

SUN LIFE PARTICIPATING ACCOUNT

Public bond holdings

All values as at December 31, 2018

Participating account details

Total public bond assets: \$4,078.58 million

Proportion of total invested assets of the Sun Life Participating Account: 39.4%

Investment mix at December 31, 2018

	\$ millions	Percentage
Government bonds	\$2,677.02	65.64%
Corporate bonds	\$1,401.57	34.36%
Total public bonds	\$4,078.58	100.0%

Investment term at December 31, 2018

	\$ millions	Percentage
0 to 5 years	\$445.34	10.92%
Over 5 years	\$3,633.24	89.08%
Total public bonds	\$4,078.58	100.0%

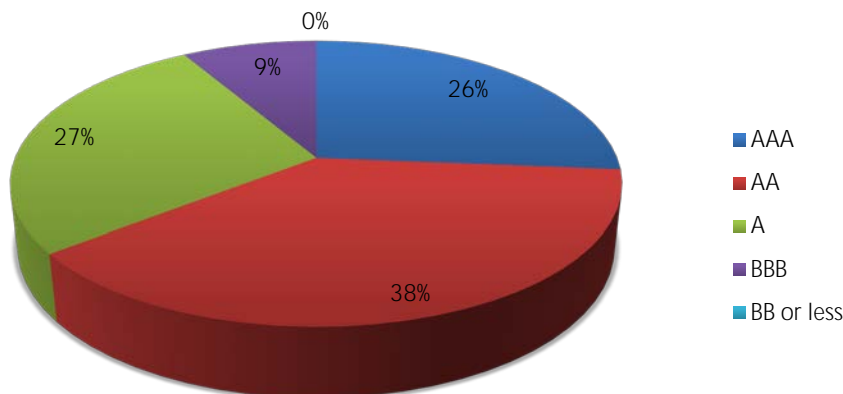
Major holdings at December 31, 2018

	Percentage of public bond holdings	Percentage of total participating assets
Gov. of Canada	20.80%	8.18%
Province of Ontario	13.11%	5.16%
Province of Quebec	6.76%	2.66%
Province of B.C.	4.51%	1.77%
Province of Saskatchewan	4.24%	1.67%
Province of Nova Scotia	3.02%	1.19%
Province of Newfoundland	3.14%	1.24%
Province of New Brunswick	2.55%	1.00%
Bank of Nova Scotia	2.42%	0.95%
Bank of Montreal	2.79%	1.10%
Total major holdings	63.35%	24.93%

Investment guidelines

Sun Life Financial's in-house public bond team manages the public bond portfolio to generate consistent returns, provide liquidity and stable income. We achieve this by maintaining a high quality portfolio while adding value through security selection based on detailed analysis and sector rotation that focuses on market trends. The portfolio is a mix of government and corporate issues diversified across geography, sector, investment quality and term to maturity. The quality of the portfolio is high, with 100% of new purchases classified as investment grade.

Investment by Quality



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The public bond portfolio is also diversified across a broad range of economic sectors.

Public investments by sector

