	26.11	27.15	3.94
Net asset value per security (\$) ⁽¹⁾	9.25	9.34	9.64	10.33

(1) This information is provided as at December 31 of the period shown, except for the most recent semi-annual period, which is at June 30, 2024.

(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.

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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:

	Maximum Annual Management Fee Rate (%)	As a Percentage of Management Fees	
		Dealer Compensation (%) ^(*)	General Administration, Investment Advice and Profit (%)
Series A Securities	1.95	43	57
Series F Securities	0.95	-	100
Series I Securities ^(#)	-	-	100

^(*) Includes sales and trailing commissions.

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

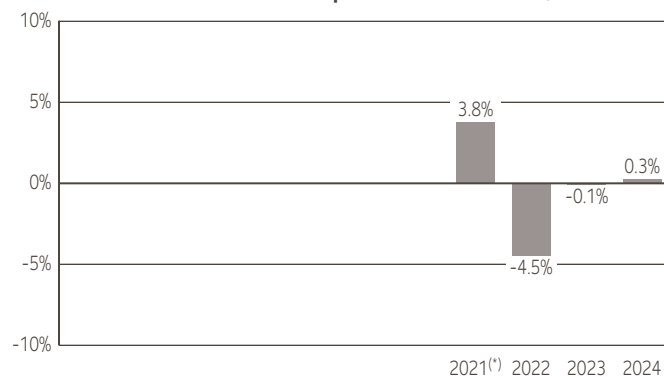
Past Performance

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 securityholder 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

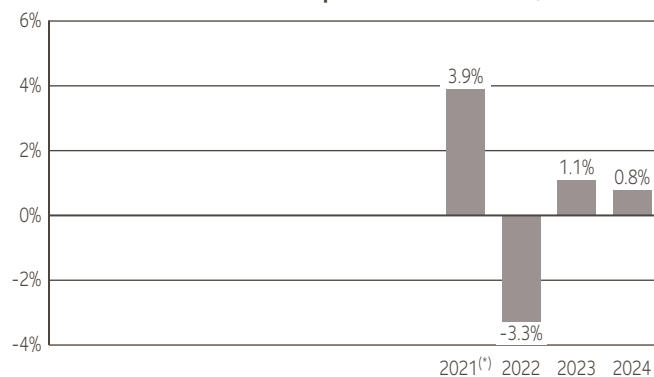
The following bar chart shows the Fund's annual performance for the period shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each period.

Series A Securities – Annual return for the periods ended December 31 and the six month period ended June 30, 2024



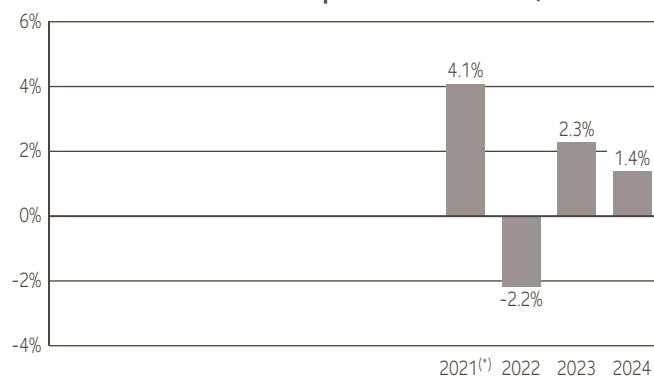
^(*) for the period of November 15, 2021 to December 31, 2021.

Series F Securities – Annual return for the periods ended December 31 and the six month period ended June 30, 2024



^(*) for the period of November 15, 2021 to December 31, 2021.

Series I Securities – Annual return for the periods ended December 31 and the six month period ended June 30, 2024



^(*) for the period of November 15, 2021 to December 31, 2021.

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Summary of Investment Portfolio *

as at June 30, 2024

Top 25 Investments[‡]

Holding Name	Percentage of Net Asset Value of the Fund (%)
1 SBA Communications Corp.	5.7
2 RWE AG	5.5
3 NextEra Energy Inc.	4.7
4 National Grid PLC	4.5
5 Northland Power Inc.	4.1
6 Renewables Infrastructure Group Ltd.	3.6
7 E.ON SE	3.3
8 American Tower Corp., Class A	3.1
9 Waste Management Inc.	2.9
10 International Public Partnerships Ltd.	2.9
11 Equinix Inc.	2.9
12 Ormat Technologies Inc.	2.8
13 Hydro One Ltd.	2.7
14 Essential Utilities Inc.	2.6
15 Bunge Global SA	2.5
16 Veolia Environnement SA	2.4
17 Iberdrola SA	2.3
18 American Water Works Co., Inc.	2.3
19 Enel SpA	2.2
20 United Utilities Group PLC	2.0
21 Greencoat Renewables PLC	2.0
22 Alexandria Real Estate Equities Inc.	2.0
23 SSE PLC	2.0
24 Pennon Group PLC	1.9
25 Edison International	1.9
	74.8
Total Net Asset Value (000s)	\$ 38,469

Sector Allocation

	Percentage of Net Asset Value of the Fund (%)
Utilities	54.4
Real Estate	14.3
Industrials	13.4
Mutual Funds - Equities	7.9
Financials	3.4
Information Technology	3.0
Consumer Staples	2.5
Cash and Cash Equivalents	0.8
Other Assets less Liabilities	0.3
	100.0

Asset Allocation

	Percentage of Net Asset Value of the Fund (%)
International Equities	51.0
U.S. Equities	39.7
Canadian Equities	8.2
Cash and Cash Equivalents	0.8
Other Assets less Liabilities	0.3
	100.0

(*) All information is as at June 30, 2024. 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 investment portfolio includes one or more other investment fund(s).

Forward-Looking Statements

This management report of fund performance may contain forward-looking statements about the Fund, including its strategies, 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 and pandemics. 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.

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