

Message from the Chair



To my fellow shareholders,

In 2021, Sun Life delivered strong financial performance and long-term value for our shareholders. Equally important, we were there for our Clients when they needed us most. Delivering on our purpose of helping Clients achieve lifetime financial security and live healthier lives proved more important this past year than ever before.

These results were made possible by the determination, commitment and resilience of our employees and advisors as the pandemic proved to be relentless. The Board and I continue to be inspired by how our people achieve meaningful outcomes for Clients while trying to balance the responsibilities and challenges of maintaining their own and their families' well-being.

Sun Life's diversified business model, combined with our robust risk management and disciplined approach to capital allocation, once again proved to be a key strength.

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The company achieved 10% growth in underlying net income in 2021. In terms of capital allocation, Sun Life managed more than 10 capital transactions that continued to help us build scale and add capabilities across our businesses. Our agreement to acquire DentaQuest in the U.S. and the ACB bancassurance transaction in Vietnam are great examples.

Sun Life also continues to make significant investments in areas that contribute to our Client Impact Strategy including digital leadership. Thinking and acting like a digital company is core to Sun Life's strategy. This philosophy has helped enhance our digital capabilities across the organization and transform both our Client experience and the way we work.

As I have noted in my previous letters to shareholders, Sun Life has been repeatedly recognized for our sustainability strategy. While many companies continue to play a larger role addressing issues including the

environment, diversity, equity and inclusion, Sun Life has taken even bolder steps in our sustainability journey.

In 2021 we established the role of Chief Sustainability Officer reporting directly to the CEO and we embedded sustainability into the strategy of each of our businesses. We also committed an additional \$20 billion in new sustainable investments over the next five years and set a goal of net-zero greenhouse gas emissions by 2050 as an asset owner and manager.

Diversity, equity and inclusion remains integral to our sustainability plan. As part of Sun Life's focus, meaningful progress is being made towards achieving our 2025 diversity targets. This focus also extends to your Board of Directors. I'm proud of the broad range of business and strategic expertise we have added to the Board the past year with the addition of Deepak Chopra, David Ho, Helen Mallovy Hicks and Marie-Lucie Morin. We have increased boardroom representation in gender and from underrepresented communities to further enhance our capabilities. Sun Life's values and purpose resonate deeply with all of our Directors.

I would be remiss if I didn't congratulate our new President and CEO, Kevin Strain, who succeeded Dean Connor in August 2021. Kevin is off to a great start and the Board is confident in his ability to lead Sun Life's continued success for all our stakeholders well into the future.

My 12-year term as a Director ends after the Annual Meeting in May. It has been a pleasure and an honour to serve and represent our shareholders and policyholders the past 12 years, five of which I served as Chair. I would also like to recognize Martin Glynn who is retiring after the Annual Meeting having completed his 12-year term. Martin has been an excellent Director and an important contributor to all of our Board discussions.

I am pleased to welcome Scott Powers as the next Chair of Sun Life's Board. Scott has been a highly respected and valued Board member since 2015. He brings strong leadership, a strategic approach to governance and extensive experience in financial services.

During my tenure on the Board, I have seen tremendous growth and transformation take place across the company under the leadership of both Dean and Kevin. This transformation was an important factor enabling Sun Life to deliver a Total Shareholder Return of 18.75%, compounded annually, for the ten years ending in 2021, a leader among our global industry peers.

On behalf of the Board and all of Sun Life's dedicated employees and advisors, our deepest appreciation to our Clients, shareholders and other stakeholders for your continued loyalty and trust.

William (Bill) D. Anderson
Chair of the Board