

Target Year 2045 Fund (MFS) MFS Investment Management Canada Limited

Lead Manager(s): Asset Mix Team

Performance Review Date: December 31, 2013

Investment Objective: Designed for investors planning to retire in or around 2045, the objective is to provide capital growth and income through a dynamic risk-adjusted diversified portfolio of investments in cash, bonds and equities, equally weighted in Canadian and foreign markets.

Investment Style: Target Date

Annual Fund Performance (%)

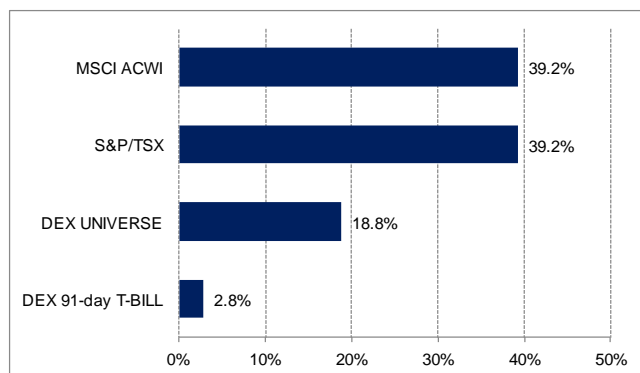
	2009	2010	2011	2012	2013	5 yrs
Target Year 2045 Fund (MFS)	20.69	7.91	-6.97	10.29	21.39	10.22
Target Year 2045 Fund Benchmark (MFS)	20.18	11.12	-3.08	9.25	16.63	10.52
Value Added (+) / Lost (-)	0.51	-3.21	-3.89	1.04	4.76	-0.30

Risk Characteristics (5 years ending December 31, 2013)

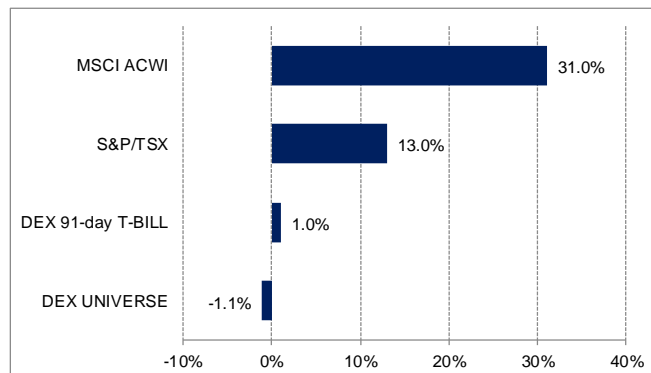
Downside Volatility	2.01%
Standard deviation	9.14%

Portfolio Positioning

Benchmark



Year-to-date Index Sector Performance



Short-Term Performance Analysis

- In 2013, the fund outperformed its benchmark.

Long-Term Performance Analysis

- The fund outperformed its benchmark in three of the past five years but slightly underperformed its benchmark on a five year annualized basis.

Significant Corporate Events

Corporate

- In August 2013, MFS McLean Budden Limited announced that the Canadian operations will be known as MFS Investment Management Canada Limited effective November 1, 2013. This move aligns MFS Investment Management Canadian operations with their global brand.

As a result of this announcement the names of the Standard Life funds will change from “MFS Mclean Budden” to “MFS” on November 1, 2013.

- In September 2011, Sun Life Financial announced that McLean Budden would become a wholly-owned subsidiary of MFS Investment Management, its sister company in the Sun Life organization. MFS is a U.S.-based global asset management company, with offices in 19 countries and a portfolio of US\$223 billion in assets under management. The 32.4% minority share, generally held by McLean Budden's investment professionals, was purchased for \$144 million. The transaction was completed in November 2011. Martin E. Beaulieu, a senior officer of MFS, became Chairman and Chief Executive Officer of McLean Budden, succeeding Roger J. Beauchemin.

Fund Specific

- Further to the corporate announcement in September 2011, the people who were involved in equity research and portfolio management roles on Balanced fund portfolios, and who have left the firm, are as follows:
John Cushman – Equity Research: utilities, energy, telecom
Kumar Stenger – Global Equity Growth, US Equities, Equity Research: industrials, information technology, financials
Michael Hakes – Global Equity Growth, Equity Research: consumer discretionary, staples
Scott Connell – Canadian Equity Growth, Global Equity Growth, Equity research: consumer discretionary, information technology
Mary Mathers – US Equities, Equity Research: information technology, industrials
Eleanor Wang – Equity Research: materials, industrials
Miranda Hubbs – Canadian Equity Growth, Global Equity Core, US Equity
Brian Dawson – Global Equity Core, US Equity
Yoshiko Saba – Equity Research: consumer discretionary, information technology

Quality & Choice Commentary

- The Target Year 2045 Fund (MFS) is a balanced core mandate where the key feature of this fund is to reflect the evolving risk profile of the unit holders as they approach retirement. Bonds are actively managed using conservative strategies with a bias towards higher quality issues, while the equity component of the fund focuses on larger capitalization stocks selected through a process driven by in-depth fundamental research.

Conclusion: The fund is No Longer Promoted as a Quality & Choice investment option as of July 2012, based on the analysis done at that time.

Manager Outlook

- The manager has decided not to provide an investment outlook.

⁽¹⁾ Quartile rankings are based on the underlying fund's returns.

This report card is provided by Standard Life as a tool to assist you in the governance of your retirement plan.

Standard Life makes no representation or warranty, express or implied, as to the accuracy or completeness of the information provided. Though Standard Life has taken all reasonable measures to provide you with relevant information and professional opinions, based on reliable sources*, it reserves the right to correct any error or omission.

The opinion of Standard Life expressed in this report card shall not be the only factor to consider for decisions related to your plan's portfolio. Standard Life is not responsible for the outcome of decisions made based on the information and opinion provided in the report card.

* Sources may include, but are not limited to, Mercer MPA, Morningstar, Principia and Thomson Baseline

All rights reserved © 2013 The Standard Life Assurance Company of Canada

Standard Life Assurance Limited