

Standard Life

Global Equity Fund (MFS) MFS Limited

Lead Manager(s): Global Equity Team

Performance Review Date: December 31, 2013

Investment Objective: In seeking to achieve its investment goal of capital appreciation, the portfolio invests primarily in global companies that represent the best ideas of the global research sector teams. The fund is designed to be broadly diversified by sector with the flexibility to invest across regions, industries, styles and market capitalizations.

Investment Style: Core

Annual Fund Performance (%)

	2009	2010	2011	2012	2013	5 yrs
Global Equity Fund (MFS)	13.47	1.93	-5.96	12.86	33.54	10.39
MSCI All Country World Net Index (Can\$)	14.33	6.79	-5.05	13.56	31.04	11.52
Value Added (+) / Lost (-)	-0.86	-4.86	-0.91	-0.70	2.50	-1.13
Quartile Ranking ⁽¹⁾	2nd	4th	3rd	4th	3rd	4th

Annualized Performance – Relative Rankings ⁽¹⁾ (ending December 31, 2013)

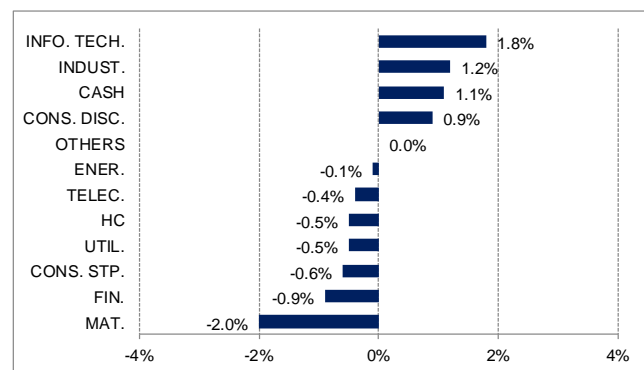
3 years	3 rd	Quartile
5 years	4 th	Quartile
7 years	3 rd	Quartile
10 years	3 rd	Quartile

Risk Characteristics (5 years ending December 31, 2013)

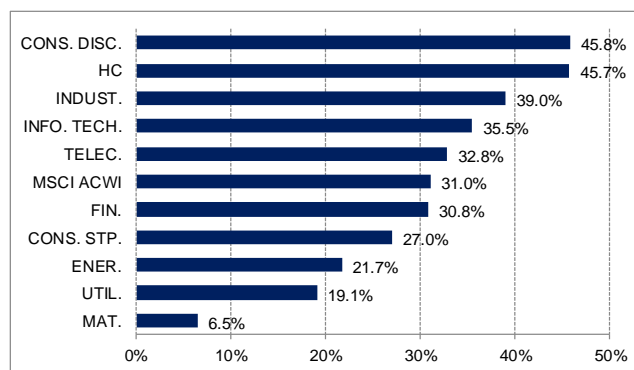
Downside Volatility	2.43%	3 rd	Quartile
Standard deviation	10.90%	4 th	Quartile
Tracking error	2.07%	4 th	Quartile
Information ratio	-0.89	4 th	Quartile
Beta	0.95	4 th	Quartile

Portfolio Positioning

Fund Sector Deviations



Year-to-date Index Sector Performance



Short-Term Performance Analysis

- In 2013, the fund outperformed its benchmark but ranks in the third quartile relative to its peers.
- Security selection was the main driver of added value, particularly within the Financials and Health Care sectors.
- Sector allocation also produced positive results, primarily due to an underweight position in the underperforming Materials sector.
- Based on the MSCI World Style indices, Value stocks outperformed on average. Given the fund's Core investment bias, its style had no impact on short-term performance.

Long-Term Style Analysis

	2009	2010	2011	2012	2013	5 years
Outperforming Investment Style	Growth	Growth	Value	Growth	Value	Growth

Long-Term Performance Analysis

- The fund underperformed its benchmark in four of the past five years and failed to add value on a five-year annualized basis. This long-term performance ranks it in the fourth quartile when compared to its peers.
- Security selection was negative more often than not, and was the main detractor of relative value on a five-year annualized basis.
- Sector allocation produced positive results over the long term.
- Based on the MSCI World Style indices, Growth stocks outperformed on average. Given the fund's Core investment bias, its style had no impact on long-term performance.

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, several professionals involved in equity research and portfolio management had left the firm or have changed roles. In regards to the Global Core Equity portfolio, the following professionals were affected:
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 Global Equity Fund (MFS) is a bottom-up, core global equity mandate that emphasizes investing in a diversified portfolio comprised of equities meeting their key criteria (i.e. earnings growth, management quality, financial strength) for investment.

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.

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

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