

# Q2'22

## Results fact sheet



OUR AMBITION IS TO BE ONE OF THE BEST **ASSET MANAGEMENT AND INSURANCE** COMPANIES GLOBALLY

A growth strategy focused on **high ROE** and **strong capital generation** through **leading positions** in **attractive markets** globally

**50,000** EMPLOYEES<sup>1</sup>    **70M+** CLIENTS<sup>2</sup>    **118,400** ADVISORS<sup>1</sup>

OFFICES IN 27 MARKETS<sup>1</sup>

**\$18.7B**

Gross claims & benefits paid in 2021

**\$1.26T**

Assets under management (AUM)<sup>2,3</sup>

**9.0%**

(per annum)  
Total Shareholder Return over the past 5 years<sup>2</sup>

### Q2'22 highlights

FINANCIAL RESULTS	Q2'22	Q2'21	CHANGE FROM Q2'21
REPORTED NET INCOME	\$785M	\$900M	▼ (13)%
UNDERLYING NET INCOME <sup>3</sup>	\$892M	\$883M	▲ 1%
REPORTED EPS	\$1.34	\$1.53	▼ (12)%
UNDERLYING EPS <sup>3</sup>	\$1.52	\$1.50	▲ 1%
REPORTED ROE <sup>3</sup>	13.1%	16.3%	▼ (320) BPS
UNDERLYING ROE <sup>3</sup>	14.9%	16.0%	▼ (110) BPS
INSURANCE SALES <sup>3</sup>	\$736M	\$710M	▲ 4%
WEALTH SALES & ASSET MANAGEMENT GROSS FLOWS <sup>3</sup>	\$57.4B	\$55.0B	▲ 4%
VALUE OF NEW BUSINESS <sup>3</sup>	\$271M	\$284M	▼ (5)%
AUM <sup>3</sup>	\$1,261B	\$1,361B	▼ (7)%

### MEDIUM-TERM OBJECTIVES<sup>4</sup>

UNDERLYING EPS GROWTH<sup>3</sup>: 8-10% PER ANNUM

UNDERLYING ROE<sup>3</sup>: 16%+

UNDERLYING DIVIDEND PAYOUT RATIO<sup>3</sup>: 40-50%

### 5-YEAR RESULTS<sup>5</sup>

10%

14.2%

40%

AT JUNE 30, 2022  
and in C\$, unless otherwise stated

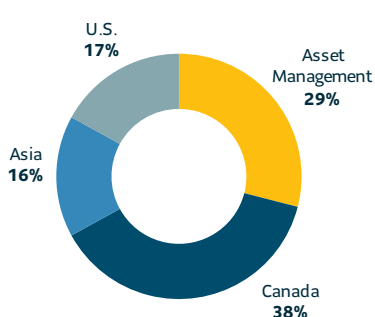
TICKER (TSX & NYSE)	SLF
TSX SHARE PRICE	\$58.98
NYSE SHARE PRICE (USD)	\$45.81
MARKET CAPITALIZATION	\$34.6B
COMMON SHARES OUTSTANDING	586.1M
BOOK VALUE PER SHARE	\$40.65
DIVIDEND PER SHARE	\$0.69
DIVIDEND YIELD	4.4%
2021 TOTAL DIVIDENDS PAID	\$1.4B
LICAT RATIO <sup>6</sup> (Sun Life Financial Inc.)	128%

### FINANCIAL STRENGTH RATINGS<sup>7</sup>

AM. BEST	A+
DBRS	AA
MOODY'S	Aa3
S&P	AA

### A balanced & diversified business model

Q2'22 UNDERLYING NET INCOME BY BUSINESS GROUP



WEALTH & ASSET MANAGEMENT

GROUP & SHORTER DURATION INSURANCE

TRADITIONAL INSURANCE

### Capital strength

**128%**

LICAT ratio for SLF Inc.<sup>6</sup>

**\$1.0B**

SLF Inc. cash and other liquid assets<sup>3,8,9</sup>

**25.7%**

Financial leverage ratio<sup>3</sup>  
(25% target)

# Our growth strategy and highlights

## AM A GLOBAL LEADER IN PUBLIC & ALTERNATIVE ASSET CLASSES THROUGH MFS AND SLC MANAGEMENT

- Asset Management **net inflows of \$0.3B**, including **net inflows of \$7.3 billion at SLC Management** and **\$(7.0) billion (US\$5.5 billion) of outflows at MFS**
- MFS ranked **16th as an asset management brand** among 2,103 global asset managers. At the global segment level, MFS ranked 10th, 18th, 24th among retail advisers, institutional investors, and professional buyers, respectively<sup>10</sup>
- SLC Fixed Income joined the **Net Zero Asset Managers<sup>11</sup>** initiative
- BGO was awarded the **2022 ENERGY STAR Partner of the Year –Sustained Excellence Award** for the 12th consecutive year<sup>12</sup>

## ASIA A REGIONAL LEADER FOCUSED ON FAST-GROWING MARKETS

- In India, **Aditya Birla Sun Life AMC Limited** partnered with BGO to form a **real estate focused investment vehicle**, bringing together two leading investment managers
- In the Philippines, **renewed bancassurance partnership with Rizal Commercial Banking Corporation**, one of the leading commercial banks in the Philippines through to 2033, enabling nearly 2 million bank Clients to access financial protection products
- Launched the **first Shariah-compliant, investment-linked Takaful ESG Fund** for the Malaysian market

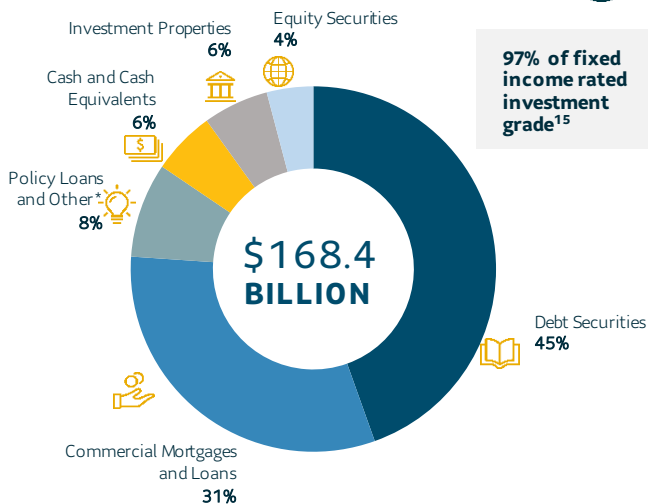
## CAN A LEADER IN INSURANCE & ASSET MANAGEMENT

- **64% of life policies processed without the need for lab tests** because of accelerated underwriting, which uses machine learning to predict the true cost of claims
- SLGI Asset Management announced the launch of the **Sun Life Crescent Specialty Credit Private Pool fund**, providing Clients access to an alternative yield source
- Group Retirement Services launched its first **Shariah-based pool fund<sup>13</sup>**, giving Canadian plan members an investment option that reflects Islamic principles
- Our digital coach, Ella, supported over **\$556 million in wealth deposits and \$1 billion in insurance coverage** year-to-date

## US A LEADER IN HEALTH & BENEFITS

- Underlying net income<sup>3</sup> of US\$121 million reflects strong performance from Group Benefits and **one month contribution from DentaQuest**
- **Completed acquisition of DentaQuest**, the second largest dental benefits provider in the U.S. by membership
- Now **servicing more than 50 million plan members** in the US
- More than **70% of revenue** in our benefits business<sup>14</sup> coming from **healthcare**

## General account invested assets



Invested assets as at June 30, 2022

\*Consists of: Other invested assets (5%), Policy loans (2%), Derivative assets (1%).

## Achievements & recognition



(13 years in a row)

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

(16 years in a row)



PLATINUM (RESCUE) MENTAL HEALTH AT WORK 2021



(11 years in a row)



(5 years in a row)



(4 years in a row)



(14 years in a row)



(21 years in a row)



## Events calendar

September 8 Scotiabank Annual Financials Summit  
November 2 Q3 2022 Financial Results

[Click here for Earnings News Release and other quarterly materials](#)

## Investor Relations contact

**Yaniv Bitton**  
Vice-President, Head of Investor Relations & Capital Markets  
(416) 979-6496  
[Yaniv.Bitton@sunlife.com](mailto:Yaniv.Bitton@sunlife.com)

<sup>1</sup> As of December 31, 2021. Rounded to the nearest hundred. Represents full-time equivalent employees, temporary employees and employees in Asia joint ventures. <sup>2</sup> As of June 30, 2022.

<sup>3</sup> Represents a non-IFRS financial measure. These measures should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. <sup>4</sup> Although considered reasonable, we may not be able to achieve our medium-term financial objectives as our assumptions may prove to be inaccurate. Accordingly, our actual results could differ materially from our medium-term financial objectives as described on the slide. Our medium-term financial objectives do not constitute guidance. Our medium-term financial objectives are forward-looking non-IFRS financial measures and additional information is provided in section O - Forward-looking Statements - Medium-Term Financial Objectives of our MD&A for the period ended December 31, 2021.

<sup>5</sup> As of December 31, 2021. Underlying EPS growth is calculated using a compound annual growth rate; underlying ROE and dividend payout ratio are calculated using an average. <sup>6</sup> Our LICAT ratios are calculated in accordance with OSFI-mandated guideline, Life Insurance Capital Adequacy Test. <sup>7</sup> Ratings are for Sun Life Assurance Company of Canada. <sup>8</sup> Cash and other liquid assets at SLF Inc. and its wholly owned holding companies. <sup>9</sup> SLF Inc. cash and other liquid assets represents available funds for capital re-deployment, including a \$500 million target minimum. Loans related to acquisitions have been included as an adjustment to cash and other liquid assets, as they reflect funding for the DentaQuest acquisition. <sup>10</sup> Rankings come from the latest NMG Global Asset Management Study. <sup>11</sup> Net Zero Asset Managers is an international group of asset managers committed to supporting the goal of achieving net zero carbon emissions by 2050 or sooner.

<sup>12</sup> Awarded by the U.S. Environmental Protection Agency and the U.S. Department of Energy. <sup>13</sup> BlackRock MSCI ACWI Islamic Equity Index Fund. <sup>14</sup> Benefits business excludes In Force Management.

<sup>15</sup> BBB and higher.