

Message from the CEO

Kevin Strain

President and CEO



We are living during a truly transformative time. GenAI, geopolitics and changing economic environments are all having an impact on people and businesses.

It's our Purpose – helping Clients achieve lifetime financial security and live healthier lives – that helps Sun Life navigate times like these with clarity and confidence. And while having a strong Purpose is important, delivering impact for Clients aligned with that Purpose is what truly sets us apart.

It's about having a global mindset to build meaningful partnerships and relationships.

I believe as a global company, spanning 28 markets, we have an important role: to bring the best global thinking and cultural understanding to our Clients, businesses and the communities we serve. It's about having a global mindset to build meaningful partnerships and relationships – one that enables countries and businesses to thrive and win together.

Our Purpose guides our approach to managing geopolitical risk in a volatile world. In every country I visit, governments, regulators and business leaders are aligned with our Purpose – they want their citizens and employees to have financial security and the opportunity to live a healthier life.

When I wish someone in Hong Kong “Gong Hei Fat Choy” (Happy Lunar New Year), they wish me prosperity, good health and a long life. It's a salutation that aligns to our Purpose. That focus on our Purpose helps us manage geopolitical tensions and stay focused on the positive impact we can make for our Clients.

In 2025, Sun Life delivered meaningful progress. As a stronger and more connected global company, we grew our full year underlying EPS to 12% and delivered a full year underlying ROE of 18.2%. Our Reported EPS was up 17%. Our Group Health and Protection sales were up 25% and Individual protection sales were up 26%.

Helping Clients achieve lifetime financial security and live healthier lives

Today's world is more than just fast paced, it can feel chaotic, even unsettling. Clients are increasingly concerned about the safety of their money, the outlook for markets and their healthcare costs. Many are concerned about tariffs, inflation and job security, especially with the rise of AI. During these uncertain times, Sun Life provides security, stability and motivation.

Lifetime financial security
requires long-term thinking.
Living healthier lives
requires access to care.

Our Purpose drives our strategy

Lifetime financial security requires long-term thinking. We've been here for 160 years and we'll be here for 160 more. That means maintaining a strong financial foundation, being well capitalized, financially disciplined and grounded in sound risk management practices.

Lifetime financial security means integrating protection and wealth. We help Clients save for retirement, but also for life's milestones – from weddings and first homes to a child's education. We protect our Clients' earnings through life, critical illness and disability insurance, and we support estate planning to help ensure wealth transfers effectively to the next generation.

Lifetime financial security also relies on having strong assets to invest in. We have built one of the world's largest asset management platforms with \$1.6 trillion in AUM, spanning public equities and private fixed income to alternative asset classes, such as real estate, infrastructure and private credit. Our asset management companies, MFS and SLC Management, help us bring strong investment returns to our Clients.

Living healthier lives means helping people live well

We help Clients *live healthier lives* by focusing on proactive and preventive health and wellness programs, including supporting them through managing conditions like diabetes.

Living healthier lives requires access to care. In the U.S., we help Clients and members navigate the healthcare system through PinnacleCare. In Canada, we provide leading virtual care solutions through Dialogue. In Hong Kong, our digital insurer, Bowtie, operates clinics that help people access care more easily.

Delivering on our Purpose

Our strategy is designed to help us deliver on our Purpose. Key to our strategy is:

- Operating as a Digital Company to drive business and Client outcomes.
- Scaling a leading global asset management and wealth platform.
- Bringing global thinking to local Clients.
- Staying true to our Purpose-driven culture.

Operating as a Digital Company

Generational advances in digital technology are redefining how quickly and effectively businesses evolve. By embracing GenAI, we're empowering our workforce with advanced tools and insights, optimizing productivity and delivering greater Client experiences. We've invested in upskilling our people and deployed over 50 strategic GenAI tools to streamline workflows and decision-making, enabling our teams to focus on what matters most – our Clients. Our strategy is guided by trust, digital leadership and responsible innovation, prioritizing data privacy, ethical AI and security to enhance the Client experience and keep our Purpose at the heart of every interaction.



Scaling a leading global asset and wealth management platform

In 2025, we announced we would form Sun Life Asset Management, an extension and formalization of our asset management pillar, effective January 1, 2026.

Alongside MFS, our global equity and fixed income provider, and SLC Management, our global alternative assets and fixed income provider, Sun Life Asset Management includes our Company's stake in Aditya Birla Sun Life Asset Management, one of India's largest asset management businesses, as well as our pension risk transfer business.

Bringing our asset management business together under one roof and one leader marks an important step for Sun Life. It is enabling collaboration between our market-leading asset management companies and global insurance and wealth businesses, unlocking new growth opportunities, driving strategic partnerships and delivering greater value for our Clients.

We're proud to be among the top 30 largest global asset managers and Canada's second largest, with \$1.6 trillion in assets under management. Our global investment capabilities span multiple investment classes, driving strong performance through collaboration and expertise.

This strength fuels our ambition to be the best asset management and insurance company in the world.

Bringing global thinking to local Clients

Much of our success comes from our balanced and diversified strategy. Over the past year, we've witnessed nations, including Canada, actively diversifying their trading relationships and exploring new horizons. It's a strategy Sun Life has been taking for more than 130 years, since we first set our sights on international expansion.

Today, over two-thirds of Sun Life's income comes from outside Canada, reinforcing our position as a global industry leader. This perspective sharpens our ability to anticipate change and adapt, while our determination propels us forward.

We have built our business one market and one Client at a time, guided by three principles:

1. Enter markets where we can win;
2. Deeply understand local dynamics; and,
3. Hire talent aligned to our values.

2025 marked a standout year for our **Asia** business with strong year-over-year growth, record underlying net income, and double digit increases in protection and wealth sales across key markets, including Hong Kong, India, Indonesia and the Philippines.

In the **U.S.**, we have leading market positions supported by scale, expertise and a diversified portfolio. Sun Life U.S. has been an important part of our organization since the late 19th century, and today we serve approximately 48 million Americans. We are focused on winning new business, increasing productivity and efficiency through automation, and enhancing how we connect health and benefits to deliver the care and coverage members need.

Our **Canada** business continues to anchor Sun Life's performance and reinforce our role as a trusted partner to millions of Canadians. What stands out is how often Clients rely on us at pivotal moments, whether starting a new job, planning for retirement or dealing with life's unexpected challenges. As a leader in health, wealth and protection, our impact comes from the breadth and strength of our distribution. Reaching roughly one in three Canadians, our Advisors, group benefits specialists, workplace partners and digital channels work together to meet Clients where they are.





Being recognized as a **Great Place to Work**[®] in Canada, India, Indonesia, Ireland, Malaysia, Philippines, Singapore, Vietnam and the United States is a testament to our commitment to nurturing an extraordinary culture. The fact that this recognition is based on employee feedback tells us we're on the right path, creating an inclusive workplace where everyone thrives.

The enduring strength of our business means Clients can sleep soundly knowing their financial security and protection are in our capable hands.

Purpose-driven People and Culture

Our 160-year story is one of resilience, powered by our greatest strength – our people and culture. Throughout our history, Sun Life has been there for Clients through every global challenge: great depressions, two world wars, geopolitical turmoil, economic downturns, global conflict, trade wars and two pandemics. The enduring strength of our business means Clients can sleep soundly knowing their financial security and protection are in our capable hands.

Our over 68,000 employees and more than 99,000 advisors are united by our Purpose and committed to the Clients we serve. Our employee engagement consistently ranks above industry norms. It reflects a growing understanding of how our Purpose guides our work every day and helps us achieve positive impact together.

I'm proud that Sun Life has once again earned Great Place to Work[®] certification for 2025 in nine countries, a recognition reflecting the trust, inclusion and commitment our teams demonstrate across the Company.

Client impact

Ultimately, our success is defined by the impact we make in the lives of our more than 85 million Clients.* Everything we do is inspired by our deep commitment to making a meaningful difference. To appreciate the impact of our work, Norma's story on page 5 is a testament to how we help our Clients build brighter futures, no matter the challenges they face.

* Refer to page 245 for endnotes.



Value creation

In March 2025, alongside our shareholders and investors, we celebrated our 25th anniversary as a publicly-traded company. Our journey on the Toronto, New York and Philippine stock exchanges has been remarkable, and our results speak for themselves. Since becoming a listed company in March 2000:

- Sun Life shares have risen 585% as of December 31, 2025, from our initial opening day price of \$12.50;
- Our market cap has grown from \$5 billion to more than \$47 billion as of December 31, 2025; and,
- We have returned \$24.5 billion to shareholders through dividends. Over the last decade, we've distributed \$14.3 billion and made \$4.4 billion in share buybacks.

We remain confident that our steadfast focus on our Clients, made possible by our balanced and diversified business strategy, positions us well for long-term growth.

Progress is only possible with the support of those around us. I'd like to thank our Clients, shareholders and the communities we serve for your continued loyalty and support. Thank you to our Board of Directors for your ongoing guidance and leadership, and to the entire Sun Life team for your unwavering commitment to our Clients and our Purpose.

As we look ahead, I am inspired and energized by the deep alignment between our Purpose, culture, values and leadership. This connection fuels my optimism every day and reinforces what makes Sun Life extraordinary.

When we combine our bold ambition – to be the best asset management and insurance company in the world – with a strong team that has an unwavering commitment to our Clients and our clear and strong Purpose, we are truly positioned to win.

In closing this year's letter, I would like to draw your attention to the sculpture by Canadian artist Abraham Anghik Ruben featured on the cover of this report. His messages are powerful and inspiring to me. He speaks of the beauty of the land; some of the origins of international trade; cooperation and mutual respect among people from different cultures; and the passing on of knowledge across generations.

Now more than ever, Abraham's messages resonate deeply. I encourage you to watch the video linked on the inside cover, to hear from the artist himself. Let his words inspire you to find and appreciate the beauty around us – in art, nature and the diverse people who strengthen our communities.

Thank you for your continued trust, partnership and loyalty.

Kevin Strain
President and Chief Executive Officer

Our bold ambition is to be the best
asset management and insurance company
in the world.

