

Revised benchmark returns for Sun Life Milestone Target Date Segregated Funds

September XX, 2024

Please note you do not need to take any action; this is solely to inform you of a benchmark reporting error in Morningstar.® This error did not affect your returns.

SLGI Asset Management Inc. (SLGI) recently notified Sun Life Group Retirement Services (GRS) that benchmark returns for the Sun Life Milestone Target Date Segregated Funds (“Milestone Funds”) reported in Morningstar® were incorrect.

It’s important to note that the returns of the Milestone Funds have always been correct. SLGI revised only the Milestone Funds’ benchmark returns.

The error affected benchmark returns for the months of April, May and June 2024. SLGI corrected them on August 18, 2024. The table below shows the difference between the incorrect and revised benchmark returns over the three-month period.

	April - June 2024 Original (Q2 2024) Returns	April - June 2024 Revised (Q2 2024) Returns	Difference
2025 Milestone Benchmark	1.35%	1.32%	-0.03%
2030 Milestone Benchmark	1.22%	1.12%	-0.10%
2035 Milestone Benchmark	1.39%	1.20%	-0.19%
2040 Milestone Benchmark	1.53%	1.26%	-0.27%
2045 Milestone Benchmark	1.82%	1.49%	-0.33%
2050 Milestone Benchmark	1.82%	1.47%	-0.35%
2055 Milestone Benchmark	3.46%	3.12%	-0.34%
2060 Milestone Benchmark	3.64%	3.30%	-0.34%

The error affected all annualized benchmark returns for the Milestone Funds for periods ending June 30, 2024. Morningstar® reports showed incorrect benchmark returns between May 5 and August 18, 2024 (when SLGI revised the returns). All reports run after August 18, 2024, reflected the correct benchmark returns for the Milestone Funds.

SLGI cited a miscommunication among their reporting teams as the reason for the error.

SLGI has applied the following processes to prevent any future errors:

- SLGI engaged Risk and Governance teams to perform a detailed review of the benchmark update process.
- SLGI put tighter controls over benchmark communications in place.
- SLGI added a formal review step to the process which includes sign-offs from business unit leaders.

**Group Retirement Services are provided by
Sun Life Assurance Company of Canada,
a member of the Sun Life group of companies.**

- A new performance team has been created with goal to consolidate performance responsibilities across product, portfolio management, and investment operations.

Do you have to take any action?

You don't have to take any action. Revised benchmark returns are available on the plan member services website and on Morningstar®.

It's always a good idea to review your current investment options to ensure that they continue to meet your retirement goals. You can do this by signing into the Plan Member Services website, mysunlife.ca, and selecting **manage plan > my plan > Tools > Asset allocation**.

Through Morningstar® – a leading provider of investment news and analysis – you can track the performance of funds. You can also access an overview of the funds in your plan, including fund objectives, risks, and how funds are invested.

If you're having trouble signing in, choose the appropriate link under **Sign-In Help**.