

SUN LIFE PARTICIPATING ACCOUNT

Public bond holdings

All values as at September 30, 2017

Participating account details

Total public bond assets: \$3,328.7 million

Proportion of total invested assets of the Sun Life Participating Account: 35.1%

Investment mix at September 30, 2017

	\$ millions	Percentage
Government bonds	1,989.8	59.8%
Corporate bonds	1,338.9	40.2%
Total public bonds	3,328.7	100.0%

Investment term at September 30, 2017

	\$ millions	Percentage
0 to 5 years	289.2	8.7%
Over 5 years	3,039.5	91.3%
Total public bonds	3,328.7	100.0%

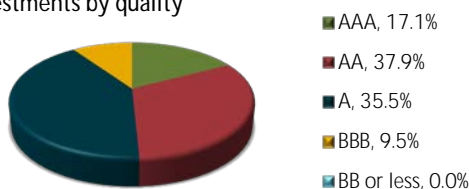
Major holdings at September 30, 2017

	Percentage of public bond holdings	Percentage of total participating assets
Province of Ontario	13.0%	4.5%
Gov. of Canada	12.6%	4.4%
Province of Quebec	8.2%	2.9%
Province of Nova Scotia	4.5%	1.6%
Province of Saskatchewan	4.4%	1.6%
Province of B.C.	3.9%	1.4%
Province of Newfoundland	3.2%	1.1%
Province of New Brunswick	3.2%	1.1%
Province of Manitoba	2.8%	1.0%
RBC	2.4%	0.8%
Total major holdings	58.2%	20.4%

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

