

SUN LIFE PARTICIPATING ACCOUNT

Private fixed income

All values as at December 31, 2019

Participating account details

Total private fixed income assets: \$2,068.52 million

Proportion of total invested assets of the Sun Life Participating Account: 17.0%

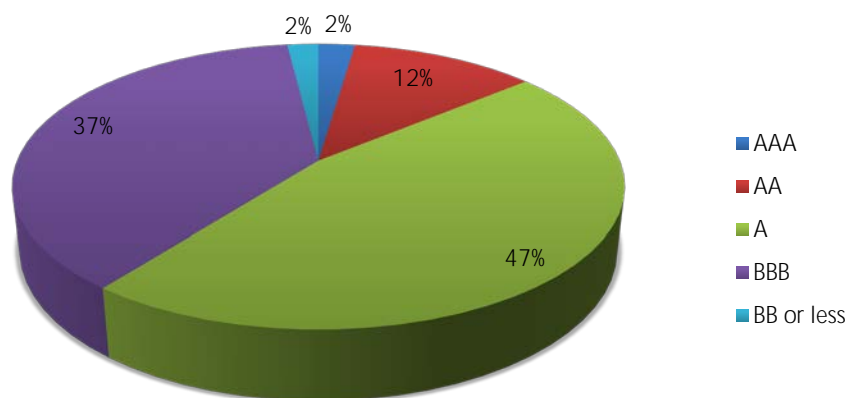
Private fixed income holdings Investment term at December 31, 2019

	\$ millions	Percentage
0 to 5 years	\$505.37	24.43%
Over 5 years	\$1,563.15	75.57%
Total private fixed income	\$2,068.52	100.0%

Investment guidelines

Sun Life's in-house private fixed income team manages the private fixed income holdings. This team is recognized as a leader and one of the most active players in the Canadian private fixed income market. Private fixed income includes lease financing, project financing and private debt consisting of high quality investments that are well-diversified by sector. The highly negotiated and customized nature of these investments allows Sun Life to achieve yields well in excess of comparably rated public securities. Relative to publicly issued bonds, private fixed income provides favourable spreads, better terms and diversification opportunities. The private fixed income portfolio also includes private bonds. This gives the Sun Life Participating Account a meaningful competitive advantage.

Investment by Quality

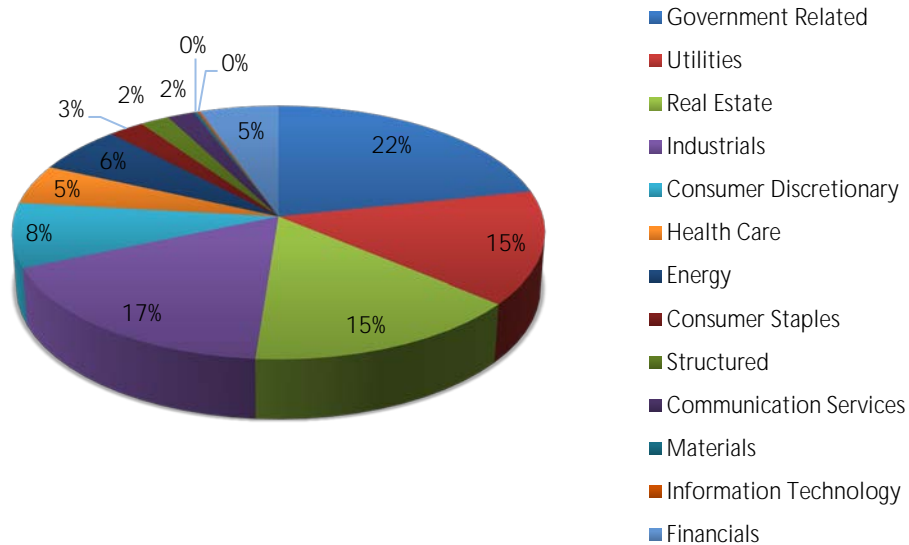


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Investments by Quality



All values are current market values as at December 31, 2019 and do not include accrued interest.