

SUN LIFE PARTICIPATING ACCOUNT

Public bond holdings

All values as at September 30, 2018

Participating account details

Total public bond assets: \$3,876.9 million

Proportion of total invested assets of the Sun Life Participating Account: 38.2%

Investment mix at September 30, 2018

	\$ millions	Percentage
Government bonds	2,492.9	64.3%
Corporate bonds	1,384.0	35.7%
Total public bonds	3,876.9	100.0%

Investment term at September 30, 2018

	\$ millions	Percentage
0 to 5 years	389.1	10.0%
Over 5 years	3,487.8	90.0%
Total public bonds	3,876.9	100.0%

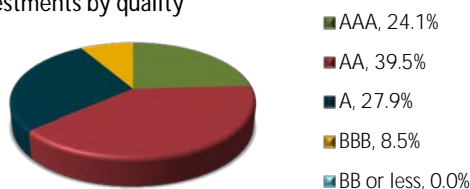
Major holdings at September 30, 2018

	Percentage of public bond holdings	Percentage of total participating assets
Gov. of Canada	18.2%	7.0%
Province of Ontario	13.1%	5.0%
Province of Quebec	7.0%	2.7%
Province of B.C.	4.5%	1.7%
Province of Saskatchewan	4.5%	1.7%
Province of Nova Scotia	3.2%	1.2%
Province of Newfoundland	3.1%	1.2%
Province of New Brunswick	2.8%	1.1%
Bank of Nova Scotia	2.7%	1.0%
Gov. of United States	2.5%	1.0%
Total major holdings	61.6%	23.6%

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.

Investments by quality



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

Corporate bonds by sector

