

# GRS Investment Solutions

## Watch List Summary

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June 30, 2022

### 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
CI Global Asset Management	<b>CI Canadian Income &amp; Growth</b> (formerly CI Signature Income & Growth)	Organization, People	Q1 2022	Q4 2020

Suggested For Removal due to the integration of the Signature investment team into CI Global Asset Management (CI GAM) and the subsequent significant senior level turnover within the team, including CIO Eric Bushell, lead portfolio manager Bob Lyon, and head of asset allocation and risk management Allan Maclean-Howard. Most recently in 2022, a significant proportion of legacy Signature portfolio managers and research analysts departed from the firm. Sun Life will remove the fund from the Core investment platform and end our governance activities in 2023.

## 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

On Watch due to the merger with GreenOak and changes to portfolio management and senior leadership. Key departures from the firm and strategy include Paul Zemla (CIO), Michael Cormier (PM), Malcolm Leitch (PM), Kristen Ede (PM), and Paul Mouchakka (Head of Canada).

CI Global Asset  
Management

**CI Canadian Asset Allocation**  
(formerly CI Cambridge Asset  
Allocation)  
**CI Canadian Equity** (formerly CI  
Cambridge Canadian Equity)

Organization; People

Q2 2021

Q4 2020

On Watch due to 1) the retirement of co-portfolio manager Brandon Snow; 2) the sudden departure of lead Canadian Equity PM Stephen Groff; 3) the elimination of the Cambridge brand and the investment team's integration into CI Global Asset Management (CI GAM) along with the other CI Investments in-house brands; and 4) the departure of a significant number of CI GAM research analysts in 2022.

CI Global Asset  
Management

**CI Canadian Small/Mid Cap  
Managed** (formerly CI Canadian  
Small/Mid Cap)

Organization; People;  
Strategy

Q4 2021

Q4 2020

On Watch due in part to a change in strategy from a diversified multi-manager structure to management by a more concentrated mandate managed by a single team within CI Global Asset Management (CI GAM). Most recently in 2022, a significant proportion of CI GAM research analysts departed from the firm. **Sun Life is in the process of removing this fund from the Core investment platform. The fund will be closed on October 5, 2022.**

CI Global Asset  
Management

**CI Portfolio Series**

Organization, People

Q2 2022

Q4 2020

On Watch 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 GAM). The CI GAM integration has resulted in significant senior and analyst level turnover over the past two years. This turnover has impacted a significant proportion of the underlying funds within CI Portfolio Series.

CI Global Asset  
Management

**CI U.S. Stock Selection**  
(formerly CI American Value)

Organization, People,  
Strategy

Q2 2021

Q4 2020

On Watch due in part to the replacement of sub-advisor Epoch with a CI Global Asset Management (CI GAM) team utilizing a different style and investment process. Most recently in 2022 a significant number of CI GAM research analysts departed from the firm.

## Additional Monitoring



Fund Manager	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
BlackRock	<b>BlackRock LifePath Target Date Series</b>	Strategy	Q1 2022	Q1 2022
Under Additional Monitoring due to changes to the LifePath funds' underlying equity funds scheduled to begin in Q4 2022 and to be completed within 10 months. LifePath will be replacing exposure to traditional equity indices like the S&P/TSX Composite and S&P 500 with funds that provide exposure to a series of MSCI Extended ESG Focus indices. These funds will optimize portfolios based upon MSCI's ESG scores as well as screen out companies in certain industries like tobacco and controversial weapons.				
CC&L	<b>CC&amp;L Income &amp; Growth</b>	People	Q1 2022	Q1 2022
Under Additional Monitoring due to the retirement of lead portfolio manager Steve Vertes in March 2022				
Fiera Capital	<b>Fiera Global Equity Fiera International Equity Fiera U.S. Equity</b>	Organization	Q3 2021	Q3 2021
Under Additional Monitoring due to the departure of the investment team and the formation of a new firm, StonePine Asset Management (StonePine). Fiera Capital has entered into a sub-advisory relationship with StonePine to manage the Fiera Global Equity, Fiera International Equity, and Fiera U.S. Equity				
PH&N	<b>PH&amp;N Bond PH&amp;N Core Plus Bond PH&amp;N Fossil Fuel Free Bond PH&amp;N Fossil Fuel Free Short Term Bond PH&amp;N Short Core Plus Bond Sun Life PH&amp;N Long Bond Sun Life PH&amp;N Short-Bond</b>	People	Q4 2021	Q4 2021
Under Additional Monitoring due to the retirements of portfolio managers and co-heads of fixed income Stephen Burke and Graeme Robertson at June 30, 2022 and December 31, 2022 respectively.				
Schroders	<b>Schroders Global Sustainable Growth</b>	People	Q2 2022	Q2 2022
Under Additional Monitoring due to the pending departure of strategy architect and lead portfolio manager Katherine Davidson in September 2022.				
SLGI Asset Management	<b>Sun Life Granite Target Date Series Sun Life Granite Target Risk Series Sun Life Granite Income/Enhanced income Sun Life Multi-Strategy Funds (Bond, Core Plus, Canadian Equity Global Equity, Real Assets)</b>	People	Q1 2022	Q2 2021
Under Additional Monitoring due to the departures of Sadiq Adatia (CIO and Chair of the Investment Committee) and Kathrin Forrest (Portfolio Manager and Investment Committee member) in mid-2021.				

## Additional Monitoring



Fund Manager	Fund name(s)	Reason(s)	Date listed in Category	Date added to Watch List
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SLGI Asset Management (MFS)	<b>Sun Life MFS Global Value</b>	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)	<b>Sun Life MFS U.S. Equity</b>	People	Q4 2020	Q4 2020
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Under Additional Monitoring due to the recent retirement of co-portfolio manager and co-CIO for the Americas Kevin Beatty, as well as the pending departure from the strategy of co-portfolio manager and CIO Ted Maloney in 2023.

T. Rowe Price	<b>T. Rowe Price Large Cap Core Growth Equity</b>	Organization, People	Q4 2020	Q4 2020
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Under Additional Monitoring due to 1) the retirement of Larry Puglia, who has acted as lead portfolio manager since the strategy's inception in 1993; and 2) the creation of spin-off entity T. Rowe Price Investment Management in the second quarter of 2022.

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This document is intended to provide a general overview and facilitate a discussion of considerations for a plan sponsor who is monitoring funds for its group retirement and/or savings program. Sun Life Financial Inc. (Sun Life) owns an interest in Sun Life Capital Management (Canada) Inc., SLGI Asset Management Inc., and MFS Investment Management.; whose funds are on the Core investment platform. Investment Solutions Executives are subject to a Code of Conduct requiring that Sun Life's ownership interests will not influence services provided to clients, including guidance in selecting investment options. Typically, the holdings of the Segregated Funds are units of an Investment Manager's pooled or mutual fund.

Note: Sun Life 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