

Sun Life Global Investments and Excel Funds Management announce mutual fund changes

Changes to streamline product offering and provide more clarity and value for Clients

TORONTO, ON (February 28, 2018) – Sun Life Global Investments (Canada) Inc. (“Sun Life Global Investments”) and Excel Funds Management Inc. (“Excel”) today announced changes to select mutual funds, with the aim of streamlining their product offering to provide investors with more clarity and long-term value. The proposed changes include fund mergers, investment objective changes, fee changes, changes to low load sales charge redemption schedules and updates to purchase options.

“We’re always looking for ways to deliver more value for our Clients,” said Rick Headrick, President, Sun Life Global Investments. “These changes will help streamline our product offering, while providing more clarity for Clients and advisors around fees.”

Fund mergers

Effective on or about June 15, 2018 (the “Fund Merger Date”), select Excel funds and Sun Life Global Investments funds (collectively the “Terminating Funds”) will each merge into a Sun Life Global Investments fund (collectively, the “Continuing Funds”), provided the mergers receive the required unitholder and regulatory approvals. The unitholder votes are scheduled to take place on or about May 25, 2018. All costs and expenses associated with the mergers will be borne by Sun Life Global Investments and Excel.

The proposed fund mergers are outlined in the table below:

Terminating Funds	Continuing Funds
Excel Money Market Fund	Sun Life Money Market Fund
Excel Emerging Markets Fund	Sun Life Schroder Emerging Markets Fund
Excel Chindia Fund	Sun Life Schroder Emerging Markets Fund
Sun Life MFS Canadian Equity Fund	Sun Life MFS Canadian Equity Growth Fund
Sun Life MFS Canadian Equity Value Fund	Sun Life MFS Canadian Equity Growth Fund

Effective March 7, 2018 as of 4:01 p.m. EST, each of the Terminating Funds will be closed to new investors. Any pre-authorized chequing plans already in place in any of the Terminating Funds as of March 7, 2018 will continue uninterrupted, up to and including the business day prior to the Fund Merger Date. For each merger that is approved, the unitholders in each Terminating Fund will receive the equivalent series units of the corresponding Continuing Fund on the Fund Merger Date and any pre-authorized chequing plans will automatically transfer to the corresponding Continuing Fund. In the event that a merger is not approved, that Terminating Fund will be terminated as of June 15, 2018.

Implementation of Fixed Administration Fees

Sun Life Global Investments and Excel today announced a proposal to introduce fixed-rate administration fees on certain Excel funds in an effort to provide greater clarity and fee transparency for investors. Provided

the proposal receives the required unitholder and regulatory approvals, the changes will take effect on June 18, 2018. The unitholder vote is scheduled to take place on or about May 25, 2018.

The proposed fixed administration fees are outlined in the table below:

Fund Name	Series	Proposed Fixed Rate Administration Fee
Excel China Fund	A, IS	0.25%
	F	0.20%
	I	0.05%
Excel Emerging Markets Balanced Fund	A, DB	0.20%
	F	0.15%
Excel High Income Fund	A, DB, IS	0.20%
	F	0.15%
	I	0.03%
Excel India Balanced Fund	A	0.20%
	F	0.15%
Excel New India Leaders Fund	A	0.25%
	F	0.20%
Excel India Fund	A, DB, IS	0.25%
	F	0.20%
	I	0.05%

Changes to Sun Life MFS Canadian Equity Class

Effective June 18, 2018, Sun Life MFS Canadian Equity Class will change its investment objectives to invest primarily in Sun Life MFS Canadian Equity Growth Fund pending securityholder approval. The securityholder vote is scheduled to take place on or about May 25, 2018. The fund's name and strategies will also be changed to align with Sun Life MFS Canadian Equity Growth Fund.

In advance of the meetings for the fund mergers, the implementation of fixed administration fees and the change to the investment objectives described above, the full details of each change will be set out in a management information circular that will be provided to securityholders and will be available on SEDAR at www.sedar.com. The Independent Review Committee for each of the effected Excel and Sun Life Global Investments funds will consider the mergers and the result of their assessment will be included in the management information circular.

Changes to low load sales charge redemption schedule

Effective March 29, 2018, Sun Life Global Investments will adopt Excel's low load sales charge redemption schedule. The new low load sales charge redemption schedule is outlined in the table below:

Low load sales charge redemption schedule		
If redeemed during:	Client pays:	
	Current:	As of March 29, 2018:
Year 1	3.00%	2.50%
Year 2	2.50%	2.00%
Year 3	2.00%	2.00%
Year 3+	NA	NA

Purchase option changes

Effective June 13, 2018, Sun Life Global Investments will add a U.S. dollar (“USD”) purchase option to a number of Sun Life funds, providing Clients with the flexibility to purchase units of certain funds with U.S. dollars. Series A, F, and O for the following funds will offer a USD purchase option:

- Sun Life MFS Global Total Return Fund
- Sun Life MFS Global Growth Fund
- Sun Life MFS International Growth Fund
- Sun Life MFS U.S. Growth Fund
- Sun Life MFS U.S. Value Fund
- Sun Life Schroder Emerging Markets Fund*

The USD purchase option takes the Canadian Dollar Net Asset Value Per Unit and converts that to a USD Dollar Net Asset Value Per Unit by taking the current day's CAD to USD exchange rate. The USD purchase option does not act as a currency hedge or protect against losses caused by changes in the exchange rates between Canadian and U.S. dollars. Full details of the USD purchase option will be included in the simplified prospectus for each of the relevant funds.

New series and name change for Sun Life Schroder Emerging Markets Fund

Effective June 15, 2018, Sun Life Global Investments will add Series IS and DB to Sun Life Schroder Emerging Markets Fund. Effective June 18, 2018, Sun Life Schroder Emerging Markets Fund will be renamed Sun Life Excel Emerging Markets Fund. Schroder's will remain the sub-advisor to this fund.

*A USD purchase option is available on Sun Life Schroder Emerging Markets Fund, Series IS and Series DB, for investors who previously purchased units under Excel Funds' USD purchase option in those series of Excel Emerging Markets Fund prior to February 7, 2018.

About Sun Life Global Investments (Canada) Inc.

Sun Life Global Investments is a subsidiary of Sun Life Financial Inc. It offers Canadians a diverse lineup of mutual funds and innovative portfolio solutions, empowering them to pursue their financial goals at every life stage. We bring together the strength of one of Canada's most trusted names in financial services with some of the best asset managers from around the world to deliver a truly global investment platform. Sun Life Global Investments manages \$21 billion on behalf of institutional and retail investors from coast to coast and is a member of the Sun Life Financial group of companies. For more information, visit www.sunlifeglobalinvestments.com or connect with us on Twitter [@SLGI_Canada](https://twitter.com/SLGI_Canada).

About Sun Life Financial

Sun Life Financial Inc. is a leading international financial services organization providing insurance, wealth and asset management solutions to individual and corporate Clients. Sun Life Financial has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda. As of December 31, 2017, Sun Life Financial had total assets under management of \$975 billion. For more information please visit www.sunlife.com.

Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under the ticker symbol SLF.

About Excel Funds Management Inc.

Founded in 1998, Excel Funds Management Inc. is an investment fund manager offering actively-managed core and specialty investment solutions to retail investors, including access to the largest suite of emerging markets investments in Canada. Excel Funds' strategic alignment with active, on-the-ground sub-advisors who work in collaboration with its in-house managers, enhances the depth and breadth of its portfolio management team. Excel Funds has access to a global network of over 700 portfolio managers and 200

research analysts, who provide firsthand knowledge of the markets in which they invest. For more information, please visit www.excelfunds.com.

Note to Editors: All figures in Canadian dollars.

The above rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the fund or returns on investment in the fund. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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