



# 2022 Public Accountability Statement

Sun Life Financial Inc.

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This report is filed as the consolidated Public Accountability Statement (PAS) for Sun Life Financial Inc., Sun Life Assurance Company of Canada and Sun Life Insurance (Canada) Limited as declarants (collectively, the “Declarants”), pursuant to the PAS regulations of the Canadian federal government (Insurance Companies Act (Canada), section 489.1(1) and Trust and Loan Company Act section 444.2(1) as applicable). It contains information regarding our subsidiaries and pertains to our most recent fiscal year (January 1, 2022, to December 31, 2022). Unless otherwise noted, all dollar amounts are expressed in Canadian currency. In this document, unless the context requires otherwise, references to “we,” “our,” “us,” “the Company,” “Sun Life,” and “Sun Life Financial” mean Sun Life Financial Inc. and where applicable, its subsidiaries; and references to “employees and advisors” refer to those of Sun Life Financial Inc. and its subsidiaries.

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# Community development and philanthropic activity<sup>1</sup>

Sun Life has a long-standing focus on community health and wellness and invests in partnerships which encourage healthy and active living. Through our donations and sponsorships in 2022, we continued to support the communities where we live and work. Our goal is to build a healthier, brighter future for our Clients, employees, advisors, shareholders and communities.

Sun Life's Purpose is to help Clients achieve lifetime financial security and live healthier lives. Our philanthropic support is one way we are bringing our Purpose to life. We focus on driving measurable social impact for those most in need. We are making investments that encourage healthy behaviours and support at-risk, underserved, low-income or underrepresented communities. Since 2012, diabetes prevention, awareness and care has been Sun Life's global philanthropic cause. As of December 31, 2022, we have committed \$46.7 million globally towards diabetes awareness, prevention and care.

In addition to supporting the prevention of type 2 diabetes, in 2022, we increased our commitment to support greater access to mental health services. In Canada, the focus of our support is for youth and their families from underserved communities. In 2022, we donated more than \$2 million to support mental health programs in Canada. This brings Sun Life's total mental health commitments to more than \$6 million over the next three years. These investments will support 14 organizations across Canada in their work to develop and maintain targeted mental health programs. In the U.S., we partnered with the National Alliance on Mental Illness (NAMI) and the Black Mental Health Alliance (BMHA). These organizations support mental health programs

and wellness services for communities which typically have limited access.

Through Sun Life's global philanthropic donations, we aim to reduce health inequities and barriers to care for underserved and marginalized communities. In 2022, we embedded principles of diversity, equity and inclusion (DE&I) into Sun Life's global philanthropic health pillars. This ensures that our funding intentionally targets those who need help the most. As a result of these efforts, in 2022, Sun Life donated \$3.8 million to support marginalized and underserved communities worldwide. This represents a 90% increase over the previous year's DE&I-related investments.

In 2022, across all programs, Sun Life donated a total of \$16.2 million to community organizations worldwide. Our principal subsidiaries, and DentaQuest, contributed an additional \$7.6 million to support community organizations around the globe. In Canada, in 2022, Sun Life's charitable donations supporting community organizations coast to coast totalled \$9 million<sup>2</sup>. Below are a few examples of donations and sponsorships from Sun Life and its subsidiaries.

## Health

### McGill University's Ingram School of Nursing

In 2022, Sun Life donated \$266,666 as part of an \$800,000 commitment over three years to McGill University's Ingram School of Nursing. The donation is helping to expand their nurse-led clinics serving at-risk clientele in Montreal. Sun Life's funding

<sup>1</sup> In this section, unless otherwise stated, references to "employees and advisors" excludes individuals from Massachusetts Financial Services ("MFS") and BentalGreenOak ("BGO") companies listed on page 12.

<sup>2</sup> Includes donations made by individual business units.

has helped to expand the community nursing program to five new locations in high-priority neighborhoods. In 2022, the nurses at the community clinics treated more than 1,800 patients from underserved populations.

## Foundation for Black Communities

As part of Sun Life's commitment to health equity and better health outcomes for the Black community, we continued our partnership with the Foundation for Black Communities. In 2022, we donated \$275,000 as part of a three-year \$825,000 commitment to support the Ontario Youth Wellness Grant program in Canada. The grants will benefit 33 Black-led, Black-focused, and Black-serving non-profit organizations. The organizations foster the physical and mental well-being of Black youth in Ontario through sport and recreation programs.

## Team Up Against Diabetes grant program

Each year, Sun Life U.S. runs a national grant program which provides support through grants of up to US\$100,000 each. The grants are awarded to registered charities focused on diabetes awareness, prevention, education and care. Sun Life created the program to help grassroots organizations seeking funding for diabetes programming in their local communities. Since the program began in 2016, Sun Life has donated over US\$1.7 million in funding to organizations throughout the U.S.

In 2022, Sun Life awarded US\$350,000 in funding via Sun Life's Team Up Against Diabetes grant program to six charities, including:

- **AdventHealth Foundation Central Florida:**  
*AdventHealth for Children's Healthy Weight & Wellness Program*

AdventHealth's Healthy Weight and Wellness program is a health and wellness program that

provides children and families tools to live a healthy and active life. The program combines family education and support with professional medical services to combat obesity. Sun Life's grant will help serve over 100 low-income children and teens and their families, supporting programming in nutrition, health coaching and physical activity.

- **University of Michigan School of Social Work:**  
*Michigan Men's Health Education Project*

University of Michigan's Men's Health Education Project aims to reach Black men in the Detroit area to help them better manage their type 2 diabetes. The project works with male barbers as peer leader health advocates, targeting diabetes-related lifestyle and self-management behaviours. Sun Life's grant will support staffing, participant incentives and equipment, including health monitoring devices.

## SunPIOLOgy Family Challenge

The SunPIOLOgy Family Challenge was a virtual event designed to encourage more Filipino families to make health and wellness a shared family goal as they fight diabetes. In 2022, 232 families took part, reaching 13 million steps over the month-long challenge. The event raised donations of P100,000 to Hebreo Foundation and P50,000 to Good Neighbors Philippines.

## Pan-Mass Challenge

For 25 years, MFS has been a corporate sponsor of the Pan-Mass Challenge ("PMC"), a bike-a-thon held in Massachusetts. PMC raises millions of dollars for cancer research and treatments for the Dana-Farber Cancer Institute ("Dana-Farber"). In 2022, MFS helped raise more than US\$1.38 million of the PMC's US\$69 million gift to Dana-Farber.

# Employee gifts and volunteer contributions

Sun Life's corporate philanthropic work is supported by its employees and advisors who generously volunteer, donate to and participate in causes that they are passionate about. In 2022, employees and advisors volunteered thousands of hours and donated to organizations in the communities where they live and work. Across Canada, the U.S. and Ireland, where our You Give We Give Program operates, together, we donated over \$4.3 million to more than 3,000 charities. This was the largest sum donated in the history of our employee giving program.

## You Give We Give - Our employee and advisor giving and volunteer program

One of the ways we bring our Purpose to life is by supporting the health and well-being of the communities where we live and work. Through You Give We Give, our employee giving program, employees can choose how to give back to the causes that are important to them.

In Canada, You Give We Give provides up to \$1,250 of matched donations each year, per employee and advisor, to their charities of choice. Employees and advisors can contribute through any combination of financial donation, volunteering or event participation.

## Our giving program

### Employee and advisor giving contributions (Canada)

Canada	2022
Employee and advisor contributions (number)	3,562 employees and advisors made 56,487 donations
Employee and advisor contributions	\$1,710,357
Company match	\$1,397,544
Total combined donation	\$3,107,901
Registered charities supported (number)	1,316

## Our volunteer program

In Canada, Sun Life's volunteer program recognizes the efforts of employees and advisors who volunteer for a registered charity or humanitarian cause. For every hour employees and advisors volunteer with a registered charity, Sun Life will donate \$20 to that charity. Sun Life will also donate \$20 for each charitable event that an employee or advisor takes part in. In 2022, our employees and advisors in Canada volunteered and reported over 17,500 volunteer hours with local charities and organizations.

### Employee volunteer grant contributions (Canada)

Category	Amount
Employee contributions (hours)	17,585
Company donation	\$165,300
Registered charities supported (number)	218

# Volunteer highlights

Sun Life employees in North America and Asia took part in volunteer opportunities to contribute to the well-being of their local communities.

## **Double company donation**

Employees in Canada participated in a new initiative that doubled charity rewards during specific months. For every hour an employee volunteered in July and August, Sun Life doubled their donation from \$20/hour to \$40/hour to the charity the employee volunteered with. The program was a success and we met our goal of contributing \$40,000 to communities across Canada in less than five weeks.

## **Oral health promotion**

In the U.S., employees came together to promote oral health by assembling kits with dental supplies (toothbrushes, toothpaste and floss) for communities in need. More than 1,100 employees took part, resulting in over 70,000 oral health kits delivered to local charities throughout the U.S.

## **Sun Life Foundation, Philippines volunteer engagement program**

In the Philippines, Sun Life employees and advisors can give back to their local communities through a volunteer engagement program. The program offers departments, branches, business units and individuals the opportunity to take part in specific acts of kindness.

Throughout the year, our employees and advisors engaged in many activities that support Sun Life's philanthropic priorities. For example, we held a week-long virtual volunteers' fair featuring a series of workshops on topics including education, health, environment and arts and culture. The workshops benefited various partner organizations and the at-risk communities they support. In 2022, these programs engaged more than 2,000 volunteers and touched over 250,000 lives.

# Access to financial services

We aspire to increase the lifetime financial security of our Clients, employees and communities. That includes improving access to financial services for underserved groups. Below are a few examples of initiatives undertaken in 2022 and products that support the needs of low-income individuals, persons with varying abilities<sup>3</sup> and senior citizens.

## Low-income individuals

In Canada, we offer various term insurance products for individuals looking for affordable and flexible protection. One example is SunSpectrum Term Life Insurance. The product includes guaranteed premiums and options to convert to lifetime protection if needs change. Coverage amounts begin at \$50,000 for terms of 10, 15, 20 or 30 years.

In some countries where we operate, life insurance penetration is low. Helping people access affordable insurance represents huge growth potential for any insurer bridging the significant coverage gap. In 2022, we continued to provide access to more affordable insurance products through strategic and digital partnerships in the Philippines, Indonesia, Vietnam and Malaysia. We insured over 1.6 million lives through these partnerships in 2022.

## Persons with varying abilities

We strive to provide products and services in a way that respects the dignity and independence of persons with varying abilities. We are committed to giving persons with varying abilities the same opportunity to access our products and services as other Clients. We are also committed to meeting the needs of persons with varying abilities in a timely manner and continue to meet applicable legislative requirements for preventing and removing barriers. In Canada, we apply the highest accessibility legislation to our organization. That's regardless of the originating province, to ensure the best

experience for our Clients, including those with varying abilities.

Our [Multi-Year Accessibility Plan](#) and [Customer Service Policy Statement](#) outline our approach to establishing accessible products, services, employment and workplaces for persons with varying abilities in Canada. Our public websites and web content published on those sites are WCAG 2.0, Level AA compliant. We continue to review new and upcoming legislation that may impact our business.

## Senior citizens

In Canada, we offer personal health insurance. This type of insurance is an ideal solution for those who are retiring and leaving a group benefits plan. These types of products provide affordable coverage for day-to-day health expenses and medical emergencies that aren't covered by provincial plans. Dental benefits are optional on some plans.

Sun Life also offers long-term care insurance. Sun Retirement Health Assist long-term care insurance protects against the impact that long-term care costs can have on retirement savings or income plans. It's a solution focused on planning for the health risks associated with later retirement and the realities of aging. This insurance can help cover the costs of care when the insured becomes dependent on another person for their basic needs and safety. It allows them to have more choice around the care they'll receive and helps preserve their savings and investments.

In the Philippines, our SUN Senior Care product provides health insurance to those who are already in their pre-retiree or retiree life stages. Benefits include access to a wellness program and coverage for 17 common advanced-age critical illness conditions. If the insured remains healthy and well throughout the coverage period, they are protected with guaranteed life insurance.

<sup>3</sup>Our reporting on supporting the needs of persons with varying abilities is intended to address the Public Accountability Statements (Insurance Companies and Trust and Loan Companies) Regulations section 3(1)(f) requiring an overview of initiatives undertaken during the period, by the declarant and by the affiliates in respect of which the statement is published, to improve access to financial services for disabled persons.

# Employees

Sun Life has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda. In 2022, Sun Life spent approximately \$5.1 billion on compensation and benefits globally.

## Employees in Canada<sup>1</sup>

Province	Full-time	Part-time	Total
Alberta	585	7	592
British Columbia	479	9	488
Manitoba	72	10	82
New Brunswick	15	0	15
Newfoundland and Labrador	11	0	11
Nova Scotia	66	0	66
Ontario	8,632	104	8,736
Prince Edward Island	3	0	3
Québec	2,179	39	2,218
Saskatchewan	22	0	22
<b>Total</b>	<b>12,064</b>	<b>169</b>	<b>12,233</b>

<sup>1</sup>As of December 31, 2022.



# Taxes paid

The taxes we pay in Canada and around the world are another measure of the way Sun Life contributes to the economies and communities in which we live, work and do business.

In 2022, in all jurisdictions where the Company operates, taxes paid or payable to governments totalled \$1,695 million. Of this total, \$711 million was paid or payable in income taxes; \$453 million in premium taxes and investment income taxes; and \$531 million in excise, property, payroll and other taxes. In Canada, the Company's total taxes paid or payable amounted to \$939 million.

## Consolidated tax expenses in Canada

(in thousands of dollars)

Type of tax	Income taxes <sup>1</sup>	Premium taxes and investments taxes	Total other taxes <sup>2</sup>	Total
Federal	\$212,554	\$22,996	\$77,517	\$313,067
Provincial/Territorial				
Alberta	\$11,464	\$34,160	\$17,796	\$63,420
British Columbia	\$22,306	\$36,739	\$14,334	\$73,379
Manitoba	\$2,712	\$4,824	\$228	\$7,764
New Brunswick	\$2,589	\$3,768	\$839	\$7,196
Newfoundland and Labrador	\$1,698	\$2,642	\$624	\$4,964
Northwest Territories	\$41	\$166	\$0	\$207
Nova Scotia	\$2,684	\$4,636	\$1,060	\$8,380
Nunavut	\$24	\$92	\$0	\$116
Ontario	\$75,046	\$138,874	\$93,367	\$307,287
Prince Edward Island	\$751	\$927	\$210	\$1,888
Québec	\$25,429	\$48,651	\$62,072	\$136,152
Saskatchewan	\$4,892	\$9,353	\$104	\$14,349
Yukon	\$85	\$324	\$0	\$409
<b>Total</b>	<b>\$362,275</b>	<b>\$308,152</b>	<b>\$268,151</b>	<b>\$938,578</b>

<sup>1</sup> Income tax amounts are estimates based on information available for the year ended December 31, 2022.

<sup>2</sup> The category "Total other taxes" refers to \$109 million in property taxes, \$93 million in payroll taxes and \$66 million in sales and excise taxes.

# Debt financing

Sun Life is committed to making debt financing available to businesses across Canada. In 2022, authorized debt financing for businesses in Canada totalled over \$3.6 billion.

## Debt financing in Canada

(Authorized amounts are as of December 31, 2022 and are stated in thousands of dollars)

Province	Category	\$1,000,000 - \$4,999,999	\$5,000,000 +	Total
Alberta	Authorized Amount <sup>2</sup>	-	\$713,061	\$713,061
	Number of Clients	-	12	12
British Columbia	Authorized Amount <sup>2</sup>	\$26,718	\$640,213	\$666,931
	Number of Clients	9	12	21
Ontario	Authorized Amount <sup>2</sup>	\$11,809	\$2,039,557	\$2,051,366
	Number of Clients	4	43	47
Québec <sup>1</sup>	Authorized Amount <sup>2</sup>	\$30,903	\$222,372	\$253,275
	Number of Clients	4	8	12
<b>Total</b>	<b>Authorized Amount<sup>2</sup></b>	<b>\$69,430</b>	<b>\$3,615,203</b>	<b>\$3,684,633</b>
	<b>Number of Clients</b>	<b>17</b>	<b>75</b>	<b>92</b>

<sup>1</sup>For Client confidentiality, debt financing figures for Saskatchewan were combined with Québec as they were only one exposure in the authorization levels.

<sup>2</sup>Authorized amount includes all new commitments for 2022.

There was no activity in Manitoba, New Brunswick, Newfoundland & Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island and Yukon or for authorization levels \$0-\$24,999; \$25,000-\$99,999; \$100,000-\$249,999; \$250,000-\$499,999; \$500,000-\$999,999 in 2022.

# Affiliates

The following is a list of affiliates of the Declarants as of December 31, 2022.

- BGO Capital (Canada) Inc.
- BGO US Lending HRI Loan Pledgor LLC
- BGO US Lending HRI Loan Seller LLC
- BGO US Lending Originator LLC
- BGO US Lending Seller I LLC
- MFS Institutional Advisors, Inc.
- MFS Investment Management Canada Limited
- MFS Investment Management Company (LUX) S.à.r.l.
- SLC Management Canadian Commercial Mortgage Fund
- SLGI Asset Management Inc.
- Sun Life Capital Management (Canada) Inc.
- Sun Life Financial Distributors (Canada) Inc.
- Sun Life Financial Investment Services (Canada) Inc.
- Sun Life Financial Trust Inc.

