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Independent Limited Assurance Report

We have been engaged by the management of Sun Life Assurance Company of Canada ('Sun Life' or the 'Entity') to undertake a limited assurance engagement, in respect of the year ended December 31, 2020, on certain quantitative and qualitative performance information disclosed in the 2020 Sustainability Report (the 'Report') as described below.

Subject matter information and applicable criteria

The scope of our limited assurance engagement, as agreed with management, comprises the following key performance indicators (the 'subject matter information') for Corporate Real Estate (Sun Life-occupied space) and Real Estate Investments (Sun Life-owned properties) for the year ended December 31, 2020:

Key Performance Indicator	Assurance Criteria	Results
Scope 1 Greenhouse Gas (GHG) emissions	The World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol, Revised Edition (the 'GHG Protocol')	18,971 tCO ₂ e
Scope 2 GHG emissions	GHG Protocol	34,759 tCO ₂ e (location-based) 30,773 tCO ₂ e (market-based)
Selected scope 3 GHG emissions, related to submetered tenant-paid and landlord-paid utilities (excludes waste, water, travel)	GHG Protocol	7,292 tCO ₂ e (location-based) 6,782 tCO ₂ e (market-based)



<p>Calculation approach for annual emission reductions between the years 2019 and 2020 associated with net target performance in accordance with Sun Life's own criteria</p>	<p>Sun Life's own internal guidelines and definitions for target setting</p>	<p>Entity's claim as follows:</p> <p>"The target calculation includes Scope 1, 2, 3 emissions from energy, water and waste (where weight data exists) for Canadian and U.S. Investment Properties, International Properties (owned from 2017 forward) and Corporate Real Estate properties >40,000 ft². The properties included are those with greater than 75% data availability. Emissions are normalized for acquisitions, dispositions, weather, occupancy, and exceptional tenant load impacts (where data is available) so these factors do not affect progress towards the target. Sun Life's emissions used for target calculation differ from the absolute emissions as per the GHG Protocol on an annual basis on page 55 of the 2020 Sustainability Report. Further details on target calculation can be found in our 2020 GHG Emissions Reporting Methodology."</p>
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The subject matter information, contained within the Report, has been determined by management based on the Entity's assessment of the material issues contributing to the Entity's environmental performance and most relevant to their stakeholders.

There are no mandatory requirements for the preparation, publication or review of sustainability performance metrics. As such, the Entity applies the GHG Protocol Corporate Accounting and Reporting Standard, Revised Edition and its own internal reporting guidelines and definitions for sustainability reporting (collectively, the 'applicable criteria') which can be found in the 'Annex 1 – Sun Life GHG Emissions Reporting Methodology' on [website](#).

Management's responsibilities

Management is responsible for the preparation and presentation of the subject matter information in accordance with the applicable criteria, current as at the date of our report. Management is also responsible for determining the Entity's objectives in respect of environmental performance and reporting, and for establishing and maintaining appropriate performance management and internal control systems from which the reported subject matter information is derived.



Our responsibility and professional requirements

Our responsibility in relation to the subject matter information is to perform a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements ('ISAE') 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. ISAE 3000 and ISAE 3410 require that we plan and perform our procedures to obtain limited assurance about whether the subject matter information is presented fairly, in accordance with the applicable criteria, in all material respects.

Our conclusion does not cover any periods prior to the year ended December 31, 2020.

Assurance approach

We planned and performed our work to obtain all the evidence, information and explanations we considered necessary in order to form our conclusion as set out below. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the subject matter information, and applying analytical and other evidence-gathering procedures, as appropriate. Our procedures included:

- Inquiries with relevant staff at the corporate level as well as third-party service providers to understand the data collection and reporting processes for the subject matter information,
- Assessment of the suitability, application and disclosure of the applicable criteria in respect of the subject matter information;
- Where relevant, performance of walkthroughs to understand the design of internal controls relating to data collection and reporting of the subject matter information;
- Comparisons of the reported data for the subject matter information to underlying data sources on a sample basis;
- Inquiries regarding key assumptions and the re-performance of calculations on a sample basis; and,
- Review of the presentation of the subject matter information to determine whether the presentation is consistent with our overall knowledge of, and experience with, the GHG emissions performance of the Entity.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is obtained.

Independence, quality control and competence

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.



The firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement was conducted by a multidisciplinary team which included professionals with suitable skills and experience in both assurance and in the applicable subject matters, including environmental performance and GHG accounting.

Inherent limitations

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the characteristics of significant elements of the underlying subject matter and the availability and relative precision of methods used for determining both qualitative and quantitative information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in management's internally developed criteria, may change over time, and it is important to read the Entity's internal reporting guidelines and definitions for sustainability reporting, which can be found in *Annex 1: Sun Life GHG Emissions Reporting Methodology*.

Our conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that for the year ended December 31, 2020, the subject matter information, as described above, has not been prepared and presented, in all material respects, in accordance with the applicable criteria current as at the date of our report.

Emphasis of matters

Without qualifying our opinion above, we draw attention to the following:

- As noted in page 55 of the 2020 Sustainability Report, Sun Life determines consumption based on utility bills or meter readings from third party providers. However, where data is incomplete, Sun Life uses linear regression of historical consumption compared with weather data, or a portfolio-average consumption intensity based on 2014, to estimate consumption. The proportion of estimated location-based emissions in 2020 for the combined Corporate Real Estate and Real Estate Investments portfolio is approximately as follows: Scope 1 emissions: 20%, Scope 2 emissions: 13% and Scope 3 emissions (related to landlord-paid utilities where Sun Life is the tenant or submetered tenant-paid electricity where Sun Life is the landlord; excluding waste and water): 34%.
- As noted in page 56 of the 2020 Sustainability Report, GreenOak Real Estate ('GreenOak') corporate offices were excluded from the 2020 reporting cycle. Effective July 1, 2019, GreenOak merged with the Bentall Kennedy real estate investment management platform which now collectively operates as Bentall GreenOak, a



subsidiary of Sun Life. The Sustainability Report and associated data, including the assured metrics, are limited to the pre-merger Bentall Kennedy investments and Corporate Real Estate (Sun Life-occupied space) and do not include the performance of the business previously operated as GreenOak.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants
March 18, 2021
Toronto, Canada