

SLC Management Securitized Opportunistic Strategy

Investment strategy and objective

- The strategy’s investment objective is to opportunistically add value by actively exploiting mispriced securities and sectors with a focus on securitized credit.
- Recent volatility has caused dislocations in securitized and credit markets, creating opportunities for active managers to take advantage of. We will focus on issuers and sectors with a high probability of spread tightening.
- The strategy will target a total return framework and will be benchmark agnostic, with the goal of driving returns through price appreciation as well as yield.

Indicative key terms

Target duration

- 0-5 years
- Focus on opportunistic credit; duration and curve positioning will not be a key driver of returns

Benchmark

Benchmark agnostic

Eligible investments

- U.S. securitized credit (ABS, MBS, CMBS, CLOs)
- U.S. corporate bonds
- U.S. Treasuries
- Cash and cash equivalents

Credit quality

Maximum 25% below investment grade (high yield credit/ securitized credit)

Minimum investment

\$50 million (subject to manager discretion)

Potential structure:

Different investment vehicles available. Please speak to your SLC Management client service professional.

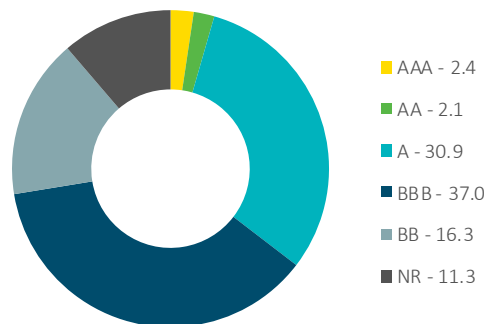
Portfolio measures

CASH BOND PORTFOLIO

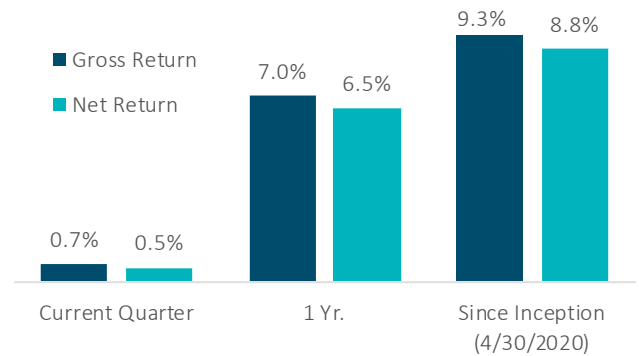
Yield:	4.4%
OAS:	377
OAD:	2.4
OASD:	4.1
Avg Credit Quality:	BBB

Portfolio % composition*

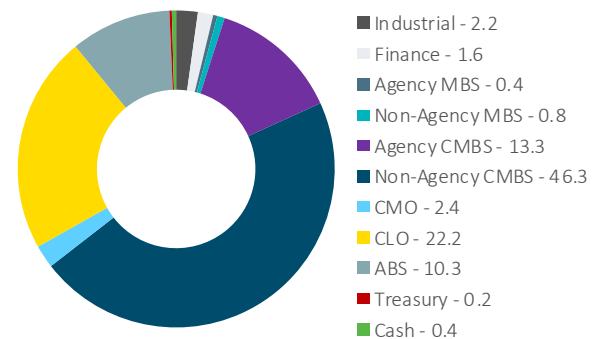
CREDIT QUALITY (%)



Portfolio performance (%)



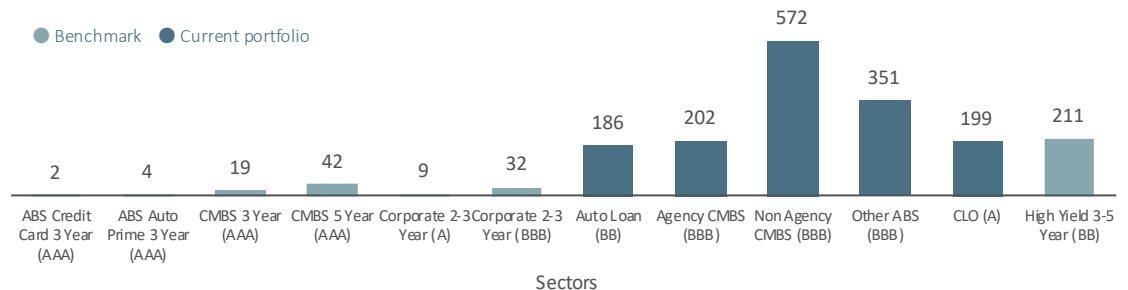
SECTOR (%)



Option Adjusted Spreads: Securitized Opportunities (9/30/2021)

Spread in BPS

● Benchmark ● Current portfolio



Source: J.P. Morgan; Bloomberg

*A full disclosure presentation is an integral part of this report, and is included on the following page. The information presented above is supplemental to that report and past performance is not indicative of future results.

SLC Management Securitized Opportunistic Composite: 4/30/2020 to 12/31/2020

Period	Total Return Gross (%)	Total Return Net (%)	Benchmark Return (%)	Number of Portfolios	Composite 3-Yr Standard Dev (%)	Benchmark 3-Yr Standard Dev (%)	Dispersion (%)	Composite Assets (\$mil)	Firm Assets (\$mil)	U.S. Total Return F.I. Assets*
2020	8.36	8.03	N/A	1	N/A	N/A	N/A	184.86	142,095.10	10,405.00

Performance shown for 2020 is the cumulative return for a partial period starting on May 1, 2020.

Portfolio summary

Holdings	Investment/Non-Investment Grade Bonds
Management Fee	Asset-based
Investment Vehicle	Separate Account
Valuation Date	Daily

SLC Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SLC Management has not been independently verified. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.



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Portfolios Characteristics: SLC Management Securitized Opportunistic Composite was created on and has an inception date of April 30, 2020. The composite includes all non-wrap taxable investment grade securitized fixed income portfolios without a performance benchmark with an asset allocation of 100% investment grade securities. Because the composite's strategy is total return without any issuer or concentration constraints, no benchmark is presented as we believe that no benchmark that reflects this strategy exists. A complete list and description of all the firm composites is available upon request. Policies for valuing portfolios, calculating performance, and preparing GIPS reports are available upon request.

Calculation Methodology: Gross-of-fees returns are calculated gross of management and custodial fees, and gross of taxes on dividends and interest, and net of transaction costs. Net returns are net of model fees and are derived by deducting the highest applicable fee rate in effect for the respective time period from the gross returns each month. Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year. Internal dispersion is not shown for years in which the composite contained five or fewer portfolios for the entire measurement period. The three year annualized standard deviation measures the variability of the composite returns over the preceding 36-month period. Three year annualized standard deviation of the composite is not presented because 36 monthly returns are not available.

SLC Management: Sun Life Capital Management (U.S.) LLC doing business as SLC Management is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration with the U.S. Securities and Exchange Commission as an investment adviser does not imply a certain level of skill or training. We offer actively managed fixed income separate account vehicles to institutional investors. Our fee schedule is: 0.450% on the first \$100 million, 0.270% on the next \$200 million, 0.216% on the next \$200 million, 0.180% on the next \$500 million, 0.144% on the next \$500 million, and 0.090% on the

balance in excess of \$1.5 billion.

Disclaimers & Footnotes: Past performance of the account is not indicative of future results. Risk return characteristics are based on returns from the trailing five-year period, and do not reflect the deduction of advisory fees. Performance results are based on U.S. dollar returns. The investment advisory fee charged to each investor causes their return to be lower than the gross returns presented above. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown. This material is intended for informational purposes only and does not constitute investment advice, a recommendation, or an offer or solicitation to purchase or sell any security or other instrument. The account's total return will fluctuate over a wider range than money market investments due to greater sensitivity to (i) interest rates, (ii) market conditions, (iii) and maturities.

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. This metric is used to evaluate the worst-case scenario for yield to help investors manage risks and ensure that specific income requirements will still be met.

Effective Duration: The term "effective duration" is derived from the duration of any security or securities and provides a measure of the risk with which the sensitivity of bonds or bond portfolios and their cash flows to interest rate changes and embedded options can be estimated. A one % increase (or decrease) in the interest rate accordingly produces a percentage fall (or rise) in the price in proportion to the effective duration. For example, assume that the effective duration of a bond portfolio is 4.5 years and the theoretical YTW is 5.3%. If the interest rate drops by 1% to 4.3%, the portfolio price increases by approximately 4.5%.

Information Ratio: Information ratio is calculated using the trailing 5 year period (since inception if less than 5 years of data).

**This information is presented as Supplemental Information to the fully compliant presentation.*

This document may present materials or statements which reflect expectations or forecasts of future events. Such forward-looking statements are speculative in nature and may be subject to risks, uncertainties and assumptions and actual results which could differ significantly from the statements. As such, do not place undue reliance upon such forward-looking statements. All opinions and commentary are subject to change without notice and are provided in good faith without legal responsibility. Unless otherwise stated, all figures and estimates provided have been sourced internally and are current as at the date of the presentation unless separately stated. All data is subject to change.

There is no assurance that the investment objective of the Securitized Opportunistic strategy will be achieved, and an investor may lose money. Investing presents the potential for loss as well as profit.