



Q1'23  
Delivering sustainable shareholder value

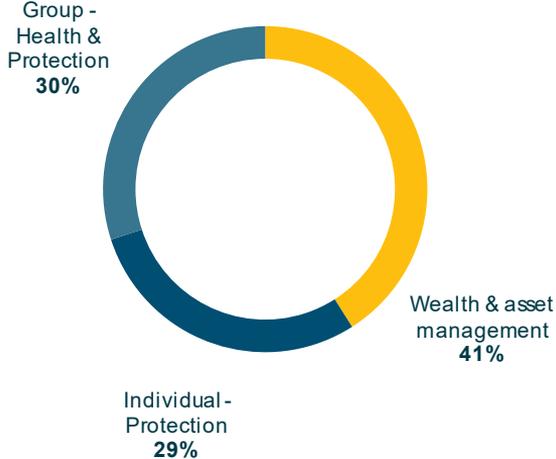




- **Business overview**
- Strategic overview
- Business group results & highlights
- Capital management
- Asset portfolio

# A leading global financial services organization

Balanced & diversified business model<sup>2</sup>



~85M Clients<sup>3</sup>      52,500 Employees<sup>3,4</sup>      97,400 Advisors<sup>3,5</sup>      Offices in 28 markets<sup>3</sup>      \$1.36T Assets Under Management (AUM)<sup>1,6</sup>      \$37B market cap<sup>6</sup>



<sup>1</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our MD&A for the period ended March 31, 2023 ("Q1 2023 MD&A").  
<sup>2</sup> Footnotes 2-6: Refer to slide 39.



## The Sun Life story

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- A **diversified business model**, with four well-positioned business groups, focused on creating value and positively **impacting our Clients**, employees and shareholders
- Portfolio of businesses that have **strong growth prospects** and **capital generation** in attractive global markets
- Strategy is underpinned by a continued commitment to **strong financial discipline** and risk management
- We have an **omni-channel approach to distribution**, making it easier for Clients to do business with us across all markets
- We are thinking and acting like a **digital company** to drive leading experiences and capabilities
- **Purpose-driven sustainability** strategy to create a positive impact on all stakeholders
- **Empowered people and inclusive culture** to help us deliver on our strategy
- Our **trusted brand** informs the differentiated Sun Life experiences we create, the products and service experiences we deliver, and the culture we live by



## Leveraging global trends

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- Individual and employer attention on **physical and mental health**
- **Demographic shifts** in developed markets
- Increased economic, market and geopolitical **volatility**
- Gig economy and shift in **nature of work**
- **Digital** acceleration
- Adoption of digital health **technologies**
- Growth of **alternative asset classes**
- Increasing competition from **new market entrants**



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# Executing on our ambition to be one of the best asset management and insurance companies globally

## Four Pillar Strategy

- AM** | A global leader in public and alternative asset classes through MFS and SLC management
- CAN** | A leader in health, wealth, and insurance
- US** | A leader in health and benefits
- ASIA** | A regional leader focused on fast-growing markets

## Our Purpose

Help Clients achieve lifetime financial security and live healthier lives



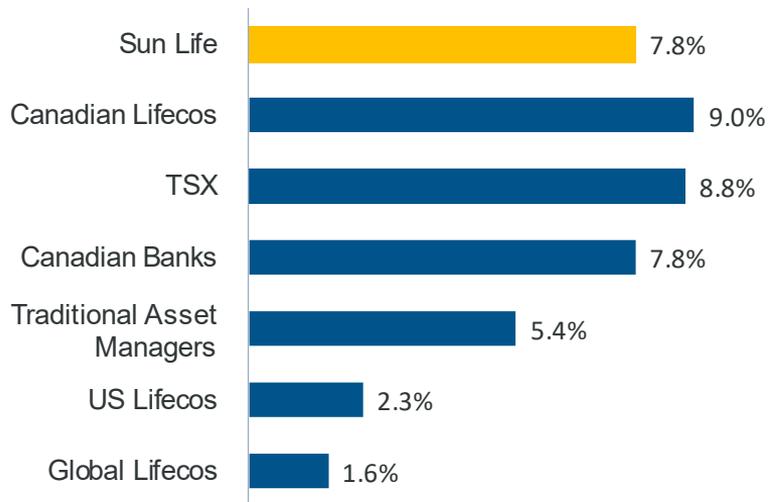
## Key Priorities

- Think and act like a digital company
- Realize synergies between Asset Management and Insurance businesses
- Build scale and capabilities through M&A and strategic partnerships
- Deliver on our Health strategy in Canada, the U.S., and Asia

# Consistently delivering value to shareholders

## 5-year total shareholder return<sup>2</sup>

March 31, 2023



## Performance against medium-term objectives

Medium-term objective <sup>3</sup>	Q1'23	5-years ending 2022 <sup>4</sup>
Underlying EPS growth <sup>1</sup> 8-10%	24%	9%
Underlying ROE <sup>1</sup> 18%+	17.3%	14.7%
Underlying dividend payout ratio <sup>1,5</sup> 40-50%	47%	41%

<sup>1</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A. Footnotes 2-5: Refer to slide 39.

# Our Sustainability Plan brings our Purpose to life

The plan has three pillars, representing the areas where we have the greatest opportunity to drive positive impact in society, while creating competitive advantage for Sun Life:

## Increasing financial security

- We aspire to **increase the lifetime financial security** of our Clients, employees and communities
- We're advancing financial security through **innovative products and services, proactive education** and improved access to and use of **insurance and wealth products**

## Fostering healthier lives

- We aspire to **improve health and wellness outcomes** for all
- We offer Clients and employees **products, services and tools** to help them live healthier lives
- We positively impact health and wellness outcomes in society through our focus on **increasing access to health care and health and disability insurance**
- Our **investments in community health** complement these efforts

## Advancing sustainable investing

- We aspire to **deliver sustainable returns** for Clients and **drive the transition to a low-carbon, inclusive economy**
  - Manage capital with **ESG factors** embedded in our investment processes
  - Offer our Clients **sustainable investing opportunities**
  - Invest assets to support a **low-carbon and more inclusive economy**

These efforts build from our foundation of **operating as a trusted and responsible business**

# Sustainability highlights show progress against our plan

## Increasing financial security

**Nearly 100,000**

financial roadmaps created to-date<sup>1</sup> for Clients in Canada using tools including Sun Life One Plan

**US\$30.5 million**

in savings for Sun Life and our stop-loss Clients through our Clinical 360 program in the U.S.

**1.6 million**

lives covered through affordable insurance policies issued in Asia<sup>2</sup>

## Fostering healthier lives

**New surrogacy, adoption & fertility services benefits**

added to group benefits plans in Canada

**\$46.7 million**

committed to diabetes awareness, prevention and care globally since 2012

DentaQuest added

**~3 million members**

increasing access to dental care for low-income people in the U.S.<sup>3</sup>

## Advancing sustainable investing

**\$14.2 billion**

in new sustainable investments since 2021<sup>4</sup>

**\$80.4 billion**

value of investments in assets and businesses that support the transition to a low-carbon and more inclusive economy<sup>4</sup>

**Net-zero interim targets established**

for several of our asset management businesses<sup>5</sup>

## Operating as a trusted and responsible business

**36.9%**

reduction in greenhouse gas emissions across our global corporate real estate, data centres and business travel (2019 baseline)<sup>6</sup>

**Achieved gender parity**

on our Board of Directors, and 25% of Board members self-identified as members of underrepresented groups<sup>1,7</sup>

**89%**

employee engagement score<sup>8</sup> (third consecutive year), exceeding the global financial norm<sup>9</sup>

All metrics as at December 31, 2022 unless otherwise noted.  
Footnotes 1-9: Refer to slide 39.

# Digital leadership

Thinking and acting like a digital company focused on:

## Digital Experiences

Amazing Client, employee, advisor and partner experiences

## Digital Capabilities

Enabling our experiences and improve our digital maturity

## Digital Ways of Working

Empowering our people to support our digital journey

enabling a strong, resilient and trusted technology foundation.

## Q1 2023 Highlights

### Enhancing our Sun Life One Plan tool in Canada

- Digital tool **enables Clients to update their financial roadmaps directly**, while collaborating with their advisor on personalized goals
- Introduced to retail Clients in 2022 and in 2023 **extended to 750,000+ Canadian Group Retirement Clients**
- **Nearly 100,000 financial roadmaps created to-date** for retail Clients in Canada using tools including Sun Life One Plan

### Impactful results from AbleTo partnership in the U.S.

- Provides **access to virtual behavioural health therapy and coaching** for members with cancer
- Early results show **50%+ reduction in anxiety, depression, and stress levels** for participating members
- In Q1, expanded partnership with AbleTo to offer Self-Care, an on-demand wellness program to **support mental health** for our life insurance members

### First digital direct Client end-to-end application journey in Hong Kong

- **Developed and launched Sun Life's first digital direct channel** for Tax Deductible Voluntary Contributions (TVC) for MPF Clients in Hong Kong
- **Simplified and streamlined** solution resulted in a **28% increase** in overall TVC applications in Q1
- Opportunity to **apply direct selling capability** to other products across the HK business

# Distribution excellence

**Omni-channel approach** to serving Clients, including more mobile touch points, click-to-chat, call center and in-person interactions

Aim to reach Clients at the right moments, with personally relevant and useful offers

New digital business models broaden access to Clients

## Distribution across the four pillars

AM

- **MFS** partners with leading retail intermediary firms and global institutional consultants
- **SLC Management** distributes products through acquired affiliates Crescent Capital, BentallGreenOak, InfraRed Capital Partners and Advisors Asset Management

CAN

- **Sun Life Financial Distributors** uses digital tools like Sun Life Go, Lumino Health and *Prospr* by Sun Life along with face-to-face advice
- **Employers** receive support through direct plan sponsors, brokers and the Client Service Centre and **Clients** receive support through sales representatives, pension consultants and advisors

US

- Sell products and services through **independent brokers and benefits consultants**, supported by employee benefits representatives, supplemental health representatives, and stop-loss specialists
- The **commercial Sun Life Dental Network®** includes more than 130,000 unique providers and offers easy access to care

ASIA

- Over **25 bancassurance partners** across Asia markets
- **Joint venture partnerships** in India, China and Malaysia
- Sun Life's Brighter Academy strives to develop the **Most Respected Advisors (MRA)**



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# Q1 2023 results – Strong underlying ROE of 17.3%

Profitability	Q1'23	Q1'22	Change
Underlying net income <sup>1</sup> (\$ millions)	895	720	+24%
Reported net income (\$ millions)	806	665	+21%
Underlying EPS <sup>1,2</sup> (\$)	1.52	1.23	+24%
Reported EPS <sup>2</sup> (\$)	1.37	1.13	+21%
Underlying ROE <sup>1</sup> (%)	17.3	14.7	+2.6 pp
Reported ROE <sup>1</sup> (%)	15.6	13.6	+2.0 pp

Growth	Q1'23	Q1'22	Change
Wealth & asset management net flows <sup>1</sup> (\$ billions)	(1.8)	(1.1)	\$(0.7)
Total AUM <sup>1</sup> (\$ billions)	1,364	1,352	+1%
Group sales <sup>1</sup> (\$ millions)	543	390	+39%
Individual sales <sup>1</sup> (\$ millions)	511	409	+25%
New business CSM <sup>3</sup> (\$ millions)	257	173	+49%

Financial strength	Q1'23	1/1/23	Change
SLF Inc. LICAT ratio <sup>4</sup> (%)	148	142	+6 pp
SLA LICAT ratio <sup>4,5</sup> (%)	144	139	+5 pp
Financial leverage ratio <sup>1</sup> (%)	23.2	23.7	(0.5) pp
Book value per share (\$)	35.34	34.60	+2%

## Results Highlights

### Earnings reflect strong business fundamentals and diversified business mix<sup>6</sup>

- **Wealth & asset management (\$11 million):** lower fee-based earnings from equity market declines, mostly offset by an increase in investment income reflecting higher volumes and yields
- **Group - Health & Protection (+\$180 million):** strong premium growth, contribution from DentaQuest, and favourable experience
- **Individual - Protection (+\$42 million):** good sales momentum over the past year, improved insurance experience, and higher investment contributions
- **Corporate expenses & other (\$36 million):** includes higher debt and compensation expenses

### Net Wealth & asset management flows of \$(1.8) billion

- AUM<sup>1</sup> up 1% reflecting market growth, partially offset by net outflows

### Strong Group & Individual sales across Canada, U.S., and Asia

- Group sales up 39% y/y driven by U.S. Dental and Employee Benefits
- Individual sales up 25% y/y on strong par sales in Canada and growth in Hong Kong and Asia High Net Worth

### Strong capital position

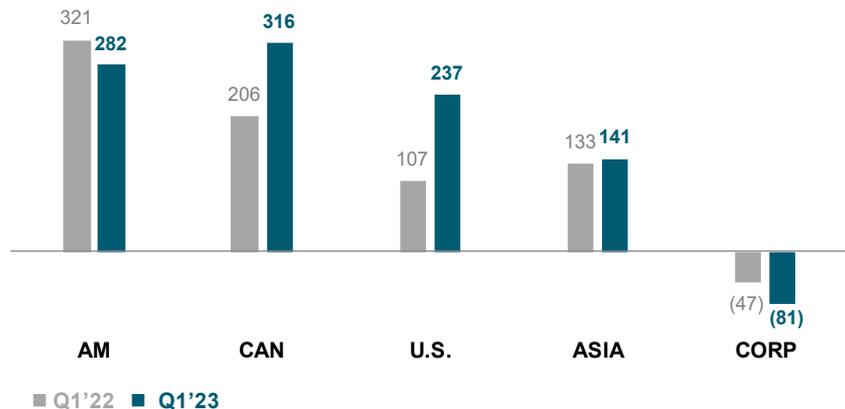
- SLF LICAT of 148%; low financial leverage ratio of 23.2%
- \$1.1 billion in holdco cash; Q2'23 pro-forma holdco cash over \$2 billion<sup>1,7</sup>

<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A. Footnotes 2-7: Refer to slide 39.

# Q1 2023 results

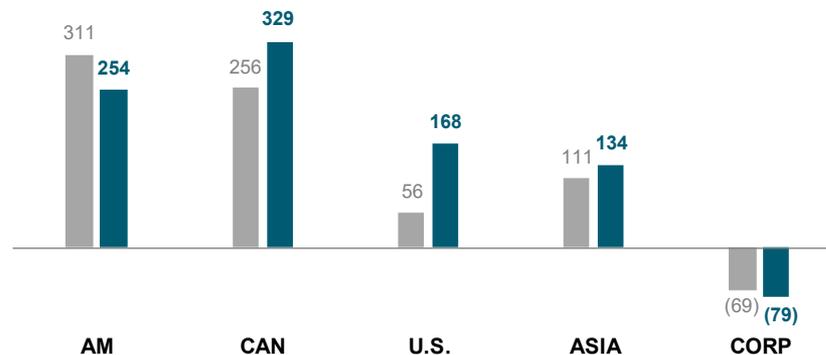
## Underlying net income<sup>1</sup> (\$ millions)

Impact of currency translation increased underlying net income by **\$32M**<sup>2</sup>



## Reported net income (\$ millions)

Impact of currency translation increased reported net income by **\$28M**<sup>2</sup>



### Year-over-year growth<sup>3</sup>

(12)%	+53%	+121%	+6%	(17)%	+29%	+200%	+21%
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### Constant currency<sup>2,3</sup> year-over-year growth

(17)%	+53%	+107%	+4%	(23)%	+29%	+179%	+14%
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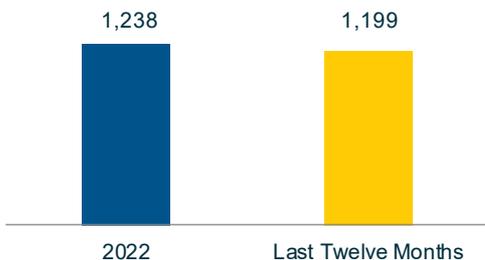
<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

<sup>2</sup> Percentage changes are reported on a constant currency basis, which excludes the impacts of foreign exchange translation.

<sup>3</sup> Refer to Note to Readers: 2022 Restated Results on Adoption of IFRS 17 and IFRS 9 in the appendix to these slides.

# Asset Management: A global leader in both public and alternative asset classes

## Underlying net income<sup>1</sup> (\$ millions)



**US\$570**  
billion AUM<sup>1,2</sup>



**\$218**  
billion AUM<sup>1,2</sup>

## Q1 2023 highlights

- Published interim **net zero targets** for 2030 for Sun Life's General Account<sup>3</sup>, reinforcing our **commitment to reducing the climate impacts of investments we own and manage** through Sun Life's General Account

### MFS

- Q1 pre-tax net **operating margin<sup>1</sup> of 37%**;
- Long-term retail fund performance remains resilient** with 96% and 93% of fund assets ranked in the top half of their respective Morningstar categories based on 10- and 5-year performance, respectively
- Ranked in the top 10<sup>4</sup> for five- and ten-year performance** categories across U.S. retail funds, marking the 14<sup>th</sup> time in the last 15 years that MFS has achieved this recognition

### SLC Management

- Fee-related earnings** up 26% y/y on higher fee-earning AUM, reflecting strong capital raising and deployment across the platform over the past year
- Completed the **acquisition of a 51%<sup>5</sup> interest in Advisors Asset Management** on Feb 1, 2023 – commencing development of alternatives products focused on the U.S. high-net-worth channel

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Footnotes 2-5: Refer to slide 40.

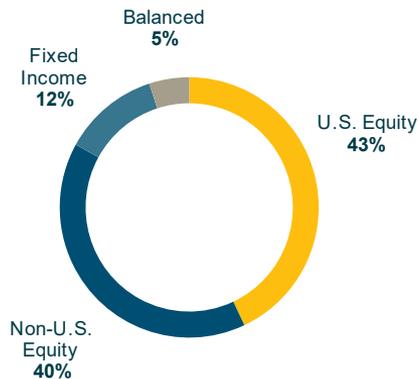
# MFS: creating value through active investment mandates

Continue to deliver superior investment performance while allocating capital responsibly for our Clients

- Engage Clients to align with MFS to focus on longer investment horizons, leveraging our proven ability to deliver over benchmark performance through a market cycle
- ESG is embedded in our overall investment approach of allocating capital responsibly on behalf of our Clients
- Building out institutional fixed income products and sales capabilities and broadening non-U.S. retail initiatives
- MFS strives to maintain margins in the top quartile of active managers while providing long-term value to Clients

## Asset class mix

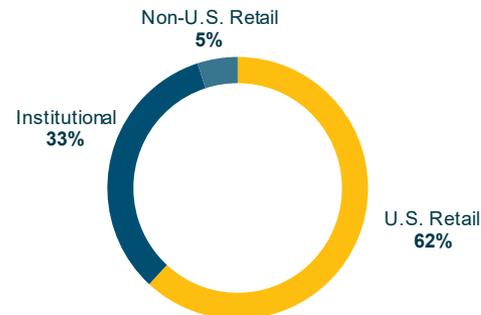
As at March 31, 2023



**US\$570**  
billion AUM<sup>1</sup>

## Investor type

As at March 31, 2023



<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

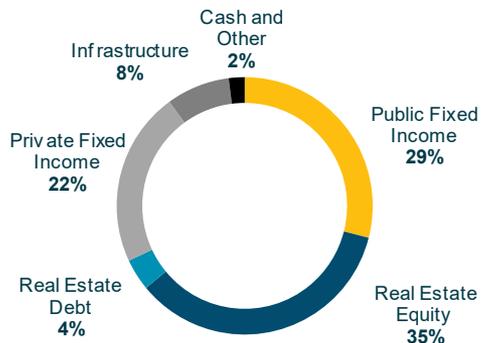
# SLC Management: strong capabilities in alternative investments

Help investors meet their investment objectives by offering a broad suite of alternative asset classes and fixed income strategies

- Deliver superior investment performance, expand and deepen our distribution relationships and build out products
- Offer our Clients a compelling suite of investment capabilities to meet their needs, including:
  - leading public and private fixed income capabilities, spanning both investment grade and alternative credit
  - global real estate expertise across both equity and debt investments, and global infrastructure capabilities

## Asset class mix

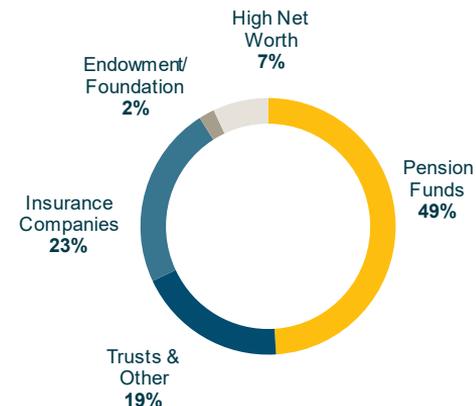
As at March 31, 2023



**\$218**  
billion AUM<sup>1,2</sup>

## Investor type

As at March 31, 2023

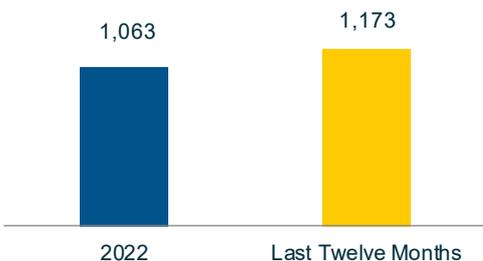


<sup>1</sup> Excludes assets managed on behalf of the Insurance businesses for the General Fund as well as \$50 billion of assets under administration by Advisors Asset Management, Inc.

<sup>2</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

# Canada: A leader in health, wealth, and insurance

## Underlying net income<sup>1</sup> (\$ millions)



## Market position by business

- 1<sup>st</sup>** Individual Insurance<sup>2</sup>
- 1<sup>st</sup>** Group Benefits (Sun Life Health)<sup>3</sup>
- 1<sup>st</sup>** Group Retirement Services<sup>4</sup>

## Q1 2023 highlights

- **Underlying net income of \$316 million up 53%** over prior year, reflecting higher investment income, improved disability, and higher premiums reflecting good sales momentum
- Enhanced the **Sun Life One Plan digital tool** to enable Clients to directly **update their financial roadmaps** as frequently as they would like, while **collaborating with their advisor** on personalized goals
  - Introduced this tool to retail Clients in 2022 and in 2023 expanded to include over 750,000 Clients in Group Retirement Services; **nearly 100,000 financial roadmaps created to-date for retail Clients in Canada using tools including Sun Life One Plan**
- **Prospr by Sun Life**, a hybrid advice solution that combines a **best-in-class digital platform with a team of licensed advisors**, continues to build momentum with significant growth in unique site visitors over last year
  - Continue to introduce new capabilities, including **providing Clients the ability to link external accounts to their Prospr by Sun Life profile**, leveraging the tool as a holistic financial roadmap to track and prioritize goals in one place
- On February 1, 2023, **completed the sale of sponsored markets business**<sup>5</sup> from Sun Life Assurance, to Canadian Premier Life Insurance Company

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Footnotes 2-5: Refer to slide 40.

# Shaping the industry and capturing opportunities in Canada<sup>1</sup>

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## Advance our One Sun Client strategy

- Create a **One Sun Life** digital experience
- Expand our proactive, predictive, and personal contact through our **digital coach, Ela**

## Accelerate our wealth strategy

- Scale and accelerate **SLGI Asset Management** as a growth engine
- Be the retirement income provider of choice by leveraging our **worksite advantage**
- Lead the growing Canadian pension risk transfer market through **Defined Benefit Solutions**
- Provide seamless financial planning and asset consolidation capabilities

## Strengthen and expand our health business

- Expand our role in health and wellbeing through **virtual health care options**
- Promote early intervention for mental disorders through our virtual **Mental Health Coach**
- Develop **targeted insurance solutions** for Canadians living with chronic conditions
- Leverage the **Toronto Raptors** to motivate communities to focus on health and wellness

## Transform retail distribution

- Strengthen our dedicated **face-to-face advice model**
- Grow **Prospr by Sun Life**, our hybrid retail distribution platform

## Sustain financial discipline

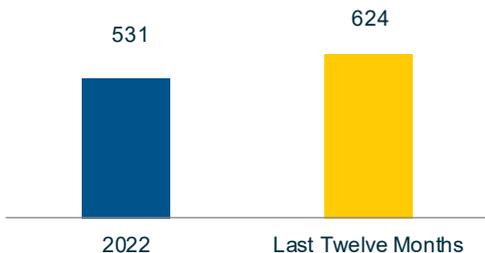
- Balance top- and bottom-line growth
- Seek low-cost, innovative opportunities and focus on capital and risk optimization
- Optimize our portfolio of businesses

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<sup>1</sup> This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 37.

# U.S.: A leader in health and benefits

## Underlying net income<sup>1</sup> (US\$ millions)



## Market position by business

**1<sup>st</sup>** Independent medical stop-loss provider<sup>3</sup>

**2<sup>nd</sup>** Dental benefits provide<sup>4</sup>

**Top 10** Group life and disability benefits provider<sup>5</sup>

## Q1 2023 highlights

- **Underlying net income of US\$176 million, up US\$93 million** over prior year, driven by strong performance across all businesses
- After-tax profit margin for group benefits of 9.7%<sup>1,6</sup>
- GB & Dental net premiums<sup>1</sup> of US\$1.9 billion up US\$800 million y/y and GB & Dental fee income of US\$80 million up US\$61 million y/y
- Sun Life was **selected as the new commercial dental benefits provider** for the employees of the State of West Virginia and DentaQuest was **awarded the government dental benefits contract** for Medicaid enrollees in Oklahoma
  - These awards along with other sales in the first quarter, are expected to **add approximately 650,000 dental members** over the next year<sup>2</sup>
- In our Group Benefits business, added a **digital, on-demand wellness program** for our life insurance members supporting emotional and mental health with tailored content and activities and provided **access to personalized care services** to improve treatment for musculoskeletal conditions and long COVID-19 for our disability members

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Footnotes 3-6: Refer to slide 40.

# Advancing our strategy of being a leader in health and benefits in the U.S.

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## Helping Clients access the health care and coverage they need

- Extend our leadership position in medical stop-loss and innovative risk management solutions by expanding into offerings like **Health Navigator powered by PinnacleCare**
- Leverage **DentaQuest's** scale and expertise to provide quality oral health to all, continue to grow in government programs, and become a leader in commercial dental
- Focus **employee benefits** offerings on health and productivity
- Help employers comply with **regulations** and provide more Americans access to paid family and medical leave
- Drive growth in **FullscopeRMS** by leveraging our expertise, scale, and suite of turnkey solutions

## Making care and benefits easier through digital solutions

- Expand our ability to integrate with other major platforms in the **health and benefits ecosystem**
- Drive **digital expansion** through new capabilities and partnerships while leveraging existing assets to deliver predictive and personalized analytics
- **Leverage digital tools** to increase Client interactions and virtual engagement, enhancing selling effectiveness and delivering deeper insights for brokers and employers

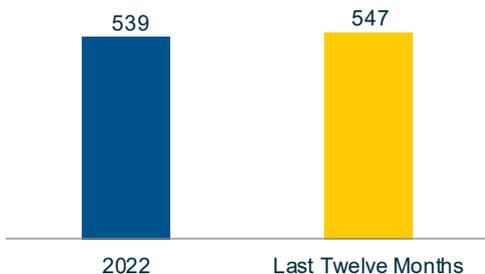
## Help In-Force management policy-owners achieve lifetime financial security, while effectively managing our operations

- Continue to provide **excellent service** to our individual insurance policy-owners
- Implement opportunities to improve profitability, like **expense efficiencies** and **alternative investment strategies**
- Manage risk and capital through **reinsurance** and via product offerings for **converting or maturing policies**

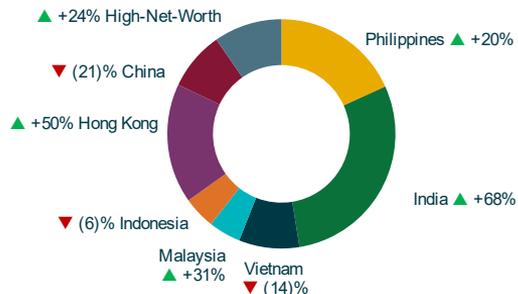
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# Asia: A regional leader focused on fast-growing markets

## Underlying net income<sup>1</sup> (\$ millions)



## Q1 2023 Individual – Protection Sales by Market<sup>1,2,3</sup> Sales growth over prior year



## Q1 2023 highlights

- **Underlying net income of \$141 million up 4% over prior year in constant currency<sup>4</sup>**, driven by higher premiums reflecting good sales momentum, improved mortality, partially offset by lower investment contributions and lower fee-based earnings
- **Individual sales<sup>1</sup> grew 25%<sup>2</sup>** over prior year, primarily driven by higher activity in Hong Kong with the lifting of border restrictions, and continued momentum in the High-Net-Worth business
  - Sales growth of 20%+ across our four largest markets was well balanced across channels with **double digit growth across agency, broker and bancassurance channels**
- Hong Kong **launched two new products (SunJoy and SunGift) designed to offer potential long-term wealth growth and flexible cash withdrawal options for Clients**, which represented over 20% of insurance sales in Hong Kong in Q1
- Sun Life Philippines ranked **#1 for new business and total premiums in 2022** and received the **Platinum award<sup>4</sup> for most trusted brand in the life insurance industry** in the Philippines for the 13<sup>th</sup> consecutive year
- **Bowtie Life Insurance Company**, the first virtual insurer in Hong Kong and a strategic investment of Sun Life, has been **ranked number 2 in the world for digital insurance services<sup>5</sup>**

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<sup>2</sup> See "Forward-Looking Statements" and "Risk Factors" in the appendix to these slides.

Footnotes 3-5: Refer to slide 40.

# Capitalizing on new opportunities in Asia<sup>1</sup> to drive scale

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Leverage distribution excellence to diversify our mix, build scale and deliver Client Impact

- Create a **trusted brand** for Sun Life in Asia to facilitate lead generation, relationship building, and recruitment
- Build **sustainable scale** through a diversified mix of high performing, quality-focused distribution channels that enhance Client impact
- Build on our **Most Respected Advisor (“MRA”)** program, including **Brighter Academy**, our proprietary agency incubator program, and become the partner of choice for advisors
- Continue to effectively collaborate with existing **bancassurance partners** to unlock the potential of recent deals, while selectively considering new bank relationships

Be a digital leader, enhancing the digital experience to transform the Client and advisor experience, and enable greater efficiency and scalability

- **Digitize our business** and leverage common tools and technology platforms
- Increase engagement of prospective and existing Clients by being more **personal, proactive and predictive**
- **Empower advisors** by building best-in-class digital and data capabilities

Embed sustainability into our business to drive value creation, positive impact, and align with our Purpose

- Provide **quality advice** and **offer relevant financial solutions** to enable Clients to plan and protect themselves from adverse financial events and invest for their future
- Become a partner in our **Clients' health journeys**, by offering a wider set of valued health solutions
- Strive to make insurance, health and wealth solutions more **affordable and accessible**
- **Embed ESG into our investment processes** and introduce ESG investment opportunities for our Clients

<sup>1</sup> This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 37.

# Capturing growth opportunities in Asia

## ASEAN



### Philippines

- **#1** ranked insurance company based on total premiums<sup>1,2</sup>
- **#2** largest mutual fund provider based on AUM<sup>1,3</sup>



### Indonesia

- **10<sup>th</sup>** in insurance sales<sup>1,4</sup>
- Overall market share of 3%<sup>1,4</sup>



### Vietnam

- **7<sup>th</sup>** in insurance sales<sup>1,5</sup>
- **6<sup>th</sup>** in bancassurance insurance sales<sup>1,5</sup>

## Hong Kong



- Ranked **3<sup>rd</sup>** in MPF net inflows and **3<sup>rd</sup>** based on AUM<sup>1,6</sup>
- **13<sup>th</sup>** in insurance sales, with a market share of 2%<sup>1,7</sup>

## High-Net-Worth



### International

- Among the global leaders in providing life insurance solutions to HNW Clients



### Singapore

- Strong demand for our protection products in the HNW space contributing to sales growth

## Joint Ventures



### India

- **7<sup>th</sup>** in individual insurance, with an overall market share of 4%<sup>1,8</sup>
- **6<sup>th</sup>** largest mutual fund provider in the country based on AUM<sup>1,9</sup>



### Malaysia

- **7<sup>th</sup>** in insurance sales<sup>1,10</sup>
- **3<sup>rd</sup>** in bancassurance, with a bancassurance market share of 14%<sup>1,10</sup>



### China

- **9<sup>th</sup>** in insurance gross premiums among foreign multinationals<sup>1,11</sup>

Note: Effective the first quarter of 2023, the business units in Asia have been updated to: ASEAN, Hong Kong, Joint Ventures, High-Net-Worth, and Regional Office, to provide better information on our geographic and business strategies in the region. Prior to the first quarter of 2023, the business units in Asia were referred to as Local Markets and International Hubs in our interim and annual MD&A.

<sup>1</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

Footnotes 2-11: Refer to slide 40.



- Business overview
- Strategic overview
- Business group results & highlights
- **Capital management**
- Asset portfolio

# Capital model provides financial flexibility



## SLF Inc. - External Capital Securities

Subordinated Debt	Coupon	Principal, \$M	Par Call Date
SLF Series 2007-1	5.40%	\$400	29-May-37
SLF Series 2016-2	3.05%	\$1,000	19-Sep-23
SLF Series 2019-1 Sustainability Bond	2.38%	\$750	13-Aug-24
SLF Series 2020-1	2.58%	\$1,000	10-May-27
SLF Series 2020-2	2.06%	\$750	1-Oct-30
SLF Series 2021-1	2.46%	\$500	18-Nov-26
SLF Series 2021-2	2.80%	\$1,000	21-Nov-28
SLF Series 2021-3	3.15%	\$500	18-Nov-31
SLF Series 2022-1	4.78%	\$650	10-Aug-29

## Preferred Shareholders' Equity & Other Equity Instruments

SLF Series 3	4.45%	\$250	31-Mar-15
SLF Series 4	4.45%	\$300	31-Dec-15
SLF Series 5	4.50%	\$250	31-Mar-16
SLF Class A, Series 8R	1.83%	\$155	30-Jun-25
SLF Class A, Series 9QR	Floating	\$125	30-Jun-25
SLF Class A, Series 10R	2.84%	\$171	30-Sep-26
SLF Class A, Series 11QR	Floating	\$29	30-Sep-26
SLF LRCN, Series 2021-1	3.60%	\$1,000	30-Jun-26

All information as at March 31, 2023; all dollar amounts are in C\$, unless otherwise stated. On April 3, 2023, we announced the completion of the sale of SLF of Canada UK Limited ("Sun Life UK") to Phoenix Group Holdings plc ("Phoenix Group").

<sup>1</sup> Life Insurance Capital Adequacy Test ("LICAT") ratio; our LICAT ratios are calculated in accordance with OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

# Capital strength & flexibility

- Target minimum cash and other liquid assets at the holding company of \$500 million<sup>1,2,3</sup>
- Increase to common share dividend from \$0.72 to \$0.75 per share

Capital metrics	SLF Inc.
LICAT <sup>4</sup>	148%
Financial leverage ratio <sup>1</sup>	23.2%
SLF Inc. cash and other liquid assets <sup>1,3</sup>	\$1.1B
Q2'23 pro-forma holdco cash <sup>2</sup>	Over \$2 billion

## Sun Life Assurance Company of Canada Financial Strength Ratings

A.M. Best	A+
DBRS	AA
Moody's	Aa3
S&P	AA

Q1 '23 Capital (\$m illions)			
Subordinated debt	\$6,677	Tier 2	
Innovative capital instruments (SLEECs)	\$200	Tier 1	
Preferred shareholders' equity and other equity instruments	\$2,239		
	<b>\$9,116</b>		
Equity			
Common shareholders' equity	\$20,735	Tier 1	
Equity in the participating account	\$303		
Non-controlling interests' equity	\$133		
	<b>\$21,171</b>		
<b>Contractual Service Margin (after-tax)</b>	<b>\$9,010</b>	Tier 1	
<b>Total capital (for financial leverage)</b>	<b>\$39,297</b>		
<b>Financial leverage ratio<sup>1,2</sup></b>	<b>23.2%</b>		

## Deployment opportunities

- Organic investments
- Common Shareholder Dividend
- Mergers & acquisitions
- Share buybacks
- Reinsurance transactions

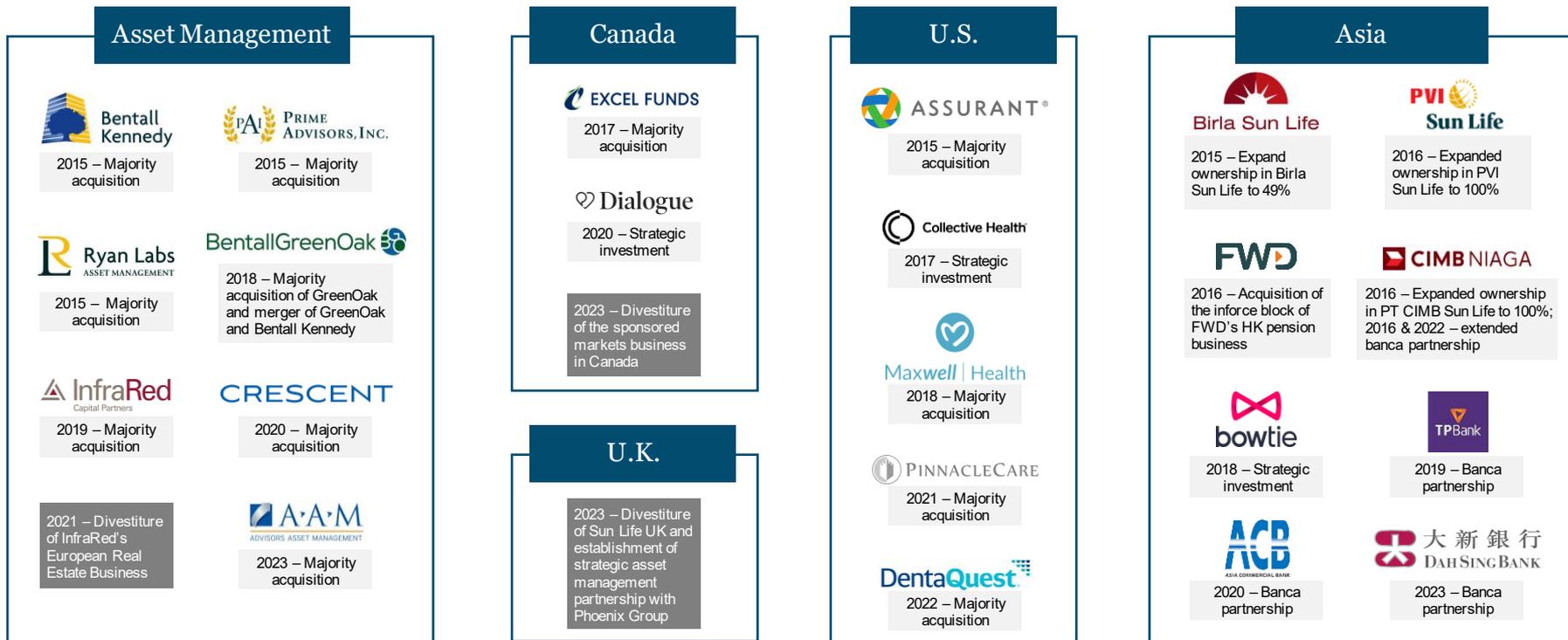
<sup>1</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

<sup>2</sup> See "Forward-Looking Statements" and "Risk Factors" in the appendix to these slides.

Footnotes 3-4: Refer to slide 40.

# M&A activity reflects strategic priorities

- Activity over last ten years promotes growth in Asia and Asset Management and builds out group benefits/dental capabilities in the U.S.



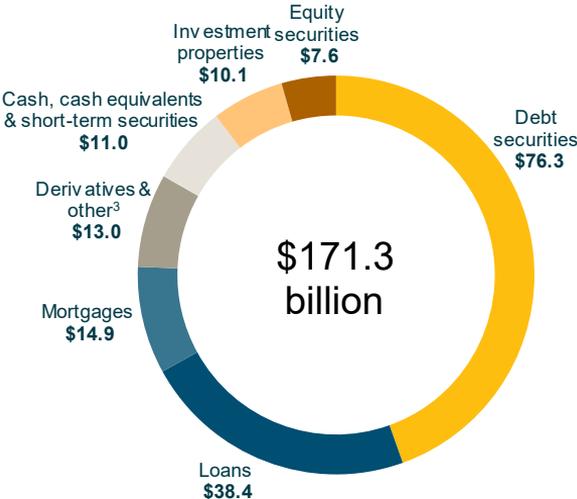


- Business overview
- Strategic overview
- Business group results & highlights
- Capital management
- **Asset portfolio**

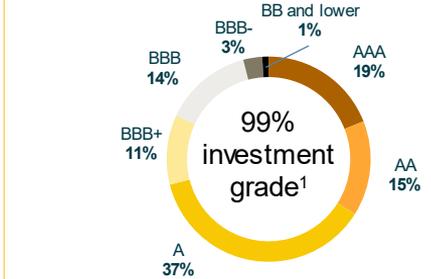
# High quality, well-diversified investment portfolio

- Highly diversified with the largest non-government related exposure at 0.4% of total fixed income
- 97% of fixed income rated investment grade<sup>1</sup>
- Only 5% of fixed income rated BBB-; skewed BBBs to private loans with collateral and covenant protection
- Commercial mortgages 29% CMHC; well protected with 52% LTV and 1.71 DSCR<sup>2</sup>
- Repositioned real estate debt and equity portfolios to increase durability of cash flows

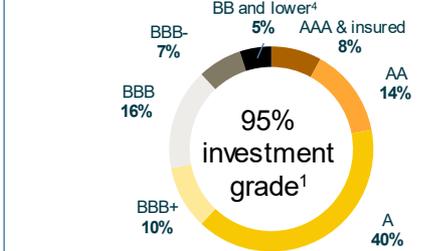
## Investment profile As of March 31, 2023



## Debt securities by credit rating As of March 31, 2023



## Mortgages & loans by credit rating As of March 31, 2023



<sup>1</sup> BBB and higher.  
<sup>2</sup> LTV: Loan-to-Value; DSCR: Debt-service coverage ratio.  
<sup>3</sup> Consists of: Other financial invested assets (\$9.5), derivative assets (\$1.8), other non-financial invested assets (\$1.7).  
<sup>4</sup> BB and lower includes impaired mortgages and loans.

# Mortgages and investment property exposures

## Mortgages by type and geography<sup>1</sup> As of March 31, 2023

(\$millions)	Office	Industrial <sup>3</sup>	Retail	Multi-family residential	Other	Total	% of Total
Canada <sup>2</sup>	1,608	1,726	1,540	4,048	817	<b>9,739</b>	<b>66%</b>
U.S.	1,400	1,092	1,344	1,145	111	<b>5,092</b>	<b>34%</b>
UK	-	-	-	-	37	<b>37</b>	<b>0%</b>
<b>Total</b>	<b>3,008</b>	<b>2,818</b>	<b>2,884</b>	<b>5,193</b>	<b>965</b>	<b>14,868</b>	<b>100%</b>

### Mortgages:

- 44% of Canadian portfolio is CMHC insured
- Reduced exposure to retail and office in recent years
- Office, Retail and Multi- Family Residential: 53% LTV and 1.73 DSCR<sup>4</sup>

## Investment Properties As of March 31, 2023

(\$millions)	Office	Industrial <sup>3</sup>	Retail	Multi-family residential	Other	Total	% of Total
Canada	1,752	3,432	926	1,325	664	<b>8,099</b>	<b>80%</b>
U.S.	640	1,099	262	-	3	<b>2,004</b>	<b>20%</b>
Europe	12	15	18	-	-	<b>45</b>	<b>0%</b>
<b>Total</b>	<b>2,404</b>	<b>4,546</b>	<b>1,206</b>	<b>1,325</b>	<b>667</b>	<b>10,148</b>	<b>100%</b>

<sup>1</sup> Excludes real estate debt securities and private loans.

<sup>2</sup> Includes insured mortgages; multi-family residential \$3,764M and other \$475M.

<sup>3</sup> Includes Industrial and land.

<sup>4</sup> LTV: Loan-to-Value; DSCR: Debt-service coverage ratio.

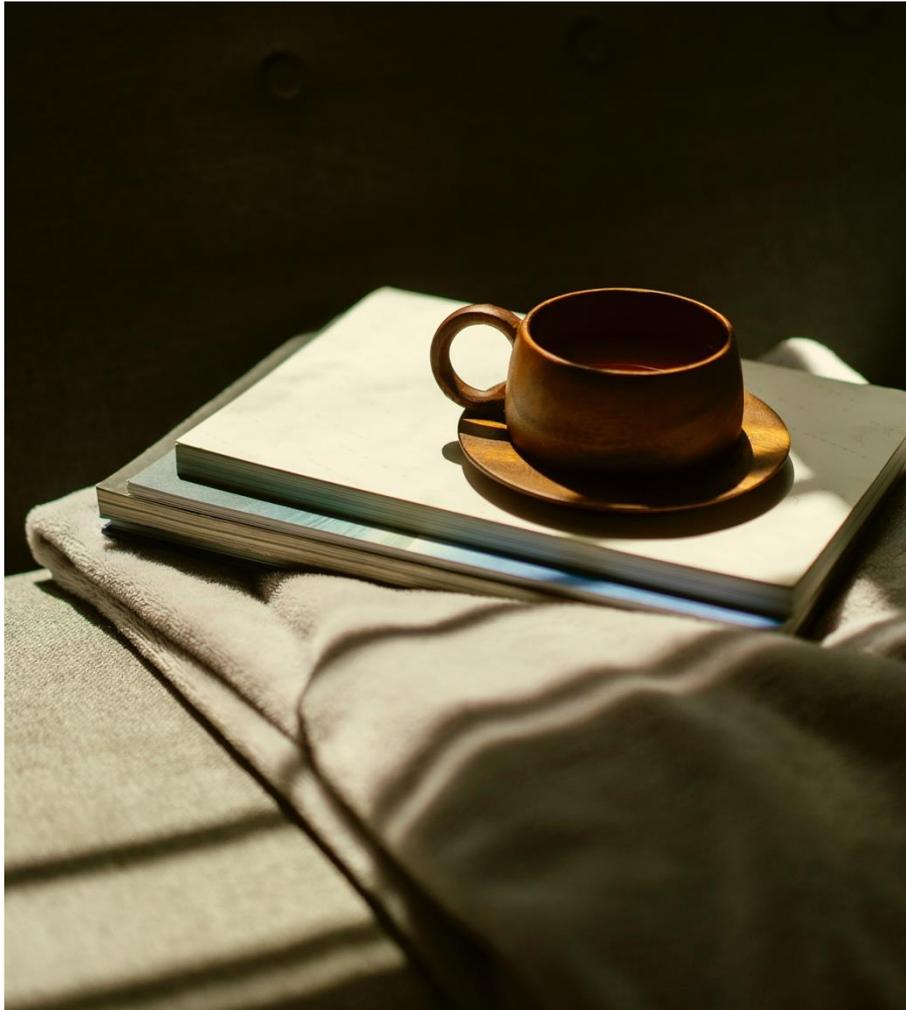
## Mortgages by type and rating<sup>1,5</sup> As of March 31, 2023

(\$millions)	Office	Industrial <sup>3</sup>	Retail	Multi-family residential	Other	Total
Insured	-	-	-	3,764	475	<b>4,239</b>
AA	-	-	7	-	-	<b>7</b>
A	518	706	439	132	14	<b>1,809</b>
BBB+	1,410	1,769	1,622	635	107	<b>5,543</b>
BBB	795	338	760	571	238	<b>2,702</b>
BBB-	285	5	43	91	131	<b>555</b>
BB & below	-	-	13	-	-	<b>13</b>
<b>Total</b>	<b>3,008</b>	<b>2,818</b>	<b>2,884</b>	<b>5,193</b>	<b>965</b>	<b>14,868</b>

### Investment Properties:

- Reduced exposure to retail and office in recent years
- Retail focused on experiential and urban centers
- Office weighted to gateway cities

<sup>5</sup> Credit risk ratings were established in accordance with the internal rating process described in the Credit Risk Management Governance and Control section in our 2022 annual MD&A.



## Appendix

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# IFRS 17 transition – Strong capital position and underlying ROE<sup>1</sup> objective of 18%+

## Transition impacts in-line with estimates<sup>2</sup>

IFRS 17 transition impacts	Estimated impact	Actual result
Common shareholders' equity impact on transition <sup>3</sup>	15-20% decrease	<b>(18.1)%</b>
2022 IFRS 17 Underlying Net Income <sup>1</sup> vs. IFRS 4 <sup>4</sup>	High single-digit decrease	<b>(8.3)%</b>
SLF Inc. LICAT increase on Jan 1, 2023 <sup>5</sup>	High single-digit increase	<b>12%</b>

## Re-affirming medium-term financial objectives<sup>6</sup>

Medium-term financial objective	
Underlying ROE <sup>1</sup>	<b>18%+</b>
Underlying EPS growth <sup>1</sup>	<b>8-10%</b>
Underlying dividend payout ratio <sup>1,7</sup>	<b>40-50%</b>

<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A. Footnotes 2-7: Refer to slide 41.

# Ratings and recognitions in Sustainability



Named among the Best Workplaces™ for Inclusion in Canada. This recognition is especially significant since the results are based on employee responses to inclusion-related statements.



Recognized by Women Lead Here for the third year in a row. Published by the Globe and Mail, Report on Business magazine, Women Lead Here is an annual list that sets the benchmark for gender diversity in corporate Canada.



Named among the Best Workplaces™ for Women in Canada and India's Best Workplaces for Women™ (Sun Life Asia Service Centre) by Great Place to Work®.



For the 14th consecutive year, Sun Life U.S. earned a 100% score on the Human Rights Campaign Foundation Corporate Equity Index.



Certified as a Great Place to Work at Sun Life Canada, Sun Life U.S., Asia Service Centre India, Asia Service Centre Philippines, Sun Life Philippines, Sun Life Vietnam and our operations in Ireland.



Sun Life Canada ranked 26th on the Best Workplaces in Canada list in 2022. Based solely on anonymous feedback from employees, the business group has also been recognized as one of the:

- Best Workplaces in Financial Services & Insurance
- Best Workplaces for Professional Development
- Best Workplaces for Hybrid Work
- Best Workplaces for Women
- Best Workplaces for Inclusion
- Best Workplaces for Mental Wellness



(14 years in a row)

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

(17 years in a row)



FTSE4Good

(22 years in a row)



(14 years in a row)



G R E S B<sup>®</sup>

(12 years in a row)



(6 years in a row)

# Market sensitivities

## Change in Equity Markets<sup>1,2,3</sup>

As at March 31, 2023 (\$millions, unless otherwise noted)	<b>25% decrease</b>	<b>10% decrease</b>	10% increase	25% increase
Potential impact on net income (after-tax)	<b>\$(325)</b>	<b>\$(125)</b>	\$125	\$350
Potential impact on CSM (pre-tax)	<b>\$(675)</b>	<b>\$(275)</b>	\$250	\$650
Potential impact on LICAT ratio <sup>4</sup>	<b>3.5% decrease</b>	<b>1.0% decrease</b>	0.5% increase	2.0% increase
As at December 31, 2022 <sup>5</sup> (\$millions, unless otherwise noted)	<b>25% decrease</b>	<b>10% decrease</b>	10% increase	25% increase
Potential impact on net income (after-tax)	<b>\$(300)</b>	<b>\$(125)</b>	\$125	\$325
Potential impact on CSM (pre-tax)	<b>\$(650)</b>	<b>\$(250)</b>	\$250	\$625
Potential impact on OCI	-	-	-	-
Potential impact on LICAT ratio <sup>4</sup>	<b>3.5% decrease</b>	<b>1.0% decrease</b>	0.5% increase	2.0% increase

## Change in Interest Rates<sup>6,7,3</sup>

	<b>As at March 31, 2023</b>		As at December 31, 2022 <sup>5</sup>	
(\$millions, unless otherwise noted)	<b>50 basis point decrease</b>	<b>50 basis point increase</b>	50 basis point decrease	50 basis point increase
Potential impact on net income (after-tax)	<b>\$(50)</b>	<b>\$50</b>	\$(100)	\$75
Potential impact on CSM (pre-tax)	<b>\$100</b>	<b>\$(125)</b>	\$125	\$(150)
Potential impact on OCI	<b>\$225</b>	<b>\$(225)</b>	\$225	\$(225)
Potential impact on LICAT <sup>4</sup>	<b>1.5% increase</b>	<b>1.5% decrease</b>	1.5% increase	2.5% decrease

## Change in Credit Spreads<sup>8,3</sup>

(\$millions, unless otherwise noted)	<b>50 basis point decrease</b>	<b>50 basis point increase</b>	50 basis point decrease	50 basis point increase
Potential impact on net income (after-tax)	<b>\$50</b>	<b>\$(50)</b>	\$50	\$(50)
Potential impact on CSM (pre-tax)	<b>\$100</b>	<b>\$(125)</b>	\$75	\$(100)
Potential impact on OCI	<b>\$200</b>	<b>\$(200)</b>	\$200	\$(200)
Potential impact on LICAT <sup>4</sup>	<b>1.5% increase</b>	<b>2.0% decrease</b>	1.0% increase	2.0% decrease

## Change in Swap Spreads<sup>9,3</sup>

(\$millions, unless otherwise noted)	<b>20 basis point decrease</b>	<b>20 basis point increase</b>	20 basis point decrease	20 basis point increase
Potential impact on net income (after-tax)	<b>\$(25)</b>	<b>\$25</b>	\$(25)	\$25

Footnotes 1-9: Refer to slide 41.

### Note to Readers: 2022 Restated Results on Adoption of IFRS 17 and IFRS 9

2022 results have been restated for the adoption of IFRS 17 and the related IFRS 9 classification overlay (“the new standards”). The restated results may not be fully representative of our future earnings profile, as we were not managing our asset and liability portfolios under the new standards. The majority of the actions taken to re-balance asset portfolios and transition asset-liability management execution to an IFRS 17 basis occurred in Q1’23. Accordingly, analysis based on 2022 comparative results may not necessarily be indicative of future trends, and should be interpreted with this context. Using sensitivities to analyze the outlook for market risk and related impacts (e.g., interest rate sensitivities) will be more representative starting with the sensitivities disclosed for Q1’23 in section I - Risk Management in the Q1 2023 MD&A. Certain 2022 restated results are not audited, or have not yet been audited, and may be subject to change.

### Forward-Looking Statements

From time to time, the Company makes written or oral forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements contained in this document include statements (i) relating to our strategies; (ii) relating to the timing of and expected benefits of state contracts for the provision and management of dental benefits (iii) relating to our growth initiatives and other business objectives; (iv) relating to our targets and commitments (including with respect to our sustainability plan and net zero emissions); (v) set out in our Q1 2023 MD&A under the heading I - Risk Management - Market Risk Sensitivities - Interest Rate Sensitivities; (vi) that are predictive in nature or that depend upon or refer to future events or conditions; and (vii) that include words such as “achieve”, “aim”, “ambition”, “anticipate”, “aspiration”, “assumption”, “believe”, “could”, “estimate”, “expect”, “goal”, “initiatives”, “intend”, “may”, “objective”, “outlook”, “plan”, “project”, “seek”, “should”, “strategy”, “strive”, “target”, “will”, and similar expressions. Forward-looking statements include the information concerning our possible or assumed future results of operations. These statements represent our current expectations, estimates, and projections regarding future events and are not historical facts, and remain subject to change.

Forward-looking statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. Future results and shareholder value may differ materially from those expressed in these forward-looking statements. In addition, as Sun Life works to advance its climate goals, external factors outside of Sun Life’s reasonable control may act as constraints on their achievement, including varying decarbonization efforts across economies, the need for thoughtful climate policies around the world, more and better data, reasonably supported methodologies, technological advancements, the evolution of consumer behaviour, the challenges of balancing interim emissions goals with an orderly and just transition, and other significant considerations such as legal and regulatory obligations. Other factors that may cause actual results and shareholder value to differ materially from those expressed in the forward-looking statements include the impact of the COVID-19 pandemic and related economic conditions on our operations, liquidity, financial conditions or results and the matters set out in our Q1 2023 MD&A under the headings C - Profitability - 5 - Income taxes, F - Financial Strength and I - Risk Management and in SLF Inc.’s 2022 AIF under the heading Risk Factors, and the factors detailed in SLF Inc.’s other filings with Canadian and U.S. securities regulators, which are available for review at [www.sedar.com](http://www.sedar.com) and [www.sec.gov](http://www.sec.gov), respectively.

### Risk Factors

Important risk factors that could cause our assumptions and estimates, and expectations and projections to be inaccurate and our actual results or events to differ materially from those expressed in or implied by the forward-looking statements contained in this document, are set out below. The realization of our forward-looking statements, essentially depends on our business performance which, in turn, is subject to many risks. Factors that could cause actual results to differ materially from expectations include, but are not limited to: **market risks** - related to the performance of equity markets; changes or volatility in interest rates or credit spreads or swap spreads; real estate investments; fluctuations in foreign currency exchange rates; and inflation; **insurance risks** - related to mortality experience, morbidity experience and longevity; policyholder behaviour; product design and pricing; the impact of higher-than-expected future expenses; and the availability, cost and effectiveness of reinsurance; **credit risks** - related to issuers of securities held in our investment portfolio, debtors, structured securities, reinsurers, counterparties, other financial institutions and other entities; **business and strategic risks** - related to global economic and political conditions; the design and implementation of business strategies; changes in distribution channels or Client behaviour including risks relating to market conduct by intermediaries and agents; the impact of competition; the performance of our investments and investment portfolios managed for Clients such as segregated and mutual funds; shifts in investing trends and Client preference towards products that differ from our investment products and strategies; changes in the legal or regulatory environment, including capital requirements and tax laws; the environment, environmental laws and regulations; **operational risks** - related to breaches or failure of information system security and privacy, including cyber-attacks; our ability to attract and retain employees; legal, regulatory compliance and market conduct, including the impact of regulatory inquiries and investigations; the execution and integration of mergers, acquisitions, strategic investments and divestitures; our information technology infrastructure; a failure of information systems and Internet-enabled technology; dependence on third-party relationships, including outsourcing arrangements; business continuity; model errors; information management; **liquidity risks** - the possibility that we will not be able to fund all cash outflow commitments as they fall due; and **other risks** - COVID-19 matters, including its impact on the global economy, and its impact on Sun Life’s business, financial condition and or results; ongoing risks associated with IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments*; risks associated with our international operations, including our joint ventures; market conditions that affect our capital position or ability to raise capital; downgrades in financial strength or credit ratings; and tax matters, including estimates and judgements used in calculating taxes.

The Company does not undertake any obligation to update or revise its forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as required by law.

### Currency

All amounts are in Canadian dollars unless otherwise noted

### Rounding

Amounts in this document are impacted by rounding.

In this presentation, Sun Life Financial Inc. ("SLF" or "SLF Inc."), its subsidiaries and, where applicable, its joint ventures and associates are referred to as "we", "us", "our", "Sun Life" and the "Company". Reported net income (loss) refers to Common shareholders' net income (loss) determined in accordance with IFRS.

### Use of Non-IFRS Financial Measures

We report certain financial information using 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 available in section N - Non-IFRS Financial Measures of our MD&A for the period ended March 31, 2023 ("Q1 2023 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.

### Non-IFRS Financial Measures

Underlying net income is a non-IFRS financial measure that assists in understanding Sun Life's business performance by making certain adjustments to IFRS income. Underlying net income, along with common shareholders' net income (Reported net income), is used as a basis for management planning, and is also a key measure in our employee incentive compensation programs. This measure reflects management's view of the underlying business performance of the company and long-term earnings potential. For example, due to the longer term nature of our individual protection businesses, market movements related to interest rates, equity markets and investment properties can have a significant impact on reported net income in the reporting period. However, these impacts are not necessarily realized, and may never be realized, if markets move in the opposite direction in subsequent periods or in the case of interest rates, the fixed income investment is held to maturity.

Effective January 1, 2023, we refined the definition of underlying net income as follows, and have updated prior period comparative figures to reflect these changes: (i) Market-related impacts were updated to reflect the adoption of IFRS 17 and IFRS 9; (ii) The adjustment for management's ownership of MFS shares was updated to better reflect Sun Life's interest in MFS' earnings; and (iii) Removal of intangible asset amortization on acquired finite-life intangibles. Additional detail on these adjustments is provided below.

Underlying net income removes the impact of the following items from reported net income:

- i. Market-related impacts reflecting the after-tax difference in actual versus expected market movements, including: Net interest impact from risk-free rate, credit spread, and swap spread movements, reflecting accounting mismatches between assets and liabilities:
  - a) Differences arising from fair value changes<sup>1</sup> of fixed income assets (including derivatives) measured at Fair Value Through Profit or Loss (FVTPL) supporting insurance contracts, compared to fair value changes of the liabilities<sup>2</sup>
  - b) Fair value changes of fixed income assets (including derivatives) measured at FVTPL supporting our investment contract liability and surplus portfolios<sup>3</sup>; and
  - c) Tax-exempt investment income above or below expected long-term tax savings relating to our Canadian multi-national insurance operations.
- ii. Non-fixed income investments where the weighted average expected return is approximately 2% per quarter, including:
  - a) Equity investments (including derivatives) supporting insurance contracts and surplus portfolios; and
  - b) Investment properties supporting insurance contracts and surplus portfolios.

All factors discussed in this document that impact our underlying net income are also applicable to reported net income. All EPS measures in this presentation refer to fully diluted EPS, unless otherwise stated. Underlying EPS excludes the dilutive impacts of convertible instruments.

Other non-IFRS financial measures that we use include after-tax profit margin for U.S. Group Benefits, assets under management ("AUM"), assets under administration, AUM not yet earning fees, capital raising, cash and other liquid assets, measures based on a currency adjusted basis, organic CSM movement, expected movements from asset returns & locked-in rates, impact of markets & other, insurance experience gains/losses, impact of change in assumptions, CSM market sensitivities, deployment, drivers of earnings, earnings on surplus, experience-related items attributable to reported net income and underlying net income, fee-earning AUM, fee-related earnings, financial leverage ratio, impacts of foreign exchange translation, LICAT market sensitivities, pre-tax fee-related earnings margin, pre-tax net operating margin, return on equity, sales and flows, third-party AUM, total weighted premium income, underlying dividend payout ratio, and effective income tax rate on an underlying net income basis.

### Use of Names and Logos of Third Parties

Names and logos of third parties are used for identification purposes and do not imply any relationship with, or endorsement by, them. Third party trade-marks are the property of their respective owners.

<sup>1</sup> For fixed income assets, Underlying Net Income includes credit experience from rating changes on assets measured at FVTPL, and the Expected credit loss (ECL) impact for assets measured at Fair value through other comprehensive income (FVOCI).

<sup>2</sup> Underlying net income is based on observable discount curves and exchange rates at the beginning of the period.

<sup>3</sup> Underlying net income for earnings on surplus includes realized gains (losses) on fixed income assets classified as FVOCI.

### From slide 3

<sup>2</sup> Business Mix based on underlying net income, excluding Corporate Expenses and Other. Wealth & asset management includes MFS Investment Management, SLC Management, Canada Individual Wealth, Group Retirement Services, Asia Wealth & asset management. Group – Health & Protection includes Canada Sun Life Health, U.S. Group Benefits (Employee Benefits and Health and Risk Solutions) and U.S. Dental. Individual – Protection includes Canada Individual Insurance, U.S. In-force Management and Asia Individual – Protection.

<sup>3</sup> As of December 31, 2022.

<sup>4</sup> Rounded to the nearest hundred. Represents full-time equivalent employees, temporary employees and employees in Asia joint ventures

<sup>5</sup> Rounded to the nearest hundred.

<sup>6</sup> C\$ as at March 31, 2023

### From slide 8

<sup>2</sup> Source: Bloomberg;

Canadian Lifecos – Manulife Financial Corporation, Great-West Life, and Industrial Alliance

Global Lifecos – AXA SA, Prudential PLC, Allianz SE, Aviva PLC, Assicurazioni Generali SpA, AIA Group Ltd., China Life Insurance Co. Ltd, Great Eastern Holdings, and Ping An Insurance Group

U.S. Lifecos – Hartford Financial Services Group, Lincoln National Corporation, MetLife Inc., Principal Financial Group, Inc., Prudential Financial, Inc., Unum Group, and Voya

Traditional Asset Managers – T Rowe Price, Franklin Resources, AllianceBernstein, Ameriprise, BlackRock, Janus Henderson and Invesco

Canadian Banks – RBC, TD, Scotiabank, BMO, CIBC, and National Bank

<sup>3</sup> Although considered reasonable, we may not be able to achieve our medium-term financial objectives as our assumptions may prove to be inaccurate. Accordingly, our actual results could differ materially from our medium-term financial objectives as described. Our medium-term financial objectives do not constitute guidance. Our medium-term financial objectives are forward-looking non-IFRS financial measures and additional information is provided in section O - Forward-looking Statements in our Q1 2023 MD&A.

<sup>4</sup> Underlying EPS growth for 5-year results is calculated using a compound annual growth rate; Underlying ROE and dividend payout ratio are calculated using an average. 5-year results are on an IFRS 4 basis and reflect Sun Life's definition of underlying net income prior to January 1, 2023.

<sup>5</sup> Underlying dividend payout ratio is the ratio of dividends paid per share to diluted underlying EPS for the period; see section N - Non-IFRS Financial Measures - Additional Non-IFRS Financial Measures in our Q1 2023 MD&A.

### From slide 10

<sup>1</sup> As of March 31, 2023.

<sup>2</sup> Affordable insurance products help people in the mass market (including lower-income segments) meet risk protection needs at an accessible price point. The criteria for a product to be considered affordable insurance varies by country and is based on factors such as: insurance premium amount relative to average income, coverage period, underwriting requirements and/or government regulation.

<sup>3</sup> DentaQuest is the largest Medicaid dental benefits provider based on membership as of September 2022. Medicaid provides health coverage to low-income people and is one of the largest payers for health care in the U.S.

<sup>4</sup> Criteria for investments based on ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Principles, GRESB Real Estate Benchmark, and PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA principles. Does not include all holdings in companies that may be defined as sustainable under other taxonomies. Values as at transaction date. Includes restated 2021 figure of \$7.7 billion due to reporting omission of \$0.9 billion in green, social and sustainability bonds.

<sup>5</sup> Refer to Sun Life's [Net Zero by 2050](#) report for details and our latest updates.

<sup>6</sup> Emissions resulting from global corporate offices and data centres as well as from business travel, inclusive of majority-owned Sun Life affiliate companies. DentaQuest corporate offices are excluded for the 2022 reporting cycle. All emissions reporting is aligned to the GHG Protocol Corporate Accounting and Reporting Standard using the financial control approach.

<sup>7</sup> Individuals who have self-identified as members of the Black, Indigenous, People of Colour, disabled and/or LGBTQ2+ communities.

<sup>8</sup> 68% of employees surveyed participated. Refer to page 46 of Sun Life's [2022 Sustainability Report - Reporting boundaries - Note 2](#).

<sup>9</sup> Based on Willis Towers Watson's Benchmark of Global Financial Services.

### From slide 14

<sup>2</sup> All EPS measures refer to fully diluted EPS, unless otherwise stated.

<sup>3</sup> Impact of new insurance business on CSM, also referred to as "new business CSM", represents growth from sales activity in the period, including individual protection sales (excluding joint ventures), and defined benefit solutions and segregated fund wealth sales in Canada.

<sup>4</sup> LICAT ratio of SLF and of Sun Life Assurance Company of Canada ("SLA"). Our LICAT ratios are calculated in accordance with OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

<sup>5</sup> SLA is SLF Inc.'s principal operating life insurance subsidiary.

<sup>6</sup> Variances vs. prior year quarter.

<sup>7</sup> This statement is a forward-looking statement within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 37.

**From slide 16**

<sup>2</sup> Excludes assets managed on behalf of the Insurance businesses for the General Fund. For more details, see the Non-IFRS Financial Measures section in our Q1 2023 MD&A.

<sup>3</sup> 2030 interim net zero targets for Sun Life's General Account include a minimum 40% reduction in carbon intensity for listed corporate bonds, a 50% reduction in carbon intensity for directly managed listed equities, and a 50% reduction in carbon intensity for commercial real estate. Refer to our [Net Zero by 2050 report](#) for further details on target setting methodology.

<sup>4</sup> Barron's 2022 Fund Family Rankings as of February 2023.

<sup>5</sup> On a fully diluted basis.

**From slide 19**

<sup>2</sup> LIMRA Market Share by premiums within individual life and health market as of fourth quarter 2022, on a year-to-date basis.

<sup>3</sup> 1st place group benefits provider based on revenue for year ended December 2021 from 2022 Group Benefits Provider Report.

<sup>4</sup> Based on total Capital Accumulation Plan assets for the year ended December 2021 from 2022 Fraser Pension Universe Report.

<sup>5</sup> Sponsored markets include a variety of association & affinity, and group creditor clients.

**From slide 21**

<sup>3</sup> Ranking compiled by Sun Life based on data contained in the 2021 Accident and Health Policy Experience Report from the National Association of Insurance Commissioners ("NAIC"); an independent stop-loss carrier is defined as a stop-loss carrier that does not sell medical claim administration services.

<sup>4</sup> Based on number of members. Ranking compiled based on data disclosed by competitors.

<sup>5</sup> LIMRA 2021 Annual Sales & Inforce Reports for Group Life & Disability. Long-term disability results exclude reserve buy outs. Group Term Life, long-term disability and short-term disability results exclude business sold through associations, includes BIF managed by Sun Life for insurance carrier partners.

<sup>6</sup> The After-tax profit margin is calculated on Underlying net income as a percentage of Net premiums on a trailing four-quarters basis. Refer to Section N. Non-IFRS Financial Measures, 4. Reconciliations of Select Non-IFRS Financial Measures in our Q1 2023 MD&A for additional details.

**From slide 23**

<sup>3</sup> Percentage change is reported on a constant currency basis, which excludes the impacts of foreign exchange translation. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

<sup>4</sup> Trusted Brand Awards.

<sup>5</sup> Report conducted by French consultancy Sia Partners.

**From slide 25**

<sup>2</sup> Insurance Commission of the Philippines, based on Q4 2022 year-to-date total premium income for Sun Life of Canada (Philippines).

<sup>3</sup> Philippine Investment Funds Association, based on February 2023 ending assets under management.

<sup>4</sup> Indonesia Life Insurance Association, based on Q4 2022 year-to-date first year premiums.

<sup>5</sup> Q1 2023 annualized first year premiums, based on data shared among Vietnam industry players.

<sup>6</sup> Mercer MPF Market Shares Report, December 2022.

<sup>7</sup> Insurance Authority of Hong Kong, Provisional Statistics on Hong Kong Long Term Insurance Business, based on Q4 2022 year-to-date annualized first year premiums.

<sup>8</sup> Insurance Regulatory Authority of India, based on Q4 2022 year-to-date first year premiums among private players.

<sup>9</sup> Association of Mutual Funds in India, based on average assets under management for the quarter ended at March 31, 2023.

<sup>10</sup> Life Insurance Association of Malaysia and Insurance Services Malaysia Berhad, based on Q4 2022 year-to-date annualized first year premiums for conventional and takaful business.

<sup>11</sup> 2022, based on gross premiums for (excluding universal life insurance deposits and pension companies) amongst foreign multinationals.

**From slide 28**

<sup>3</sup> Cash and other liquid assets at SLF Inc. and its wholly owned holding companies.

<sup>4</sup> Life Insurance Capital Adequacy Test ("LICAT") ratio of SLF Inc.; our LICAT ratios are calculated in accordance with OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

**From slide 34**

<sup>2</sup> As disclosed on February 8, 2023 in our 2022 Annual MD&A

<sup>3</sup> As at January 1, 2022.

<sup>4</sup> 8.3% decrease in restated 2022 results includes refinements to the Underlying Net Income (UNI) definition, effective January 1, 2023. Excluding this change, the decline in restated underlying net income was approximately 10%.

<sup>5</sup> OSFI's 2023 LICAT Guideline, effective January 1, 2023, specifies that available capital for LICAT purposes includes the Contractual Service Margin. Prior period restatement and resubmissions are not mandated. Pro-forma January 1, 2023 LICAT ratios are disclosed to illustrate transition impact. These pro-forma calculations will not be formally submitted to OSFI. Additionally, effective January 1, 2023, total capital was updated to include the CSM balance

<sup>6</sup> Although considered reasonable, we may not be able to achieve our medium-term financial objectives as our assumptions may prove to be inaccurate. Accordingly, our actual results could differ materially from our medium-term financial objectives as described. Our medium-term financial objectives do not constitute guidance. Our medium-term financial objectives are forward-looking non-IFRS financial measures and additional information is provided in section O – Forward-looking Statements in our 2022 Annual MD&A and in section O – Forward-looking Statements in our Q1 2023 MD&A.

<sup>7</sup> Underlying dividend payout ratio is the ratio of dividends paid per share to diluted underlying EPS for the period. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2023 MD&A.

**From slide 36**

<sup>1</sup> Represents the respective change across all equity markets as at March 31, 2023 and December 31, 2022. Assumes that actual equity exposures consistently and precisely track the broader equity markets. Since in actual practice equity-related exposures differ from broad market indices (due to the impact of active management, basis risk, and other factors), realized sensitivities may differ significantly from those illustrated above. Sensitivities include the impact of re-balancing equity hedges for hedging programs at 2% intervals (for 10% changes in equity markets) and at 5% intervals (for 25% changes in equity markets).

<sup>2</sup> The market risk sensitivities include the estimated impact of our hedging programs in effect as at March 31, 2023 and December 31, 2022, and include new business added and product changes implemented prior to such dates.

<sup>3</sup> Net income, CSM and OCI sensitivities have been rounded in increments of \$25 million. The sensitivities exclude the market impacts on the income from our joint ventures and associates, which we account for on an equity basis.

<sup>4</sup> The LICAT sensitivities illustrate the impact on SLF Inc. as at March 31, 2023 and December 31, 2022. The sensitivities reflect the worst scenario as of March 31, 2023 and assume that a scenario switch does not occur in the quarter. LICAT ratios are rounded in increments of 0.5%.

<sup>5</sup> Effective January 1, 2023, we adopted IFRS 17 and IFRS 9, and certain financial assets were reclassified between measurement categories as permitted. December 31, 2022 amounts provided in the sensitivities in section I - Risk Management of the Q1 2023 MD&A have been adjusted to reflect these January 1, 2023 reclassifications. See Note 2 of the Interim Consolidated Financial Statements for the period ended March 31, 2023 for further details on the reclassifications.

<sup>6</sup> Interest rate sensitivities assume a parallel shift in assumed interest rates across the entire yield curve as at March 31, 2023 and December 31, 2022 with no change to the ultimate risk-free rate. Variations in realized yields based on factors such as different terms to maturity and geographies may result in realized sensitivities being significantly different from those illustrated above. Sensitivities include the impact of re-balancing interest rate hedges for hedging programs at 10 basis point intervals (for 50 basis point changes in interest rates).

<sup>7</sup> The market risk sensitivities include the estimated impact of our hedging programs in effect as at March 31, 2023 and December 31, 2022, and include new business added and product changes implemented prior to such dates.

<sup>8</sup> The credit spread sensitivities assume a parallel shift in the indicated spreads across the entire term structure with no change to the ultimate liquidity premium. The sensitivities reflect a floor of zero on credit spreads where the spreads are not currently negative. Variations in realized spread changes based on different terms to maturity, geographies, asset classes and derivative types, underlying interest rate movements, and ratings may result in realized sensitivities being significantly different from those provided above.

<sup>9</sup> The swap spread sensitivities assume a parallel shift in the indicated spreads across the entire term structure. Variations in realized spread changes based on different terms to maturity, geographies, asset classes and derivative types, underlying interest rate movements, and ratings may result in realized sensitivities being significantly different from those provided above.



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