Diversity, Equity and Inclusion is about all of us moving forward, together.

We at Sun Life can’t be bystanders and hope that inclusion happens. We will work harder to be a more inclusive business. We will build a more just and equitable world. And we will track our progress, share what we’ve learned, and be a leader in this space.

For everyone.
Sun Life strongly believes in the importance of an inclusive and caring culture. More than just being the right thing to do – it’s the key to attracting great talent, supporting an engaged workforce and serving the needs of our Clients and communities around the world.

This decade began with events that shone a bright light on existing challenges to achieving this type of culture, including systemic racism and social inequalities. These important issues sparked new conversations, elevated actions and raised awareness at Sun Life. It also reinforced the view that we have an obligation and the ability to champion the changes that are needed – within our organization, across our industry and throughout our whole society. We have a plan to make that happen.

Our DE&I strategy
I’m pleased to share our Diversity, Equity and Inclusion (DE&I) Strategy 2025. It outlines our plan, our focus areas, and our promise to keep pushing for action. While Sun Life has taken important steps to date and earned external recognition for having diverse and inclusive workplace practices, we can still do better.

That’s why we’re taking stronger measures to build inclusivity in our workplace and in our communities, with an eye on different groups and individuals most in need due to systemic challenges. Our focus is not just on company policies and programs, but on everyday experiences.

Our commitment to diversity, equity and inclusion is directly aligned with our Purpose, business strategy and ultimate success as a company. We draw strength from our differences because they unleash creativity and spark innovation. While we do talk about commitments, the focus is really on people. We want our boardroom and business tables to reflect the communities where we live and work.

It’s not a destination, but a direction forward
We set 2025 as a milestone year, with specific outcomes we need to achieve. But this isn’t something that gets done or finished. It’s an ongoing process and change that continues to adapt and grow as needed. It’s about creating space in our culture and our world to accommodate a better way to do business. To get there, we know there’s much more to do. And together, we can and will do better – for all of us.

Kevin Strain
President and Chief Executive Officer
Commitments 2025: Where we’re going

Here are the commitments we’ve made to our people and our business partners for 2025. Publishing them transparently in this document is step one. We’re going to report on our progress each spring in our Sustainability Report. And we’ll make that progress public on our website, so anyone can track our activities during the year.

**Global Commitments**

**Gender Parity**

- **25%** Percentage of underrepresented ethnicities in VP+ roles globally at Sun Life
  - In 2020, we raised our commitment to achieve gender parity by 2025. We are at 35% today, and climbing, up 1% with new appointments in 2021.

**NORTH AMERICA**

- **3.5%** Percentage of Black employees in executive roles in Canada
  - Part of a series of commitments included in our role as signatory to the BlackNorth Initiative.*

- **13%** Percentage of Black employees at all levels in the U.S.**
  - We are at 16.4% today, and climbing, up 1.4% with new appointments in 2021.

**North America**

- **25%** Percentage of underrepresented ethnicities in VP+ roles in North America at Sun Life
  - We are at 16.4% today, and climbing, up 1.4% with new appointments in 2021.

**Canada**

- **3.5%** Percentage of Black employees in executive roles in Canada
  - In February 2021, we became a member of the Canadian Council for Aboriginal Business, and began our PAR certification, becoming the first insurer to do so.

- **13%** Percentage of Black employees at all levels in Canada.
  - In September 2021, we published more of our actions and commitments in Indigenous Communities in Canada.**

*Additional commitments as part of the BlackNorth Initiative include: 5% of black participants in our student workforce, 3% of corporate donations and sponsorships to promote investment and create economic opportunities in the Black community in Canada and commitments to improve our workplace practices, including making our workplaces better places to have complex, and sometimes difficult conversations about anti-Black systemic racism, creating and fostering education that addresses unconscious bias and anti-Black systemic racism, sharing best practices with other organizations, and creating strategic inclusion and diversity plans with our board of directors.

**U.S. refers to the U.S. Group Benefits and In-Force management businesses as reported by Sun Life Financial Group Inc.

**Indigenous is a collective name for the original peoples of North America and their descendants. In Canada, the term Aboriginal Peoples is also used for individuals identifying themselves as First Nations, Inuit or Metis.

---

Underrepresented ethnicities:

Canada: those who self-identify as Visible Minorities per the Employment Equity Act.

**"13%"** **Percentage of Black employees at all levels in the U.S.**

In February 2021, we became a member of the Canadian Council for Aboriginal Business, and began our PAR certification, becoming the first insurer to do so.

In September 2021, we published more of our actions and commitments in Indigenous Communities in Canada.**
What we’re doing to get there

Our Vision
We will create an environment where: everyone is treated fairly and respectfully, at work and in our communities; where we all can fully contribute our beliefs, perspectives and talent; and where we all have equal access to opportunities and resources.

Our Strategy
We have set three strategic pillars to enhance and evolve our DE&I effort.

Pillar 1: Learning
The foundation of our strategy is measurement and research. It’s the crucial first step before we act to create impactful solutions. We’re using data-driven insights and employee feedback to learn where barriers exist, and where to focus our efforts.

Pillar 2: Building
We’re building our people’s capabilities and strengthening our “DE&I muscle”, by fostering a respectful culture with inclusive policies, programs and education. The entire organization is developing new practices and finding opportunities to improve existing ones so they work for everyone.

Pillar 3: Leading
We’re creating tools and practices that empower our people to lead by example, empower our senior leadership to take ownership and accountability, and raise awareness of opportunities and challenges across the board.

Who we’re focused on

CLIENTS
Better reflect and anticipate the unique needs of our Clients across all lines of business and locations.

COLLEAGUES
Nurture an inclusive and respectful workplace where all of our people can contribute to their full potential.

COMMUNITIES
Better support the communities where we work. And create strong working relationships with suppliers who share our values and commitment to social responsibility.
Using research and insights to learn where we can do better, and advance our diversity, equity and inclusion efforts.

Finding ways to improve our recruitment processes
An ongoing study of our recruitment practices is uncovering new data. We’re using these insights to help us better reach diverse candidates, including those in underrepresented groups, in 2021 and beyond. We will also use advanced artificial intelligence (AI) tools and other proven practices to minimize bias in our candidate screening. As well, we’ll be regularly re-examining our hiring outcomes with an inclusive lens to ensure we’re on track.

Evaluating the Client experience from a diversity lens
We’re increasing research and user testing to better understand our diverse Clients and their unique needs. We’re also working to train all our teams on using inclusive language and accessible content in their interactions with Clients.

Understanding ourselves better
We’re creating more DE&I dashboards and reporting requirements for our people leaders and business partners. This will ensure we analyze our progress, draw meaningful insights, and stay the course on DE&I.

Using what we’ve learned to ensure equitable compensation
Across our business, we use tools to learn about potential pay gaps, which in turn supports meaningful changes. Managers make more equitable compensation decisions as a result. These tools show how annual pay decisions (i.e. performance distribution, salary adjustments, annual incentive awards and long-term incentive grants) compare across women and men, as well as other diverse groups. As a result, our pay equity continues to improve across the entire company.

How data and insights were applied in practice
Gender Equity Pay analysis
In 2020, we conducted an expanded analysis of total average pay by gender for roles at the same level for our North American employees.

- **In Canada**: Sustained results from previous year with women earning 98-99 cents for every $1 earned by men.
- The gap increased to five cents at the executive level, driven by a changing population of both men and women at these levels. We have flagged this for further research.
- **In the US**: Women earned between 95-97 cents to every $1 earned by men (depending on level)
- Demographic factors such as regional locations contributed to these differences. We are assessing this in more depth due to varied talent costs across the US.
Pillar 2: Building

Designing the right policies, programs and practices to build a more inclusive business.

Increased support for employee networks and communication

We’re increasing the funding and resources we provide to our employee-driven inclusion networks to better serve their mandates. And we will continue to encourage regular, open dialogue. Through our main employee collaboration and communication platform, we’ve created safe spaces for our people to exchange thoughts and ideas.

Inclusion-focused education

It isn’t enough to deliver one round of inclusion-focusing training and call it a day. We’re embedding DE&I education and practices in all of our learning channels to support our people build inclusive behaviour and capability.

Expanding supplier diversity

Our promise to practice diversity includes our supply base and the partners in our supply chain. Through our Supplier Diversity Program, we recognize, encourage and include diverse suppliers as part of our competitive bidding process. We will continue exploring opportunities to strengthen this program.

More diverse marketing and communications

We’re building our expertise to ‘speak’ DE&I. Research shows that many people – of different cultures, communities, income levels, generations and gender – feel the financial system doesn’t speak to them. We at Sun Life want our marketing and communications to reflect diverse perspectives and use more inclusive language.

Boosting support for community initiatives

We’re evolving our charitable giving program to place a bigger focus on advancing inclusion, especially for disadvantaged or marginalized communities. Recent events – including the COVID-19 pandemic, the Black Lives Matter movement and historical injustices faced by Canada’s Indigenous peoples – have inspired us to ramp up our investments.

Kaleidoscope by Hive Learning

Introduced in 2020, Hive Learning’s Inclusion Works program – branded “Kaleidoscope” at Sun Life – is the world’s leading interactive digital inclusion program for DE&I. This learning platform provides modern social learning rather than traditional classroom training. It also includes comprehensive discussion guides to promote conversation and learning.

Inclusion scholarships for Black & Indigenous Students

Launched in September 2021, this program will provide 100 scholarships over the next 5 years to Black and Indigenous university students in their last year of study*. Selected students will be awarded a $5,000 scholarship, a summer internship, professional coaching from a Sun Life mentor and possibility of a full-time opportunity at Sun Life after graduation.

*The program is open to qualifying applicants who are Canadian citizens or permanent residents of Canada and are currently enrolled in a Canadian university.

How we’re building our capabilities and walking the walk on DE&I

Diversity, Equity & Inclusion Strategy 2025
Sun Life
Equipping our leaders and people, and ensuring responsible oversight of our diversity, equity & inclusion goals.

**Representation**

Employee resource groups and taskforces are growing across our organization. These employees represent our diverse communities and colleagues. They champion and support our DE&I initiatives by creating safe spaces and fostering inclusion.

**Inclusive recruiting practices**

We implemented a newly-developed recruitment approach to deliver an inclusive process. This includes diverse interview panels and candidate slates, consistent screening practices, and acknowledgement and mitigation against bias.

**Mentorship and sponsorship**

We have expanded our internal mentorship and career development programs to ensure they are equitable, accessible and inclusive. We recently implemented a new global mentorship framework with an inclusion focus to ensure consistency across our businesses.

**Increasing transparency**

This document is part of a larger story. We’re ramping up how - and how often - we communicate internally and externally about our DE&I performance. And we will seek opportunities to participate in external DE&I initiatives, to share our experiences with others.

Together, our Inclusion Network memberships total 7,536. Each year, the networks hold events, engage employees, and allocate $100,000 (CDN) and $150,000 (US) in philanthropic funding to community partners and charitable organizations.

**Executive Diversity, Equity & Inclusion Council**

Founded in 2018, Sun Life’s Executive DE&I Council supports the integration of DE&I practices across our global company. With leaders from across the business, the Council champions a wide range of programming and helps influence DE&I policies and practices.

---

**Inclusion Networks at Sun Life**

Our Inclusion Networks are voluntary, employee-led communities. Each one supports and advocates for one of the many diverse populations at Sun Life. These networks play an important role in fostering and leading a culture of inclusion within Sun Life.

**Executive-led forums**

Starting in 2020, our executives began hosting DE&I sessions with external experts in the field. These internal forums are an important part of our DE&I journey, helping us to learn and grow together while getting more comfortable having important (but not always easy) discussions.

---

**FROM OUR CEO**

**OUR COMMITMENTS**

**OUR STRATEGY**

**OUR JOURNEY**

**OUR PEOPLE**

---

*Sun Life*
We’ve made important strides on our journey to making Sun Life a truly inclusive business and workplace. Making diversity a top priority, we started the foundational work on our enhanced DE&I strategies in 2015. We have been building steadily from there. We created a new DE&I team, launched our Executive Council, and continued to expand our inclusion networks. Our efforts have earned us internal and external recognition as a committed leader in DE&I.

94% of our employees say Sun Life supports diversity in the workplace, and that the company recognizes and respects the value of human differences. 81% say it’s safe to speak up at Sun Life.

$2.04M in total, global philanthropic spending for DE&I initiatives.

2.1% of employees in executive roles in Canada identify as Black. When looking at our overall Canadian employee population, we’re at 3%. And in our student population, we’re at 4.2%.

62% of our CEO’s Direct Reports identify as women. And women make up 45% of our Executive Team.

35% of VP+ employees globally at Sun Life identify as women.

16.4% of VP+ employees in North America at Sun Life identify as belonging to an underrepresented ethnicity.

1.4% of employees in executive roles in Canada identify as Indigenous. When looking at middle management and our overall workforce in Canada, we’re at 0.3% and 0.7%, respectively.

47.6% of our Board of Directors identify as women.

*These survey results are as of November 15, 2021. All other figures on this page are as of December 31, 2021.
**Bloomberg Gender-Equality Index listing every year since 2018.
***12 consecutive annual recognitions by Corporate Knights as one of the world’s 100 most sustainable corporations.
Sun Life colleagues say it best

I was three or four when I got my first hearing aid. I didn’t know anyone else my age who wore a hearing aid or who was Deaf. I had no one to share my experience with. I felt lonely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.

I got used to being the odd person out. The one who has to be concerned about surprise rain showers and finding a safe, dry place to store my hearing aid when I swam at the pool. It can be exhausting and stressful to worry about things most people don’t think about.

When I came to work at Sun Life, I was very worried about things most people don’t think about.

The number of Black and African Americans killed by police is heartbreaking. Being present mentally at work during this time is tough, when deep down you’re hurting and worried about your own family coming home safely.
Diversity, Equity & Inclusion at Sun Life

Document Scope
This document is for Sun Life Financial Inc., and only where applicable, its subsidiaries, joint ventures and associates. The information included does not generally pertain to acquired companies under the banner of SLC Management, including Bentall GreenOak Real Estate. Unless otherwise noted, we presented all information in this report as at and for the year ended December 31, 2021.

All dollar amounts are in Canadian currency, unless otherwise stated. References to “we,” “our,” “us,” “the Company,” and “Sun Life” mean Sun Life Financial Inc. and, where applicable, its subsidiaries, joint ventures and associates.