

CHAIRMAN'S MESSAGE

To my Fellow Shareholders

I'm delighted to share Sun Life's 2019 Annual Report that details the Company's strong performance and outcomes across our four strategic pillars. In 2019, Sun Life continued to deliver long-term value for our Shareholders, while also delivering on its Purpose to *help Clients achieve lifetime financial security and live healthier lives*.

Our diversified and balanced business model, coupled with a steadfast focus on Clients and a prudent risk profile, helps us build our leadership position in each of our markets. This balanced approach by business mix and geography underpins our ability to continue to perform well against our medium-term objectives, even in a sustained low-interest rate environment. Growth in each of our strategic pillars contributed to solid financial results, and we again increased our common share dividend twice during the year.

With a LICAT ratio of 143% at Sun Life Financial Inc. and a healthy balance sheet, capital remains a key strength of your Company. We continue to adhere to our disciplined approach to capital allocation, including investments to grow our business organically, acquisitions that accelerate our strategy, and return of capital to our Shareholders through dividends and share repurchases.

During the past year, we made advances in a number of areas. We rolled out our Client Data Privacy Principles – a shared vision and commitment to how we will protect Client data as we accelerate our digital transformation. As part of our digital journey, we continued to make it easier for Clients to do business with us in all of our markets, using technology and data to be more personal, predictive and proactive.

Our Board continues to have complete confidence in the Company's leadership team and the strategic direction of Sun Life. We were thrilled to see Dean Connor named as one of Harvard Business Review's 100 Best-Performing CEOs in the World. The inclusion was all the more noteworthy given the greater emphasis on environmental, sustainability and governance (ESG) scores, along with financial performance. This is especially gratifying, as we have long focused on ensuring Sun Life's growth as a sustainable

organization, while delivering long-term value to our Clients, Employees, Shareholders and communities.

We proudly remain one of the Global 100 Most Sustainable Corporations in the World and support the Sustainable Development Goals developed by the United Nations. We recently launched a refreshed sustainability strategy with even greater aspirations and clearer targets that aligns closely to our business and focuses our efforts on delivering on our Purpose.

Operating ethically, treating our Clients and Employees with utmost respect, investing in communities, maintaining our strong corporate governance, and continuing to foster our unique Client-focused culture of collaboration propelled by speed and agility – these are all vital elements that ensure the longevity and success of our business. In a world of accelerating change, it is critically important we continue to focus on strengthening the capabilities of our organization, both by developing our people and by continuing to attract top talent. We are committed to creating inclusive, diverse and empowering workplaces where everyone feels valued, and we are proud to once again be named to the Bloomberg Gender-Equality Index.

On behalf of Sun Life's Board of Directors, I would sincerely like to thank our Clients and Shareholders for the confidence they place in us. I also want to say a heartfelt thank you to all Sun Life Employees for their commitment to Client excellence and sustained focus on moving us toward our ambition of being *one of the best insurance and asset management companies in the world*.



William (Bill) D. Anderson
Chairman of the Board