

GRS Investment Solutions

Watch List Summary

March 31, 2021

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:
(click to navigate)



[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	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
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BlackRock	BlackRock Active Canadian Equity	Investment Strategy	Q4 2019	Q4 2018
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Sun Life’s governance activities on BlackRock Active Canadian Equity (BlackRock ACE) end on September 30, 2021. On or about October 6, 2021, we’ll transfer the money in – and any future contributions directed to – BlackRock ACE to BlackRock S&P/TSX Composite Index Segregated Fund. The transfer will happen unless we explicitly receive different instructions from clients invested in BlackRock ACE by June 30, 2021. Please contact your Sun Life Group Retirement Services representative for more information.

CI Global Asset Management	CI Canadian Investment	People, Investment Strategy	Q2 2019	Q2 2019
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Suggested For Removal as the portfolio management team has been overhauled twice in the past three years, undermining confidence in the strategy. Signature is also part of the integration of CI Investments’ in-house brands under the new brand CI Global Asset Management. We expect governance activities to end at some point over the next year.

Franklin Templeton	Templeton Global Stock Trust Templeton International Stock Trust	Investment Strategy	Q4 2019	Q3 2019
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Sun Life’s governance activities on Templeton International Stock Trust (“Templeton International”) and Templeton Global Stock Trust (“Templeton Global”) will end on June 30, 2021. On or about July 6, 2021, we will transfer the money in – and any future contributions directed to – these funds to their replacement funds (MFS International Equity for Templeton International; Sun Life MFS Global Value for Templeton Global). The transfer will happen unless we explicitly receive different instructions from clients invested in these two funds by March 31, 2021. Please contact your Sun Life Group Retirement Services representative for more information.

Hexavest	Hexavest World	Organization	Q4 2020	Q1 2020
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Suggested For Removal due to the significant and rapid decline in strategy and firm assets under management. Client redemptions related to recent performance issues appear to be driving the asset declines. The asset outflows have increased in recent quarters and raise concerns about the ongoing viability of the firm. We expect governance activities to end at some point over the next year.

On Watch 

Fund Manager	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
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BentallGreenOak	BGO Canadian Real Estate Plus BGO Prime Canadian Property L.P.	Organization, People	Q1 2020	Q4 2018
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On Watch due to the merger with GreenOak and changes to portfolio management and senior leadership. Departures from the strategy include Paul Zemla (CIO), Michael Cormier (PM), Malcolm Leitch (PM), and Kristen Ede (PM).

Additional Monitoring

Fund Manager	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
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CI Global Asset Management	CI Canadian Small Cap CI Lifecycle CI Portfolio Series CI Signature Income & Growth	Organization	Q4 2020	Q4 2020
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Under Additional Monitoring due to the elimination of CI Investments' in-house brands - Cambridge Global Asset Management, CI Multi-Asset Management, Harbour Advisors, Signature Global Asset Management and Sentry Investment Management – and their integration into a single new brand, CI Global Asset Management.

CI Global Asset Management (Epoch)	CI American Value	People	Q4 2020	Q4 2020
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Under Additional Monitoring due to the retirement of co-portfolio manager and co-CIO David Pearl.

CI Global Asset Management	CI Cambridge Asset Allocation CI Cambridge Canadian Equity	Organization; People	Q4 2020	Q4 2020
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Under Additional Monitoring due to 1) the retirement of co-portfolio manager Brandon Snow; and 2) the elimination of the Cambridge brand and the investment team's integration into CI Global Asset Management along with the other CI Investments in-house brands.

Fidelity	Fidelity Canadian Asset Allocation	Investment Strategy; People	Q3 2020	Q3 2020
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Under Additional Monitoring due to the restructuring of the Canadian equity investments and the departure of Catriona Martin, primary decision-maker for the Canadian investment grade bond portion of the strategy.

Invesco	Invesco Income Growth	People	Q3 2020	Q3 2020
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Under Additional Monitoring due to personnel changes within the Canadian equity team.

Mawer	Mawer Global Equity	People	Q4 2020	Q4 2020
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Under Additional Monitoring due to CIO Paul Moroz relinquishing his lead portfolio management role and Jim Hall, Chair, moving off of the strategy.

Additional Monitoring

Fund Manager	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
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SLC Management	Sun Life Private Fixed Income Plus	People	Q3 2020	Q3 2020
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Under Additional Monitoring due to the departure of lead portfolio manager Candace Shaw, who was promoted within SLC.

SLGI Asset Management (MFS)	Sun Life MFS Global Growth Sun Life MFS International Growth	People	Q4 2019	Q4 2019
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Under Additional Monitoring due to the retirement of long-tenured co-lead portfolio manager David Antonelli in April 2021.

SLGI Asset Management (MFS)	Sun Life MFS Global Value	People	Q3 2020	Q3 2020
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Under Additional Monitoring due to both recent and pending changes to the portfolio management team.

SLGI Asset Management (MFS)	Sun Life MFS US Equity	People	Q4 2020	Q4 2020
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Under Additional Monitoring due to the pending retirement of co-portfolio manager and co-CIO for the Americas Kevin Beatty.

SLGI Asset Management (Schroder)	Sun Life Schroder Global Mid Cap	People	Q3 2020	Q3 2020
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Under Additional Monitoring due to the pending departures of the two co-portfolio managers and other turnover within the investment team.

T. Rowe Price	T. Rowe Price Large Cap Core Growth Equity	People	Q4 2020	Q4 2020
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Under Additional Monitoring due to the pending retirement of Larry Puglia, who has acted as lead portfolio manager since the strategy's inception in 1993.

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Typically, the holdings of the Segregated Funds are units of an Investment Manager's pooled or mutual fund. Note: SLF 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