

GRS Investment Solutions Watch List Summary



June 30, 2026

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.



Suggested for Removal

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, Strategy	Q4 2024	Q4 2020
----------------------------	----------------------------	--------------------------------	---------	---------

Suggested For Removal due to a cascading series of changes over the last four years, largely stemming from CI's decision to eliminate CI Investments' in-house brands and integrate them into a single new brand, CI Global Asset Management (CI GAM). The CI GAM integration has resulted in significant senior personnel and analyst level turnover and changes to products and strategies that have impacted a significant proportion of the underlying funds within CI Portfolio Series. We also have significant concerns about recent changes to the Maximum Growth fund within Portfolio Series. CI Financial was also recently taken private by a sovereign wealth fund in the United Arab Emirates and has acquired Invesco Canada's retail mutual fund business – these transactions may result in more changes in the future. This series of funds is no longer marketed on the core investment platform. **Please contact your Investment Solutions Executive to discuss removing or replacing CI Portfolio Series. Sun Life's governance activities on CI Portfolio Series are expected to end in December 2026.**

MFS	MFS Global Equity	People, Strategy	Q2 2026	Q4 2025
-----	--------------------------	------------------	---------	---------

Suggested for Removal due to a significant drop in strategy assets over the past two years, as well as the planned departure of co-Lead PM Roger Morley from the strategy. Assets in the underlying MFS fund have dropped from US\$50.8 billion in December 2019 to US\$7.7 billion in March 2026. Further redemptions among other Sun Life clients are planned. Sun Life will close the MFS Global Equity Segregated Fund on February 19, 2027. If plan sponsors take no action, assets will be mapped to the MFS Blended Research Global Equity fund. MFS Blended Research Global Equity uses both a fundamental and quantitative research to create a lower active risk, core portfolio. **Plan sponsors that wish to select a different replacement fund have until November 6, 2026, to inform us of their decision. Governance activities for MFS Global Equity will continue until the fund closes on February 19, 2027.**

Sun Life	Sun Life Milestone Target Date Series	Strategy	Q1 2026	Q1 2026
----------	--	----------	---------	---------

Suggested For Removal due to declining assets under management and an inferior long-term return outlook relative to traditional Target Date Funds (TDFs). To support the Guaranteed Maturity Value (GMV) feature, Milestone funds have a very conservative asset mix. As long as equities outperform bonds over the term to maturity, the guarantee does not provide better member outcomes relative to traditional TDFs. There is no 'insurance' aspect to the guarantee. Milestone funds hold the requisite amount of (zero-coupon) government bonds until they mature. Milestone fees are generally higher than other TDF options. Assets under management have declined significantly and have continued to do so into 2026. **We encourage sponsors to look for alternative investment options to support the needs of their plan members. We are planning to close these funds in late 2027. We will provide updates as appropriate.**



On Watch

Fund Manager	Funds name(s)	Reason(s)	Date listed in category	Date added to Watch list
Baillie Gifford	Baillie Gifford Positive Change	Strategy	Q1 2025	Q1 2025
On Watch due to a significant drop in assets under management in the Canadian pooled fund in 2025 stemming from client redemptions largely related to performance. Underlying fund assets are \$98 million as of June 30, 2026. We are reviewing the viability of the Fund on the platform and will provide updates as appropriate.				
Fiera Capital	Fiera Canadian Equity	People, Strategy	Q2 2026	Q2 2026
On Watch due to the terminations of lead PM Nessim Mansoor and several other members of the investment team, as well as pending legal actions related to this event. Fiera is hiring three senior investment professionals from another investment manager (Jarislowsky Fraser) to compensate the Large Cap Canadian Equity team for these losses.				
Invesco	Invesco Income Growth	Organization, People, Strategy	Q4 2025	Q4 2025
On Watch due to the acquisition of the fund by CI Global Asset Management and the resulting uncertainty of the stability of the team, process and strategy. This fund is no longer marketed on the platform.				
Jarislowsky Fraser	All Funds	Organization, People	Q2 2026	Q2 2026
On Watch due to the unplanned departure of three investment professionals, including Charles Nadim, Head of Research and lead PM for JF Canadian Equity. This follows the retirement of Chris Kresic, Head of Fixed Income and Asset Allocation, in March 2025, and the subsequent unexpected departure of his successor, Antoine Potter in July 2025. The departures raise concerns about the stability and future direction of JF.				
Mawer	Mawer Global Equity	Organization, People, Strategy	Q2 2025	Q2 2025
On Watch due to the firm-led departure of Lead PM Christian Deckart from the strategy in 2025 and the re-appointment of Paul Moroz as Lead PM, as well as strategy changes resulting from this transition. Assets under management at the firm and in the strategy have declined significantly.				
MFS	MFS Canadian Equity	People, Strategy	Q2 2026	Q2 2026
On Watch due to the planned retirement of Lead PM Dimi Ntantoulis and a concurrent investment strategy change. The fund will be invested in a different strategy – MFS Canadian Research Equity – beginning in January 2027. The strategies have similar performance and a high degree of overlap in holdings.				
MFS	MFS Low Volatility Canadian Equity MFS Low Volatility Global Equity SL MFS Low Volatility International Equity	People	Q1 2026	Q1 2026
On Watch due to the unexpected departure of Lead PM James Fallon, as well as the pending retirement of co-PM Mathew Krummell in April 2027.				



Additional Monitoring

Fund Manager	Funds name(s)	Reason(s)	Date listed in category	Date added to Watch list
Baillie Gifford	Baillie Gifford Global Alpha	People, Strategy	Q4 2025	Q4 2025
Under Additional Monitoring due to the retirement of co-Lead PM Spencer Adair, who has co-managed the strategy since its inception in 2005, as well as declining assets under management in the strategy. We are reviewing the viability of the Fund on the platform and will provide updates as appropriate.				
Invesco	Invesco Global Small Cap	People, Strategy	Q4 2025	Q4 2025
Under Additional Monitoring due to changes to the investment process and PM team.				
Mawer	Mawer International Equity Mawer U.S. Equity	Organization, People	Q3 2024	Q3 2024
Under Additional Monitoring due to instability among the investment teams and declining assets under management at the firm and strategy levels.				
MFS	MFS Blended Research Global Equity MFS Blended Research International Equity	People	Q1 2026	Q1 2026
Under Additional Monitoring due to the unexpected departure of co-PM James Fallon and the pending retirement of co-PM Matthew Krummell in April 2027.				
MFS	MFS International Equity	People	Q1 2025	Q1 2025
Under Additional Monitoring due to the retirement of co-Lead PM Daniel Ling on June 30, 2026.				
SLC Management	SLC Management Canadian Commercial Mortgage	People	Q4 2025	Q4 2025
Under Additional Monitoring due to the departure of Michael Andrews, co-Lead PM and Head of the Canadian Mortgages team.				



Additional Monitoring

Fund Manager	Funds name(s)	Reason(s)	Date listed in category	Date added to Watch list
SLGI	SL MFS U.S. Growth	People	Q1 2025	Q1 2025
Under Additional Monitoring due to co-Lead PM Eric Fischman stepping away from the strategy on June 1, 2026, ahead of his retirement.				
SLGI	SL MFS U.S. Value	People	Q1 2025	Q1 2025
Under Additional Monitoring due to the retirement of co-Lead PM Nevin Chitkara on May 1, 2026.				
SLGI	SL Multi-Strategy Bond	Strategy	Q3 2025	Q3 2025
Under Additional Monitoring due to significant changes to the underlying mandates and funds.				
SLGI	SL Multi-Strategy Real Asset	Strategy	Q3 2025	Q3 2025
Under Additional Monitoring due to significant changes to the underlying mandates and funds.				
TDAM	TDAM Active Corporate Bond TDAM Canadian Core Plus Bond	People	Q1 2026	Q1 2026
Under Additional Monitoring due to the retirement of Lead PM Scott Colbourne on June 30, 2026.				

© 2026 Sun Life Assurance Company of Canada. All rights reserved.

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.

