



**Financial and Operating Results  
Supplementary Financial Information**

**Sun Life Financial Inc. (unaudited)  
For the period ended December 31, 2022**

**SUPPLEMENTARY FINANCIAL INFORMATION**  
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## Reporting Changes

Effective October 1, 2022, the classification of an MFS fund has changed from Institutional and managed funds to Retail. Other retail and trust accounts have also been reclassified from Institutional and managed funds to Retail. Prior periods have been restated.

Effective Q2 2022, we began reporting on the performance and results of our Dental business unit, which represents our existing dental and vision business within Group Benefits together with DentaQuest Group, Inc. ("DentaQuest"), acquired on June 1, 2022 in the U.S. We have updated prior period amounts to reflect this change in presentation for both the Dental business unit and Group Benefits business unit.

Effective January 1, 2021, the methodology for Assets Under Management (AUM) was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to add uncalled capital commitments not previously included. This will align SLC Management's AUM with market conventions applied across asset classes. We have updated prior period amounts for all quarters of 2020 to reflect this change in methodology. Subsequent to the fourth quarter of 2020, increases and decreases in all capital raising, including uncalled capital commitments and fund leverage, for the aforementioned products will be reflected in gross flows, outflows and net flows as applicable. Client distributions from the sale of underlying assets in closed-end funds will no longer be reported in net flows. Details can be found on pages 2, 3, 17 and 20. Other changes reflect: (i) a change in Value of New Business (VNB) that reflects a change in the timing of recognition of U.S. group policies sold or renewed with an effective date of January 1, which will recognize VNB for these policies in the prior year rather than the first quarter, to align with the timing of U.S. renewals and reported insurance sales; and (ii) a change in Sources of Earnings presentation between expected profit on in-force business and the impact of new business for SLF U.S. Group Benefits, such that expected profit for U.S. group policies includes previously classified new business gains, aligning group business sources of earnings reporting across business groups.

## Basis of Presentation

All amounts in this document are presented in millions of Canadian dollars unless otherwise indicated. Sun Life Financial Inc., together with its subsidiaries and joint ventures, are collectively referred to as "the Company", "Sun Life", "we", "our" and "us". We prepare our unaudited Interim Consolidated Financial Statements using International Financial Reporting Standards (IFRS), the accounting requirements of the Office of the Superintendent of Financial Institutions (OSFI) and in accordance with the International Accounting Standard (IAS) 34 *Interim Financial Reporting*. Reported net income (loss) refers to common shareholders' net income (loss) determined in accordance with IFRS.

## Diluted Earnings per Share – Underlying

Under IFRS, diluted earnings per share (EPS) include the impact of dilution from the Sun Life Exchangeable Capital Securities (SLEECs). Diluted underlying EPS excludes the impact of these convertible securities. No adjustment is reflected for periods in which the SLEECs conversion would have caused an anti-dilutive result. Additional detail on the calculation of diluted EPS can be found on page 7.

## Constant Currency Measures

Constant currency measures are calculated using the average currency and period end rates, as appropriate, in effect in the comparable period. Constant currency measures are non-IFRS financial measures. See Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 Management's Discussion & Analysis (MD&A).

## Rounding

Amounts in this document are impacted by rounding.

## Other Adjustments

### Acquisition, Integration and Restructuring

In Q4 2022, amounts include DentaQuest integration costs of \$73 million post-tax, including amortization of intangibles, and acquisition costs of our SLC Management affiliates, BentalGreenOak (BGO), InfraRed Capital Partners (InfraRed) and the Crescent Capital Group LP (Crescent), which include the unwinding of the discount for Other financial liabilities of \$17 million post-tax. In Q3 2022, amounts include the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$80 million post-tax and acquisition costs of our SLC Management affiliates, BentalGreenOak (BGO), InfraRed Capital Partners (InfraRed) and the Crescent Capital Group LP (Crescent), which include the unwinding of the discount for Other financial liabilities of \$15 million post-tax, as well as DentaQuest integration costs of \$24 million post-tax. In Q2 2022, amounts relate to the acquisition costs for DentaQuest of \$48 million post-tax and acquisition costs of our SLC Management affiliates, BGO, InfraRed and Crescent, which include the unwinding of the discount for Other financial liabilities of \$16 million post-tax. In Q1 2022, amounts relate to our SLC Management affiliates as noted above, which include the unwinding of the discount for Other financial liabilities of \$16 million post-tax.

In Q4 2021, amounts include the \$297 million post-tax realized gains on the Initial Public Offering (IPO) of our India asset management joint venture, Aditya Birla Sun Life Asset Management Company Limited, and the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$153 million post-tax. In Q4, Q3, Q2 and Q1 2021, amounts relate to acquisition costs for our SLC Management affiliates, BGO, InfraRed and Crescent, which include the unwinding of the discount for Other financial liabilities of \$15 million post-tax, \$17 million post-tax, \$13 million post-tax and \$14 million post-tax, respectively. There was also a Corporate restructuring charge of \$57 million post-tax in the first quarter of 2021 related to our strategy for our workspace and redefining the role of the office.

In Q4, Q3 and Q2 2020, amounts relate to acquisition costs for our SLC Management affiliates, BGO and InfraRed, which include the unwinding of the discount for Other financial liabilities of \$15 million post-tax, \$11 million post-tax and \$11 million post-tax, respectively, and in Q1 2020, amounts relate to acquisition costs for BGO, which include the unwinding of the discount for Other financial liabilities of \$10 million post-tax. In Q4 and Q1 2020, as a result of various projects to simplify our organizational structure and drive efficiencies, we recorded a restructuring charge of \$28 million post-tax and \$20 million post-tax, respectively.

## UK Goodwill

In Q3 2022, there was an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the SLF of Canada UK Limited ("Sun Life UK") sale to Phoenix Group Holdings plc ("Phoenix Group"), which is expected to close in the first half of 2023.

## Reinsurance in the U.S.

In October 2022, a matter related to reinsurance pricing for our U.S. In-force Management business was resolved, resulting in a charge of \$55 million (US\$42 million) post-tax in the third quarter.

## Sale of Wellesley Property in the U.S.

In Q2 2022, there was a \$94 million pre-tax or \$75 million post-tax gain related to the sale-leaseback arrangement on our Wellesley property, including the write-off of leasehold improvements.

## Par Allocation Adjustment

In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders for prior years in Canada ("par allocation adjustment").

## Tax Rate Changes

On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments. The increase was comprised of after-tax income of \$22 million (\$31 million pre-tax) in ACMA in Canada, and income of \$115 million on the remeasurement of deferred tax assets, partially offset by the impact of the retroactive increase in the tax rate of \$10 million in Canada and Corporate in Other adjustments in aggregate. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details.

On June 10, 2021, the *UK Finance Act* was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, reported net income decreased by \$11 million in Q2 2021, which was comprised of a loss of \$21 million on the remeasurement of deferred tax liabilities in SLC Management in Asset Management, partially offset by a gain of \$10 million from the remeasurement of deferred tax assets in the UK in Corporate. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

## **Non-IFRS Financial Measures**

Sun Life Financial Inc. ("Sun Life" or the "Company", "we", "our" and "us") prepares annual and interim financial statements using IFRS. We report certain financial information that are not based on IFRS ("non-IFRS financial measures"), as we believe that these measures provide information that is useful to investors in understanding our performance and facilitate a comparison of our quarterly and full year results from period to period. These non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed in isolation from or as alternatives to measures of financial performance determined in accordance with IFRS. Additional information concerning non-IFRS financial measures and, if applicable, reconciliations to the closest IFRS measures are included in the Company's annual and interim MD&A and the Supplementary Financial Information packages that are available on [www.sunlife.com](http://www.sunlife.com) under Investors – Financial results and reports.

Underlying net income (loss) and financial measures based on underlying net income (loss), including underlying EPS or underlying loss per share, and underlying return on equity (ROE), are non-IFRS financial measures. Underlying net income (loss) removes from reported net income (loss) the impacts of the following items in our results under IFRS and when removed assist in explaining our results from period to period: (a) market-related impacts that differ from our best estimate, which include: (i) impacts of returns in equity markets, net of hedging, for which our best estimate assumptions are approximately 2% per quarter. This also includes the impact of the basis risk inherent in our hedging program, which is the difference between the return on underlying funds of products that provide benefit guarantees and the return on the derivative assets used to hedge those benefit guarantees; (ii) the impacts of changes in interest rates in the reporting period and on the value of derivative instruments used in our hedging programs including changes in credit and swap spreads, and any changes to the assumed fixed income reinvestment rates in determining the actuarial liabilities; (iii) the impacts of changes in the fair value of investment properties in the reporting period; and (iv) tax-exempt investment income; (b) assumption changes and management actions, which include: (i) the impacts of revisions to the methods and assumptions used in determining our liabilities for insurance contracts and investment contracts; and (ii) the impacts on insurance contracts and investment contracts of actions taken by management in the current reporting period, referred to as management actions which include, for example, changes in the prices of in-force products, new or revised reinsurance on in-force business, and material changes to investment policies for assets supporting our liabilities; and (c) other adjustments, which include: (i) fair value adjustments on MFS' share-based payment awards that are settled with MFS' own shares and accounted for as liabilities and measured at fair value each reporting period until they are vested, exercised and repurchased - this adjustment enhances the comparability of MFS' results with publicly traded asset managers in the United States; (ii) acquisition, integration and restructuring costs - this adjustment enhances comparability of our results from period to period, by removing the impacts of costs, including the unwinding of the discount for certain liabilities related to acquisitions, that are not ongoing in nature and are incurred with the intent to generate benefits in future periods; (iii) certain hedges in Canada that do not qualify for hedge accounting - this adjustment enhances the comparability of our results from period to period, as it reduces volatility to the extent it will be offset over the duration of the hedges; and (iv) other items that are unusual or exceptional in nature. All factors discussed in this document that impact our underlying net income are also applicable to reported net income. All EPS measures in this document refer to fully diluted EPS, unless otherwise stated. Underlying EPS (diluted) is used in comparing the profitability across multiple periods and is calculated by dividing underlying net income by weighted average common shares outstanding for diluted EPS, excluding the dilutive impact of convertible instruments (SLEECs). For additional information about the underlying net income, see above. For additional information about the composition of the EPS, please refer to Note 26 of our 2022 Annual Consolidated Financial Statements. For additional information about the SLEECs, please refer to Note 13 of our 2022 Annual Consolidated Financial Statements.

## **Sources of Earnings**

Sources of earnings (SOE) is an alternative presentation of our Consolidated Statements of Operations that identifies and quantifies various sources of income. The Company is required to disclose its sources of earnings by its principal regulator, the Office of the Superintendent of Financial Institutions (OSFI). The SOE is prepared in accordance with the OSFI Guideline D-9, Sources of Earnings Disclosures and is therefore not prescribed under IFRS. The preparation for the document and its components does not have a standard for preparation as it depends on the methodology, estimates and assumptions used. The components of the SOE are: expected profit, impact of new business, experience gains and losses, assumption changes and management actions, and earnings on surplus. For an explanation of the SOE components, see Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A.

**FINANCIAL HIGHLIGHTS**

(C\$ millions, unless otherwise indicated)

**RESULTS**
**Common Shareholders' Reported Net Income (Loss) by Segment**

	At and For the Quarter Ended									At and For the Year Ended		
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
Canada	367	210	160	263	356	393	404	405	255	1,000	1,558	717
U.S.	110	94	213	169	85	46	157	211	88	586	499	257
Asset Management	322	215	296	308	140	301	221	230	267	1,141	892	980
Asia	98	125	131	161	446	288	143	198	132	515	1,075	594
Corporate	54	(178)	(15)	(43)	51	(9)	(25)	(107)	2	(182)	(90)	(144)
Total common shareholders' reported net income (loss)	951	466	785	858	1,078	1,019	900	937	744	3,060	3,934	2,404
Market related impacts <sup>(1)</sup> :												
Net equity market impact	(34)	(48)	(159)	(2)	107	24	99	72	108	(243)	302	(143)
Net interest rate impact	(35)	(115)	(68)	(30)	(36)	2	(36)	141	(74)	(248)	71	(214)
Net increases (decreases) in the fair value of real estate	(67)	3	75	70	85	145	28	(4)	(14)	81	254	(104)
	(136)	(160)	(152)	38	156	171	91	209	20	(410)	627	(461)
Assumption changes and management actions (ACMA) <sup>(1)</sup>	54	7	—	1	(19)	95	2	(4)	(42)	62	74	(143)
Other adjustments <sup>(1)</sup> :												
Fair value adjustments on share-based payment awards at MFS	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Acquisition, integration and restructuring <sup>(2)</sup>	(101)	(142)	(74)	(21)	90	(21)	(13)	(74)	(50)	(338)	(18)	(117)
Other <sup>(3)</sup>	116	(225)	75	—	—	(85)	(11)	—	—	(34)	(96)	4
Total common shareholders' underlying net income (loss) <sup>(1)</sup>	990	949	892	843	898	902	883	850	862	3,674	3,533	3,213

**Common Shareholders' Underlying Net Income (Loss) by Segment <sup>(1)</sup>**

Canada	324	300	344	298	266	290	290	285	243	1,266	1,131	1,073
U.S.	240	216	154	118	72	110	165	171	148	728	518	568
Asset Management	313	295	270	326	382	362	311	291	333	1,204	1,346	1,128
Asia	152	175	148	152	130	145	152	159	116	627	586	579
Corporate	(39)	(37)	(24)	(51)	48	(5)	(35)	(56)	22	(151)	(48)	(135)
Total common shareholders' underlying net income (loss)	990	949	892	843	898	902	883	850	862	3,674	3,533	3,213

**Profitability Measures**
**Basic earnings per common share (EPS)**

Reported	1.62	0.80	1.34	1.46	1.84	1.74	1.54	1.60	1.27	5.22	6.72	4.11
Diluted earnings per common share												
Reported	1.62	0.80	1.34	1.46	1.83	1.74	1.53	1.59	1.27	5.21	6.69	4.10
Underlying	1.69	1.62	1.52	1.44	1.53	1.54	1.50	1.45	1.47	6.27	6.03	5.49

**Sales, Asset Management Gross Flows & Value of New Business <sup>(4)</sup>**

Individual insurance <sup>(5)</sup>	498	444	416	409	495	336	440	437	513	1,767	1,708	1,592
Group insurance <sup>(5)</sup>	1,345	499	320	390	1,111	292	270	293	912	2,554	1,966	1,909
Asset Management <sup>(6)</sup>	37,380	36,434	49,640	49,427	46,986	40,682	47,164	58,231	43,390	172,881	193,063	189,985
Wealth <sup>(5)(7)</sup>	8,374	6,662	7,736	8,460	9,722	10,043	7,849	7,731	8,244	31,232	35,345	30,875
Value of New Business <sup>(7)(8)</sup>	468	256	271	258	494	290	284	278	426	1,253	1,346	1,146

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on pages 32 to 35 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> Refer to the Notes page ii, Other Adjustments - Acquisition, Integration and Restructuring for additional details.

<sup>(3)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale and a \$55 million charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property in the U.S. In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders in Canada for prior years ("par allocation adjustment"). On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, reported net income decreased by \$11 million in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

<sup>(4)</sup> Sales, Asset Management gross flows and value of new business (VNB) are non-IFRS financial measures. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for the composition of the measures.

<sup>(5)</sup> Includes the sales in the Company's joint ventures and associates with local partners in Asia based on our proportionate equity interest.

<sup>(6)</sup> Effective January 1, 2021, the methodology for Assets Under Management (AUM) was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to add uncalled capital commitments not previously included. This will align SLC Management's AUM with market conventions applied across asset classes. We have updated prior period amounts for all quarters of 2020 to reflect this change in methodology. Subsequent to the fourth quarter of 2020, increases and decreases in all capital raising, including uncalled capital commitments and fund leverage, for the aforementioned products will be reflected in gross flows, outflows and net flows as applicable. Client distributions from the sale of underlying assets in closed-end funds will no longer be reported in net flows. Refer to section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2021 MD&A for additional details.

<sup>(7)</sup> Excludes Asset Management businesses.

<sup>(8)</sup> Effective January 1, 2021 VNB reflects a change in the timing of recognition of U.S. group policies sold or renewed with an effective date of January 1, which will recognize VNB for these policies in the prior year rather than the first quarter, to align with the timing of U.S. renewals and reported insurance sales. We have updated prior periods to reflect this change.

**FINANCIAL HIGHLIGHTS CONTINUED**

Valuation Data	At and For the Quarter Ended									At and For the Year Ended		
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
Book value per common share <sup>(1)</sup>	42.99	42.18	40.65	40.37	41.08	39.97	38.37	37.61	37.96	42.99	41.08	37.96
Book value per common share excluding AOCI	41.88	41.01	40.90	40.21	39.40	38.23	37.05	36.07	35.25	41.88	39.40	35.25
Tangible book value per common share	20.09	18.76	17.94	23.67	24.21	23.07	21.86	21.05	23.35	20.09	24.21	23.35
Market-to-book value (times)	1.46	1.30	1.45	1.73	1.71	1.63	1.67	1.69	1.49	1.46	1.71	1.49
Total market capitalization (TSX in \$ billions)	36.9	32.2	34.6	40.9	41.3	38.2	37.4	37.2	33.1	36.9	41.3	33.1
<b>Financial Strength <sup>(2)</sup></b>												
SLA LICAT ratio	127 %	123 %	124 %	123 %	124 %	124 %	125 %	124 %	127 %	127 %	124 %	127 %
SLF LICAT ratio	130 %	129 %	128 %	143 %	145 %	143 %	147 %	141 %	147 %	130 %	145 %	147 %
Financial leverage ratio <sup>(3)</sup>	25.1 %	26.4 %	25.7 %	25.9 %	25.5 %	22.2 %	24.7 %	22.7 %	23.5 %	25.1 %	25.5 %	23.5 %
<b>Common Share Information (SLF on TSX)</b>												
High (intraday)	64.64	62.44	70.54	74.22	71.73	67.01	67.26	65.37	60.34	74.22	71.73	66.44
Low (intraday)	52.97	54.11	57.21	64.62	64.51	62.00	62.04	55.92	51.59	52.97	55.92	35.43
Close (end of period)	62.85	54.93	58.98	69.80	70.41	65.20	63.92	63.51	56.60	62.85	70.41	56.60
<b>Number of Common Shares Outstanding (in millions) <sup>(4)</sup></b>												
At beginning of period	586.1	586.1	586.1	586.0	585.8	585.6	585.3	585.1	584.8	586.0	585.1	587.8
Common shares issued	0.3	—	—	0.1	0.2	0.2	0.3	0.2	0.3	0.4	0.9	0.8
Common shares purchased and cancelled	—	—	—	—	—	—	—	—	—	—	—	(3.5)
At end of period	586.4	586.1	586.1	586.1	586.0	585.8	585.6	585.3	585.1	586.4	586.0	585.1
Weighted average shares outstanding - basic	586	586	586	586	586	586	586	585	585	586	586	585
Weighted average shares outstanding - diluted <sup>(5)</sup>	590	589	589	590	590	589	590	590	589	589	590	589
Dividend per common share	0.72	0.69	0.69	0.66	0.66	0.55	0.55	0.55	0.55	2.76	2.31	2.20
<b>Dividend payout ratio <sup>(6)</sup></b>												
Reported	44 %	86 %	51 %	45 %	36 %	32 %	36 %	35 %	43 %	53 %	35 %	54 %
Underlying	43 %	43 %	45 %	46 %	43 %	36 %	37 %	38 %	37 %	44 %	38 %	40 %
Dividend yield <sup>(7)</sup>	4.8 %	4.7 %	4.4 %	3.8 %	3.8 %	3.4 %	3.4 %	3.6 %	3.9 %	4.4 %	3.5 %	4.1 %
<b>Assets Under Management <sup>(8)(9)(10)</sup></b>												
General funds	205,614	203,567	195,382	196,685	205,374	197,948	195,689	190,072	197,090	205,614	205,374	197,090
Segregated funds	125,292	118,564	120,098	133,496	139,996	133,305	133,249	127,341	125,921	125,292	139,996	125,921
Total assets	330,906	322,131	315,480	330,181	345,370	331,253	328,938	317,413	323,011	330,906	345,370	323,011
Other assets under management												
Retail	527,617	505,679	508,214	568,678	623,611	600,508	587,847	558,270	549,438	527,617	623,611	549,438
Institutional and managed & other	507,673	485,670	475,394	492,980	517,591	495,574	483,401	466,396	419,200	507,673	517,591	419,200
Consolidation adjustments	(40,337)	(38,725)	(38,054)	(39,686)	(41,844)	(41,016)	(39,495)	(37,833)	(35,640)	(40,337)	(41,844)	(35,640)
Total other assets under management	994,953	952,624	945,554	1,021,972	1,099,358	1,055,066	1,031,753	986,833	932,998	994,953	1,099,358	932,998
Total assets under management	1,325,859	1,274,755	1,261,034	1,352,153	1,444,728	1,386,319	1,360,691	1,304,246	1,256,009	1,325,859	1,444,728	1,256,009
Total assets under administration <sup>(11)</sup>	43,866	41,815	42,092	45,819	46,993	44,760	44,188	41,948	39,921	43,866	46,993	39,921
Total assets under management and administration <sup>(8)(9)(10)(11)</sup>	1,369,725	1,316,570	1,303,126	1,397,972	1,491,721	1,431,079	1,404,879	1,346,194	1,295,930	1,369,725	1,491,721	1,295,930
<b>Select Constant Currency Measures <sup>(12)</sup></b>												
Reported net income <sup>(12)</sup>	919				1,078							
Underlying net income	954				898							
Sales - Individual insurance	497				495							
Sales - Group insurance	1,258				1,111							
Asset Management gross flows and wealth sales	43,202				56,708							
Reported earnings per share - Diluted <sup>(12)</sup>	1.56				1.83							
Underlying earnings per share - Diluted	1.63				1.53							
Assets under management <sup>(8)(9)</sup>	1,263,449				1,444,728							

<sup>(1)</sup> Book value per common share is calculated as common shareholders' equity divided by the number of common shares outstanding at the end of the period.

<sup>(2)</sup> LICAT ratios are disclosed according to OSFI's LICAT guideline as at December 31, 2020.

<sup>(3)</sup> Financial leverage ratio, which is the total debt to capital ratio, is a non-IFRS financial measure. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details on the composition of the measure.

<sup>(4)</sup> Certain numbers have been rounded in order to arrive at the number of common shares outstanding at end of period.

<sup>(5)</sup> The number of diluted shares outstanding reflect the impact of dilution from the Sun Life Exchangeable Capital Securities (SLEECS) under IFRS. Where the calculation of diluted EPS has resulted in anti-dilution, the dilutive impact of the SLEECS has been excluded in the number of weighted average number of shares outstanding.

<sup>(6)</sup> Dividend payout ratio is a non-IFRS financial measure and the calculation methodology is dividends paid per share to diluted reported EPS and diluted underlying EPS, respectively. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details on the measure.

<sup>(7)</sup> The quarterly dividend yield calculation represents the annualized dividend per share in the quarter over the daily average share price in the quarter. The annual dividend calculation represents the dividend paid in the year over the daily average share price for the year.

<sup>(8)</sup> Assets under management are a non-IFRS financial measure that indicates the size of our Company's asset management, wealth and insurance assets. Effective January 1, 2022, certain components of Other AUM were renamed to "Retail" and "Institutional and managed funds" to align with market naming conventions. Previously, these components were referred to as Mutual funds and Managed funds, respectively, in our interim and annual MD&A. While labeling changes have modified certain terminology, the composition of these components has not been affected. Refer to Section M. Non-IFRS Financial Measures, 2. Additional Non-IFRS Financial Measures of the Company's Q1 2022 MD&A for additional details on the composition of the measure.

<sup>(9)</sup> Effective January 1, 2021, the methodology for Assets Under Management (AUM) was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to add uncalled capital commitments not previously included. This will align SLC Management's AUM with market conventions applied across asset classes. We have updated prior period amounts for all quarters of 2020 to reflect this change in methodology. Subsequent to the fourth quarter of 2020, increases and decreases in all capital raising, including uncalled capital commitments and fund leverage, for the aforementioned products will be reflected in gross flows, outflows and net flows as applicable. Client distributions from the sale of underlying assets in closed-end funds will no longer be reported in net flows. Refer to section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2021 MD&A for additional details.

<sup>(10)</sup> Effective October 1, 2022, the classification of an MFS fund has changed from Institutional and managed funds to Retail. Other retail and trust accounts have also been reclassified from Institutional and managed funds to Retail. Prior periods have been restated.

<sup>(11)</sup> Assets under administration (AUA) are a non-IFRS financial measure that represents Client assets and the Company only provides administrative services for these assets. In Canada, AUA includes mutual fund dealer assets in Individual Wealth and administrative services assets in Group Retirement Services. In Asia, AUA includes administrative services assets in China and Hong Kong.

<sup>(12)</sup> Constant currency measures are non-IFRS financial measures that exclude the impacts of foreign exchange translation to assist in comparing our results from period to period. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details and Non-IFRS Financial Measures Glossary on page 38 of this document for a reconciliation of constant currency reported net income and reported earnings per share - diluted.

**CONSOLIDATED STATEMENTS OF OPERATIONS**

(\$ millions)

	For the Quarter Ended								For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Premiums - life insurance	3,258	2,726	2,799	2,612	2,852	2,360	3,206	2,507	3,616	11,395	10,925	11,812
Premiums - health insurance	3,952	3,798	3,197	2,873	2,718	2,678	2,623	2,645	2,586	13,820	10,664	10,649
Premiums - annuities	1,571	876	1,073	425	1,424	1,398	516	579	1,108	3,945	3,917	3,729
Gross premiums	8,781	7,400	7,069	5,910	6,994	6,436	6,345	5,731	7,310	29,160	25,506	26,190
Ceded premiums	(655)	(374)	(649)	(619)	(618)	(602)	(628)	(605)	(635)	(2,297)	(2,453)	(2,452)
Net premiums	8,126	7,026	6,420	5,291	6,376	5,834	5,717	5,126	6,675	26,863	23,053	23,738
Net investment income (loss)	1,981	(340)	(6,337)	(6,891)	4,489	630	5,011	(5,497)	3,075	(11,587)	4,633	12,718
Fee income	2,194	1,944	1,928	1,980	2,130	2,046	1,941	1,885	1,899	8,046	8,002	6,881
<b>Total revenue</b>	<b>12,301</b>	<b>8,630</b>	<b>2,011</b>	<b>380</b>	<b>12,995</b>	<b>8,510</b>	<b>12,669</b>	<b>1,514</b>	<b>11,649</b>	<b>23,322</b>	<b>35,688</b>	<b>43,337</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	6,222	5,603	5,243	4,976	4,809	4,645	4,488	4,780	4,773	22,044	18,722	18,307
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds <sup>(1)</sup>	1,981	(755)	(6,563)	(7,977)	4,159	301	4,531	(6,841)	3,604	(13,314)	2,150	13,300
Operating expenses, commissions and premium taxes <sup>(2)</sup>	3,436	3,241	2,883	2,804	3,290	2,800	2,886	2,841	2,899	12,364	11,817	10,441
Interest expense	127	119	101	98	82	81	84	80	89	445	327	355
Reinsurance expenses (recoveries)	(529)	(247)	(683)	(681)	(620)	(581)	(542)	(682)	(636)	(2,140)	(2,425)	(2,353)
Total policy benefits and expenses	11,237	7,961	981	(780)	11,720	7,246	11,447	178	10,729	19,399	30,591	40,050
<b>Income (loss) before income taxes</b>	<b>1,064</b>	<b>669</b>	<b>1,030</b>	<b>1,160</b>	<b>1,275</b>	<b>1,264</b>	<b>1,222</b>	<b>1,336</b>	<b>920</b>	<b>3,923</b>	<b>5,097</b>	<b>3,287</b>
Income tax expense (benefit)	(11)	145	219	268	54	168	180	325	53	621	727	495
<b>Total net income (loss)</b>	<b>1,075</b>	<b>524</b>	<b>811</b>	<b>892</b>	<b>1,221</b>	<b>1,096</b>	<b>1,042</b>	<b>1,011</b>	<b>867</b>	<b>3,302</b>	<b>4,370</b>	<b>2,792</b>
Participating policyholders' net income (loss)	75	31	3	7	106	57	119	53	96	116	335	283
Non-controlling interest	29	9	9	9	5	(3)	—	(2)	3	56	—	11
Dividends on preferred shares and distributions on other equity instruments	20	18	14	18	32	23	23	23	24	70	101	94
<b>Common shareholders' reported net income (loss)</b>	<b>951</b>	<b>466</b>	<b>785</b>	<b>858</b>	<b>1,078</b>	<b>1,019</b>	<b>900</b>	<b>937</b>	<b>744</b>	<b>3,060</b>	<b>3,934</b>	<b>2,404</b>
<b>Common shareholders' underlying net income (loss)</b> <sup>(3)</sup>	<b>990</b>	<b>949</b>	<b>892</b>	<b>843</b>	<b>898</b>	<b>902</b>	<b>883</b>	<b>850</b>	<b>862</b>	<b>3,674</b>	<b>3,533</b>	<b>3,213</b>
Return on equity - reported <sup>(4)</sup>	15.1 %	7.6 %	13.1 %	14.3 %	18.0 %	17.6 %	16.3 %	16.9 %	13.3 %	12.5 %	17.1 %	10.8 %
Return on equity - underlying <sup>(4)</sup>	15.7 %	15.5 %	14.9 %	14.0 %	15.0 %	15.6 %	16.0 %	15.3 %	15.4 %	15.1 %	15.4 %	14.4 %
<b>SOURCES OF EARNINGS - Total Company</b> <sup>(5)</sup>												
Expected profit on in-force business <sup>(6)(7)</sup>	1,050	979	903	978	1,046	1,014	930	896	968	3,910	3,886	3,549
Impact of new business <sup>(6)</sup>	27	(2)	40	15	38	6	15	14	35	80	73	28
Experience gains (losses)	(169)	(84)	(51)	163	(10)	172	99	425	(136)	(141)	686	(663)
Assumption changes and management actions	67	15	—	1	(23)	93	2	(6)	(60)	83	66	(214)
Other <sup>(7)(8)</sup>	(88)	(362)	57	(26)	67	(179)	(64)	(144)	(109)	(419)	(320)	(225)
Earnings (loss) on operations (pre-tax)	887	546	949	1,131	1,118	1,106	982	1,185	698	3,513	4,391	2,475
Earnings on surplus	57	101	92	65	68	115	118	108	114	315	409	481
Earnings (loss) before income taxes	944	647	1,041	1,196	1,186	1,221	1,100	1,293	812	3,828	4,800	2,956
Income tax (expense) benefit	56	(154)	(233)	(311)	(70)	(182)	(178)	(335)	(42)	(642)	(765)	(447)
Earnings (loss) before dividends on preferred shares and non-controlling interest	1,000	493	808	885	1,116	1,039	922	958	770	3,186	4,035	2,509
Dividends on preferred shares and distributions on other equity instruments and non-controlling interest	(49)	(27)	(23)	(27)	(38)	(20)	(22)	(21)	(26)	(126)	(101)	(105)
<b>Common shareholders' reported net income (loss)</b>	<b>951</b>	<b>466</b>	<b>785</b>	<b>858</b>	<b>1,078</b>	<b>1,019</b>	<b>900</b>	<b>937</b>	<b>744</b>	<b>3,060</b>	<b>3,934</b>	<b>2,404</b>
Underlying net income adjustments (post-tax) <sup>(3)</sup> :												
Market related impacts	(136)	(160)	(152)	38	156	171	91	209	20	(410)	627	(461)
Assumption changes and management actions	54	7	—	1	(19)	95	2	(4)	(42)	62	74	(143)
Other adjustments:												
Fair value adjustments on share-based payment awards at MFS	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Acquisition, integration and restructuring <sup>(9)</sup>	(101)	(142)	(74)	(21)	90	(21)	(13)	(74)	(50)	(338)	(18)	(117)
Other <sup>(10)</sup>	116	(225)	75	—	—	(85)	(11)	—	—	(34)	(96)	4
<b>Common shareholders' underlying net income (loss)</b> <sup>(3)</sup>	<b>(39)</b>	<b>(483)</b>	<b>(107)</b>	<b>15</b>	<b>180</b>	<b>117</b>	<b>17</b>	<b>87</b>	<b>(118)</b>	<b>(614)</b>	<b>401</b>	<b>(809)</b>
<b>EXCHANGE RATES - Average for the period</b>												
U.S. Dollar	1.358	1.304	1.276	1.267	1.260	1.259	1.229	1.266	1.304	1.301	1.254	1.341

<sup>(1)</sup> Includes the following income statement line items: Increases/(decreases) in insurance contract liabilities, increases/(decreases) in investment contract liabilities, change in reinsurance assets and net transfers to/(from) segregated funds. Refer to Note 10.E. Changes in Insurance Contract Liabilities, Investment Contract Liabilities, Reinsurance Assets and Segregated Funds of the Company's Annual 2022 Consolidated Financial Statements and Notes.

<sup>(2)</sup> Refer to Note 18. Operating expenses, Commissions and Premium Taxes of the Company's Annual 2022 Consolidated Financial Statements and Notes.

<sup>(3)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 32 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(4)</sup> Return on equity - reported and underlying is a non-IFRS financial measure that is determined as reported net income (loss) and underlying net income (loss) divided by the total weighted average common shareholders' equity for the period. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A.

<sup>(5)</sup> Sources of earnings are prepared in accordance with the OSFI Guideline D-9. Sources of Earnings Disclosures. For an explanation of the SOE components, see Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A.

<sup>(6)</sup> Effective January 1, 2021, expected profit for U.S. group policies includes previously classified new business gains, alignment group business sources of earnings reporting across business groups. We have updated prior period amounts to reflect this change.

<sup>(7)</sup> Effective January 1, 2022, there was a change in presentation of our proportional ownership in MFS by reporting our portion of MFS' net income components and the fair value adjustments on share-based payments. We have updated prior periods to reflect this change in presentation.

<sup>(8)</sup> Other represents pre-tax adjustments related to MFS' fair value adjustments on share-based payment awards, acquisition, integration and restructuring amounts, and other items that are unusual or exceptional in nature.

<sup>(9)</sup> Refer to the Notes page ii, Other Adjustments - Acquisition, Integration and Restructuring for additional details.

<sup>(10)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale and a \$55 million charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property in the U.S. In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders in Canada for prior years ("par allocation adjustment"). On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, reported net income decreased by \$11 million in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

**STATEMENTS OF FINANCIAL POSITION**

(C\$ millions)

**Assets**

 Cash, cash equivalents and short-term securities  
 Debt securities  
 Equity securities  
 Mortgages and loans  
 Derivative assets  
 Other invested assets  
 Policy loans  
 Investment properties

**Total invested assets**

 Other assets  
 Reinsurance assets  
 Deferred tax assets  
 Intangible assets  
 Goodwill

**Total general fund assets**

Investment for account of segregated fund holders

**Total assets**
**Liabilities and Equity**

 Insurance contract liabilities  
 Investment contract liabilities  
 Derivative liabilities  
 Deferred tax liabilities  
 Other liabilities  
 Senior debentures  
 Senior debentures - Innovative capital instruments  
 Subordinated debt

**Total general fund liabilities**

Insurance and investment contracts for account of segregated fund holders

**Total liabilities**
**Total equity**
**Total liabilities and equity**
**EXCHANGE RATES - Period end rates**

U.S. Dollar

	At the Quarter Ended								At the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	11,219	11,386	9,437	10,525	12,278	11,525	12,435	10,997	13,527	11,219	12,278	13,527
2	75,902	75,526	75,007	81,203	88,727	86,130	85,163	82,294	89,089	75,902	88,727	89,089
3	7,148	6,740	6,930	8,289	9,113	7,439	7,975	7,267	6,631	7,148	9,113	6,631
4	56,261	55,430	53,113	51,732	51,692	51,126	49,987	50,010	49,946	56,261	51,692	49,946
5	2,095	2,632	1,670	1,451	1,583	1,250	1,527	1,410	2,160	2,095	1,583	2,160
6	11,215	10,661	9,165	8,937	8,759	7,366	6,657	6,325	5,778	11,215	8,759	5,778
7	3,350	3,339	3,288	3,249	3,261	3,254	3,237	3,242	3,265	3,350	3,261	3,265
8	10,102	10,149	9,781	9,431	9,109	8,599	8,164	7,635	7,516	10,102	9,109	7,516
9	177,292	175,863	168,391	174,817	184,522	176,689	175,145	169,180	177,912	177,292	184,522	177,912
10	7,810	8,071	7,668	6,400	5,434	5,897	5,571	5,809	5,152	7,810	5,434	5,152
11	4,801	3,750	3,940	3,754	3,683	3,807	3,738	3,824	3,843	4,801	3,683	3,843
12	2,282	2,159	2,074	1,924	1,848	1,659	1,568	1,566	1,634	2,282	1,848	1,634
13	4,724	5,150	4,920	3,326	3,370	3,368	3,226	3,234	2,477	4,724	3,370	2,477
14	8,705	8,574	8,389	6,464	6,517	6,528	6,441	6,459	6,072	8,705	6,517	6,072
15	205,614	203,567	195,382	196,685	205,374	197,948	195,689	190,072	197,090	205,614	205,374	197,090
16	125,292	118,564	120,098	133,496	139,996	133,305	133,249	127,341	125,921	125,292	139,996	125,921
17	330,906	322,131	315,480	330,181	345,370	331,253	328,938	317,413	323,011	330,906	345,370	323,011
18	140,418	137,929	135,017	139,407	147,811	143,862	142,081	138,145	145,773	140,418	147,811	145,773
19	3,314	3,302	3,243	3,230	3,368	3,413	3,507	3,584	3,189	3,314	3,368	3,189
20	2,351	3,186	2,535	1,812	1,392	1,821	1,628	1,908	1,744	2,351	1,392	1,744
21	630	748	713	321	322	378	414	386	383	630	322	383
22	22,648	22,342	19,414	17,625	17,783	16,245	15,817	15,370	14,858	22,648	17,783	14,858
23	—	—	—	—	—	—	300	300	300	—	—	300
24	200	200	200	200	200	200	200	200	200	200	200	200
25	6,676	7,075	6,427	6,426	6,425	4,434	4,433	4,432	4,781	6,676	6,425	4,781
26	176,237	174,782	167,549	169,021	177,301	170,353	168,380	164,325	171,228	176,237	177,301	171,228
27	125,292	118,564	120,098	133,496	139,996	133,305	133,249	127,341	125,921	125,292	139,996	125,921
28	301,529	293,346	287,647	302,517	317,297	303,658	301,629	291,666	297,149	301,529	317,297	297,149
29	29,377	28,785	27,833	27,664	28,073	27,595	27,309	25,747	25,862	29,377	28,073	25,862
30	330,906	322,131	315,480	330,181	345,370	331,253	328,938	317,413	323,011	330,906	345,370	323,011
31	1.355	1.383	1.287	1.250	1.263	1.268	1.239	1.256	1.273	1.355	1.263	1.273



**STATEMENT OF EQUITY AND CAPITAL**

(C\$ millions)

**CHANGES IN COMMON SHAREHOLDERS' EQUITY**

	At the Quarter Ended								At the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
Balance at beginning of period	24,718	23,825	23,659	24,075	23,412	22,468	22,016	22,212	22,323	24,075	22,212	21,141
Common shareholders' reported net income (loss)	951	466	785	858	1,078	1,019	900	937	744	3,060	3,934	2,404
Dividends - common shares	(422)	(400)	(405)	(387)	(387)	(314)	(328)	(322)	(322)	(1,614)	(1,351)	(1,283)
Common shares issued, net of expenses	3	2	—	1	9	8	9	10	6	6	36	18
Common shares buyback	—	—	—	—	—	—	—	—	—	—	—	(200)
Share-based compensation	1	(1)	—	5	1	1	1	3	1	5	6	4
Other <sup>(1)</sup>	(7)	(5)	26	—	(8)	(12)	—	(139)	—	14	(159)	—
Other comprehensive income (OCI) for the period:												
Unrealized foreign currency translation gains (losses), net of hedging activities	(168)	1,083	261	(267)	(41)	254	(192)	(220)	(552)	909	(199)	(198)
Unrealized gains (losses) on available-for-sale assets	95	(300)	(457)	(628)	9	(76)	73	(372)	32	(1,290)	(366)	319
Unrealized gains (losses) on cash flow hedges	(1)	2	(10)	(2)	2	(1)	—	5	2	(11)	6	(6)
Share of other comprehensive income (loss) in joint ventures and associates	(33)	36	(48)	(67)	22	30	(13)	(44)	(43)	(112)	(5)	(10)
Unrealized gains (losses) on transfer to investment properties	(2)	—	—	—	—	—	—	—	—	(2)	—	—
Remeasurement of defined benefit plans	76	10	14	71	(22)	35	2	(54)	21	171	(39)	23
Balance at end of period	25,211	24,718	23,825	23,659	24,075	23,412	22,468	22,016	22,212	25,211	24,075	22,212
Composition of shareholders' accumulated OCI balance												
Unrealized foreign currency translation gains (losses), net of hedging activities	1,860	2,028	945	684	951	992	738	930	1,150	1,860	951	1,150
Unrealized gains (losses) on available-for-sale assets	(1,024)	(1,119)	(819)	(362)	266	257	333	260	632	(1,024)	266	632
Unrealized gains (losses) on cash flow hedges	(18)	(17)	(19)	(9)	(7)	(9)	(8)	(8)	(13)	(18)	(7)	(13)
Share of other comprehensive income (loss) in joint ventures and associates	(161)	(128)	(164)	(116)	(49)	(71)	(101)	(88)	(44)	(161)	(49)	(44)
Unrealized gains (losses) on transfer to investment properties	143	145	145	145	145	145	145	145	145	143	145	145
Remeasurement of defined benefit plans	(149)	(225)	(235)	(249)	(320)	(298)	(333)	(335)	(281)	(149)	(320)	(281)
Balance at end of period	651	684	(147)	93	986	1,016	774	904	1,589	651	986	1,589
<b>CAPITAL</b>												
Subordinated debt	6,676	7,075	6,427	6,426	6,425	4,434	4,433	4,432	4,781	6,676	6,425	4,781
SLEECs <sup>(2)</sup>	200	200	200	200	200	200	200	200	200	200	200	200
Participating policyholders' equity	1,837	1,764	1,713	1,704	1,700	1,596	1,535	1,418	1,368	1,837	1,700	1,368
Non-controlling interests' equity	90	64	56	62	59	56	62	56	25	90	59	25
Preferred shareholders' equity and other equity instruments	2,239	2,239	2,239	2,239	2,239	2,531	3,244	2,257	2,257	2,239	2,239	2,257
Common shareholders' equity	25,211	24,718	23,825	23,659	24,075	23,412	22,468	22,016	22,212	25,211	24,075	22,212
Total capital	36,253	36,060	34,460	34,290	34,698	32,229	31,942	30,379	30,843	36,253	34,698	30,843

**LICAT RATIO - SUN LIFE ASSURANCE COMPANY OF CANADA<sup>(3)</sup>**

<b>Capital Resources</b>												
Tier 1 capital												
Retained earnings and contributed surplus	18,130	17,374	17,108	16,200	15,934	15,779	16,037	15,282	14,630			
Adjusted accumulated other comprehensive income	354	347	(191)	90	811	864	696	789	1,397			
Common and preferred shares	4,535	4,535	4,535	4,535	4,535	3,935	3,195	3,195	3,195			
Innovative instruments	200	200	200	200	200	200	200	200	200			
Other	269	273	258	247	252	227	224	225	229			
Less:												
Goodwill	2,292	2,334	2,373	2,337	2,370	2,379	2,334	2,366	2,393			
Tier 1 deductions	5,669	5,990	5,600	5,340	5,351	5,082	4,960	5,010	4,606			
Net tier 1 capital	15,527	14,405	13,937	13,595	14,011	13,544	13,058	12,315	12,652			
Tier 2 capital												
Preferred shares and subordinated debt	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900			
Other tier 2	2,663	3,119	2,883	2,793	2,845	2,679	2,621	2,579	2,576			
Less:												
Tier 2 deductions	320	320	320	320	320	320	320	320	320			
Net tier 2 capital	5,243	5,699	5,463	5,373	5,425	5,259	5,201	5,159	5,156			
Surplus allowance and eligible deposits	9,137	9,052	8,930	9,566	10,383	10,119	10,078	9,771	10,575			
Total capital resources	29,907	29,156	28,330	28,534	29,819	28,922	28,337	27,245	28,383			
<b>Capital Requirements</b>												
Credit risk	4,312	4,228	4,112	4,054	4,142	4,061	4,011	4,026	4,146			
Market risk	5,112	5,525	5,038	5,003	5,266	4,961	5,025	4,953	5,264			
Insurance risk	9,340	9,208	9,143	9,221	8,966	8,863	9,303	9,085	8,766			
Total non-participating product risk (before other credits and diversification)	18,764	18,961	18,293	18,278	18,374	17,885	18,339	18,064	18,176			
Total participating product risk including par credits (before other credits and diversification)	5,023	5,065	5,139	5,490	5,918	5,744	4,735	4,232	4,177			
Less:												
Credits and diversification benefits	4,481	4,559	4,576	4,640	4,446	4,416	4,452	4,353	4,106			
Total Non-participating and participating product risk	19,306	19,467	18,856	19,128	19,846	19,213	18,622	17,943	18,247			
Segregated fund guarantees risk	963	958	924	881	872	895	872	907	904			
Operational risk	2,103	2,077	2,024	2,057	2,101	2,072	2,054	2,021	2,054			
Total before scalar	22,372	22,502	21,804	22,066	22,819	22,180	21,548	20,871	21,205			
Base solvency buffer (Total before scalar x scalar [1.05])	23,491	23,627	22,894	23,169	23,960	23,289	22,625	21,914	22,265			
LICAT ratio	127%	123%	124%	123%	124%	124%	125%	124%	127%			
LICAT core ratio	93%	88%	88%	88%	89%	89%	89%	87%	90%			

<sup>(1)</sup> Amounts in 2022 relate to BGO's Management Equity Plan. In Q4 and Q3 2021, other reflects a change in retained earnings due to issuance costs related to redeemed preferred shares and in Q1 2021, other reflects the establishment of financial liabilities associated with the anticipated increase of our future ownership in Crescent.

<sup>(2)</sup> SLEECs, which are innovative capital instruments issued by Sun Life Capital Trust, are presented net of associated transaction costs. SLEEC securities qualify as capital for Canadian Regulatory purposes.

<sup>(3)</sup> LICAT ratio for Sun Life Assurance Company of Canada is disclosed according to OSFI's LICAT guideline as at December 31, 2020.

**DILUTED EARNINGS PER SHARE RECONCILIATION**

(C\$ millions, unless otherwise indicated)

**WEIGHTED AVERAGE SHARES**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
Weighted average shares - basic	586	586	586	586	586	586	586	585	585	586	586	585
Diluted impact of stock options	—	—	—	1	1	—	1	1	—	—	—	—
Weighted average shares - diluted underlying	586	586	586	587	587	586	587	586	585	586	586	585
Diluted impact of convertible securities (SLEECs) <sup>(1)</sup>	4	3	3	3	3	3	3	4	4	3	4	4
Weighted average shares - diluted	590	589	589	590	590	589	590	590	589	589	590	589

**DILUTED EARNINGS PER SHARE <sup>(2)</sup>**

Total common shareholders' reported net income (loss)	951	466	785	858	1,078	1,019	900	937	744	3,060	3,934	2,404
Add: Increase in income due to convertible securities (SLEECs) <sup>(3)</sup>	2	3	2	3	2	3	2	3	2	10	10	10
Total common shareholders' reported net income (loss) on a diluted basis	953	469	787	861	1,080	1,022	902	940	746	3,070	3,944	2,414
Less Adjustments:												
Impact of SLEECs	2	3	2	3	2	3	2	3	2	10	10	10
Market related impacts:												
Net equity market impact	(34)	(48)	(159)	(2)	107	24	99	72	108	(243)	302	(143)
Net interest rate impact	(35)	(115)	(68)	(30)	(36)	2	(36)	141	(74)	(248)	71	(214)
Net increases (decreases) in the fair value of real estate	(67)	3	75	70	85	145	28	(4)	(14)	81	254	(104)
Assumption changes and management actions	(136)	(160)	(152)	38	156	171	91	209	20	(410)	627	(461)
Other adjustments:												
Impact of fair value adjustments on share-based payment awards at MFS	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Impact of acquisition, integration and restructuring <sup>(4)</sup>	(101)	(142)	(74)	(21)	90	(21)	(13)	(74)	(50)	(338)	(18)	(117)
Impact of other <sup>(5)</sup>	116	(225)	75	—	—	(85)	(11)	—	—	(34)	(96)	4
Total common shareholders' underlying net income (loss)	990	949	892	843	898	902	883	850	862	3,674	3,533	3,213
Diluted earnings per share - reported	\$ 1.62	\$ 0.80	\$ 1.34	\$ 1.46	\$ 1.83	\$ 1.74	\$ 1.53	\$ 1.59	\$ 1.27	\$ 5.21	\$ 6.69	\$ 4.10
Less Adjustments:												
Impact of SLEECs	\$ —	\$ (0.01)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (0.01)	\$ —	\$ (0.02)	\$ (0.01)	\$ —
Market related impacts:												
Net equity market impact	\$ (0.06)	\$ (0.08)	\$ (0.27)	\$ —	\$ 0.18	\$ 0.04	\$ 0.17	\$ 0.13	\$ 0.18	\$ (0.42)	\$ 0.51	\$ (0.25)
Net interest rate impact	\$ (0.06)	\$ (0.19)	\$ (0.12)	\$ (0.05)	\$ (0.06)	\$ —	\$ (0.06)	\$ 0.25	\$ (0.13)	\$ (0.42)	\$ 0.12	\$ (0.37)
Net increases (decreases) in the fair value of real estate	\$ (0.11)	\$ —	\$ 0.13	\$ 0.11	\$ 0.14	\$ 0.25	\$ 0.05	\$ (0.01)	\$ (0.02)	\$ 0.14	\$ 0.43	\$ (0.18)
Assumption changes and management actions	\$ (0.23)	\$ (0.27)	\$ (0.26)	\$ 0.06	\$ 0.26	\$ 0.29	\$ 0.16	\$ 0.37	\$ 0.03	\$ (0.70)	\$ 1.06	\$ (0.80)
Other adjustments:												
Impact of fair value adjustments on share-based payment awards at MFS	\$ 0.05	\$ 0.06	\$ 0.08	\$ —	\$ (0.08)	\$ (0.07)	\$ (0.09)	\$ (0.08)	\$ (0.08)	\$ 0.18	\$ (0.32)	\$ (0.16)
Impact of acquisition, integration and restructuring <sup>(4)</sup>	\$ (0.18)	\$ (0.24)	\$ (0.13)	\$ (0.04)	\$ 0.15	\$ (0.04)	\$ (0.02)	\$ (0.13)	\$ (0.08)	\$ (0.56)	\$ (0.03)	\$ (0.20)
Impact of other <sup>(5)</sup>	\$ 0.20	\$ (0.37)	\$ 0.13	\$ —	\$ —	\$ (0.14)	\$ (0.02)	\$ —	\$ —	\$ (0.06)	\$ (0.16)	\$ 0.01
Diluted earnings per share - underlying	\$ 1.69	\$ 1.62	\$ 1.52	\$ 1.44	\$ 1.53	\$ 1.54	\$ 1.50	\$ 1.45	\$ 1.47	\$ 6.27	\$ 6.03	\$ 5.49

<sup>(1)</sup> Represents the number of common shares treated as outstanding in the calculation of diluted EPS, based on the assumed conversion of the SLEECs. No adjustment is reflected for periods in which the SLEECs conversion would have caused an anti-dilutive result.

<sup>(2)</sup> The SLEECs contain features which enable the holders to convert these securities into preferred shares of Sun Life Assurance Company of Canada. Following this conversion, the Company has the option to settle the preferred shares with cash prior to the conversion to common shares of Sun Life. Under IFRS, diluted EPS are calculated by adjusting income and the weighted average number of shares for the effects of all dilutive potential common shares under the assumption that convertible instruments are converted and that outstanding options are exercised.

<sup>(3)</sup> Represents after-tax interest expense on SLEECs converted into common shares that is added to net income as the SLEECs are assumed to be converted at the beginning of each reporting period in the calculation of diluted EPS.

<sup>(4)</sup> Refer to the Notes page ii, Other Adjustments - Acquisition, Integration and Restructuring for additional details.

<sup>(5)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale and a \$55 million charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property in the U.S. In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders in Canada for prior years ("par allocation adjustment"). On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, reported net income decreased by \$11 million in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

**CANADA**

(C\$ millions)

**STATEMENTS OF OPERATIONS**

**Revenue**

Premiums - life insurance	Premiums - health insurance	Premiums - annuities	Gross premiums	Ceded premiums	Net premiums	Net investment income (loss)	Fee income	<b>Total revenue</b>
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**Policy benefits and expenses**

Gross claims & benefits paid	Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	Operating expenses, commissions and premium taxes	Interest expense	Reinsurance expenses (recoveries)	Total policy benefits and expenses
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**Income (loss) before income taxes**

Income tax expense (benefit)	Participating policyholders' net income (loss)
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**Common shareholders' reported net income (loss)**

Market related impacts <sup>(1)</sup>	Assumption changes and management actions <sup>(1)</sup>	Other <sup>(1)(2)</sup>	Acquisition, integration and restructuring <sup>(1)</sup>
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**Common shareholders' underlying net income (loss) <sup>(1)</sup>**

Return on equity - reported	Return on equity - underlying
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**SALES**

Individual Insurance	Individual Wealth	Sun Life Health	Group Retirement Services
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**ASSETS UNDER MANAGEMENT**

General funds	Segregated funds	Other AUM <sup>(3)</sup>	Total
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**SLGI Asset Management Inc.**

Gross Sales

Retail	Institutional & other <sup>(4)</sup>	Total
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Net Sales <sup>(5)</sup>

Assets under management

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	1,782	1,467	1,552	1,507	1,690	1,350	1,475	1,333	1,520	6,308	5,848	5,358
2	1,666	1,635	1,610	1,582	1,540	1,505	1,481	1,463	1,454	6,493	5,989	6,011
3	1,561	875	1,067	406	1,417	1,387	508	562	1,077	3,909	3,874	3,594
4	5,009	3,977	4,229	3,495	4,647	4,242	3,464	3,358	4,051	16,710	15,711	14,963
5	(416)	(381)	(403)	(389)	(394)	(372)	(390)	(377)	(393)	(1,589)	(1,533)	(1,530)
6	4,593	3,596	3,826	3,106	4,253	3,870	3,074	2,981	3,658	15,121	14,178	13,433
7	799	1,874	(3,609)	(3,928)	3,121	413	2,826	(3,291)	1,634	(4,864)	3,069	6,823
8	423	387	399	401	442	404	389	376	386	1,610	1,611	1,376
9	5,815	5,857	616	(421)	7,816	4,687	6,289	66	5,678	11,867	18,858	21,632
10	3,279	2,842	2,929	2,885	2,729	2,729	2,718	2,745	2,827	11,935	10,921	10,542
11	1,326	1,950	(3,245)	(4,426)	3,837	784	2,356	(3,947)	1,945	(4,395)	3,030	7,808
12	1,051	954	950	963	1,038	929	936	888	923	3,918	3,791	3,427
13	49	56	49	47	49	47	49	45	47	201	190	187
14	(330)	(295)	(335)	(355)	(340)	(302)	(306)	(333)	(359)	(1,315)	(1,281)	(1,295)
15	5,375	5,507	348	(886)	7,313	4,187	5,753	(602)	5,383	10,344	16,651	20,669
16	440	350	268	465	503	500	536	668	295	1,523	2,207	963
17	2	76	100	185	37	76	51	220	(26)	363	384	50
18	71	64	8	17	110	31	81	43	66	160	265	196
19	367	210	160	263	356	393	404	405	255	1,000	1,558	717
20	(44)	(134)	(183)	(26)	90	146	114	124	15	(387)	474	(392)
21	34	45	—	(9)	2	42	—	(4)	(3)	70	40	32
22	54	—	—	—	—	(85)	—	—	—	54	(85)	4
23	(1)	(1)	(1)	—	(2)	—	—	—	—	(3)	(2)	—
24	324	300	344	298	266	290	290	285	243	1,266	1,131	1,073
25	16.7%	10.1%	7.9%	13.0%	17.5%	19.5%	20.8%	21.8%	13.7%	12.0%	19.8%	9.8%
26	14.8%	14.3%	17.2%	14.8%	13.1%	14.4%	14.9%	15.3%	13.1%	15.2%	14.4%	14.7%
27	139	119	126	112	161	101	122	105	118	496	489	358
28	1,713	1,546	1,799	2,204	2,191	1,946	2,177	2,641	2,168	7,262	8,955	7,453
29	107	114	92	220	80	81	74	128	68	533	363	421
30	4,871	2,585	2,639	2,735	3,485	3,972	1,648	1,794	2,696	12,830	10,899	12,485
31	110,888	109,115	104,555	106,762	110,499	106,538	105,220	102,261	106,318	110,888	110,499	106,318
32	109,058	103,411	104,424	115,944	121,146	114,958	114,852	109,313	107,494	109,058	121,146	107,494
33	6,136	6,022	6,208	6,955	7,393	7,148	7,125	6,796	6,719	6,136	7,393	6,719
34	226,082	218,548	215,187	229,661	239,038	228,644	227,197	218,370	220,531	226,082	239,038	220,531
35	455	408	553	904	945	827	910	1,206	1,039	2,320	3,888	3,523
36	672	461	583	947	946	473	655	803	410	2,663	2,877	2,503
37	1,127	869	1,136	1,851	1,891	1,300	1,565	2,009	1,449	4,983	6,765	6,026
38	(55)	(85)	16	408	727	414	319	748	405	284	2,208	1,275
39	33,978	32,366	32,821	36,213	38,242	36,094	35,490	33,732	32,730	33,978	38,242	32,730

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 32 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$76 million in the fourth quarter, reflected in ACMA and Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders for prior years ("par allocation adjustment").

<sup>(3)</sup> Other AUM represents SLGI Asset Management Inc. retail funds.

<sup>(4)</sup> Institutional & other consists primarily of Group Retirement Services segregated fund deposits.

<sup>(5)</sup> Net sales are a non-IFRS financial measure that consists of gross sales less redemptions.

**CANADA - INDIVIDUAL INSURANCE & WEALTH**

(C\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	1,998	1,594	1,602	1,509	1,732	1,365	1,565	1,407	1,670	6,703	6,069	5,773
Ceded premiums	(191)	(157)	(178)	(161)	(184)	(150)	(168)	(150)	(174)	(687)	(652)	(623)
Net premiums	1,807	1,437	1,424	1,348	1,548	1,215	1,397	1,257	1,496	6,016	5,417	5,150
Net investment income (loss)	423	1,061	(3,094)	(3,041)	2,518	327	2,313	(2,763)	1,027	(4,651)	2,395	4,999
Fee income	195	162	176	176	207	178	169	158	175	709	712	594
<b>Total revenue</b>	<b>2,425</b>	<b>2,660</b>	<b>(1,494)</b>	<b>(1,517)</b>	<b>4,273</b>	<b>1,720</b>	<b>3,879</b>	<b>(1,348)</b>	<b>2,698</b>	<b>2,074</b>	<b>8,524</b>	<b>10,743</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	1,202	908	978	1,017	1,099	866	928	916	1,043	4,105	3,809	3,567
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	494	1,178	(2,823)	(3,107)	2,348	172	2,145	(3,027)	1,115	(4,258)	1,638	5,587
Operating expenses, commissions and premium taxes	593	534	533	545	613	525	530	502	517	2,205	2,170	1,860
Interest expense	34	37	35	32	33	34	32	32	32	138	131	129
Reinsurance expenses (recoveries)	(144)	(124)	(145)	(177)	(168)	(115)	(130)	(146)	(185)	(590)	(559)	(559)
Total policy benefits and expenses	2,179	2,533	(1,422)	(1,690)	3,925	1,482	3,505	(1,723)	2,522	1,600	7,189	10,584
<b>Income (loss) before income taxes</b>	<b>246</b>	<b>127</b>	<b>(72)</b>	<b>173</b>	<b>348</b>	<b>238</b>	<b>374</b>	<b>375</b>	<b>176</b>	<b>474</b>	<b>1,335</b>	<b>159</b>
Income tax expense (benefit)	10	15	(28)	30	21	4	42	92	(7)	27	159	(73)
Participating policyholders' net income (loss)	71	64	8	17	110	31	81	43	66	160	265	196
<b>Common shareholders' reported net income (loss)</b>	<b>165</b>	<b>48</b>	<b>(52)</b>	<b>126</b>	<b>217</b>	<b>203</b>	<b>251</b>	<b>240</b>	<b>117</b>	<b>287</b>	<b>911</b>	<b>36</b>
<b>SALES</b>												
Individual Insurance - SLFD	46	38	45	37	46	33	48	39	48	166	166	165
Individual Insurance - Third-party	93	81	81	75	115	68	74	66	70	330	323	193
Total insurance sales	139	119	126	112	161	101	122	105	118	496	489	358
Individual Wealth - fixed products	431	330	258	190	195	178	240	278	317	1,209	891	1,265
Individual Wealth - mutual funds	1,121	1,073	1,341	1,708	1,687	1,518	1,641	2,024	1,540	5,243	6,870	5,153
Individual Wealth - segregated funds	161	143	200	306	309	250	296	339	311	810	1,194	1,035
Total wealth sales	1,713	1,546	1,799	2,204	2,191	1,946	2,177	2,641	2,168	7,262	8,955	7,453
Wealth Manufactured Sales <sup>(1)</sup>	912	761	891	1,149	1,192	1,035	1,191	1,528	1,392	3,713	4,946	4,882
Other wealth sales	801	785	908	1,055	999	911	986	1,113	776	3,549	4,009	2,571
Total wealth sales	1,713	1,546	1,799	2,204	2,191	1,946	2,177	2,641	2,168	7,262	8,955	7,453
SLFD - Career Advisor Network	2,704	2,687	2,731	2,792	2,824	2,914	2,932	2,955	2,973	2,704	2,824	2,973
<b>ASSETS UNDER MANAGEMENT AND ADMINISTRATION</b>												
General funds	71,018	70,299	67,779	70,263	72,518	70,143	69,667	67,377	70,202	71,018	72,518	70,202
Segregated funds	11,553	11,271	11,559	13,021	13,728	13,258	13,267	12,742	12,510	11,553	13,728	12,510
Other AUM <sup>(2)</sup>	6,136	6,022	6,208	6,955	7,393	7,148	7,125	6,796	6,719	6,136	7,393	6,719
Total assets under management	88,707	87,592	85,546	90,239	93,639	90,549	90,059	86,915	89,431	88,707	93,639	89,431
Mutual fund dealers' assets <sup>(3)</sup>	28,391	27,324	27,320	30,083	30,957	29,231	28,524	26,744	25,320	28,391	30,957	25,320
Total assets under management and administration	117,098	114,916	112,866	120,322	124,596	119,780	118,583	113,659	114,751	117,098	124,596	114,751

<sup>(1)</sup> Wealth manufactured sales represent sales of individual wealth products developed by Sun Life, which include SLGI Asset Management Inc. retail funds, Sun Life Guaranteed Investment Fund segregated funds, Guaranteed Investment Certificates, and Accumulation and Payout Annuities.

<sup>(2)</sup> Other AUM represents SLGI Asset Management Inc. retail funds.

<sup>(3)</sup> Mutual fund dealer assets represent assets under administration.

**CANADA - SUN LIFE HEALTH**

(C\$ millions)

**STATEMENTS OF OPERATIONS**
**Revenue**

Gross premiums

Ceded premiums

Net premiums

Net investment income (loss)

Fee income

**Total revenue**
**Policy benefits and expenses**

Gross claims &amp; benefits paid

Change in insurance/investment contract liabilities, reinsurance assets &amp; segregated funds

Operating expenses, commissions and premium taxes

Interest expense

Reinsurance expenses (recoveries)

Total policy benefits and expenses

**Income (loss) before income taxes**

Income tax expense (benefit)

**Common shareholders' reported net income (loss)**
**SALES**
**ASSETS UNDER MANAGEMENT**

General funds

**SUPPLEMENTAL INFORMATION**

 Business in-force <sup>(1)</sup>

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	1,755	1,734	1,710	1,687	1,630	1,605	1,575	1,571	1,553	6,886	6,381	6,438
2	(159)	(158)	(158)	(160)	(142)	(153)	(152)	(156)	(147)	(635)	(603)	(615)
3	1,596	1,576	1,552	1,527	1,488	1,452	1,423	1,415	1,406	6,251	5,778	5,823
4	90	247	(213)	(310)	205	54	193	(204)	180	(186)	248	776
5	83	82	77	71	77	70	72	76	74	313	295	257
6	1,769	1,905	1,416	1,288	1,770	1,576	1,688	1,287	1,660	6,378	6,321	6,856
7	1,393	1,240	1,253	1,210	1,069	1,211	1,206	1,212	1,209	5,096	4,698	4,906
8	13	378	(165)	(197)	407	89	196	(166)	148	29	526	654
9	339	304	303	302	302	289	292	277	296	1,248	1,160	1,146
10	8	12	8	9	10	8	11	9	9	37	38	37
11	(123)	(106)	(126)	(112)	(106)	(120)	(108)	(119)	(104)	(467)	(453)	(453)
12	1,630	1,828	1,273	1,212	1,682	1,477	1,597	1,213	1,558	5,943	5,969	6,290
13	139	77	143	76	88	99	91	74	102	435	352	566
14	12	21	30	20	23	20	21	17	28	83	81	144
15	127	56	113	56	65	79	70	57	74	352	271	422
16	107	114	92	220	80	81	74	128	68	533	363	421
17	17,112	16,985	16,258	15,905	16,491	16,248	16,115	15,589	15,971	17,112	16,491	15,971
18	12,809	12,579	12,399	12,222	11,898	11,716	11,523	11,080	11,020	12,809	11,898	11,020

<sup>(1)</sup> Business in-force is a non-IFRS financial measure that represents annualized premiums for insured in-force and last twelve months of fee income and ASO claims for ASO in-force on a gross basis.

**CANADA - GROUP RETIREMENT SERVICES**

(C\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	1,256	649	917	299	1,285	1,272	324	380	828	3,121	3,261	2,752
Ceded premiums	(66)	(66)	(67)	(68)	(68)	(69)	(70)	(71)	(72)	(267)	(278)	(292)
Net premiums	1,190	583	850	231	1,217	1,203	254	309	756	2,854	2,983	2,460
Net investment income (loss)	286	566	(302)	(577)	398	32	320	(324)	427	(27)	426	1,048
Fee income	145	143	146	154	158	156	148	142	137	588	604	525
<b>Total revenue</b>	1,621	1,292	694	(192)	1,773	1,391	722	127	1,320	3,415	4,013	4,033
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	684	694	698	658	561	652	584	617	575	2,734	2,414	2,069
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	819	394	(257)	(1,122)	1,082	523	15	(754)	682	(166)	866	1,567
Operating expenses, commissions and premium taxes	119	116	114	116	123	115	114	109	110	465	461	421
Interest expense	7	7	6	6	6	5	6	4	6	26	21	21
Reinsurance expenses (recoveries)	(63)	(65)	(64)	(66)	(66)	(67)	(68)	(68)	(70)	(258)	(269)	(283)
Total policy benefits and expenses	1,566	1,146	497	(408)	1,706	1,228	651	(92)	1,303	2,801	3,493	3,795
<b>Income (loss) before income taxes</b>	55	146	197	216	67	163	71	219	17	614	520	238
Income tax expense (benefit)	(20)	40	98	135	(7)	52	(12)	111	(47)	253	144	(21)
<b>Common shareholders' reported net income (loss)</b>	75	106	99	81	74	111	83	108	64	361	376	259
<b>SALES</b>												
Sales	3,988	1,786	1,823	1,813	2,441	3,031	766	893	1,760	9,410	7,131	9,434
Asset consolidation and rollovers	883	799	816	922	1,044	941	882	901	936	3,420	3,768	3,051
Total	4,871	2,585	2,639	2,735	3,485	3,972	1,648	1,794	2,696	12,830	10,899	12,485
<b>ASSETS UNDER MANAGEMENT AND ADMINISTRATION</b>												
General funds	22,758	21,831	20,518	20,594	21,490	20,147	19,438	19,295	20,145	22,758	21,490	20,145
Segregated funds	97,505	92,140	92,865	102,923	107,418	101,700	101,585	96,571	94,984	97,505	107,418	94,984
Total assets under management	120,263	113,971	113,383	123,517	128,908	121,847	121,023	115,866	115,129	120,263	128,908	115,129
Assets under administration <sup>(1)</sup>	12,926	12,060	12,344	13,477	13,157	12,275	12,390	11,549	10,737	12,926	13,157	10,737
Total assets under management and administration	133,189	126,031	125,727	136,994	142,065	134,122	133,413	127,415	125,866	133,189	142,065	125,866

<sup>(1)</sup> Assets under administration represent assets in which administrative services are provided.

U.S.

(C\$ millions)

STATEMENTS OF OPERATIONS

Revenue

Premiums - life insurance  
 Premiums - health insurance  
 Premiums - annuities  
 Gross premiums  
 Ceded premiums  
 Net premiums  
 Net investment income (loss)  
 Fee income

Total revenue

Policy benefits and expenses

Gross claims & benefits paid  
 Change in insurance/investment contract liabilities, reinsurance assets & segregated funds  
 Operating expenses, commissions and premium taxes  
 Interest expense  
 Reinsurance expenses (recoveries)  
 Total policy benefits and expenses

Income (loss) before income taxes

Income tax expense (benefit)

Common shareholders' reported net income (loss)

Market related impacts <sup>(1)</sup>  
 Assumption changes and management actions <sup>(1)</sup>  
 Acquisition, integration and restructuring <sup>(1)</sup>  
 Other <sup>(1)(2)</sup>

Common shareholders' underlying net income (loss) <sup>(1)</sup>

SALES

Group Benefits  
 Dental  
 Total

ASSETS UNDER MANAGEMENT

General funds  
 Segregated funds  
 Other AUM <sup>(3)</sup>  
 Total

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	403	384	367	361	372	352	357	371	375	1,515	1,452	1,548
2	2,282	2,158	1,577	1,281	1,169	1,163	1,127	1,165	1,122	7,298	4,624	4,583
3	—	—	1	—	—	—	—	—	—	1	—	—
4	2,685	2,542	1,945	1,642	1,541	1,515	1,484	1,536	1,497	8,814	6,076	6,131
5	(190)	55	(190)	(180)	(165)	(174)	(187)	(179)	(181)	(505)	(705)	(695)
6	2,495	2,597	1,755	1,462	1,376	1,341	1,297	1,357	1,316	8,309	5,371	5,436
7	323	(659)	(854)	(1,116)	426	207	929	(1,016)	441	(2,306)	546	2,610
8	115	104	53	25	25	23	17	16	32	297	81	92
9	2,933	2,042	954	371	1,827	1,571	2,243	357	1,789	6,300	5,998	8,138
10	2,198	2,181	1,740	1,526	1,541	1,364	1,268	1,533	1,367	7,645	5,706	5,565
11	(9)	(986)	(1,304)	(1,511)	(1)	(11)	585	(1,512)	126	(3,810)	(939)	1,506
12	746	622	538	410	406	381	380	371	390	2,316	1,538	1,532
13	25	23	13	13	13	12	12	12	15	74	49	86
14	(163)	88	(300)	(279)	(238)	(228)	(200)	(313)	(220)	(654)	(979)	(864)
15	2,797	1,928	687	159	1,721	1,518	2,045	91	1,678	5,571	5,375	7,825
16	136	114	267	212	106	53	198	266	111	729	623	313
17	26	20	54	43	21	7	41	55	23	143	124	56
18	110	94	213	169	85	46	157	211	88	586	499	257
19	(63)	(17)	33	47	40	15	(6)	44	2	—	93	8
20	3	(26)	—	9	(19)	(78)	—	(4)	(60)	(14)	(101)	(313)
21	(74)	(24)	(49)	(5)	(8)	(1)	(2)	—	(2)	(152)	(11)	(6)
22	4	(55)	75	—	—	—	—	—	—	24	—	—
23	240	216	154	118	72	110	165	171	148	728	518	568
24	1,071	216	189	135	981	183	178	141	802	1,611	1,483	1,375
25	150	150	24	13	39	16	13	13	36	337	81	84
26	1,221	366	213	148	1,020	199	191	154	838	1,948	1,564	1,459
27	37,282	37,038	35,721	31,567	33,391	33,626	32,314	31,898	33,790	37,282	33,391	33,790
28	421	432	433	467	519	514	509	496	541	421	519	541
29	20	21	20	20	20	21	21	21	23	20	20	23
30	37,723	37,491	36,174	32,054	33,930	34,161	32,844	32,415	34,354	37,723	33,930	34,354

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 33 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> In Q3 2022, other refers to a \$55 million charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property.

<sup>(3)</sup> Other AUM represents third-party investors in a pool of mortgage loans.

U.S.

(US\$ millions)

STATEMENTS OF OPERATIONS

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Premiums - life insurance	297	295	288	285	295	279	290	293	287	1,165	1,157	1,154
Premiums - health insurance	1,681	1,654	1,235	1,011	927	924	918	920	861	5,581	3,689	3,418
Gross premiums	1,978	1,949	1,523	1,296	1,222	1,203	1,208	1,213	1,148	6,746	4,846	4,572
Ceded premiums	(139)	39	(149)	(143)	(131)	(139)	(152)	(141)	(138)	(392)	(563)	(518)
Net premiums	1,839	1,988	1,374	1,153	1,091	1,064	1,056	1,072	1,010	6,354	4,283	4,054
Net investment income (loss)	244	(494)	(676)	(883)	341	168	753	(801)	339	(1,809)	461	1,950
Fee income	84	80	42	20	20	18	13	13	24	226	64	69
<b>Total revenue</b>	<b>2,167</b>	<b>1,574</b>	<b>740</b>	<b>290</b>	<b>1,452</b>	<b>1,250</b>	<b>1,822</b>	<b>284</b>	<b>1,373</b>	<b>4,771</b>	<b>4,808</b>	<b>6,073</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	1,621	1,672	1,363	1,204	1,221	1,083	1,030	1,212	1,050	5,860	4,546	4,147
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	—	(744)	(1,029)	(1,194)	1	(6)	475	(1,195)	96	(2,967)	(725)	1,129
Operating expenses, commissions and premium taxes	550	477	421	324	322	302	309	293	299	1,772	1,226	1,143
Interest expense	17	18	10	10	10	10	10	10	12	55	40	64
Reinsurance expenses (recoveries)	(121)	64	(234)	(221)	(187)	(182)	(161)	(247)	(168)	(512)	(777)	(643)
Total policy benefits and expenses	2,067	1,487	531	123	1,367	1,207	1,663	73	1,289	4,208	4,310	5,840
<b>Income (loss) before income taxes</b>	<b>100</b>	<b>87</b>	<b>209</b>	<b>167</b>	<b>85</b>	<b>43</b>	<b>159</b>	<b>211</b>	<b>84</b>	<b>563</b>	<b>498</b>	<b>233</b>
Income tax expense (benefit)	19	15	42	34	17	6	32	44	18	110	99	42
<b>Common shareholders' reported net income (loss)</b>	<b>81</b>	<b>72</b>	<b>167</b>	<b>133</b>	<b>68</b>	<b>37</b>	<b>127</b>	<b>167</b>	<b>66</b>	<b>453</b>	<b>399</b>	<b>191</b>
Market related impacts <sup>(1)</sup>	(46)	(14)	26	37	33	12	(5)	34	1	3	74	6
Assumption changes and management actions <sup>(1)</sup>	2	(20)	—	7	(15)	(62)	—	(3)	(46)	(11)	(80)	(236)
Acquisition, integration and restructuring <sup>(1)</sup>	(55)	(18)	(38)	(4)	(6)	(1)	(1)	—	(1)	(115)	(8)	(4)
Other <sup>(1)(2)</sup>	3	(42)	58	—	—	—	—	—	—	19	—	—
<b>Common shareholders' underlying net income (loss) <sup>(1)</sup></b>	<b>177</b>	<b>166</b>	<b>121</b>	<b>93</b>	<b>56</b>	<b>88</b>	<b>133</b>	<b>136</b>	<b>112</b>	<b>557</b>	<b>413</b>	<b>425</b>
Return on equity - reported	6.2%	5.5%	16.2%	17.6%	8.9%	4.9%	17.4%	24.0%	9.9%	10.3%	13.6%	6.9%
Return on equity - underlying	13.6%	12.8%	11.7%	12.3%	7.3%	11.6%	18.3%	19.6%	16.8%	12.7%	14.0%	15.3%

SALES

Group Benefits	788	166	149	106	778	145	145	111	615	1,209	1,179	1,039
Dental	111	115	19	10	31	13	11	10	28	255	65	63
Total	899	281	168	116	809	158	156	121	643	1,464	1,244	1,102

ASSETS UNDER MANAGEMENT

General funds	27,516	26,789	27,750	25,256	26,432	26,524	26,073	25,401	26,542	27,516	26,432	26,542
Segregated funds	311	312	336	374	411	406	411	395	425	311	411	425
Other AUM <sup>(3)</sup>	15	15	16	16	16	17	17	17	18	15	16	18
Total	27,842	27,116	28,102	25,646	26,859	26,947	26,501	25,813	26,985	27,842	26,859	26,985

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 35 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> In Q3 2022, other refers to a US\$42 million charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property.

<sup>(3)</sup> Other AUM represents third-party investors in a pool of mortgage loans.



**U.S. - GROUP BENEFITS <sup>(1)</sup>**

(US\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	1,163	1,156	1,141	1,119	1,037	1,026	1,022	1,022	948	4,579	4,107	3,776
Ceded premiums	(60)	(56)	(55)	(52)	(52)	(49)	(48)	(46)	(47)	(223)	(195)	(174)
Net premiums	1,103	1,100	1,086	1,067	985	977	974	976	901	4,356	3,912	3,602
Net investment income (loss)	73	(47)	(62)	(91)	44	34	80	(24)	66	(127)	134	262
Fee income	30	28	28	28	26	24	19	19	28	114	88	87
<b>Total revenue</b>	<b>1,206</b>	<b>1,081</b>	<b>1,052</b>	<b>1,004</b>	<b>1,055</b>	<b>1,035</b>	<b>1,073</b>	<b>971</b>	<b>995</b>	<b>4,343</b>	<b>4,134</b>	<b>3,951</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	787	860	848	830	798	747	702	751	688	3,325	2,998	2,705
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	23	(137)	(95)	(119)	12	1	28	(97)	13	(328)	(56)	65
Operating expenses, commissions and premium taxes	306	300	295	296	285	269	265	262	254	1,197	1,081	999
Interest expense	5	5	5	4	4	4	4	4	4	19	16	16
Reinsurance expenses (recoveries)	(55)	(63)	(110)	(82)	(52)	(48)	(52)	(62)	(58)	(310)	(214)	(223)
Total policy benefits and expenses	1,066	965	943	929	1,047	973	947	858	901	3,903	3,825	3,562
<b>Income (loss) before income taxes</b>	<b>140</b>	<b>116</b>	<b>109</b>	<b>75</b>	<b>8</b>	<b>62</b>	<b>126</b>	<b>113</b>	<b>94</b>	<b>440</b>	<b>309</b>	<b>389</b>
Income tax expense (benefit)	30	24	23	16	2	13	27	24	21	93	66	82
<b>Common shareholders' reported net income (loss)</b>	<b>110</b>	<b>92</b>	<b>86</b>	<b>59</b>	<b>6</b>	<b>49</b>	<b>99</b>	<b>89</b>	<b>73</b>	<b>347</b>	<b>243</b>	<b>307</b>
<b>ASSETS UNDER MANAGEMENT</b>												
General Funds	8,610	8,747	8,685	8,386	8,245	8,197	8,245	7,881	7,879	8,610	8,245	7,879
<b>SALES</b>												
Employee Benefits	269	101	54	53	184	74	57	77	177	477	392	374
Medical Stop-Loss	519	65	95	53	594	71	88	34	438	732	787	665
Total	788	166	149	106	778	145	145	111	615	1,209	1,179	1,039
<b>AFTER-TAX PROFIT MARGIN <sup>(2)</sup></b>	<b>8.4%</b>	<b>5.9%</b>	<b>4.7%</b>	<b>5.1%</b>	<b>6.0%</b>	<b>8.2%</b>	<b>9.2%</b>	<b>8.1%</b>	<b>8.1%</b>	<b>8.4%</b>	<b>6.0%</b>	<b>8.1%</b>

<sup>(1)</sup> Effective Q2 2022, we began reporting on the performance and results of our Dental business unit, which represents our existing dental and vision business within Group Benefits together with DentaQuest, acquired on June 1, 2022. We have updated prior periods to reflect this change in presentation.

<sup>(2)</sup> The after-tax profit margin is a non-IFRS financial measure and is calculated on underlying net income as a percentage of net premiums on a trailing four-quarters basis. Refer to U.S. Group Benefits Reported Net Income to Underlying Net Income reconciliation on page 35 of this document as well as Section L. Non-IFRS Financial Measures, iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A for additional details.

**U.S. - DENTAL <sup>(1)</sup>**

(US\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended									At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>Revenue</b>													
Gross premiums	1	711	690	283	78	76	77	77	77	85	1,762	307	333
Ceded premiums	2	—	—	—	—	—	—	—	—	—	—	—	—
Net premiums	3	711	690	283	78	76	77	77	77	85	1,762	307	333
Net investment income (loss)	4	—	1	—	—	1	—	1	—	1	1	2	3
Fee income	5	67	63	26	4	5	4	5	5	5	160	19	18
<b>Total revenue</b>	6	778	754	309	82	82	81	83	82	91	1,923	328	354
<b>Policy benefits and expenses</b>													
Gross claims & benefits paid	7	567	556	219	52	49	52	54	55	56	1,394	210	206
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	8	—	—	—	—	—	—	—	—	—	—	—	(1)
Operating expenses, commissions and premium taxes	9	235	179	122	27	29	28	28	28	31	563	113	118
Interest expense	10	7	8	—	—	—	—	—	—	—	15	—	—
Total policy benefits and expenses	12	809	743	341	79	78	80	82	83	87	1,972	323	323
<b>Income (loss) before income taxes</b>	13	(31)	11	(32)	3	4	1	1	(1)	4	(49)	5	31
Income tax expense (benefit)	14	(9)	2	(7)	1	1	—	—	—	1	(13)	1	7
<b>Common shareholders' reported net income (loss)</b>	15	(22)	9	(25)	2	3	1	1	(1)	3	(36)	4	24
<b>ASSETS UNDER MANAGEMENT</b>													
General Funds	16	3,272	3,386	3,425	81	82	82	83	87	88	3,272	82	88
<b>SALES</b>													
Medicaid/Medicare Advantage	17	64	92	4	—	—	—	—	—	—	160	—	—
Commercial/Other	18	47	23	15	10	31	13	11	10	28	95	65	63
Total	19	111	115	19	10	31	13	11	10	28	255	65	63

<sup>(1)</sup> Effective Q2 2022, we began reporting on the performance and results of our Dental business unit, which represents our existing dental and vision business within Group Benefits together with DentaQuest, acquired on June 1, 2022. We have updated prior periods to reflect this change in presentation.

**U.S. - IN-FORCE MANAGEMENT**

(US\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	104	103	99	99	109	100	109	114	115	405	432	463
Ceded premiums	(79)	95	(94)	(91)	(79)	(90)	(104)	(95)	(91)	(169)	(368)	(344)
Net premiums	25	198	5	8	30	10	5	19	24	236	64	119
Net investment income (loss)	171	(448)	(614)	(792)	296	134	672	(777)	272	(1,683)	325	1,685
Fee income	(13)	(11)	(12)	(12)	(11)	(10)	(11)	(11)	(9)	(48)	(43)	(36)
<b>Total revenue</b>	183	(261)	(621)	(796)	315	134	666	(769)	287	(1,495)	346	1,768
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	267	256	296	322	374	284	274	406	306	1,141	1,338	1,236
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	(23)	(607)	(934)	(1,075)	(11)	(7)	447	(1,098)	83	(2,639)	(669)	1,065
Operating expenses, commissions and premium taxes	9	(2)	4	1	8	5	16	3	14	12	32	26
Interest expense	5	5	5	6	6	6	6	6	8	21	24	48
Reinsurance expenses (recoveries)	(66)	127	(124)	(139)	(135)	(134)	(109)	(185)	(110)	(202)	(563)	(420)
Total policy benefits and expenses	192	(221)	(753)	(885)	242	154	634	(868)	301	(1,667)	162	1,955
<b>Income (loss) before income taxes</b>	(9)	(40)	132	89	73	(20)	32	99	(14)	172	184	(187)
Income tax expense (benefit)	(2)	(11)	26	17	14	(7)	5	20	(4)	30	32	(47)
<b>Common shareholders' reported net income (loss)</b>	(7)	(29)	106	72	59	(13)	27	79	(10)	142	152	(140)

**ACCOUNT VALUE<sup>(1)</sup>**

Individual insurance	3,977	4,009	4,043	4,077	4,112	4,147	4,179	4,207	4,253	3,977	4,112	4,253
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**ASSETS UNDER MANAGEMENT**

General funds	15,634	14,656	15,640	16,789	18,105	18,245	17,745	17,433	18,575	15,634	18,105	18,575
Segregated funds	311	312	336	374	411	406	411	395	425	311	411	425
Other AUM <sup>(2)</sup>	15	15	16	16	16	17	17	17	18	15	16	18
<b>Total</b>	15,960	14,983	15,992	17,179	18,532	18,668	18,173	17,845	19,018	15,960	18,532	19,018

<sup>(1)</sup> Account Value is a non-IFRS financial measure that represents the balance in an account within a universal life product to which premiums and interest are added while mortality and expense charges are subtracted.

<sup>(2)</sup> Other AUM represents third-party investors in a pool of mortgage loans.

**ASSET MANAGEMENT**

(C\$ millions)

**FINANCIAL SUMMARY**

	At and For the Quarter Ended									At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>Revenue</b>													
Net investment income (loss)	1	38	(4)	(7)	1	2	16	10	(8)	18	28	20	23
Fee income	2	1,553	1,353	1,377	1,446	1,536	1,503	1,421	1,375	1,369	5,729	5,835	5,014
<b>Total revenue</b>	3	1,591	1,349	1,370	1,447	1,538	1,519	1,431	1,367	1,387	5,757	5,855	5,037
<b>Expenses</b>	4	1,152	1,043	982	1,038	1,313	1,120	1,099	1,059	1,024	4,215	4,591	3,712
<b>Income (loss) before income taxes</b>	5	439	306	388	409	225	399	332	308	363	1,542	1,264	1,325
Income tax expense (benefit)	6	88	82	83	92	80	101	111	80	93	345	372	334
Non-controlling interest	7	29	9	9	9	5	(3)	—	(2)	3	56	—	11
<b>Common shareholders' reported net income (loss)</b>	8	322	215	296	308	140	301	221	230	267	1,141	892	980
Fair value adjustments on share-based payment awards at MFS <sup>(1)</sup>	9	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Acquisition, integration and restructuring <sup>(1)(2)</sup>	10	(26)	(117)	(18)	(15)	(195)	(18)	(17)	(17)	(20)	(176)	(247)	(56)
Other <sup>(1)(3)</sup>	11	7	—	—	—	—	—	(21)	—	—	7	(21)	—
<b>Common shareholders' underlying net income (loss) <sup>(1)</sup></b>	12	313	295	270	326	382	362	311	291	333	1,204	1,346	1,128
<b>Common shareholders' underlying net income (loss) <sup>(1)</sup></b>													
MFS	13	275	275	247	292	342	327	286	280	299	1,089	1,235	1,034
SLC Management	14	38	20	23	34	40	35	25	11	34	115	111	94
<b>Total</b>	15	313	295	270	326	382	362	311	291	333	1,204	1,346	1,128
<b>Gross flows <sup>(4)</sup></b>	16	37,380	36,434	49,640	49,427	46,986	40,682	47,164	58,231	43,390	172,881	193,063	189,985
<b>Net flows <sup>(4)(5)</sup></b>	17	(12,624)	(7,682)	279	(1,958)	8,288	1,814	716	10,274	2,790	(21,985)	21,092	17,234

**ASSETS UNDER MANAGEMENT**

MFS retail and institutional <sup>(6)</sup>	18	742,317	703,362	711,690	796,096	875,234	833,015	820,011	786,474	776,829	742,317	875,234	776,829
SLC Management institutional <sup>(4)(7)</sup>	19	209,647	208,244	193,562	184,736	183,925	175,768	168,618	159,918	115,081	209,647	183,925	115,081
<b>Total</b>	20	951,964	911,606	905,252	980,832	1,059,159	1,008,783	988,629	946,392	891,910	951,964	1,059,159	891,910

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 33 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> In Q3 2022 and Q4 2021, acquisition, integration and restructuring includes the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$80 million post-tax and \$153 million post-tax, respectively. Refer to the Notes page ii, Other Adjustments - Acquisition, Integration and Restructuring for additional details.

<sup>(3)</sup> On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, SLC Management's reported net income decreased by \$21 million on the remeasurement of deferred tax liabilities in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

<sup>(4)</sup> Effective January 1, 2021, the methodology for Assets Under Management (AUM) was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to add uncalled capital commitments not previously included. This will align SLC Management's AUM with market conventions applied across asset classes. We have updated prior period amounts for all quarters of 2020 to reflect this change in methodology. Subsequent to the fourth quarter of 2020, increases and decreases in all capital raising, including uncalled capital commitments and fund leverage, for the aforementioned products will be reflected in gross flows, outflows and net flows as applicable. Client distributions from the sale of underlying assets in closed-end funds will no longer be reported in net flows. Refer to section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2021 MD&A for additional details.

<sup>(5)</sup> Net flows are a non-IFRS financial measure that represents gross inflows less gross outflows.

<sup>(6)</sup> Retail consists of domestic and international retail funds as well as other retail and trust accounts. Institutional consists of institutional accounts, pension business and insurance products. Effective October 1, 2022, the classification of an MFS fund has changed from Institutional to Retail. Other retail and trust accounts have also been reclassified from Institutional to Retail. Prior periods have been restated.

<sup>(7)</sup> Excludes assets managed on behalf of the Insurance businesses and General Fund.

**MFS**

(US\$ millions, unless otherwise indicated)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended									At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>Revenue</b>													
Net investment income (loss)	1	22	7	(5)	(6)	1	—	4	(5)	10	18	—	27
Fee income	2	775	801	838	909	981	973	938	887	862	3,323	3,779	3,136
<b>Total revenue</b>	3	797	808	833	903	982	973	942	882	872	3,341	3,779	3,163
<b>Expenses</b>	4	514	500	542	606	668	671	681	630	610	2,162	2,650	2,221
<b>Income (loss) before income taxes</b>	5	283	308	291	297	314	302	261	252	262	1,179	1,129	942
Income tax expense (benefit)	6	60	68	63	69	80	77	70	66	68	260	293	238
<b>Common shareholders' reported net income (loss)</b>	7	223	240	228	228	234	225	191	186	194	919	836	704
Fair value adjustments on share-based payment awards at MFS <sup>(1)</sup>	8	21	28	34	(2)	(38)	(34)	(42)	(35)	(36)	81	(149)	(70)
<b>Common shareholders' underlying net income (loss) <sup>(1)</sup></b>	9	202	212	194	230	272	259	233	221	230	838	985	774

**RETAIL - CHANGES IN ASSETS UNDER MANAGEMENT (AUM) <sup>(2)(3)</sup>**

Opening AUM	10	343,706	371,234	428,085	465,384	441,216	442,468	414,820	402,352	361,391	465,384	402,352	340,118
Inflows	11	19,059	16,624	21,697	25,992	22,917	20,785	24,105	29,449	25,496	83,372	97,256	105,754
Outflows	12	(27,328)	(22,212)	(28,432)	(28,970)	(22,155)	(20,635)	(22,244)	(26,698)	(21,367)	(106,942)	(91,732)	(88,194)
Market movement	13	31,839	(21,940)	(50,116)	(34,321)	23,406	(1,402)	25,787	9,717	36,832	(74,538)	57,508	44,674
Closing AUM	14	367,276	343,706	371,234	428,085	465,384	441,216	442,468	414,820	402,352	367,276	465,384	402,352

**INSTITUTIONAL - CHANGES IN ASSETS UNDER MANAGEMENT <sup>(2)(3)</sup>**

Opening AUM	15	165,018	181,664	208,843	227,377	215,839	219,151	211,453	207,883	186,791	227,377	207,883	187,254
Inflows	16	3,955	4,986	10,015	6,113	4,745	5,961	5,282	6,428	5,520	25,069	22,416	27,086
Outflows	17	(7,577)	(9,696)	(8,743)	(8,579)	(6,666)	(8,293)	(12,736)	(9,461)	(8,181)	(34,595)	(37,156)	(31,566)
Market movement	18	19,204	(11,936)	(28,451)	(16,068)	13,459	(980)	15,152	6,603	23,753	(37,251)	34,234	25,109
Closing AUM	19	180,600	165,018	181,664	208,843	227,377	215,839	219,151	211,453	207,883	180,600	227,377	207,883

**SUPPLEMENTAL INFORMATION**

Pre-tax net operating margin <sup>(4)</sup>	20	40%	41%	36%	39%	43%	42%	39%	39%	41%	39%	41%	39%
Pre-tax gross operating margin <sup>(5)</sup>	21	35%	36%	32%	34%	38%	36%	34%	34%	36%	34%	36%	34%
Total assets under management	22	547,876	508,724	552,898	636,928	692,761	657,055	661,619	626,273	610,235	547,876	692,761	610,235
Average net assets	23	540,507	560,929	592,064	647,107	680,590	675,546	655,090	619,288	577,616	584,793	657,846	525,411
Total gross flows	24	23,014	21,610	31,712	32,105	27,662	26,746	29,387	35,877	31,016	108,441	119,672	132,840
Total net flows <sup>(6)</sup>	25	(11,891)	(10,298)	(5,463)	(5,444)	(1,159)	(2,182)	(5,593)	(282)	1,468	(33,096)	(9,216)	13,080
Dividends paid to SLF	26	176	183	168	200	236	226	205	194	201	727	861	680

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 35 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> Effective January 1, 2022, certain components of Other AUM were renamed to "Retail" and "Institutional and managed funds" to align with market naming conventions. Previously, these components were referred to as Mutual funds and Managed funds, respectively, in our interim and annual MD&A. While labeling changes have modified certain terminology, the composition of these components has not been affected. Retail consists of domestic and international retail funds as well as other retail and trust accounts. Institutional consists of institutional accounts, pension business and insurance products.

<sup>(3)</sup> Effective October 1, 2022, the classification of an MFS fund has changed from Institutional to Retail. Other retail and trust accounts have also been reclassified from Institutional to Retail. Prior periods have been restated.

<sup>(4)</sup> Pre-tax net operating margin is a measure of the profitability of MFS, which excludes the impact of fair value adjustments on MFS' share-based payment awards and certain commission expenses that are offsetting. Refer to the MFS margin reconciliations on page 36 of this document as well as Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 2. Additional Non-IFRS Measures of the Company's Q2 and Q3 2022 MD&A for additional details.

<sup>(5)</sup> Pre-tax gross operating margin is a non-IFRS financial measure that represents the profitability of MFS. This ratio excludes the impact of fair value adjustments on MFS' share-based payment awards. Refer to the MFS margin reconciliations on page 36 of this document.

<sup>(6)</sup> Total net flows are a non-IFRS financial measure that represents the combined retail and institutional funds gross inflows less gross outflows.

**SLC MANAGEMENT**

(C\$ millions, unless otherwise indicated)

**FINANCIAL SUMMARY**
**Revenue <sup>(1)</sup>**

	For the Quarter Ended									For the Year Ended		
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
Net investment income (loss)	5	(14)	—	10	(1)	17	5	(2)	7	1	19	(12)
Fee income	501	310	307	294	300	278	269	252	245	1,412	1,099	816
<b>Total revenue</b>	<b>506</b>	<b>296</b>	<b>307</b>	<b>304</b>	<b>299</b>	<b>295</b>	<b>274</b>	<b>250</b>	<b>252</b>	<b>1,413</b>	<b>1,118</b>	<b>804</b>
<b>Expenses <sup>(1)</sup></b>	<b>452</b>	<b>391</b>	<b>290</b>	<b>272</b>	<b>470</b>	<b>277</b>	<b>262</b>	<b>262</b>	<b>230</b>	<b>1,405</b>	<b>1,271</b>	<b>739</b>
<b>Income (loss) before income taxes</b>	<b>54</b>	<b>(95)</b>	<b>17</b>	<b>32</b>	<b>(171)</b>	<b>18</b>	<b>12</b>	<b>(12)</b>	<b>22</b>	<b>8</b>	<b>(153)</b>	<b>65</b>
Income tax expense (benefit)	6	(7)	4	4	(21)	4	25	(4)	5	7	4	16
Non-controlling interest <sup>(1)</sup>	29	9	8	9	5	(3)	—	(2)	3	55	—	11
<b>Common shareholders' reported net income (loss)</b>	<b>19</b>	<b>(97)</b>	<b>5</b>	<b>19</b>	<b>(155)</b>	<b>17</b>	<b>(13)</b>	<b>(6)</b>	<b>14</b>	<b>(54)</b>	<b>(157)</b>	<b>38</b>
Acquisition, integration and restructuring <sup>(2)(3)</sup>	(26)	(117)	(18)	(15)	(195)	(18)	(17)	(17)	(20)	(176)	(247)	(56)
Other <sup>(2)(4)</sup>	7	—	—	—	—	—	(21)	—	—	7	(21)	—
<b>Common shareholders' underlying net income (loss) <sup>(2)</sup></b>	<b>38</b>	<b>20</b>	<b>23</b>	<b>34</b>	<b>40</b>	<b>35</b>	<b>25</b>	<b>11</b>	<b>34</b>	<b>115</b>	<b>111</b>	<b>94</b>

**SUPPLEMENTARY INCOME STATEMENT <sup>(5)</sup>**
**Fee-related revenue**

Management fees	234	218	209	201	204	195	182	174	143	862	755	440
Property management, transaction, advisory and other fees	32	25	33	25	37	28	30	18	45	115	113	122
<b>Total fee-related revenue</b>	<b>266</b>	<b>243</b>	<b>242</b>	<b>226</b>	<b>241</b>	<b>223</b>	<b>212</b>	<b>192</b>	<b>188</b>	<b>977</b>	<b>868</b>	<b>562</b>
<b>Fee-related expenses</b>												
Compensation - fee-related	141	130	138	128	127	118	110	112	97	537	467	294
Other operating expenses	52	55	52	44	54	53	56	41	35	203	204	108
<b>Total fee-related expenses</b>	<b>193</b>	<b>185</b>	<b>190</b>	<b>172</b>	<b>181</b>	<b>171</b>	<b>166</b>	<b>153</b>	<b>132</b>	<b>740</b>	<b>671</b>	<b>402</b>
<b>Total fee-related earnings</b>	<b>73</b>	<b>58</b>	<b>52</b>	<b>54</b>	<b>60</b>	<b>52</b>	<b>46</b>	<b>39</b>	<b>56</b>	<b>237</b>	<b>197</b>	<b>160</b>
Investment income (loss) and performance fees	13	—	—	11	15	17	4	(2)	7	24	34	16
Interest and other	(21)	(16)	(7)	(6)	(11)	(7)	(4)	(13)	(9)	(50)	(35)	(24)
<b>Operating income</b>	<b>65</b>	<b>42</b>	<b>45</b>	<b>59</b>	<b>64</b>	<b>62</b>	<b>46</b>	<b>24</b>	<b>54</b>	<b>211</b>	<b>196</b>	<b>152</b>
Placement fees - other	(4)	(4)	—	—	—	15	6	6	—	(8)	27	—
Amortization of intangibles	10	10	10	10	10	11	9	10	6	40	40	23
Acquisition, integration and restructuring	24	131	18	17	225	18	19	20	26	190	282	64
<b>Income (loss) before income taxes</b>	<b>35</b>	<b>(95)</b>	<b>17</b>	<b>32</b>	<b>(171)</b>	<b>18</b>	<b>12</b>	<b>(12)</b>	<b>22</b>	<b>(11)</b>	<b>(153)</b>	<b>65</b>
Income tax expense (benefit)	6	(7)	4	4	(21)	4	25	(4)	5	7	4	16
Non-controlling interest	10	9	8	9	5	(3)	—	(2)	3	36	—	11
<b>Common shareholders' reported net income (loss)</b>	<b>19</b>	<b>(97)</b>	<b>5</b>	<b>19</b>	<b>(155)</b>	<b>17</b>	<b>(13)</b>	<b>(6)</b>	<b>14</b>	<b>(54)</b>	<b>(157)</b>	<b>38</b>
Acquisition, integration and restructuring <sup>(2)(3)</sup>	(26)	(117)	(18)	(15)	(195)	(18)	(17)	(17)	(20)	(176)	(247)	(56)
Other <sup>(2)(4)</sup>	7	—	—	—	—	—	(21)	—	—	7	(21)	—
<b>Common shareholders' underlying net income (loss) <sup>(2)</sup></b>	<b>38</b>	<b>20</b>	<b>23</b>	<b>34</b>	<b>40</b>	<b>35</b>	<b>25</b>	<b>11</b>	<b>34</b>	<b>115</b>	<b>111</b>	<b>94</b>
Pre-tax fee-related earnings margin <sup>(6)</sup>	24 %	24 %	23 %	23 %	22 %	23 %	25 %	26 %	28 %	24 %	22 %	28 %
Pre-tax net operating margin <sup>(7)</sup>	21 %	22 %	24 %	24 %	22 %	23 %	21 %	23 %	26 %	21 %	22 %	26 %

<sup>(1)</sup> Under IFRS, Crescent is required to consolidate carried interest related to pre-acquisition funds that Crescent does not participate in economically. The carried interest is reported under revenue with relevant portions to compensation expenses and non-controlling interest. For management reporting purposes, carried interest is reported on a net basis in order to reflect the true economics of the carried interest.

<sup>(2)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 33 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Financial Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(3)</sup> In Q3 2022 and Q4 2021, acquisition, integration and restructuring includes the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$80 million post-tax and \$153 million post-tax, respectively. Refer to the Notes page ii, Other Adjustments - Acquisition, Integration and Restructuring for additional details.

<sup>(4)</sup> On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, SLC Management's reported net income decreased by \$21 million on the remeasurement of deferred tax liabilities in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

<sup>(5)</sup> Certain measures of this Supplementary Income Statement are non-IFRS financial measures. Refer to SLC Management Reported Net Income Reconciliation and Non-IFRS Financial Measures Glossary on pages 37 and 38, respectively.

<sup>(6)</sup> Pre-tax fee-related earnings margin represents SLC Management's profitability in relation to funds that earn recurring fee revenues, while excluding investment income and performance fees. The ratio is calculated by dividing fee-related earnings by fee-related revenues and is based on the last twelve months. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details.

<sup>(7)</sup> Pre-tax net operating margin represents a measure of SLC Management's profitability. The ratio is calculated by dividing the total operating income by fee-related revenue plus investment income (loss) and performance fees, and is based on the last twelve months. Refer to Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details.

**SLC MANAGEMENT CONTINUED**

(C\$ millions)

	For the Quarter Ended									For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>ASSETS UNDER MANAGEMENT <sup>(1)</sup></b>	1	209,647	208,244	193,562	184,736	183,925	175,768	168,618	159,918	115,081	209,647	183,925	115,081
<b>CHANGES IN ASSETS UNDER MANAGEMENT (AUM)</b>													
Opening AUM	2	208,244	193,562	184,736	183,925	175,768	168,618	159,918	115,081	115,365	183,925	115,081	83,972
Inflows	3	6,136	8,248	9,176	8,757	12,119	7,012	11,058	12,802	2,956	32,317	42,991	11,702
Outflows	4	(2,616)	(2,499)	(1,926)	(3,818)	(2,370)	(2,450)	(3,470)	(2,172)	(2,080)	(10,859)	(10,462)	(12,160)
Realizations and distributions <sup>(2)</sup>	5	(1,088)	(1,035)	(1,574)	(859)	(2,617)	(619)	(2,137)	(992)	—	(4,556)	(6,365)	—
Market movement and other <sup>(3)</sup>	6	(1,029)	9,968	3,150	(3,269)	1,025	3,207	3,249	35,199	(1,160)	8,820	42,680	31,567
Closing AUM	7	209,647	208,244	193,562	184,736	183,925	175,768	168,618	159,918	115,081	209,647	183,925	115,081
<b>CHANGES IN FEE EARNING AUM <sup>(4)</sup></b>													
Opening fee earning AUM	8	162,886	150,062	146,053	147,941	140,046	133,552	125,881	97,582		147,941	97,582	
Inflows	9	7,899	10,158	6,758	8,168	13,496	6,675	9,319	7,826		32,983	37,316	
Outflows	10	(2,103)	(1,320)	(1,774)	(2,616)	(2,028)	(1,889)	(1,700)	(2,027)		(7,813)	(7,644)	
Realizations and distributions <sup>(2)</sup>	11	(2,009)	(1,775)	(1,901)	(1,176)	(3,372)	(1,874)	(2,878)	(1,919)		(6,861)	(10,043)	
Market movement and other <sup>(3)</sup>	12	(2,235)	5,761	926	(6,264)	(201)	3,582	2,930	24,419		(1,812)	30,730	
Closing fee earning AUM	13	164,438	162,886	150,062	146,053	147,941	140,046	133,552	125,881		164,438	147,941	
<b>SUPPLEMENTAL INFORMATION <sup>(5)</sup></b>													
Capital raising	14	3,001	3,796	5,697	5,674	6,574	5,024	6,369	9,404		18,168	27,371	
Deployment	15	6,863	9,490	6,961	6,888	10,948	6,537	9,275	9,878		30,202	36,638	
AUM not yet earning fees	16	21,028	21,595	20,783	18,281	18,237	17,619	17,275	11,069		21,028	18,237	

<sup>(1)</sup> Effective January 1, 2021, the methodology for Assets Under Management (AUM) was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to add uncalled capital commitments not previously included. This will align SLC Management's AUM with market conventions applied across asset classes. We have updated prior period amounts for all quarters of 2020 to reflect this change in methodology. Subsequent to the fourth quarter of 2020, increases and decreases in all capital raising, including uncalled capital commitments and fund leverage, for the aforementioned products will be reflected in gross flows, outflows and net flows as applicable. Client distributions from the sale of underlying assets in closed-end funds will no longer be reported in net flows. Refer to section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2021 MD&A for additional details.

<sup>(2)</sup> Realizations represent proceeds from the disposition or other monetization of assets, with capital returned to investors or held in non-fee earning cash to be deployed in the regular course of a product life cycle. Distributions include regular course income from an investment product, including dividends, where payments are initiated by SLC Management. Prior to the first quarter of 2021, realizations and distributions were included in net flows.

<sup>(3)</sup> Market movement and other consists of realized and unrealized gains (losses) on portfolio investments, the impact of foreign exchange rate fluctuations, working capital changes within investment products and the transfer in of acquired assets.

<sup>(4)</sup> Fee earning AUM is a non-IFRS measure. Refer to the Non-IFRS Financial Measures Glossary on page 38 as well as Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details.

<sup>(5)</sup> The Supplemental Information measures are non-IFRS financial measures. Refer to the Non-IFRS Financial Measures Glossary on page 38 as well as Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A for additional details.

ASIA

(C\$ millions)

STATEMENTS OF OPERATIONS

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	1,081	860	869	753	777	648	1,365	805	1,719	3,563	3,595	4,962
Ceded premiums	(45)	(47)	(51)	(46)	(56)	(52)	(48)	(45)	(58)	(189)	(201)	(212)
Net premiums	1,036	813	818	707	721	596	1,317	760	1,661	3,374	3,394	4,750
Net investment income (loss)	645	(1,018)	(1,419)	(1,450)	774	23	1,085	(822)	762	(3,242)	1,060	2,550
Fee income	159	159	148	154	170	157	155	160	156	620	642	572
<b>Total revenue</b>	<b>1,840</b>	<b>(46)</b>	<b>(453)</b>	<b>(589)</b>	<b>1,665</b>	<b>776</b>	<b>2,557</b>	<b>98</b>	<b>2,579</b>	<b>752</b>	<b>5,096</b>	<b>7,872</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	615	482	468	417	414	421	378	356	445	1,982	1,569	1,668
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	662	(1,071)	(1,469)	(1,523)	317	(291)	1,554	(832)	1,510	(3,401)	748	4,035
Operating expenses, commissions and premium taxes	460	466	430	375	438	348	454	373	477	1,731	1,613	1,559
Interest expense	19	20	18	17	17	17	15	16	14	74	65	56
Reinsurance expenses (recoveries)	(40)	(36)	(48)	(44)	(43)	(45)	(37)	(32)	(53)	(168)	(157)	(181)
<b>Total policy benefits and expenses</b>	<b>1,716</b>	<b>(139)</b>	<b>(601)</b>	<b>(758)</b>	<b>1,143</b>	<b>450</b>	<b>2,364</b>	<b>(119)</b>	<b>2,393</b>	<b>218</b>	<b>3,838</b>	<b>7,137</b>
<b>Income (loss) before income taxes</b>	<b>124</b>	<b>93</b>	<b>148</b>	<b>169</b>	<b>522</b>	<b>326</b>	<b>193</b>	<b>217</b>	<b>186</b>	<b>534</b>	<b>1,258</b>	<b>735</b>
Income tax expense (benefit)	22	1	22	18	80	12	12	9	24	63	113	54
Participating policyholders' net income (loss)	4	(33)	(5)	(10)	(4)	26	38	10	30	(44)	70	87
<b>Common shareholders' reported net income (loss)</b>	<b>98</b>	<b>125</b>	<b>131</b>	<b>161</b>	<b>446</b>	<b>288</b>	<b>143</b>	<b>198</b>	<b>132</b>	<b>515</b>	<b>1,075</b>	<b>594</b>
Market related impacts <sup>(1)</sup>	(88)	8	(11)	9	23	13	(11)	36	3	(82)	61	(77)
Assumption changes and management actions <sup>(1)</sup>	17	(58)	—	1	(2)	132	2	3	21	(40)	135	99
Acquisition, integration and restructuring <sup>(1)(2)</sup>	—	—	(6)	(1)	295	(2)	—	—	(8)	(7)	293	(7)
Other <sup>(1)(3)</sup>	17	—	—	—	—	—	—	—	—	17	—	—
<b>Common shareholders' underlying net income (loss) <sup>(1)</sup></b>	<b>152</b>	<b>175</b>	<b>148</b>	<b>152</b>	<b>130</b>	<b>145</b>	<b>152</b>	<b>159</b>	<b>116</b>	<b>627</b>	<b>586</b>	<b>579</b>
Return on equity - reported	5.5 %	7.3 %	8.0 %	10.1 %	27.7 %	18.5 %	9.4 %	13.0 %	8.5 %	7.7 %	17.4 %	10.1 %
Return on equity - underlying	8.6 %	10.2 %	9.1 %	9.5 %	8.0 %	9.3 %	10.1 %	10.5 %	7.4 %	9.3 %	9.5 %	9.8 %

SALES - Proportionate ownership <sup>(4)</sup>

Individual insurance

Local Markets	258	237	208	226	239	177	172	231	203	929	819	660
International Hubs	101	88	82	71	95	58	146	101	192	342	400	574
<b>Total individual insurance sales</b>	<b>359</b>	<b>325</b>	<b>290</b>	<b>297</b>	<b>334</b>	<b>235</b>	<b>318</b>	<b>332</b>	<b>395</b>	<b>1,271</b>	<b>1,219</b>	<b>1,234</b>
<b>Total group insurance sales</b>	<b>17</b>	<b>19</b>	<b>15</b>	<b>22</b>	<b>11</b>	<b>12</b>	<b>5</b>	<b>11</b>	<b>6</b>	<b>73</b>	<b>39</b>	<b>29</b>
<b>Total wealth sales <sup>(5)</sup></b>	<b>1,790</b>	<b>2,531</b>	<b>3,298</b>	<b>3,521</b>	<b>4,046</b>	<b>4,125</b>	<b>4,024</b>	<b>3,296</b>	<b>3,380</b>	<b>11,140</b>	<b>15,491</b>	<b>10,937</b>

ASSETS UNDER MANAGEMENT AND ADMINISTRATION <sup>(6)(7)</sup>

Local Markets	57,673	55,657	53,385	54,547	53,576	59,464	54,606	52,522	52,741	57,673	53,576	52,741
International Hubs	54,780	52,908	52,366	53,259	56,579	56,104	56,400	53,253	53,012	54,780	56,579	53,012
<b>Total assets under management</b>	<b>112,453</b>	<b>108,565</b>	<b>105,751</b>	<b>107,806</b>	<b>110,155</b>	<b>115,568</b>	<b>111,006</b>	<b>105,775</b>	<b>105,753</b>	<b>112,453</b>	<b>110,155</b>	<b>105,753</b>
Assets under administration	4,574	4,329	4,326	4,402	5,146	5,291	5,172	5,377	5,423	4,574	5,146	5,423
<b>Total assets under management and administration</b>	<b>117,027</b>	<b>112,894</b>	<b>110,077</b>	<b>112,208</b>	<b>115,301</b>	<b>120,859</b>	<b>116,178</b>	<b>111,152</b>	<b>111,176</b>	<b>117,027</b>	<b>115,301</b>	<b>111,176</b>

CONSTANT CURRENCY SALES <sup>(8)</sup>

Individual insurance	358	334
Group insurance	17	11
<b>Wealth</b>	<b>1,769</b>	<b>4,046</b>

<sup>(1)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 34 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(2)</sup> In Q4 2021, acquisition, integration and restructuring includes the \$297 million post-tax realized gains on the IPO of our India asset management joint venture, Aditya Birla Sun Life Asset Management Company Limited.

<sup>(3)</sup> In Q4 2022, other reflects the unwinding of an internal reinsurance agreement that was offset in Corporate.

<sup>(4)</sup> Sales include the sales in the Company's joint ventures and associates with local partners in Asia based on our proportionate equity interest.

<sup>(5)</sup> Wealth sales include Hong Kong wealth sales, the Philippines mutual and managed funds sales, China individual wealth sales, India group wealth sales, and Aditya Birla Sun Life Asset Management Company Limited equity and fixed income mutual funds sales, based on our proportionate equity interest.

<sup>(6)</sup> Assets under management include the general fund assets and segregated fund assets of our insurance businesses, the Philippines mutual and managed funds, Aditya Birla Sun Life Asset Management Company Limited AUM, Sun Life Everbright Asset Management AUM, Hong Kong managed funds and International Wealth assets, based on our proportionate equity interest.

<sup>(7)</sup> Assets under administration represent third-party administrative services assets in China and Hong Kong based on our proportionate equity interest.

<sup>(8)</sup> Q4 2022 sales in constant currency are relative to Q4 2021 foreign exchange rates.



**ASIA - LOCAL MARKETS**

(C\$ millions)

**STATEMENTS OF OPERATIONS**

	At and For the Quarter Ended									At and For the Year Ended		
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	426	220	213	207	215	174	174	184	190	1,066	747	640
Ceded premiums	(7)	(8)	(7)	(8)	(8)	(7)	(6)	(6)	(7)	(30)	(27)	(27)
Net premiums	419	212	206	199	207	167	168	178	183	1,036	720	613
Net investment income (loss)	53	25	(154)	(72)	450	59	142	(150)	109	(148)	501	529
Fee income	61	64	67	69	76	67	67	71	70	261	281	251
<b>Total revenue</b>	<b>533</b>	<b>301</b>	<b>119</b>	<b>196</b>	<b>733</b>	<b>293</b>	<b>377</b>	<b>99</b>	<b>362</b>	<b>1,149</b>	<b>1,502</b>	<b>1,393</b>
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	101	72	66	74	97	110	85	83	96	313	375	327
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	143	(62)	(232)	(157)	(37)	(90)	28	(266)	11	(308)	(365)	145
Operating expenses, commissions and premium taxes	226	221	213	190	227	174	200	186	183	850	787	609
Interest expense	9	8	6	7	6	7	5	6	4	30	24	20
Reinsurance expenses (recoveries)	(5)	(4)	(4)	(5)	(6)	(8)	(2)	(4)	(6)	(18)	(20)	(14)
Total policy benefits and expenses	474	235	49	109	287	193	316	5	288	867	801	1,087
<b>Income (loss) before income taxes</b>	<b>59</b>	<b>66</b>	<b>70</b>	<b>87</b>	<b>446</b>	<b>100</b>	<b>61</b>	<b>94</b>	<b>74</b>	<b>282</b>	<b>701</b>	<b>306</b>
Income tax expense (benefit)	23	14	21	14	72	8	6	7	16	72	93	41
<b>Common shareholders' reported net income (loss)</b>	<b>36</b>	<b>52</b>	<b>49</b>	<b>73</b>	<b>374</b>	<b>92</b>	<b>55</b>	<b>87</b>	<b>58</b>	<b>210</b>	<b>608</b>	<b>265</b>

**SALES - Proportionate ownership <sup>(1)</sup>**

## Individual insurance

Philippines	82	64	58	54	69	61	56	58	76	258	244	215
Indonesia	22	17	18	18	25	16	12	19	20	75	72	70
India	66	55	35	65	49	48	27	61	46	221	185	162
China	23	30	34	39	44	25	27	43	32	126	139	123
Malaysia	17	22	20	13	15	12	13	15	15	72	55	54
Vietnam	48	49	43	37	37	15	37	35	14	177	124	36
Total individual insurance sales	258	237	208	226	239	177	172	231	203	929	819	660

**ASSETS UNDER MANAGEMENT AND ADMINISTRATION <sup>(2)(3)</sup>**

General funds	7,092	6,880	6,668	6,600	6,876	6,680	6,558	6,675	7,138	7,092	6,876	7,138
Segregated funds	4,428	4,006	4,023	4,537	4,531	4,325	4,226	4,061	4,332	4,428	4,531	4,332
Other AUM	46,153	44,771	42,694	43,410	42,169	48,459	43,822	41,786	41,271	46,153	42,169	41,271
Total assets under management	57,673	55,657	53,385	54,547	53,576	59,464	54,606	52,522	52,741	57,673	53,576	52,741
Assets under administration	3,297	3,100	3,082	3,080	3,446	3,279	3,049	3,013	3,035	3,297	3,446	3,035
Total assets under management and administration	60,970	58,757	56,467	57,627	57,022	62,743	57,655	55,535	55,776	60,970	57,022	55,776

**CONSTANT CURRENCY SALES <sup>(4)</sup>**

Philippines	86	69
Indonesia	22	25
India	67	49
China	24	44
Malaysia	17	15
Vietnam	48	37
Total individual insurance sales	264	239

<sup>(1)</sup> Sales include the sales in the Company's joint ventures and associates with local partners in Asia based on our proportionate equity interest.

<sup>(2)</sup> Assets under management include the general fund assets and segregated fund assets of our insurance businesses, the Philippines mutual and managed funds, Aditya Birla Sun Life Asset Management Company Limited AUM and Sun Life Everbright Asset Management AUM in other AUM, based on our proportionate equity interest.

<sup>(3)</sup> Assets under administration represent third-party administrative services assets in China based on our proportionate equity interest.

<sup>(4)</sup> Q4 2022 sales in constant currency are relative to Q4 2021 foreign exchange rates.

**ASIA - INTERNATIONAL HUBS**

(C\$ millions)

**STATEMENTS OF OPERATIONS**
**Revenue**

Gross premiums	Ceded premiums	Net premiums	Net investment income (loss)	Fee income
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**Total revenue**
**Policy benefits and expenses**

Gross claims & benefits paid	Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	Operating expenses, commissions and premium taxes	Interest expense	Reinsurance expenses (recoveries)	Total policy benefits and expenses
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**Income (loss) before income taxes**

Income tax expense (benefit)	Participating policyholders' net income (loss)
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**Common shareholders' reported net income (loss)**

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	655	640	656	546	562	474	1,191	621	1,529	2,497	2,848	4,322
2	(38)	(39)	(44)	(38)	(48)	(45)	(42)	(39)	(51)	(159)	(174)	(185)
3	617	601	612	508	514	429	1,149	582	1,478	2,338	2,674	4,137
4	592	(1,043)	(1,265)	(1,378)	324	(36)	943	(672)	653	(3,094)	559	2,021
5	98	95	81	85	94	90	88	89	86	359	361	321
6	1,307	(347)	(572)	(785)	932	483	2,180	(1)	2,217	(397)	3,594	6,479
7	514	410	402	343	317	311	293	273	349	1,669	1,194	1,341
8	519	(1,009)	(1,237)	(1,366)	354	(201)	1,526	(566)	1,499	(3,093)	1,113	3,890
9	234	245	217	185	211	174	254	187	294	881	826	950
10	10	12	12	10	11	10	10	10	10	44	41	36
11	(35)	(32)	(44)	(39)	(37)	(37)	(35)	(28)	(47)	(150)	(137)	(167)
12	1,242	(374)	(650)	(867)	856	257	2,048	(124)	2,105	(649)	3,037	6,050
13	65	27	78	82	76	226	132	123	112	252	557	429
14	(1)	(13)	1	4	8	4	6	2	8	(9)	20	13
15	4	(33)	(5)	(10)	(4)	26	38	10	30	(44)	70	87
16	62	73	82	88	72	196	88	111	74	305	467	329

**SALES**

## Individual insurance

Hong Kong	International	Singapore	Total individual insurance sales
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17	69	55	42	42	78	42	58	80	155	208	258	428
18	29	23	32	21	14	13	88	21	37	105	136	146
19	3	10	8	8	3	3	—	—	—	29	6	—
20	101	88	82	71	95	58	146	101	192	342	400	574

**ASSETS UNDER MANAGEMENT AND ADMINISTRATION<sup>(1)(2)</sup>**

General funds	Segregated funds	Other AUM	Total assets under management	Assets under administration	Total assets under management and administration
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21	29,980	30,016	28,785	29,301	30,785	30,625	30,442	28,921	29,276	29,980	30,785	29,276
22	2,683	2,589	2,670	2,764	3,078	2,975	2,993	2,874	2,879	2,683	3,078	2,879
23	22,117	20,303	20,911	21,194	22,716	22,504	22,965	21,458	20,857	22,117	22,716	20,857
24	54,780	52,908	52,366	53,259	56,579	56,104	56,400	53,253	53,012	54,780	56,579	53,012
25	1,277	1,229	1,244	1,322	1,700	2,012	2,123	2,364	2,388	1,277	1,700	2,388
26	56,057	54,137	53,610	54,581	58,279	58,116	58,523	55,617	55,400	56,057	58,279	55,400

**CONSTANT CURRENCY SALES<sup>(3)</sup>**

Hong Kong	International	Singapore	Total individual insurance sales
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27	64	78
28	27	14
29	3	3
30	94	95

<sup>(1)</sup> Other AUM includes Hong Kong managed funds and International Wealth assets.

<sup>(2)</sup> Assets under administration represent third-party administrative services assets in Hong Kong.

<sup>(3)</sup> Q4 2022 sales in constant currency are relative to Q4 2021 foreign exchange rates.

**CORPORATE** <sup>(1)</sup>

(C\$ millions)

**STATEMENTS OF OPERATIONS** <sup>(2)</sup>**Revenue**

Premiums - life insurance  
 Premiums - health insurance  
 Premiums - annuities

Gross premiums

Ceded premiums

Net premiums

Net investment income (loss)

Fee income

**Total revenue****Policy benefits and expenses**

Gross claims &amp; benefits paid

Change in insurance/investment contract liabilities, reinsurance assets &amp; segregated funds

Operating expenses, commissions and premium taxes

Interest expense

Reinsurance expenses (recoveries)

Total policy benefits and expenses

**Income (loss) before income taxes**

Income tax expense (benefit)

Dividends on preferred shares and distributions on other equity instruments

**Common shareholders' reported net income (loss)**Market related impacts <sup>(3)</sup>Assumption changes and management actions <sup>(3)</sup>Acquisition, integration and restructuring <sup>(3)</sup>Other <sup>(3)(4)</sup>**Common shareholders' underlying net income (loss)** <sup>(3)</sup>**ASSETS UNDER MANAGEMENT**

General funds

Segregated funds

Other AUM <sup>(5)</sup>

Total

	At and For the Quarter Ended								At and For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1	2	21	20	17	21	22	20	20	23	60	83	85
2	1	1	2	—	6	6	7	8	6	4	27	22
3	3	(1)	4	3	2	3	5	4	14	9	14	27
4	6	21	26	20	29	31	32	32	43	73	124	134
5	(4)	(1)	(5)	(4)	(3)	(4)	(3)	(4)	(3)	(14)	(14)	(15)
6	2	20	21	16	26	27	29	28	40	59	110	119
7	176	(533)	(448)	(398)	166	(29)	161	(360)	220	(1,203)	(62)	712
8	(56)	(59)	(49)	(46)	(43)	(41)	(41)	(42)	(44)	(210)	(167)	(173)
9	122	(572)	(476)	(428)	149	(43)	149	(374)	216	(1,354)	(119)	658
10	130	98	106	148	125	131	124	146	134	482	526	532
11	2	(648)	(545)	(517)	6	(181)	36	(550)	23	(1,708)	(689)	(49)
12	57	179	5	38	114	43	37	169	103	279	363	272
13	4	(3)	(1)	1	(16)	(16)	(12)	(12)	(5)	1	(56)	(35)
14	4	(4)	—	(3)	1	(6)	1	(4)	(4)	(3)	(8)	(13)
15	197	(378)	(435)	(333)	230	(29)	186	(251)	251	(949)	136	707
16	(75)	(194)	(41)	(95)	(81)	(14)	(37)	(123)	(35)	(405)	(255)	(49)
17	(149)	(34)	(40)	(70)	(164)	(28)	(35)	(39)	(61)	(293)	(266)	1
18	20	18	14	18	32	23	23	23	24	70	101	94
19	54	(178)	(15)	(43)	51	(9)	(25)	(107)	2	(182)	(90)	(144)
20	59	(17)	9	8	3	(3)	(6)	5	—	59	(1)	—
21	—	46	—	—	—	(1)	—	1	—	46	—	39
22	—	—	—	—	—	—	6	(57)	(20)	—	(51)	(48)
23	34	(170)	—	—	—	—	10	—	—	(136)	10	—
24	(39)	(37)	(24)	(51)	48	(5)	(35)	(56)	22	(151)	(48)	(135)
25	8,670	9,004	10,118	12,993	13,799	11,792	13,167	12,283	13,611	8,670	13,799	13,611
26	8,702	8,126	8,548	9,784	10,722	10,533	10,670	10,597	10,675	8,702	10,722	10,675
27	(31,437)	(30,099)	(29,531)	(30,439)	(32,099)	(31,849)	(30,808)	(29,620)	(27,782)	(31,437)	(32,099)	(27,782)
28	(14,065)	(12,969)	(10,865)	(7,662)	(7,578)	(9,524)	(6,971)	(6,740)	(3,496)	(14,065)	(7,578)	(3,496)

<sup>(1)</sup> Corporate is comprised of our UK business and Corporate Support operations, which consist of the expenses, debt charges, investment income, capital and other items not allocated to Sun Life's other business segments, as well as the Company's Run-off Reinsurance and Reinsurance Clearinghouse businesses.

<sup>(2)</sup> Corporate's Statements of Operations include consolidation adjustments for net investment income, fee income, operating expenses, commissions and interest expense relating to activities that cross business groups.

<sup>(3)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on page 34 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(4)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$51 million in the fourth quarter. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. There was also an unwinding of an internal reinsurance agreement that was offset in Asia. In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale. On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, UK's reported net income increased by \$10 million on the remeasurement of deferred tax assets in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

<sup>(5)</sup> Other AUM includes consolidation adjustments for assets managed by one area of the Company on behalf of another.

**CORPORATE**

(C\$ millions)

**STATEMENTS OF OPERATIONS - United Kingdom (UK)**

	For the Quarter Ended								For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Revenue</b>												
Gross premiums	12	9	15	11	15	15	17	17	27	47	64	80
Ceded premiums	(4)	(2)	(4)	(3)	(3)	(4)	(4)	(3)	(4)	(13)	(14)	(15)
Net premiums	8	7	11	8	12	11	13	14	23	34	50	65
Net investment income (loss)	136	(507)	(416)	(363)	148	(42)	152	(343)	199	(1,150)	(85)	559
Fee income	24	22	29	27	27	29	26	27	27	102	109	101
<b>Total revenue</b>	168	(478)	(376)	(328)	187	(2)	191	(302)	249	(1,014)	74	725
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	99	89	101	107	106	121	107	116	124	396	450	467
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	19	(629)	(519)	(483)	16	(179)	39	(502)	44	(1,612)	(626)	(50)
Operating expenses, commissions and premium taxes	20	192	20	25	46	25	26	27	37	257	124	119
Reinsurance expenses (recoveries)	2	(4)	(2)	(2)	(4)	(2)	(1)	(3)	(4)	(6)	(10)	(12)
Total policy benefits and expenses	140	(352)	(400)	(353)	164	(35)	171	(362)	201	(965)	(62)	524
<b>Income (loss) before income taxes</b>	28	(126)	24	25	23	33	20	60	48	(49)	136	201
Income tax expense (benefit)	13	(19)	(14)	(15)	—	3	(5)	(3)	5	(35)	(5)	8
<b>Common shareholders' reported net income (loss)</b>	15	(107)	38	40	23	30	25	63	43	(14)	141	193

**STATEMENTS OF OPERATIONS - Corporate Support<sup>(1)</sup>**

<b>Revenue</b>												
Gross premiums	(6)	12	11	9	14	16	15	15	16	26	60	54
Ceded premiums	—	1	(1)	(1)	—	—	1	(1)	1	(1)	—	—
Net premiums	(6)	13	10	8	14	16	16	14	17	25	60	54
Net investment income (loss)	40	(26)	(32)	(35)	18	13	9	(17)	21	(53)	23	153
Fee income	(80)	(81)	(78)	(73)	(70)	(70)	(67)	(69)	(71)	(312)	(276)	(274)
<b>Total revenue</b>	(46)	(94)	(100)	(100)	(38)	(41)	(42)	(72)	(33)	(340)	(193)	(67)
<b>Policy benefits and expenses</b>												
Gross claims & benefits paid	31	9	5	41	19	10	17	30	10	86	76	65
Change in insurance/investment contract liabilities, reinsurance assets & segregated funds	(17)	(19)	(26)	(34)	(10)	(2)	(3)	(48)	(21)	(96)	(63)	1
Operating expenses, commissions and premium taxes	37	(13)	(15)	13	68	18	11	142	66	22	239	153
Interest expense	4	(3)	(1)	1	(16)	(16)	(12)	(12)	(5)	1	(56)	(35)
Reinsurance expenses (recoveries)	2	—	2	(1)	5	(4)	2	(1)	—	3	2	(1)
Total policy benefits and expenses	57	(26)	(35)	20	66	6	15	111	50	16	198	183
<b>Income (loss) before income taxes</b>	(103)	(68)	(65)	(120)	(104)	(47)	(57)	(183)	(83)	(356)	(391)	(250)
Income tax expense (benefit)	(162)	(15)	(26)	(55)	(164)	(31)	(30)	(36)	(66)	(258)	(261)	(7)
Dividends on preferred shares and distributions on other equity instruments	20	18	14	18	32	23	23	23	24	70	101	94
<b>Common shareholders' reported net income (loss)</b>	39	(71)	(53)	(83)	28	(39)	(50)	(170)	(41)	(168)	(231)	(337)

<sup>(1)</sup> Corporate Support's Statements of Operations include consolidation adjustments for net investment income, fee income, operating expenses, commissions and interest expense relating to activities that cross business groups.

INVESTMENTS		As at December 31, 2022				As at September 30, 2022				As at December 31, 2021			
		Fair Value through Profit or Loss	Available-for-Sale	Total	Investment Grade	Fair Value through Profit or Loss	Available-for-Sale	Total	Investment Grade	Fair Value through Profit or Loss	Available-for-Sale	Total	Investment Grade
<b>DEBT &amp; EQUITY SECURITIES</b>													
<b>DEBT SECURITIES</b>													
<b>Debt Securities by Sector</b>													
Debt Securities Issued or Guaranteed By:													
Canadian Federal Government	1	3,881	1,730	5,611	100 %	3,689	1,858	5,547	100 %	4,798	2,303	7,101	100 %
Canadian Provincial and Municipal Government	2	12,638	1,027	13,665	100 %	12,607	1,015	13,622	100 %	15,930	1,149	17,079	100 %
U.S. Government and Other U.S. Agency	3	808	729	1,537	100 %	883	862	1,745	100 %	1,642	771	2,413	100 %
Other Government	4	3,863	761	4,624	95 %	3,716	719	4,435	95 %	4,754	757	5,511	96 %
Total Government issued or guaranteed debt securities	5	21,190	4,247	25,437	99 %	20,895	4,454	25,349	99 %	27,124	4,980	32,104	99 %
Corporate Debt Securities by Industry Sector:													
Financials	6	9,377	1,978	11,355	99 %	9,063	1,948	11,011	99 %	10,258	1,690	11,948	99 %
Utilities	7	5,979	697	6,676	99 %	5,902	716	6,618	99 %	7,414	778	8,192	99 %
Consumer discretionary	8	1,395	441	1,836	89 %	1,446	445	1,891	89 %	1,814	306	2,120	91 %
Industrials	9	4,762	813	5,575	99 %	4,826	809	5,635	99 %	5,791	805	6,596	99 %
Consumer staples	10	1,677	301	1,978	99 %	1,631	300	1,931	99 %	2,047	231	2,278	97 %
Communication Services	11	2,937	392	3,329	99 %	2,876	396	3,272	99 %	3,534	352	3,886	99 %
Energy	12	3,069	273	3,342	97 %	3,245	314	3,559	97 %	3,992	287	4,279	95 %
Real Estate	13	1,920	586	2,506	97 %	1,915	579	2,494	97 %	2,334	354	2,688	97 %
Materials	14	1,107	188	1,295	98 %	1,104	186	1,290	98 %	1,361	156	1,517	92 %
Health Care	15	1,682	352	2,034	99 %	1,705	354	2,059	99 %	2,081	346	2,427	99 %
Information Technology	16	1,130	254	1,384	99 %	1,130	260	1,390	99 %	1,426	209	1,635	99 %
Total Corporate debt securities	17	35,035	6,275	41,310	98 %	34,843	6,307	41,150	98 %	42,052	5,514	47,566	98 %
Asset Backed Securities													
Government and agency	18	2,283	875	3,158	100 %	2,376	866	3,242	100 %	2,678	616	3,294	100 %
Other	19	4,249	1,748	5,997	99 %	4,040	1,745	5,785	99 %	4,144	1,619	5,763	99 %
Total asset backed securities	20	6,532	2,623	9,155	99 %	6,416	2,611	9,027	99 %	6,822	2,235	9,057	99 %
Total debt securities	21	62,757	13,145	75,902	99 %	62,154	13,372	75,526	99 %	75,998	12,729	88,727	99 %
<b>Debt Securities by Investment Rating</b>													
AAA	22	10,400	4,862	15,262		10,302	5,169	15,471		12,811	5,294	18,105	
AA	23	9,545	1,765	11,310		9,403	1,653	11,056		11,510	1,502	13,012	
A	24	24,144	3,552	27,696		24,208	3,606	27,814		29,984	3,282	33,266	
BBB	25	17,947	2,721	20,668		17,532	2,696	20,228		20,710	2,484	23,194	
BB and lower	26	721	245	966		709	248	957		983	167	1,150	
Total debt securities	27	62,757	13,145	75,902		62,154	13,372	75,526		75,998	12,729	88,727	
<b>EQUITY SECURITIES</b>													
<b>Stocks</b>													
Canada	28	2,981	57	3,038		2,808	54	2,862		3,301	62	3,363	
United States	29	1,732	192	1,924		1,671	198	1,869		2,010	1,405	3,415	
United Kingdom	30	150	4	154		138	5	143		186	6	192	
Other	31	1,961	71	2,032		1,826	40	1,866		2,041	102	2,143	
Total equity securities	32	6,824	324	7,148		6,443	297	6,740		7,538	1,575	9,113	

**PROPERTIES, MORTGAGES & LOANS**

**PROPERTIES**

As at December 31, 2022				As at September 30, 2022			As at December 31, 2021			
	Investment Property	Owner Occupied Property	Total	Investment Property	Owner Occupied Property	Total	Investment Property	Owner Occupied Property	Total	
1	Canada	8,041	54	8,095	7,975	53	8,028	7,382	53	7,435
2	United States	2,016	—	2,016	2,125	—	2,125	1,664	103	1,767
3	United Kingdom	45	—	45	49	—	49	63	—	63
4	Other	—	24	24	—	24	24	—	26	26
5	Total properties	10,102	78	10,180	10,149	77	10,226	9,109	182	9,291

**MORTGAGES & LOANS**

As at December 31, 2022				As at September 30, 2022			As at December 31, 2021			
	Insured	Non-Insured	Total	Insured	Non-Insured	Total	Insured	Non-Insured	Total	
6	Retail	—	3,001	3,001	—	3,093	3,093	—	3,388	3,388
7	Office	—	3,284	3,284	—	3,365	3,365	—	3,531	3,531
8	Multi-family residential	3,724	1,546	5,270	3,748	1,600	5,348	3,870	1,857	5,727
9	Industrial and land	—	2,883	2,883	—	2,747	2,747	—	2,035	2,035
10	Other	450	472	922	424	470	894	348	456	804
11	Total mortgages	4,174	11,186	15,360	4,172	11,275	15,447	4,218	11,267	15,485
12	Corporate loans			40,901			39,983			36,207
13	Total mortgages & loans			56,261			55,430			51,692

**Mortgage and Loans - Impairments/Allowances**

	Impaired Loans Gross Carrying Value	Allowances for Losses		Impaired Loans Gross Carrying Value	Allowances for Losses		Impaired Loans Gross Carrying Value	Allowances for Losses		
		Specific	Sectoral		Specific	Sectoral		Specific	Sectoral	
14	Mortgages	80	60	20	93	61	21	92	61	19
15	Loans	145	112	—	146	92	—	71	52	—
16	Total mortgage and loan impairments/allowances	225	172	20	239	153	21	163	113	19

**DERIVATIVES**

As at December 31, 2022		As at September 30, 2022		As at December 31, 2021			
	Total Notional Amount	Net Fair Value Amount	Total Notional Amount	Net Fair Value Amount	Total Notional Amount	Net Fair Value Amount	
17	Interest rate contracts	25,731	(434)	26,146	(524)	27,977	576
18	Foreign exchange contracts	38,785	97	37,794	(55)	33,793	(491)
19	Equity and other contracts	5,252	81	4,677	25	4,196	106
20	Total derivatives	69,768	(256)	68,617	(554)	65,966	191
21	Over the counter	63,964	(283)	62,943	(565)	59,830	174
22	Exchange traded	5,804	27	5,674	11	6,136	17
23	Total	69,768	(256)	68,617	(554)	65,966	191

**CONSOLIDATED SOURCES OF EARNINGS<sup>(1)</sup>**

		For the Quarter ended - Q4 2022							
		Canadian Dollars					U.S. Dollars		
		Asset							
(\$ millions)		Canada	U.S.	Management <sup>(2)</sup>	Asia	Corporate	Total Company	U.S.	MFS <sup>(2)</sup>
Expected profit on in-force business	1	324	215	430	142	(61)	1,050	156	259
Impact of new business	2	26	—	—	1	—	27	—	—
Experience gains (losses)	3	(66)	4	—	(83)	(24)	(169)	6	—
Assumption changes and management actions	4	47	4	—	16	—	67	3	—
Other <sup>(3)</sup>	5	(1)	(96)	9	17	(17)	(88)	(71)	24
Earnings (loss) on operations (pre-tax)	6	330	127	439	93	(102)	887	94	283
Earnings on surplus	7	(1)	9	—	25	24	57	6	—
Earnings (loss) before income taxes	8	329	136	439	118	(78)	944	100	283
Income tax (expense) benefit	9	38	(26)	(88)	(20)	152	56	(19)	(60)
Earnings (loss) before preferred share dividends and non-controlling interest	10	367	110	351	98	74	1,000	81	223
Dividends on preferred shares and distributions on other equity instruments and non-controlling interest	11	—	—	(29)	—	(20)	(49)	—	—
<b>Common shareholders' reported net income (loss)</b>	12	367	110	322	98	54	951	81	223
Underlying net income adjustments (post tax) <sup>(4)</sup> :									
Market related impacts	13	(44)	(63)	—	(88)	59	(136)	(46)	—
Assumption changes and management actions	14	34	3	—	17	—	54	2	—
Other adjustments:									
Fair value adjustments on share-based payment awards at MFS	15	—	—	28	—	—	28	—	21
Acquisition, integration and restructuring <sup>(5)</sup>	16	(1)	(74)	(26)	—	—	(101)	(55)	—
Other <sup>(6)</sup>	17	54	4	7	17	34	116	3	—
<b>Common shareholders' underlying net income (loss)<sup>(4)</sup></b>	19	43	(130)	9	(54)	93	(39)	(96)	21
		324	240	313	152	(39)	990	177	202

**CONSOLIDATED SOURCES OF EARNINGS<sup>(1)</sup>**

		For the Quarter ended - Q4 2021							
		Canadian Dollars					U.S. Dollars		
		Asset							
(\$ millions)		Canada	U.S.	Management <sup>(2)</sup>	Asia	Corporate	Total Company	U.S.	MFS <sup>(2)</sup>
Expected profit on in-force business	20	316	129	499	149	(47)	1,046	102	353
Impact of new business	21	37	—	—	1	—	38	—	—
Experience gains (losses)	22	66	(13)	—	(3)	(60)	(10)	(9)	—
Assumption changes and management actions	23	2	(23)	—	(2)	—	(23)	(19)	—
Other <sup>(3)</sup>	24	(3)	(10)	(273)	353	—	67	(8)	(39)
Earnings (loss) on operations (pre-tax)	25	418	83	226	498	(107)	1,118	66	314
Earnings on surplus	26	(11)	23	—	33	23	68	19	—
Earnings (loss) before income taxes	27	407	106	226	531	(84)	1,186	85	314
Income tax (expense) benefit	28	(51)	(21)	(80)	(85)	167	(70)	(17)	(80)
Earnings (loss) before preferred share dividends and non-controlling interest	29	356	85	146	446	83	1,116	68	234
Dividends on preferred shares and distributions on other equity instruments and non-controlling interest	30	—	—	(6)	—	(32)	(38)	—	—
<b>Common shareholders' reported net income (loss)</b>	31	356	85	140	446	51	1,078	68	234
Underlying net income adjustments (post tax) <sup>(4)</sup> :									
Market related impacts	32	90	40	—	23	3	156	33	—
Assumption changes and management actions	33	2	(19)	—	(2)	—	(19)	(15)	—
Other adjustments:									
Fair value adjustments on share-based payment awards at MFS	34	—	—	(47)	—	—	(47)	—	(38)
Acquisition, integration and restructuring <sup>(5)</sup>	35	(2)	(8)	(195)	295	—	90	(6)	—
<b>Common shareholders' underlying net income (loss)<sup>(4)</sup></b>	37	90	13	(242)	316	3	180	12	(38)
		266	72	382	130	48	898	56	272

<sup>(1)</sup> Sources of earnings are prepared in accordance with the OSFI Guideline D-9, Sources of Earnings Disclosures. For an explanation of the SOE components, see Section L. Non-IFRS Financial Measures, ii. Additional Non-IFRS Financial Measures of the Company's Annual 2022 MD&A.

<sup>(2)</sup> Effective January 1, 2022, there was a change in presentation of our proportional ownership in MFS by reporting our portion of MFS' net income components and the fair value adjustments on share-based payments. We have updated prior periods to reflect this change in presentation.

<sup>(3)</sup> Represents pre-tax adjustments related to MFS' fair value adjustments on share-based payment awards, acquisition, integration and restructuring amounts, and other items that are unusual or exceptional in nature.

<sup>(4)</sup> Underlying net income is a non-IFRS financial measure. Refer to Net Income Reconciliations - Pre-Tax and Post-Tax on pages 32 to 35 of this document for the pre-tax adjustments to underlying net income as well as Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS and iii. Reconciliations of Select Non-IFRS Financial Measures of the Company's Annual 2022 MD&A and Section M. Non-IFRS Measures, 1. Underlying Net Income and Underlying EPS and 3. Reconciliations of Select Non-IFRS Financial Measures of the Company's Q1, Q2 and Q3 2022 MD&A.

<sup>(5)</sup> In Q4 2022, acquisition, integration and restructuring includes DentaQuest integration costs of \$73 million post-tax, including amortization of intangibles, in the U.S. In Q4 2021, acquisition, integration and restructuring includes the \$297 million post-tax realized gains on the IPO of our India asset management joint venture, Aditya Birla Sun Life Asset Management Company Limited, and the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests in the amount of \$153 million post-tax.

<sup>(6)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments of \$76 million in Canada and \$51 million in Corporate's Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. There was also an unwinding of an internal reinsurance agreement that offset in Asia and Corporate.

**EXPENSES**

(C\$ millions)

**OPERATING EXPENSES, COMMISSIONS AND OTHER EXPENSES**

	For the Quarter Ended									For the Year Ended		
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
1 Operating expenses	2,581	2,399	2,061	1,997	2,441	2,016	2,036	2,086	2,090	9,038	8,579	7,401
2 Commissions	723	716	704	693	734	672	741	662	707	2,836	2,809	2,612
3 Premium taxes	129	126	118	114	115	112	109	93	102	487	429	428
4 Interest expense	127	119	101	98	82	81	84	80	89	445	327	355
5 Total	3,560	3,360	2,984	2,902	3,372	2,881	2,970	2,921	2,988	12,806	12,144	10,796

**OPERATING EXPENSES BY BUSINESS GROUP**

Operating expenses excluding fair value adjustments on MFS' share-based payment awards and acquisition, integration and restructuring costs:

6 Canada	669	599	596	597	646	578	583	564	584	2,461	2,371	2,146
7 U.S.	466	411	313	251	247	233	237	228	248	1,441	945	956
8 Asset Management	841	795	839	829	835	845	829	798	757	3,304	3,307	2,828
9 Asia	312	301	272	256	296	249	273	259	315	1,141	1,077	1,023
10 Corporate <sup>(1)</sup>	57	12	4	38	114	43	47	92	75	111	296	210
11 Total	2,345	2,118	2,024	1,971	2,138	1,948	1,969	1,941	1,979	8,458	7,996	7,163
12 Gross fair value adjustments on share-based payment awards at MFS <sup>(2)</sup>	(15)	(22)	(32)	19	70	65	71	63	66	(50)	269	152
Acquisition, integration and restructuring costs by Business Group:												
13 Canada	—	1	—	—	3	—	—	—	—	1	3	—
14 U.S.	101	33	62	6	10	2	2	—	1	202	14	6
15 Asset Management	—	99	1	—	203	1	2	4	9	100	210	8
16 Asia	—	—	6	1	17	—	—	—	8	7	17	8
17 Corporate	—	170	—	—	—	—	(8)	78	27	170	70	64
18 Total acquisition, integration and restructuring costs	101	303	69	7	233	3	(4)	82	45	480	314	86
19 Sub-total operating expenses	2,431	2,399	2,061	1,997	2,441	2,016	2,036	2,086	2,090	8,888	8,579	7,401
20 Asset Management - Other <sup>(3)</sup>	150	—	—	—	—	—	—	—	—	150	—	—
21 Total operating expenses	2,581	2,399	2,061	1,997	2,441	2,016	2,036	2,086	2,090	9,038	8,579	7,401

**COMMISSIONS BY BUSINESS GROUP**

22 Canada	293	270	271	283	301	270	273	259	259	1,117	1,103	967
23 U.S.	144	139	131	125	126	118	114	118	122	539	476	467
24 Asset Management	146	148	152	170	186	188	177	175	174	616	726	663
25 Asia	140	162	149	115	121	97	178	111	151	566	507	517
26 Corporate <sup>(4)</sup>	—	(3)	1	—	—	(1)	(1)	(1)	1	(2)	(3)	(2)
27 Total commissions	723	716	704	693	734	672	741	662	707	2,836	2,809	2,612

**INTEREST EXPENSE**

28 Subordinated debt	54	51	47	46	40	33	33	34	36	198	140	132
29 Liabilities for SLEECs	4	4	4	4	4	4	4	4	4	16	16	16
30 Interest on senior unsecured debentures/financing	—	2	—	1	—	3	4	4	3	3	11	45
31 Other <sup>(5)</sup>	69	62	50	47	38	41	43	38	46	228	160	162
32 Total interest expense	127	119	101	98	82	81	84	80	89	445	327	355

<sup>(1)</sup> Corporate includes consolidation adjustments for operating expenses relating to activities that cross business groups.

<sup>(2)</sup> Represent the operating expenses related to fair value adjustments on share-based payment awards at MFS before tax and net income attributable to management's ownership of MFS.

<sup>(3)</sup> Under IFRS, Crescent is required to consolidate carried interest related to pre-acquisition funds that Crescent does not participate in economically. The carried interest is reported under revenue with relevant portions to compensation expense and non-controlling interest. For management reporting purposes, carried interest is reported on a net basis in order to reflect the true economics of the carried interest.

<sup>(4)</sup> Corporate includes consolidation adjustments for commissions relating to activities that cross business groups.

<sup>(5)</sup> Other primarily represents interest on put option liabilities associated with SLC Management's affiliates and interest on liabilities connected to consolidated special purpose entities, interest on leases, interest on real estate encumbrances and interest on income taxes.



**FINANCIAL STRENGTH AND CAPITAL ADEQUACY**
**For the period ended December 31, 2022**

	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>	<u>DBRS</u>
<b>SUN LIFE ASSURANCE COMPANY OF CANADA</b>				
<b>FINANCIAL STRENGTH RATINGS</b>	A+	Aa3	AA	AA
<b>SECURITY RATINGS</b>				
Subordinated Debt	a+	A2	AA-	AA (low)
Sun Life Exchangeable Capital Securities Series B	a	A3(hyb)	P-1/A+	A (high)
	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>	<u>DBRS</u>
<b>SUN LIFE FINANCIAL INC.</b>				
<b>SECURITY RATINGS</b>				
Subordinated Debt (Series 2007-1, 2016-2, 2019-1, 2020-1, 2020-2, 2021-1, 2021-2, 2021-3 and 2022-1)	a-	not rated	A	A
Class A Preferred Shares (Series 3-5, 8R, 9QR, 10R and 11QR)	bbb+	not rated	P-1 (low)/A-	Pfd-2 (high)
Limited Recourse Capital Notes (Series 2021-1)	not rated	not rated	A-	A (low)

## General Information

Canada	U.S.	Asset Management	Asia	Corporate
<p>Our Canada business segment is a leading provider of protection, health, asset management and wealth solutions, providing products and services that deliver value to over 6.6 million Clients. We are the largest provider of benefits and pensions in the workplace, and offer a wide range of products to individuals via retail channels. We are focused on helping Canadians achieve lifetime financial security and live healthier lives. Canada has three business units - Individual Insurance &amp; Wealth, Sun Life Health and Group Retirement Services.</p>	<p>Our U.S. business segment is one of the largest providers of employee and government benefits in the U.S., serving more than 50 million Americans with disability, life, supplemental health, medical stop-loss insurance, and dental and vision benefits through employers, industry partners and government programs such as Medicaid, Medicare Advantage, and the Children's Health Insurance Program ("CHIP"). Services include absence management, dental care, and healthcare navigation. In addition, our U.S. business manages an in-force block of approximately 85,000 individual life insurance policies. U.S. has three business units - Group Benefits, Dental and In-force Management.</p>	<p>Our Asset Management business group is comprised of MFS and SLC Management. MFS is a premier global asset manager offering a comprehensive selection of financial products and services that deliver superior value, actively managing assets for retail and institutional investors around the world. SLC Management is a global asset manager with capabilities across fixed income and alternative asset classes including public and private fixed income, real estate equity and debt, and infrastructure equity.</p>	<p>Our Asia presence provides us with a strong footprint to take advantage of the high growth prospects in the region. We operate in eight Asian markets, delivering value to over 25 million Clients. Local Markets provides asset management, wealth, protection and health solutions through a multi-channel distribution approach in China, India, Philippines, Vietnam, Malaysia and Indonesia. International Hubs offers leading insurance and wealth products through agency and broker distribution, including life insurance solutions to High Net Worth ("HNW") families and individuals, with operations in Hong Kong, Singapore and Bermuda.</p>	<p>Corporate includes the results of our UK business and Corporate Support. UK has a run-off block of business consisting of approximately 460,000 in-force life and pension policies, with approximately £8.2 billion of AUM. Since December 2010, UK has been closed to new business and focuses on supporting existing Clients. Most administrative functions have been outsourced to external service providers which are managed by an in-house management team. We entered into an agreement to sell Sun Life UK to Phoenix Group Holdings plc. Under the agreement, Sun Life will retain economic interest in the payout annuities business through a reinsurance treaty. The transaction is expected to close in the first half of 2023, subject to regulatory approvals and customary closing conditions. Corporate Support operations consist of the certain expenses, debt charges, investment income, capital and other items, pertaining to monitoring and oversight of enterprise activities and Corporate treasury functions, which are not allocated to business segments. Corporate Support also includes our Run-off reinsurance business. Coverage in our Run-off reinsurance business includes medical, guaranteed minimum income and death benefit coverage. The block also includes group long-term disability and personal accident policies which are 100% retroceded.</p>
<p><u>Individual Insurance &amp; Wealth</u> Individual life and health insurance Individual savings products Mutual funds</p> <p><u>Sun Life Health</u> Group life and health insurance Voluntary benefits products</p> <p><u>Group Retirement Services</u> Defined contribution plans Defined benefit solutions Voluntary savings plans</p>	<p><u>Group Benefits</u> Group life Disability insurance Medical stop-loss insurance Voluntary benefits Supplemental health products FullscopeRMS products and services</p> <p><u>Dental</u> Medicaid and Medicare Advantage products and services Commercial group products and services Care Delivery services</p> <p><u>In-Force Management</u> Individual life insurance</p>	<p><u>MFS</u> Mutual Funds U.S. retail mutual funds MFS Meridian funds Investment management services Institutional accounts Pension business Insurance products</p> <p><u>SLC Management</u> Private class funds Commercial fixed income portfolios Liability-driven investing strategies Investment advisory and property management services Real estate and infrastructure solutions Alternative credit solutions</p>	<p><u>Local Markets</u> Philippines Indonesia India China Malaysia Vietnam</p> <p><u>International Hubs</u> Hong Kong International Singapore</p>	<p><u>UK</u> Individual annuities and pensions (In-force block only) Individual life (In-force block only)</p> <p><u>Corporate Support</u> Run-off reinsurance</p>

**NET INCOME RECONCILIATIONS - PRE-TAX and POST-TAX**

(C\$ millions, unless otherwise indicated)

	For the Quarter Ended								For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020
<b>Total Company Pre-Tax Adjustments</b>												
<b>Common shareholders' reported net income (loss) (post-tax)</b>	<b>951</b>	<b>466</b>	<b>785</b>	<b>858</b>	<b>1,078</b>	<b>1,019</b>	<b>900</b>	<b>937</b>	<b>744</b>	<b>3,060</b>	<b>3,934</b>	<b>2,404</b>
Market related impacts: (pre-tax)												
Net equity market impact	(6)	(67)	(211)	(3)	140	37	136	98	141	(287)	411	(193)
Net interest rate impact	(180)	(144)	16	120	(88)	31	(80)	289	(188)	(188)	152	(388)
Net increases (decreases) in the fair value of real estate	(87)	(1)	86	76	101	163	29	(7)	(18)	74	286	(135)
Total market related impacts (pre-tax)	(273)	(212)	(109)	193	153	231	85	380	(65)	(401)	849	(716)
Assumption changes and management actions (ACMA) (pre-tax)	67	15	—	1	(23)	93	2	(6)	(60)	83	66	(214)
Other adjustments:												
Fair value adjustments on share-based payment awards at MFS (pre-tax) <sup>(1)</sup>	33	42	50	(2)	(48)	(43)	(51)	(46)	(47)	123	(188)	(87)
Acquisition, integration and restructuring (pre-tax) <sup>(2)</sup>	(133)	(165)	(87)	(24)	115	(21)	(13)	(98)	(62)	(409)	(17)	(142)
Other (pre-tax) <sup>(3)(4)</sup>	12	(239)	94	—	—	(115)	—	—	—	(133)	(115)	4
Total underlying net income adjustments (pre-tax)	(294)	(559)	(52)	168	197	145	23	230	(234)	(737)	595	(1,155)
Tax expense (benefit) related to underlying net income adjustments <sup>(1)(5)</sup>	255	76	(55)	(153)	(17)	(28)	(6)	(143)	116	123	(194)	346
<b>Common shareholders' underlying net income (loss) (post-tax)</b>	<b>990</b>	<b>949</b>	<b>892</b>	<b>843</b>	<b>898</b>	<b>902</b>	<b>883</b>	<b>850</b>	<b>862</b>	<b>3,674</b>	<b>3,533</b>	<b>3,213</b>
<b>Total Company Post-Tax Adjustments</b>												
<b>Common shareholders' reported net income (loss) (post-tax)</b>	<b>951</b>	<b>466</b>	<b>785</b>	<b>858</b>	<b>1,078</b>	<b>1,019</b>	<b>900</b>	<b>937</b>	<b>744</b>	<b>3,060</b>	<b>3,934</b>	<b>2,404</b>
Market related impacts: (post-tax)												
Net equity market impact	(34)	(48)	(159)	(2)	107	24	99	72	108	(243)	302	(143)
Net interest rate impact	(35)	(115)	(68)	(30)	(36)	2	(36)	141	(74)	(248)	71	(214)
Net increases (decreases) in the fair value of real estate	(67)	3	75	70	85	145	28	(4)	(14)	81	254	(104)
Total market related impacts (post-tax)	(136)	(160)	(152)	38	156	171	91	209	20	(410)	627	(461)
Assumption changes and management actions (ACMA) (post-tax)	54	7	—	1	(19)	95	2	(4)	(42)	62	74	(143)
Other adjustments:												
Fair value adjustments on share-based payment awards at MFS (post-tax)	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Acquisition, integration and restructuring (post-tax) <sup>(2)</sup>	(101)	(142)	(74)	(21)	90	(21)	(13)	(74)	(50)	(338)	(18)	(117)
Other (post-tax) <sup>(3)(4)(5)</sup>	116	(225)	75	—	—	(85)	(11)	—	—	(34)	(96)	4
Total underlying net income adjustments (post-tax)	(39)	(483)	(107)	15	180	117	17	87	(118)	(614)	401	(809)
<b>Common shareholders' underlying net income (loss) (post-tax)</b>	<b>990</b>	<b>949</b>	<b>892</b>	<b>843</b>	<b>898</b>	<b>902</b>	<b>883</b>	<b>850</b>	<b>862</b>	<b>3,674</b>	<b>3,533</b>	<b>3,213</b>
<b>Canada Pre-Tax Adjustments</b>												
<b>Common shareholders' reported net income (loss) (post-tax)</b>	<b>367</b>	<b>210</b>	<b>160</b>	<b>263</b>	<b>356</b>	<b>393</b>	<b>404</b>	<b>405</b>	<b>255</b>	<b>1,000</b>	<b>1,558</b>	<b>717</b>
Market related impacts (pre-tax)	(110)	(170)	(143)	123	71	204	106	288	(75)	(300)	669	(656)
Assumption changes and management actions (ACMA) (pre-tax)	47	62	—	(11)	2	56	—	(6)	(4)	98	52	43
Other (pre-tax) <sup>(4)</sup>	—	—	—	—	—	(115)	—	—	—	—	(115)	4
Acquisition, integration and restructuring (pre-tax)	(1)	(1)	(1)	—	(3)	—	—	—	—	(3)	(3)	—
Total underlying net income adjustments (pre-tax)	(64)	(109)	(144)	112	70	145	106	282	(79)	(205)	603	(609)
Tax expense (benefit) related to underlying net income adjustments <sup>(5)</sup>	107	19	(40)	(147)	20	(42)	8	(162)	91	(61)	(176)	253
<b>Common shareholders' underlying net income (loss) (post-tax)</b>	<b>324</b>	<b>300</b>	<b>344</b>	<b>298</b>	<b>266</b>	<b>290</b>	<b>290</b>	<b>285</b>	<b>243</b>	<b>1,266</b>	<b>1,131</b>	<b>1,073</b>
<b>Canada Post-Tax Adjustments</b>												
<b>Common shareholders' reported net income (loss) (post-tax)</b>	<b>367</b>	<b>210</b>	<b>160</b>	<b>263</b>	<b>356</b>	<b>393</b>	<b>404</b>	<b>405</b>	<b>255</b>	<b>1,000</b>	<b>1,558</b>	<b>717</b>
Market related impacts (post-tax)	(44)	(134)	(183)	(26)	90	146	114	124	15	(387)	474	(392)
Assumption changes and management actions (ACMA) (post-tax)	34	45	—	(9)	2	42	—	(4)	(3)	70	40	32
Other (post-tax) <sup>(4)(5)</sup>	54	—	—	—	—	(85)	—	—	—	54	(85)	4
Acquisition, integration and restructuring (post-tax)	(1)	(1)	(1)	—	(2)	—	—	—	—	(3)	(2)	—
Total underlying net income adjustments (post-tax)	43	(90)	(184)	(35)	90	103	114	120	12	(266)	427	(356)
<b>Common shareholders' underlying net income (loss) (post-tax)</b>	<b>324</b>	<b>300</b>	<b>344</b>	<b>298</b>	<b>266</b>	<b>290</b>	<b>290</b>	<b>285</b>	<b>243</b>	<b>1,266</b>	<b>1,131</b>	<b>1,073</b>

<sup>(1)</sup> Effective January 1, 2022, there was a change in presentation of our proportional ownership in MFS by reporting our portion of MFS' net income components and the fair value adjustments on share-based payments. We have updated prior periods to reflect this change in presentation.

<sup>(2)</sup> In Q3 2022, amounts include the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$96 million pre-tax or \$80 million post-tax. In Q4 2021, amounts include the \$362 million pre-tax or \$297 million post-tax realized gains on the IPO of our India asset management joint venture, Aditya Birla Sun Life Asset Management Company Limited, and the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$187 million pre-tax or \$153 million post-tax.

<sup>(3)</sup> In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale and a \$69 million pre-tax or \$55 million post-tax charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property in the U.S.

<sup>(4)</sup> In Q3 2021, there was an adjustment of investment income and expense allocations between participating policyholders and shareholders in Canada for prior years ("par allocation adjustment").

<sup>(5)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$127 million in the fourth quarter, reflected in ACMA and Other adjustments of \$76 million in Canada and \$51 million in Corporate's Other adjustments. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, reported net income decreased by \$11 million in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

**NET INCOME RECONCILIATIONS - PRE-TAX and POST-TAX CONTINUED**

(C\$ millions, unless otherwise indicated)

	For the Quarter Ended								For the Year Ended				
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>U.S. Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	1	110	94	213	169	85	46	157	211	88	586	499	257
Market related impacts (pre-tax)	2	(79)	(22)	43	60	51	18	(7)	55	2	2	117	10
Assumption changes and management actions (ACMA) (pre-tax)	3	4	(33)	—	11	(23)	(98)	—	(5)	(76)	(18)	(126)	(397)
Acquisition, integration and restructuring (pre-tax)	4	(101)	(33)	(62)	(6)	(10)	(2)	(2)	—	(1)	(202)	(14)	(6)
Other (pre-tax) <sup>(1)</sup>	5	5	(69)	94	—	—	—	—	—	—	30	—	—
Total underlying net income adjustments (pre-tax)	6	(171)	(157)	75	65	18	(82)	(9)	50	(75)	(188)	(23)	(393)
Tax expense (benefit) related to underlying net income adjustments	7	41	35	(16)	(14)	(5)	18	1	(10)	15	46	4	82
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	8	240	216	154	118	72	110	165	171	148	728	518	568
<b>U.S. Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	9	110	94	213	169	85	46	157	211	88	586	499	257
Market related impacts (post-tax)	10	(63)	(17)	33	47	40	15	(6)	44	2	—	93	8
Assumption changes and management actions (ACMA) (post-tax)	11	3	(26)	—	9	(19)	(78)	—	(4)	(60)	(14)	(101)	(313)
Acquisition, integration and restructuring (post-tax)	12	(74)	(24)	(49)	(5)	(8)	(1)	(2)	—	(2)	(152)	(11)	(6)
Other (post-tax) <sup>(1)</sup>	13	4	(55)	75	—	—	—	—	—	—	24	—	—
Total underlying net income adjustments (post-tax)	14	(130)	(122)	59	51	13	(64)	(8)	40	(60)	(142)	(19)	(311)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	15	240	216	154	118	72	110	165	171	148	728	518	568
<b>Asset Management Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	16	322	215	296	308	140	301	221	230	267	1,141	892	980
Fair value adjustments on share-based payment awards at MFS (pre-tax) <sup>(2)</sup>	17	33	42	50	(2)	(48)	(43)	(51)	(46)	(47)	123	(188)	(87)
Acquisition, integration and restructuring (pre-tax) <sup>(3)</sup>	18	(31)	(131)	(18)	(17)	(225)	(18)	(19)	(20)	(26)	(197)	(282)	(64)
Other (pre-tax)	19	7	—	—	—	—	—	—	—	—	7	—	—
Total underlying net income adjustments (pre-tax)	20	9	(89)	32	(19)	(273)	(61)	(70)	(66)	(73)	(67)	(470)	(151)
Tax expense (benefit) related to underlying net income adjustments <sup>(2)(4)</sup>	21	—	9	(6)	1	31	—	(20)	5	7	4	16	3
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	22	313	295	270	326	382	362	311	291	333	1,204	1,346	1,128
<b>Asset Management Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	23	322	215	296	308	140	301	221	230	267	1,141	892	980
Fair value adjustments on share-based payment awards at MFS (post-tax)	24	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
Acquisition, integration and restructuring (post-tax) <sup>(3)</sup>	25	(26)	(117)	(18)	(15)	(195)	(18)	(17)	(17)	(20)	(176)	(247)	(56)
Other (post-tax) <sup>(4)</sup>	26	7	—	—	—	—	—	(21)	—	—	7	(21)	—
Total underlying net income adjustments (post-tax)	27	9	(80)	26	(18)	(242)	(61)	(90)	(61)	(66)	(63)	(454)	(148)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	28	313	295	270	326	382	362	311	291	333	1,204	1,346	1,128
<b>MFS Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	29	303	312	291	289	295	284	234	236	253	1,195	1,049	942
Fair value adjustments on share-based payment awards at MFS (pre-tax) <sup>(2)</sup>	30	33	42	50	(2)	(48)	(43)	(51)	(46)	(47)	123	(188)	(87)
Tax expense (benefit) related to underlying net income adjustments <sup>(2)</sup>	31	(5)	(5)	(6)	(1)	1	—	(1)	2	1	(17)	2	(5)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	32	275	275	247	292	342	327	286	280	299	1,089	1,235	1,034
<b>MFS Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	33	303	312	291	289	295	284	234	236	253	1,195	1,049	942
Fair value adjustments on share-based payment awards at MFS (post-tax)	34	28	37	44	(3)	(47)	(43)	(52)	(44)	(46)	106	(186)	(92)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	35	275	275	247	292	342	327	286	280	299	1,089	1,235	1,034
<b>SLC Management Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	36	19	(97)	5	19	(155)	17	(13)	(6)	14	(54)	(157)	38
Acquisition, integration and restructuring (pre-tax) <sup>(3)</sup>	37	(31)	(131)	(18)	(17)	(225)	(18)	(19)	(20)	(26)	(197)	(282)	(64)
Other (pre-tax)	38	7	—	—	—	—	—	—	—	—	7	—	—
Total underlying net income adjustments (pre-tax)	39	(24)	(131)	(18)	(17)	(225)	(18)	(19)	(20)	(26)	(190)	(282)	(64)
Tax expense (benefit) related to underlying net income adjustments <sup>(4)</sup>	40	5	14	—	2	30	—	(19)	3	6	21	14	8
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	41	38	20	23	34	40	35	25	11	34	115	111	94
<b>SLC Management Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	42	19	(97)	5	19	(155)	17	(13)	(6)	14	(54)	(157)	38
Acquisition, integration and restructuring (post-tax) <sup>(3)</sup>	43	(26)	(117)	(18)	(15)	(195)	(18)	(17)	(17)	(20)	(176)	(247)	(56)
Other (post-tax) <sup>(4)</sup>	44	7	—	—	—	—	—	(21)	—	—	7	(21)	—
Total underlying net income adjustments (post-tax)	45	(19)	(117)	(18)	(15)	(195)	(18)	(38)	(17)	(20)	(169)	(268)	(56)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	46	38	20	23	34	40	35	25	11	34	115	111	94

<sup>(1)</sup> In Q3 2022, other refers to a \$69 million pre-tax or \$55 million post-tax charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property.

<sup>(2)</sup> Effective January 1, 2022, there was a change in presentation of our proportional ownership in MFS by reporting our portion of MFS' net income components and the fair value adjustments on share-based payments. We have updated prior periods to reflect this change in presentation.

<sup>(3)</sup> In Q3 2022 and Q4 2021, amounts include the changes in estimated future payments for acquisition-related contingent considerations and options to purchase remaining ownership interests of SLC Management affiliates in the amount of \$96 million pre-tax or \$80 million post-tax and \$187 million pre-tax or \$153 million post-tax, respectively.

<sup>(4)</sup> On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, SLC Management's reported net income decreased by \$21 million on the remeasurement of deferred tax liabilities in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

**NET INCOME RECONCILIATIONS - PRE-TAX and POST-TAX CONTINUED**

(C\$ millions, unless otherwise indicated)

	For the Quarter Ended									For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>Asia Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	1	98	125	131	161	446	288	143	198	132	515	1,075	594
Market related impacts (pre-tax)	2	(87)	8	(12)	9	29	13	(11)	36	3	(82)	67	(77)
Assumption changes and management actions (ACMA) (pre-tax)	3	16	(58)	—	1	(2)	132	2	3	21	(41)	135	99
Acquisition, integration and restructuring (pre-tax) <sup>(1)</sup>	4	—	—	(6)	(1)	353	(1)	—	—	(8)	(7)	352	(8)
Other (pre-tax) <sup>(2)</sup>	5	17	—	—	—	—	—	—	—	—	17	—	—
Total underlying net income adjustments (pre-tax)	6	(54)	(50)	(18)	9	380	144	(9)	39	16	(113)	554	14
Tax expense (benefit) related to underlying net income adjustments	7	—	—	1	—	(64)	(1)	—	—	—	1	(65)	1
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	8	152	175	148	152	130	145	152	159	116	627	586	579
<b>Asia Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	9	98	125	131	161	446	288	143	198	132	515	1,075	594
Market related impacts (post-tax)	10	(88)	8	(11)	9	23	13	(11)	36	3	(82)	61	(77)
Assumption changes and management actions (ACMA) (post-tax)	11	17	(58)	—	1	(2)	132	2	3	21	(40)	135	99
Acquisition, integration and restructuring (post-tax) <sup>(1)</sup>	12	—	—	(6)	(1)	295	(2)	—	—	(8)	(7)	293	(7)
Other (post-tax) <sup>(2)</sup>	13	17	—	—	—	—	—	—	—	—	17	—	—
Total underlying net income adjustments (post-tax)	14	(54)	(50)	(17)	9	316	143	(9)	39	16	(112)	489	15
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	15	152	175	148	152	130	145	152	159	116	627	586	579
<b>Corporate Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	16	54	(178)	(15)	(43)	51	(9)	(25)	(107)	2	(182)	(90)	(144)
Market related impacts (pre-tax)	17	3	(28)	3	1	2	(4)	(3)	1	5	(21)	(4)	7
Assumption changes and management actions (ACMA) (pre-tax)	18	—	44	—	—	—	3	—	2	(1)	44	5	41
Acquisition, integration and restructuring (pre-tax)	19	—	—	—	—	—	—	8	(78)	(27)	—	(70)	(64)
Other (pre-tax) <sup>(2)(3)</sup>	20	(17)	(170)	—	—	—	—	—	—	—	(187)	—	—
Total underlying net income adjustments (pre-tax)	21	(14)	(154)	3	1	2	(1)	5	(75)	(23)	(164)	(69)	(16)
Tax expense (benefit) related to underlying net income adjustments <sup>(4)</sup>	22	107	13	6	7	1	(3)	5	24	3	133	27	7
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	23	(39)	(37)	(24)	(51)	48	(5)	(35)	(56)	22	(151)	(48)	(135)
<b>Corporate Post-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	24	54	(178)	(15)	(43)	51	(9)	(25)	(107)	2	(182)	(90)	(144)
Market related impacts (post-tax)	25	59	(17)	9	8	3	(3)	(6)	5	—	59	(1)	—
Assumption changes and management actions (ACMA) (post-tax)	26	—	46	—	—	—	(1)	—	1	—	46	—	39
Acquisition, integration and restructuring (post-tax)	27	—	—	—	—	—	—	6	(57)	(20)	—	(51)	(48)
Other (post-tax) <sup>(2)(3)(4)</sup>	28	34	(170)	—	—	—	—	10	—	—	(136)	10	—
Total underlying net income adjustments (post-tax)	29	93	(141)	9	8	3	(4)	10	(51)	(20)	(31)	(42)	(9)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	30	(39)	(37)	(24)	(51)	48	(5)	(35)	(56)	22	(151)	(48)	(135)

<sup>(1)</sup> In Q4 2021, amounts include the \$362 million pre-tax or \$297 million post-tax realized gains on the IPO of our India asset management joint venture, Aditya Birla Sun Life Asset Management Company Limited.

<sup>(2)</sup> In Q4 2022, amounts reflect the unwinding of an internal reinsurance agreement that offset in Asia and Corporate.

<sup>(3)</sup> In Q3 2022, other reflects an impairment charge of \$170 million (£108 million) pertaining to the attributed goodwill that is not expected to be recovered through the Sun Life UK sale.

<sup>(4)</sup> On December 15, 2022, legislation implementing an additional surtax of 1.5% applicable to banks and life insurers' taxable income in excess of \$100 million was enacted in Canada ("Canada Tax Rate Change"). This legislation applies retroactively to the Federal Budget date of April 7, 2022. As a result, reported net income increased by \$51 million in the fourth quarter. Refer to section D - Profitability - 5 - Income taxes in the Company's Annual 2022 MD&A for additional details. On June 10, 2021, the UK Finance Act was signed into law, increasing the corporate tax rate from 19% to 25%, which will take effect for future tax periods beginning April 1, 2023 ("UK Tax Rate Change"). As a result, UK's reported net income increased by \$10 million on the remeasurement of deferred tax assets in Q2 2021. Refer to section C - Profitability - 5 - Income taxes in the Q2 2021 MD&A for additional details.

**NET INCOME RECONCILIATIONS - PRE-TAX and POST-TAX CONTINUED**

(US\$ millions, unless otherwise indicated)

	For the Quarter Ended									For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>U.S. Pre-Tax Adjustments</b>													
<b>Common shareholders' reported net income (loss)</b> (post-tax)	1	81	72	167	133	68	37	127	167	66	453	399	191
Market related impacts (pre-tax)	2	(58)	(18)	33	47	42	15	(6)	43	1	4	94	7
Assumption changes and management actions (ACMA) (pre-tax)	3	3	(25)	—	9	(19)	(78)	—	(4)	(58)	(13)	(101)	(299)
Acquisition, integration and restructuring (pre-tax)	4	(74)	(25)	(48)	(5)	(8)	(1)	(2)	—	(1)	(152)	(11)	(4)
Other (pre-tax) <sup>(1)</sup>	5	3	(53)	73	—	—	—	—	—	—	23	—	—
Total underlying net income adjustments (pre-tax)	6	(126)	(121)	58	51	15	(64)	(8)	39	(58)	(138)	(18)	(296)
Tax expense (benefit) related to underlying net income adjustments	7	30	27	(12)	(11)	(3)	13	2	(8)	12	34	4	62
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	8	177	166	121	93	56	88	133	136	112	557	413	425

**U.S. Post-Tax Adjustments**

<b>Common shareholders' reported net income (loss)</b> (post-tax)	9	81	72	167	133	68	37	127	167	66	453	399	191
Market related impacts (post-tax)	10	(46)	(14)	26	37	33	12	(5)	34	1	3	74	6
Assumption changes and management actions (ACMA) (post-tax)	11	2	(20)	—	7	(15)	(62)	—	(3)	(46)	(11)	(80)	(236)
Acquisition, integration and restructuring (post-tax)	12	(55)	(18)	(38)	(4)	(6)	(1)	(1)	—	(1)	(115)	(8)	(4)
Other (post-tax) <sup>(1)</sup>	13	3	(42)	58	—	—	—	—	—	—	19	—	—
Total underlying net income adjustments (post-tax)	14	(96)	(94)	46	40	12	(51)	(6)	31	(46)	(104)	(14)	(234)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	15	177	166	121	93	56	88	133	136	112	557	413	425

**MFS Pre-Tax Adjustments**

<b>Common shareholders' reported net income (loss)</b> (post-tax)	16	223	240	228	228	234	225	191	186	194	919	836	704
Fair value adjustments on share-based payment awards at MFS (pre-tax) <sup>(2)</sup>	17	24	32	39	(1)	(39)	(34)	(41)	(36)	(37)	94	(150)	(67)
Tax expense (benefit) related to underlying net income adjustments <sup>(2)</sup>	18	(3)	(4)	(5)	(1)	1	—	(1)	1	1	(13)	1	(3)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	19	202	212	194	230	272	259	233	221	230	838	985	774

**MFS Post-Tax Adjustments**

<b>Common shareholders' reported net income (loss)</b> (post-tax)	20	223	240	228	228	234	225	191	186	194	919	836	704
Fair value adjustments on share-based payment awards at MFS (post-tax)	21	21	28	34	(2)	(38)	(34)	(42)	(35)	(36)	81	(149)	(70)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	22	202	212	194	230	272	259	233	221	230	838	985	774

**U.S. Group Benefits Reported Net Income to Underlying Net Income <sup>(3)</sup>**

	For the Quarter Ended												For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	2022	2021	2020	
<b>Common shareholders' reported net income (loss)</b> (post-tax)	23	110	92	86	59	6	49	99	89	73	97	58	79	347	243	307
Market related impacts (pre-tax)	24	(5)	(5)	(4)	2	8	4	2	3	1	1	6	1	(12)	17	9
Assumption changes and management actions (pre-tax)	25	—	(8)	—	—	—	(1)	—	(3)	(6)	24	—	(1)	(8)	(4)	17
Acquisition, integration and restructuring (pre-tax)	26	(1)	(1)	—	(1)	(1)	(2)	(1)	—	(1)	(1)	(1)	(1)	(3)	(4)	(4)
Tax expense (benefit) related to underlying net income adjustments	27	1	3	1	—	(1)	(1)	—	—	1	(5)	(1)	—	5	(2)	(5)
<b>Common shareholders' underlying net income (loss)</b> (post-tax)	28	115	103	89	58	—	49	98	89	78	78	54	80	365	236	290

<sup>(1)</sup> In Q3 2022, other refers to a US\$53 million pre-tax or US\$42 million post-tax charge reflecting the resolution of a matter related to reinsurance pricing for our U.S. In-force Management business. In Q2 2022, other reflects a gain related to the sale-leaseback arrangement on our Wellesley property.

<sup>(2)</sup> Effective January 1, 2022, there was a change in presentation of our proportional ownership in MFS by reporting our portion of MFS' net income components and the fair value adjustments on share-based payments. We have updated prior periods to reflect this change in presentation.

<sup>(3)</sup> Effective Q2 2022, we began reporting on the performance and results of our Dental business unit, which represents our existing dental and vision business within Group Benefits together with DentaQuest, acquired on June 1, 2022. We have updated prior periods to reflect this change in presentation.

**MFS RECONCILIATIONS**

(US\$ millions, unless otherwise indicated)

	For the Quarter Ended									For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>MFS Pre-Tax Net Operating Margin Reconciliation</b>													
<b>Revenue</b>													
IFRS fee income	1	775	801	838	909	981	973	938	887	862	3,323	3,779	3,136
Less: Adjustments													
Commissions	2	99	104	110	120	131	132	126	120	117	433	509	438
Other <sup>(1)</sup>	3	(13)	(13)	(16)	(11)	(10)	(10)	(11)	(11)	(10)	(53)	(42)	(38)
Total adjustments	4	86	91	94	109	121	122	115	109	107	380	467	400
<b>Adjusted revenue</b>	5	689	710	744	800	860	851	823	778	755	2,943	3,312	2,736
<b>Expenses</b>													
IFRS expenses	6	514	500	542	606	668	671	681	630	610	2,162	2,650	2,221
IFRS net investment (income) loss	7	(22)	(7)	6	6	(1)	—	(4)	5	(10)	(17)	—	(27)
Less: Adjustments													
Gross fair value adjustments on share-based payment awards <sup>(2)</sup>	8	(11)	(17)	(25)	15	56	52	58	50	51	(38)	216	115
Commissions	9	99	104	110	120	131	132	126	120	117	433	509	438
Other <sup>(1)</sup>	10	(13)	(13)	(16)	(11)	(10)	(10)	(11)	(11)	(10)	(53)	(42)	(38)
Total adjustments	11	75	74	69	124	177	174	173	159	158	342	683	515
<b>Adjusted expenses</b>	12	417	419	479	488	490	497	504	476	442	1,803	1,967	1,679
<b>Pre-tax net operating margin</b>	13	40 %	41 %	36 %	39 %	43 %	42 %	39 %	39 %	41 %	39 %	41 %	39 %
<b>MFS Pre-Tax Gross Operating Margin Reconciliation</b>													
IFRS fee income	14	775	801	838	909	981	973	938	887	862	3,323	3,779	3,136
<b>Expenses</b>													
IFRS expenses	15	514	500	542	606	668	671	681	630	610	2,162	2,650	2,221
IFRS net investment (income) loss	16	(22)	(7)	6	6	(1)	—	(4)	5	(10)	(17)	—	(27)
Less: Gross fair value adjustments on share-based payment awards <sup>(2)</sup>	17	(11)	(17)	(25)	15	56	52	58	50	51	(38)	216	115
<b>Adjusted expenses</b>	18	503	510	573	597	611	619	619	585	549	2,183	2,434	2,079
<b>Pre-tax Gross Operating Margin</b>	19	35 %	36 %	32 %	34 %	38 %	36 %	34 %	34 %	36 %	34 %	36 %	34 %

<sup>(1)</sup> Other includes accounting basis differences, such as advisory expenses and product allowances.

<sup>(2)</sup> For more information on this adjustment made to arrive at a non-IFRS financial measure, refer to the Non-IFRS Financial Measures page of this document and Section L. Non-IFRS Financial Measures, i. Underlying Net Income and Underlying EPS of the Company's Annual 2022 MD&A.

**SLC MANAGEMENT REPORTED NET INCOME RECONCILIATION TO THE SUPPLEMENTARY INCOME STATEMENT**

(C\$ millions, unless otherwise indicated)

	For the Quarter Ended									For the Year Ended			
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	2022	2021	2020	
<b>STATEMENTS OF OPERATIONS</b>													
<b>Net investment income (loss)</b>													
Investment income (loss) and performance fees - net investment income (loss)	1	8	1	—	8	3	17	2	(2)	7	17	20	(12)
Other - Investment income (loss) <sup>(1)</sup>	2	(3)	(15)	—	2	(4)	—	3	—	—	(16)	(1)	—
<b>Total net investment income (loss)</b>	3	5	(14)	—	10	(1)	17	5	(2)	7	1	19	(12)
<b>Fee Income</b>													
Management fees	4	234	218	209	201	204	195	182	174	143	862	755	440
Property management, transaction, advisory and other fees	5	32	25	33	25	37	28	30	18	45	115	113	122
Interest and other - fee income	6	49	54	49	50	41	41	40	42	40	202	164	165
Investment income (loss) and performance fees - fee income	7	5	—	—	3	11	—	—	1	1	8	12	26
Other - fee income <sup>(2)(3)</sup>	8	181	13	16	15	7	14	17	17	16	225	55	63
<b>Total fee income</b>	9	501	310	307	294	300	278	269	252	245	1,412	1,099	816
<b>Expenses</b>													
Compensation- fee-related	10	141	130	138	128	127	118	110	112	97	537	467	294
Other operating expenses	11	52	55	52	44	54	53	56	41	35	203	204	108
Interest and other	12	69	70	56	56	51	48	44	55	49	251	198	189
Placement fees - other	13	(4)	(4)	—	—	—	15	6	6	—	(8)	27	—
Amortization of intangibles	14	10	10	10	10	10	11	9	10	6	40	40	23
Acquisition, integration and restructuring	15	24	131	18	17	225	18	19	20	26	190	282	64
Other - expenses <sup>(1)(2)(3)</sup>	16	160	(1)	16	17	3	14	18	18	17	192	53	61
<b>Total expenses</b>	17	452	391	290	272	470	277	262	262	230	1,405	1,271	739
<b>Income (loss) before income taxes</b>	18	54	(95)	17	32	(171)	18	12	(12)	22	8	(153)	65
Income tax expense (benefit)	19	6	(7)	4	4	(21)	4	25	(4)	5	7	4	16
<b>Non-controlling interest</b>													
Non-controlling interest	20	10	9	8	9	5	(3)	—	(2)	3	36	—	11
Other - Non-controlling interest <sup>(3)</sup>	21	19	—	—	—	—	—	—	—	—	19	—	—
<b>Total on-controlling interest</b>	22	29	9	8	9	5	(3)	—	(2)	3	55	—	11
<b>Common shareholders' reported net income (loss)</b>	23	19	(97)	5	19	(155)	17	(13)	(6)	14	(54)	(157)	38

<sup>(1)</sup> The gains or losses of certain hedges are reported under Net investment income (loss) under IFRS, whereas we present these under Acquisition, integration and restructuring given that the only investment income or loss reflected under Investment income (loss) and performance fees in the Supplemental Financial Information report is related to our seed investments.

<sup>(2)</sup> We have reclassified the income and related expenses for certain property management agreements to Compensation – fee-related to provide more accurate metrics on our fee-related business.

<sup>(3)</sup> Under IFRS, Crescent is required to consolidate carried interest related to pre-acquisition funds that Crescent does not participate in economically. In Q4 2022, the carried interest is reported as \$156 million under revenue with relevant portions of \$139 million to compensation expenses and \$19 million to non-controlling interest. For management reporting purposes, carried interest is reported on a net basis in order to reflect the true economics of the carried interest.



## Non-IFRS Financial Measures Glossary

Sun Life uses the following non-IFRS financial measures:

- (1) ROE. IFRS does not prescribe the calculation of ROE and therefore a comparable measure under IFRS is not available. To determine reported ROE and underlying ROE, respectively, reported net income (loss) and underlying net income (loss) is divided by the total weighted average common shareholders' equity for the period. The ROE provides an indication of the overall profitability of the Company. The quarterly ROE is annualized.
- (2) Financial leverage ratio. This total debt to total capital ratio is a ratio of debt plus preferred shares to total capital, where debt consists of all capital qualifying debt securities, which represent subordinated debt and innovative capital instruments. The ratio is an indicator of the Company's capital adequacy measured by its proportion of capital qualifying debt in accordance with OSFI guidelines;
- (3) Dividend payout ratio. This is the ratio of dividends paid per share to diluted reported and underlying EPS, respectively, for the period and is utilized during the capital budgeting process to ensure that we are able to achieve our payout targets after factoring in our planned capital initiatives. We target an underlying dividend payout ratio of between 40% and 50% based on underlying EPS. For more information, see Section I. Capital and Liquidity Management of the Company's Annual 2022 MD&A;
- (4) Sales and gross flows. In Canada, insurance sales consist of sales of individual insurance and Sun Life Health products; wealth sales consist of sales of individual wealth products and sales in Group Retirement Services. In the U.S., insurance sales consist of sales by Group Benefits. In Asia, insurance sales consist of the individual and group insurance sales by our subsidiaries and joint ventures and associates, based on our proportionate equity interest, in the Philippines, Indonesia, India, China, Malaysia, Vietnam, International, Hong Kong and Singapore; wealth sales consist of Hong Kong managed funds sales, the Philippines mutual and managed funds sales, wealth sales by our India and China insurance joint ventures and associates, and Aditya Birla Sun Life Asset Management Company Limited equity and fixed income mutual funds sales based on our proportionate equity interest, including sales as reported by our bank distribution partners. Asset Management gross flows include funds from retail and institutional Clients; SLC Management gross flows include capital raising, such as uncalled capital commitments and fund leverage. There is no directly comparable IFRS measure;
- (5) Value of new business (VNB). VNB represents the present value of our best estimate of future distributable earnings, net of the cost of capital, from new business contracts written in a particular time period, except new business in our Asset Management pillar. The assumptions used in the calculations are generally consistent with those used in the valuation of our insurance contract liabilities except that discount rates used approximate theoretical return expectations of an equity investor. Capital required is based on the higher of Sun Life Assurance's Life Insurance Capital Adequacy Test (LICAT) operating target and local (country specific) operating target capital. VNB is a useful metric to evaluate the present value created from new business contracts. There is no directly comparable IFRS measure;
- (6) Pre-tax net operating margin. This ratio is a measure of profitability. For MFS, this ratio is calculated by excluding the impact of fair value adjustments on MFS' share-based payment awards and certain commission expenses that are offsetting. These commission expenses are excluded in order to neutralize the impact these items have on the pre-tax net operating margin and have no impact on the profitability of MFS. For SLC Management, the ratio is calculated by dividing the total operating income by fee-related revenue plus investment income (loss) and performance fees, and is based on the last twelve months. There is no directly comparable IFRS measure;
- (7) Pre-tax gross operating margin for MFS. This ratio is a measure of profitability, which excludes the impact of fair value adjustments on MFS' share-based payment awards. There is no directly comparable IFRS measure;
- (8) Pre-tax fee related earnings margin. This ratio is a measure of SLC Management's profitability in relation to funds that earn recurring fee revenues, while excluding investment income and performance fees. The ratio is calculated by dividing fee-related earnings by fee-related revenues and is based on the last twelve months. There is no directly comparable IFRS measure;
- (9) After-tax profit margin for U.S. Group Benefits. This ratio expresses U.S. Group Benefits underlying net income (loss) as a percentage of net premiums. It assists in explaining our results from period to period and measures profitability. This ratio is calculated by dividing underlying net income (loss) by net premiums for the trailing four quarters. There is no directly comparable IFRS measure;
- (10) Impacts of foreign exchange translation. To assist in comparing our results from period-to-period, the impacts of foreign exchange translation are approximated using the foreign exchange rates, in effect during the comparative period, for several IFRS and Non-IFRS financial measures using the average or period end foreign exchange rates, as appropriate. Items impacting a reporting period, such as Revenue, Benefits and expenses, and Reported net income (loss) in our Consolidated Statements of Operations, as well as underlying net income (loss), and sales, are translated into Canadian dollars using average exchange rates for the appropriate daily, monthly, or quarterly period. For items as at a point in time, such as Assets and Liabilities in our Consolidated Statements of Financial Position, as well as the AUM and Expected profit component of our Sources of Earnings disclosure, period-end rates are used for currency translation purposes;
- (11) Constant currency. We remove the impacts of foreign exchange translation from certain IFRS and non-IFRS financial measures to assist in comparing our results from period to period. The impacts of foreign exchange translation are approximated by using the foreign exchange rates in effect during the comparative period, using the average or period end foreign exchange rates, as appropriate. Constant currency reconciliation for Reported net income and Reported earnings per share - diluted as follows:
- |  |               |  |        |
|--|---------------|--|--------|
| Q4 2022 Reported net income at Q4 2021 constant dollar | \$919 million | Q4 2022 Reported earnings per share at Q4 2021 constant dollar | \$1.56 |
| Currency impact relative to Q4 2021 exchange rates     | \$32 million  | Currency impact per share relative to Q4 2021 exchange rates   | \$0.06 |
| Q4 2022 Reported net income - actual                   | \$951 million | Q4 2022 Reported earnings per share - actual                   | \$1.62 |
- (12) Assets under management (AUM). AUM is a non-IFRS financial measure that indicates the size of our Company's asset management, wealth and insurance assets. In addition to the most directly comparable IFRS measures, which are the balance of General funds and Segregated funds on our Statements of Financial Position, AUM also includes Other AUM, which is defined below. There is no standardized financial measure under IFRS;
- (13) Assets under administration (AUA). AUA is a non-IFRS financial measure that represents Client assets and the Company only provides administrative services for these assets. In Canada, AUA includes mutual fund dealer assets in Individual Wealth and administrative services assets in Group Retirement Services. In Asia, AUA includes administrative services assets in China and Hong Kong. There is no standardized financial measure under IFRS;
- (14) Assets under administration and management (AUMA) consists of both AUM and AUA, as defined above, and there is no standardized financial measure under IFRS;
- (15) Other AUM. Other AUM is composed of retail, institutional and other third-party assets as well as general fund and segregated fund assets managed by our joint ventures. In Canada, other AUM includes Client assets in retail mutual fund products of SLGI Asset Management Inc. In Asia, other AUM includes Client assets in Hong Kong managed fund products, International Wealth products, the Philippines mutual and managed fund products, Aditya Birla Sun Life Asset Management Company Limited equity and fixed income mutual fund products, Sun Life Everbright Asset Management products and our joint ventures' general fund and segregated fund assets based on our proportionate equity interest. In Asset Management, AUM includes Client assets for retail and institutional Clients, as well as capital raising, such as uncalled commitments and fund leverage in SLC Management. There is no directly comparable IFRS measure;
- (16) Fee earning AUM (FE AUM). FE AUM consists of assets managed by SLC Management, which are beneficially owned by Clients, to which we provide investment management, property management or advisory-related services on the basis of which we earn management fees pursuant to management or other fee agreements. There is no directly comparable IFRS measure;
- (17) AUM not yet earning fees. This measure represents the committed uninvested capital portion of total AUM not currently earning management fees. The amount depends on the specific terms and conditions of each fund. There is no directly comparable IFRS measure;
- (18) Capital raising. This measure consists of increases in SLC Management's commitments from fund raising activities for all real estate, infrastructure and alternative credit Clients excluding leverage. Investment-grade fixed income capital raising consists of sales made to new Clients. There is no directly comparable IFRS measure; and
- (19) Deployment. This measure represents the amount of capital that has been invested in the period, including leverage where applicable. Deployment also includes capital committed in infrastructure deals to be invested in specific assets. There is no directly comparable IFRS measure.

The SLC Management Supplemental Income Statement enhances the comparability of SLC Management's results with publicly traded alternative asset managers. Additional metrics provided are considered non-IFRS financial measures. **Fee-related revenue** represents all fee income, with the exception of performance fees, generated from third-party investors. **Management fees** represent fund management fees from third-party investors. **Property management, transaction, advisory and other fees** represent other fee revenues which exclude management fees and performance fees, generated from third-party investors. **Fee-related expenses** represent all expenses directly related to generating fee revenue from third-party investors. **Compensation - fee-related** represents compensation expense directly related to generating fee revenue from third-party investors, which excludes equity-based compensation. **Other operating expenses** represent operating expenses other than compensation that is directly related to generating fee revenue from third-party investors. **Fee-related earnings** represent profitability of our fee-related portfolios, and is calculated as Fee-related revenue less Fee-related expenses. **Investment income (loss) and performance fees** represent total income or loss from our seed investments, net of the related expenses. **Interest and other** represents performance fee compensation, our net interest income or expense and income from managing the General Account assets. **Operating income** represents profit realized from our business operations, and is calculated as the sum of Fee-related earnings, Investment income (loss) and performance fees, and Interest and other. **Placement fees - other** represent costs incurred for capital raising activities that are not related to the current period.