BUILDING SUSTAINABLE SHAREHOLDER VALUE

First Quarter, 2018

Sun Life Financial

Life's brighter under the sun

BUSINESS OVERVIEW

LICAT OVERVIEW

ASSET PORTFOLIO

SUSTAINABILTY

BUSINESS OVERVIEW

LICAT OVERVIEW

ASSET PORTFOLIO

SUSTAINABILTY

SUN LIFE FINANCIAL IN 2018

A **$32 billion**[1] **leading, international** financial services provider… operating through a **balanced** and **diversified** model… focused on creating **shareholder value** now and in the future

[1] Market capitalization (C$), as of March 31, 2018

THE SUN LIFE STORY

- We have four strong pillars that can each compete, win and grow in their respective sectors and which leverage each other
- Bound together by a strong balance sheet and risk culture, including no direct U.S. Variable Annuity or Long-Term Care
- Building on momentum created by past organic investments and acquisitions that will help drive earnings growth

SETTING A BOLD NEW OBJECTIVE

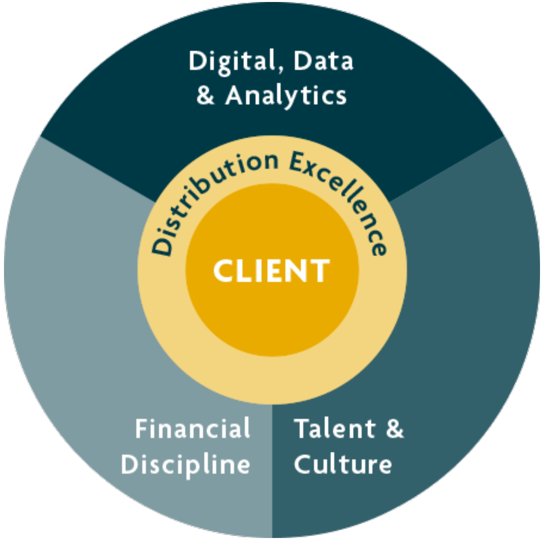
Our ambition is to be ONE OF THE BEST insurance and asset management companies globally

AMBITION TO BE "ONE OF THE BEST" INSURANCE AND ASSET MANAGEMENT COMPANIES IN THE WORLD

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

CAN — **A Leader** in Insurance and Wealth Solutions in our **Canadian home market**

AM — **A Leader** in global **Asset Management**



US — **A Leader in U.S. Group Benefits**

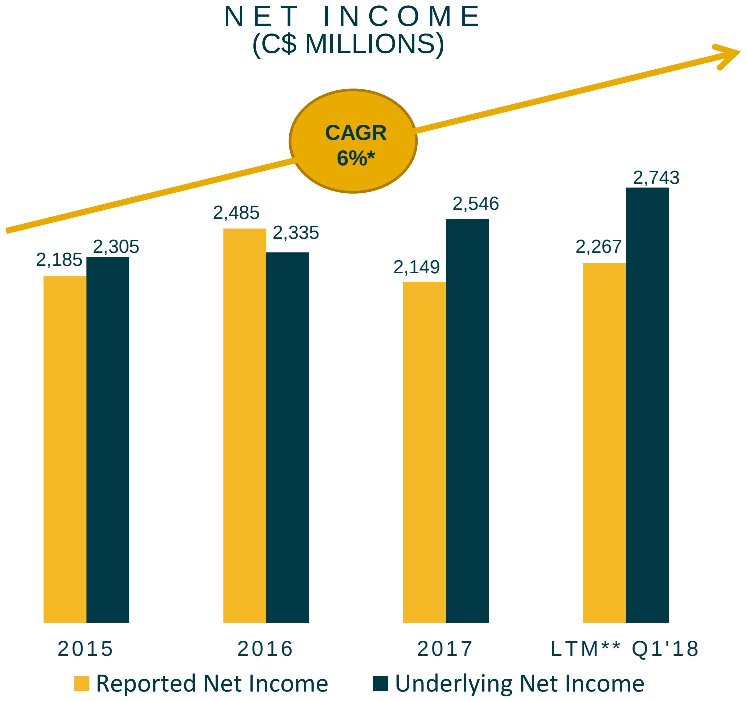
ASIA — **A Leader** in **Asia** through Distribution Excellence in Higher Growth Markets

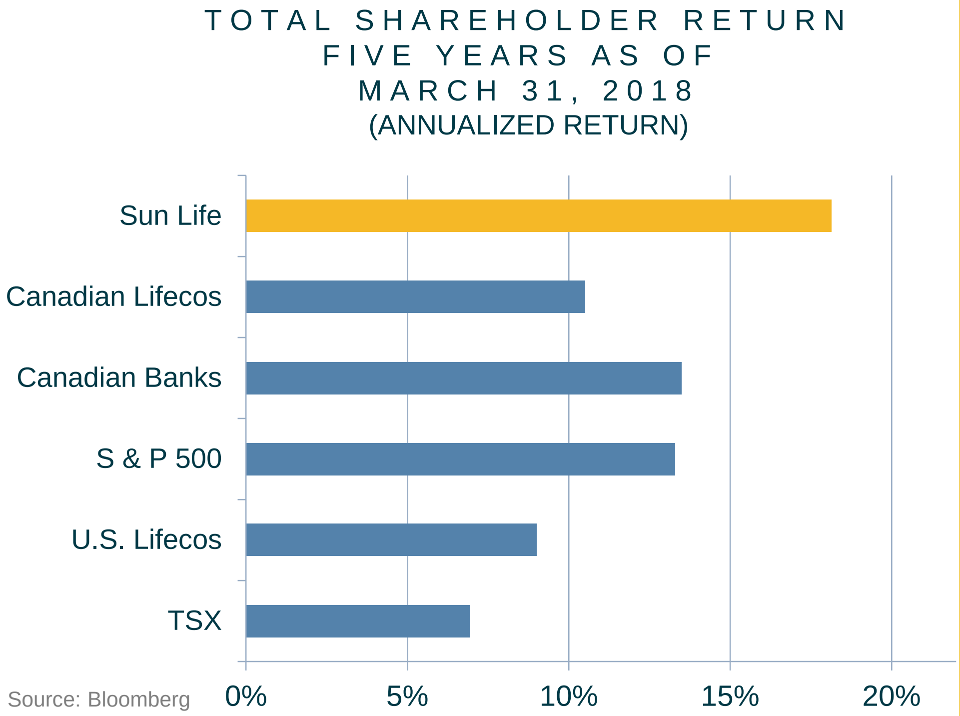
MEDIUM-TERM FINANCIAL OBJECTIVES[1]

EPS growth: 8-10% -- Underlying ROE: 12-14% -- Dividend payout ratio: 40-50%

[1] The objectives are forward-looking non-IFRS financial measures based on underlying net income and are not earnings guidance. See "Medium-Term Financial Objectives" in the appendix to these slides.

DELIVERING VALUE TO SHAREHOLDERS



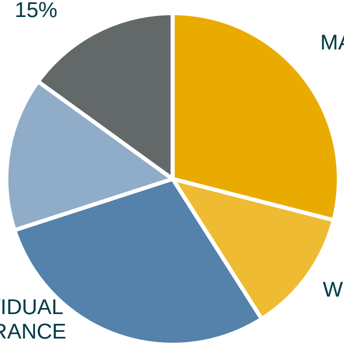


Source: Bloomberg

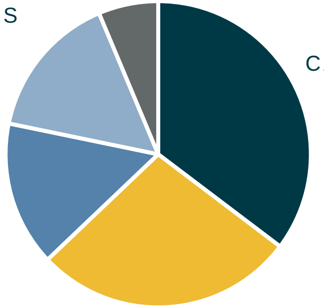
Underlying Net Income represents a non-IFRS financial measure. See “Use of Non-IFRS Financial Measures” and “Reconciliation of Net Income measures” in the appendix to these slides.
* CAGR for Underlying Net Income
** Last Twelve Months (“LTM”)

BALANCED AND DIVERSIFIED BUSINESS

BUSINESS DIVERSIFICATION
Q1'18 UNDERLYING NET INCOME[1]



GEOGRAPHIC DIVERSIFICATION
Q1'18 UNDERLYING NET INCOME[1]*



* Excludes Corporate Support Results

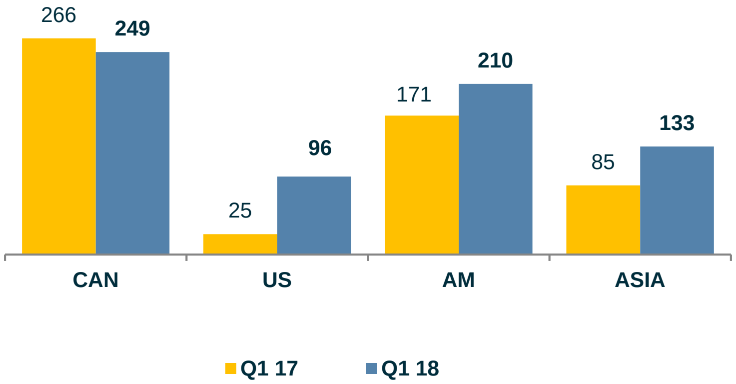
- No direct U.S. Variable Annuity or Long-Term Care Exposure
- Relatively low market risk exposure
- 149% LICAT Ratio (SLF), $1.7B of Holdco cash, 22.2% financial leverage ratio[1]
- Strong risk management culture
- Balanced and diversified portfolio to deliver across cycles

[1] Represents a non-IFRS financial measure. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.

BUSINESS GROUP PERFORMANCE

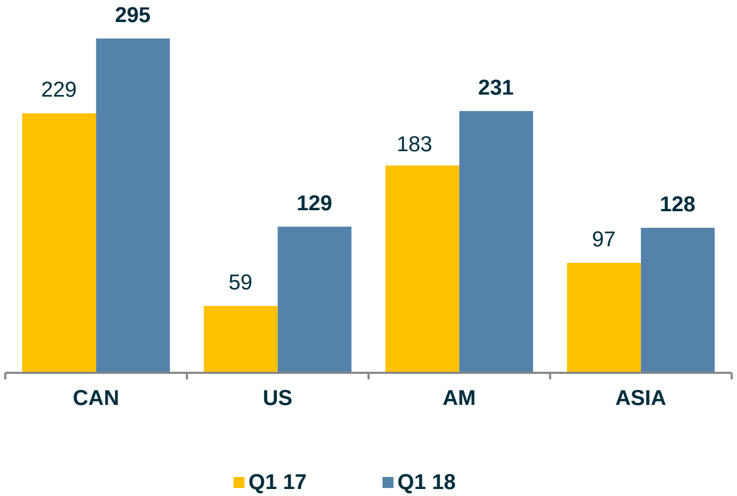
REPORTED NET INCOME
(C$ MILLIONS)

*Impact of currency reduced reported net income by **$19M***



UNDERLYING NET INCOME[1]
(C$ MILLIONS)

*Impact of currency reduced underlying net income by **$19M***



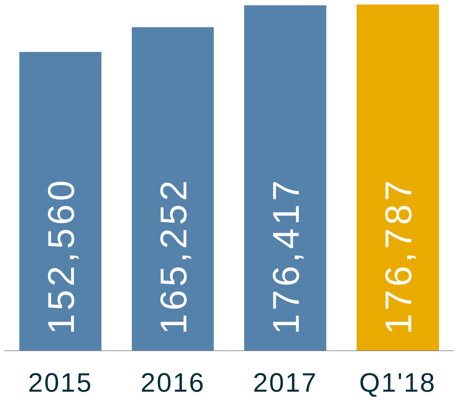
[1] Represents a Non-IFRS financial measure. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.

SLF CANADA: GROWING EARNINGS POWER

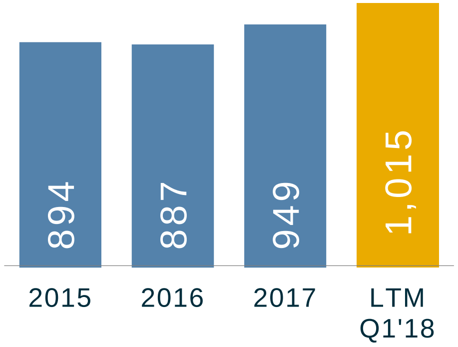
Q1'18 HIGHLIGHTS

- Retail sales of Sun Life Global Investments ("SLGI") mutual funds were up 29%; SLGI assets under management of almost $22 billion
- Group Benefits business in-force of $10.3 billion
- In-plan deposits in the Client Solutions business were up 45% over the prior year, driven by more targeted touchpoints including through "Ella", our digital benefits assistant
- Launched virtual doctor on demand, where Clients can access immediate care through a virtual visit with a physician by live video, telephone or text

ASSETS UNDER MANAGEMENT[1]
(C$ MILLIONS)



UNDERLYING NET INCOME[1]
(C$ MILLIONS)

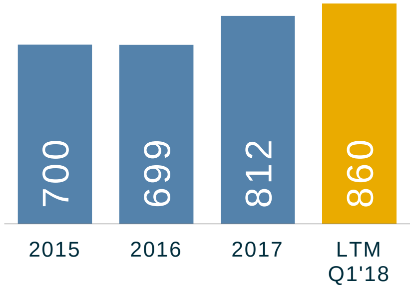


[1] Represents a non-IFRS financial measure. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.

SUN LIFE ASSET MANAGEMENT: WELL POSITIONED FOR GROWTH

SUN LIFE ASSET MANAGEMENT

UNDERLYING NET INCOME[1]
(C$ MILLIONS)



Q1'18 HIGHLIGHTS

- MFS ranked #2 in *Barron's* 2017 Fund Family Rankings based on ten-year performance
- MFS pre-tax net operating margin improved to 38% from 36% in the prior year
- MFS net outflows of US$4.3 billion; Sun Life Investment Management net inflows of $0.3 billion

MFS AUM C$622 billion

- Active management in public markets
- A broad range of equity and fixed income products
- Solution-based opportunities (multi-sector, target date funds)

SLIM AUM C$60 billion

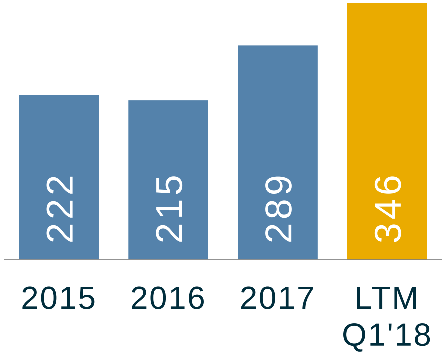
[1] Represents a non-IFRS financial measure. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.

SLF U.S.: EXECUTION ON KEY INITIATIVES

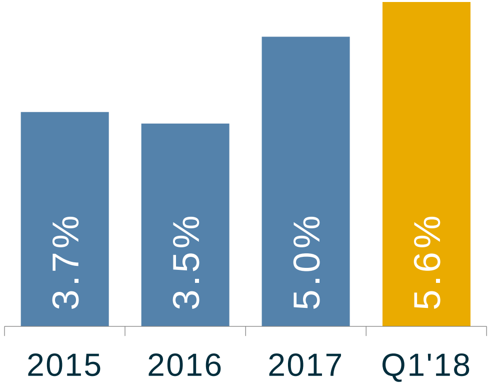
Q1’18 HIGHLIGHTS

- Group Benefits after-tax profit margin of 5.6%[1,2]
- Group business in-force grew to US$3.9 billion, including a 20% increase in stop-loss year-over-year
- Strong execution on the Employee Benefits integration, disciplined expense management and good progress on pricing and renewals
- Partnering with Collective Health, an innovative health tech firm, to create an integrated health benefits solution improving the Client experience in U.S. Group

UNDERLYING NET INCOME[1]
(US$ MILLIONS)



AFTER-TAX PROFIT MARGIN FOR SLF U.S. GROUP BENEFITS[2]

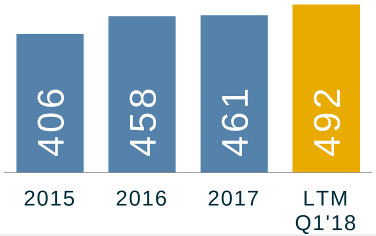


[1] Represents Non-IFRS financial measures. See “Use of Non-IFRS Financial Measures” and “Reconciliation of Net Income measures” in the appendix to these slides.
[2] After-tax profit margin for SLF U.S. Group Benefits calculated on underlying net income as a percentage of net premiums on a trailing four quarters basis.

SLF ASIA: DISTRIBUTION EXCELLENCE IN HIGHER GROWTH MARKETS

SUN LIFE FINANCIAL ASIA

UNDERLYING NET INCOME[1]
(C$ MILLIONS)



Q1'18 HIGHLIGHTS

- Individual insurance sales up 18% compared to the first quarter of 2017
- In the 2018 MPF Awards, SLF Asia's Rainbow MPF[2] plan was ranked highest by MPF Ratings[3]. Sun Life also earned nine MPF awards including Consistent Performer in the one-, five-, and ten-year categories
- Launched Client mobile app in Hong Kong, *My Sun Life HK* improving Client experience

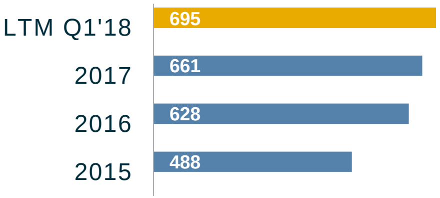
INSURANCE & WEALTH

AUM

$65B

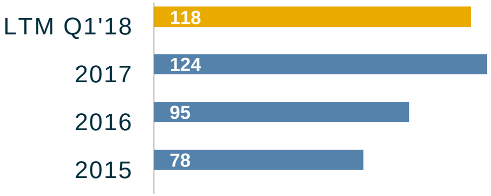
+14% YoY

INDIVIDUAL INSURANCE SALES[1,4]
(C$ MILLIONS)



INTERNATIONAL

INDIVIDUAL INSURANCE SALES[1]
(C$ MILLIONS)



AUM

$16B

-4% YoY

[1] Represents Non-IFRS financial measures. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.
[2] Mandatory provident fund ("MPF")
[3] MPF Ratings were based on investment structure and performance, fees and charges and assessment of overall services, including governance and transparency, customer service standard, member education and communication, account administration efficiency and use of technology.
[4] Sales from joint ventures are based on our proportionate equity interest

BUSINESS OVERVIEW

LICAT OVERVIEW

ASSET PORTFOLIO

SUSTAINABILTY

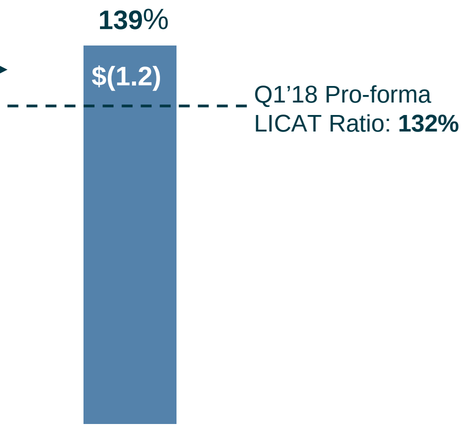
IMPROVED CAPITAL AND CASH POSITION UNDER LICAT

LICAT Ratio
Sun Life Financial

Holdco Cash
Sun Life Financial

($ billions)	**Q1 2018**
Holdco cash (SLF)	$1.7
Post Q1 cash movement from SLA to SLF	$1.2
Q1 Pro-forma holdco cash (SLF)	$2.9

LICAT Ratio
Sun Life Assurance



OVERVIEW OF NEW CAPITAL FRAMEWORK

TOTAL RATIO

$$\frac{\text{Available Capital + Surplus Allowance}}{\text{Base Solvency Buffer}}$$

TOTAL RATIO (Sun Life Assurance)= 139%

AVAILABLE CAPITAL

- Similar to MCCSR
  - Retained earnings / common and preferred equity continue to be largest components
- Main changes relate to adjustments and deductions to Tier 1 capital
  - (+) Accumulated OCI
  - (+) Value of Joint Ventures
  - (-) Non-temporary DTAs

+

SURPLUS ALLOWANCE + ELIGIBLE DEPOSITS

- Essentially the provisions for adverse deviation (PfADs) for non-economic risks
  - Insurance (mortality, morbidity, lapse) + interest
- Discounted at the rate used in the valuation of actuarial liabilities

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BASE SOLVENCY BUFFER

- Sum of aggregate capital required for:
  - credit, market, insurance, segregated fund and operational risk
- Total solvency requirements for a 1:200 year tail event, with some allowance for diversification
- Discounted on a basis prescribed by OSFI, then grossed up by a scalar of 1.05

Total Capital Resources

OVERVIEW OF NEW CAPITAL FRAMEWORK

TOTAL RATIO

$$\frac{\text{Available Capital + Surplus Allowance}}{\text{Base Solvency Buffer}}$$

TOTAL RATIO (Sun Life Assurance)= 139%

AVAILABLE CAPITAL
($ billions)

Retained Earnings/Surplus	$13.0
Common/Pref Shares	3.2
Adjusted OCI	1.1
Innovative Instruments/Other	0.8
Sub Debt/Other Tier 2 Capital	5.0
Less: Tier 1/Tier 2 Deductions	(7.3)
Total Available Capital	**$15.8**

+

SURPLUS ALLOWANCE + ELIGIBLE DEPOSITS
($ billions)

Surplus Allowance/Eligible Deposits $9.7

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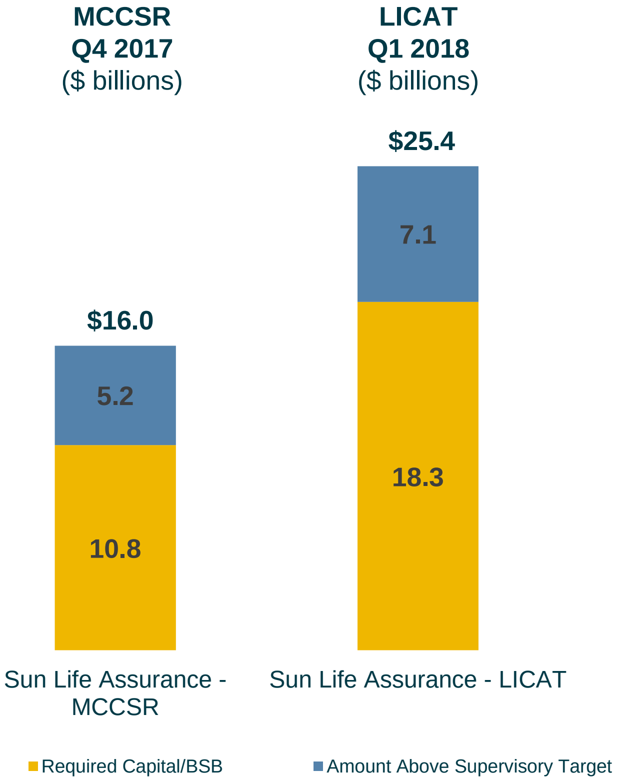
BASE SOLVENCY BUFFER
($ billions)

Credit Risk	$3.6
Market Risk	3.9
Insurance Risk	8.0
Par Product Risk (incl. par credits)	3.3
Segregated Fund Guarantee Risk	1.0
Operational Risk	1.6
Credits and Diversification Benefits	(4.0)
Total Before Scalar	**$17.4**
Base Solvency Buffer	**$18.3**

LOWER CAPITAL REQUIREMENTS AT SUPERVISORY TARGET

Frees up $1.2 billion in cash to Sun Life Financial (holdco)



Sun Life Assurance Company of Canada

($ billions) MCCSR/LICAT	MCCSR Q4 2017	LICAT Q1 2018
Available Capital(1)	$16.0	$25.4
Required Capital(2)	$7.2	$18.3
Sun Life Assurance Ratio	221%	139%
OSFI Supervisory Target	150%	100%
Amount Above Supervisory Target	**$5.2**	**$7.1**

(1) Available Capital under LICAT includes Available Capital plus Surplus Allowance.
(2) Required Capital under LICAT is the Base Solvency Buffer.

INTEREST RATE & EQUITY MARKET SENSITIVITIES

Sun Life Assurance Company of Canada

Market Sensitivities[1]	Potential Impact on LICAT Ratio Q1 2018
Equity Markets	
10% increase	0.5 points
10% decrease	(0.5) points
Interest Rates	
50 basis point increase	(4) points
50 basis point decrease	3 points

1 point of LICAT (SLA) = ~$180 million

[1] Sensitivities as at March 31, 2018. For important information on market risk sensitivities including key assumptions and risk factors, please refer to the Risk Management section of the Q1 2018 Management's Discussion and Analysis.

CAPITAL GENERATION PROVIDES GOOD CAPITAL FLEXIBILITY

Funding Organic Growth

Dividend Payout ratio of 40-50%

M&A Opportunities

Share buybacks

Strong Capital Generation

Capital Flexibility

- Capital deployment priorities unchanged
- Target minimum cash at the holding company of $500 million
- Capital generation equal to or greater than $700 million
- Cash generation largely unaffected by LICAT

FINANCIAL FLEXIBILITY UNDER CAPITAL MODEL

$1.7 billion cash at Holding Company

SLF

LICAT 149%
Leverage 22.2%
Leverage Capacity to 25/30%: ~$1.0/$3.0B

LICAT of 139%

SLA

SLA - External Capital Securities

Subordinated Debt	Coupon	Outstanding Balance	First Call Date
CLI Series 2 Sub Debenture	6.30%	$150	15-May-28
		$150	
Innovative Tier 1 Securities			
SLEECS Series B	7.09%	$200	30-Jun-32
SLEECS Series 2009-1	5.86%	$499	31-Dec-19
		$699	

SLF Asset Management

MFS

Sun Life Investment Management

Book value excl. from LICAT

SLF - External Capital Securities

Subordinated Debt	Coupon	Outstanding Balance	First Call Date
SLF T2B (Series 2007-1)	5.40%	$398	29-May-37
SLF T2B (Series 2014-1)	2.77%	$249	13-May-19
SLF T2B (Series 2015-1)	2.60%	$498	25-Sep-20
SLF T2B (Series 2016-1)	3.10%	$349	19-Feb-21
SLF T2B (Series 2016-2)	3.05%	$995	19-Sep-23
SLF T2B (Series 2017-1)	2.75%	$398	23-Nov-22
		$2,887	
Preferred Shareholders' Equity			
SLF Series 1	4.75%	$394	31-Mar-14
SLF Series 2	4.80%	$318	30-Sep-14
SLF Series 3	4.45%	$245	31-Mar-15
SLF Series 4	4.45%	$293	31-Dec-15
SLF Series 5	4.50%	$245	31-Mar-16
SLF Class A, Series 8R	2.28%	$127	30-Jun-20
SLF Class A, Series 9QR	Floating	$147	30-Jun-20
SLF Class A, Series 10R	2.84%	$169	30-Sep-21
SLF Class A, Series 11QR	Floating	$26	30-Sep-21
SLF Class A, Series 12R	3.81%	$293	31-Dec-21
		$2,257	

U.K | **Canada** | **Bermuda** | **Asia** | **U.S. Branch**

Capitalized to meet local capital rules

ALL CAPITAL SECURITIES CONTINUE TO QUALIFY UNDER LICAT

All information as at March 31, 2018

STRONG OPERATING AND FINANCIAL LEVERAGE

Operating Leverage

Operating Leverage Debt (C$ millions)	**Q1 2018**
Debt supporting reserve financing	
Senior Debt	599
Bilateral Senior Financing [1]	1,905
Total Operating Leverage Debt	**$2,504**

Tier 2

Tier 1

Tier 1

Capital (C$ millions)	**Q1 2018**
Subordinated Debt	$3,037
SLEECS (Innovative Tier 1 Securities)	699
Preferred Shareholders' Equity	2,257
Total Capital Securities	**5,993**
Common Shareholders' Equity and Par [2]	21,022
Total Capital	**$27,015**
Financial Leverage Ratio [3], %	***22.2%***

[1] As of December 31, 2017 as disclosed in SLF Inc.'s 2017 Financial Statements.
[2] Participating policyholders' equity and non-controlling interest.
[3] Represents a non-IFRS financial measure. See "Use of Non-IFRS Financial Measures" and "Reconciliation of Net Income measures" in the appendix to these slides.

CAPITAL FRAMEWORK COMPARISON - METRICS

Capital Metrics and Targets	MCCSR	LICAT
Total Ratio	$\frac{\text{Available Capital}}{\text{Required Capital}}$	$\frac{\text{Available Capital + Surplus Allowance (SA) + Eligible Deposits (ED)}}{\text{Base Solvency Buffer}}$
Tier 1 Ratio (MCCSR)/ Core Ratio (LICAT)	$\frac{\text{Tier 1 Available Capital}}{\text{Required Capital}}$	$\frac{\text{Tier 1 Available Capital + 70\% x (SA + ED)}}{\text{Base Solvency Buffer}}$
Minimum Target Ratios	Total Ratio – 120% Core Ratio – 60%	Total Ratio – 90% Core Ratio – 55%*
Supervisory Target Ratios**	Total Ratio – 150% Core Ratio – 105%	Total Ratio – 100% Core Ratio – 70%

* Regulated insurance holding companies and non-operating insurance companies are subject to a minimum target of 50%
** Not applicable to regulated insurance holding companies and non-operating insurance companies

CAPITAL FRAMEWORK COMPARISON – AVAILABLE CAPITAL

Available Capital	MCCSR	LICAT
Valuation Basis: Invested Assets	Generally market value	Generally market value
Valuation Basis: Accounting Assets and Liabilities	IFRS	IFRS
Valuation Basis: Actuarial Liabilities	CALM	CALM
Goodwill	Deducted	Deducted
Intangible Assets	Limited recognition	Deducted
Deferred Tax Assets (DTAs)	Included	Limited recognition
Debt AOCI	Deducted	Included
Substantial Investments (incl. Joint Ventures)	Deducted	Included
Non-life financial subsidiaries	Deducted	Deducted
Encumbered real estate	Included	Limited recognition

CAPITAL FRAMEWORK COMPARISON – REQUIRED CAPITAL

Required Capital	MCCSR	LICAT
Calibration of target requirements	Not specified	Conditional tail expectation of CTE(99), calibrated on a 1-year horizon including a terminal provision
Credit Risk	Factor based	Factor based where factors vary by rating and duration
Interest Rate Risk	Factor based	Stressed cash flows
Other Market Risk	Factor based	Shocked asset value
Mortality, Morbidity, Longevity Risks	Factor based	Stressed cash flows
Lapse Risk	Modelled as an additional margin on assumptions	Stressed cash flows
Segregated Fund Guarantee Risk	Factor based or internal model	Same as MCCSR but adjusted to align to new supervisory target.
Expense Risk	Not required	Stressed cash flows
Operational Risk	Implicit gross-up	Factor based
Participating Account Credit	Reduced factors	Cash flow based; limit on credit
Aggregation and Diversification Benefits	Implicit aggregation benefit for mortality and morbidity risks	Within insurance risks and interest rate risk, and across risks (subject to 20% limit); Participating account separate

BUSINESS OVERVIEW

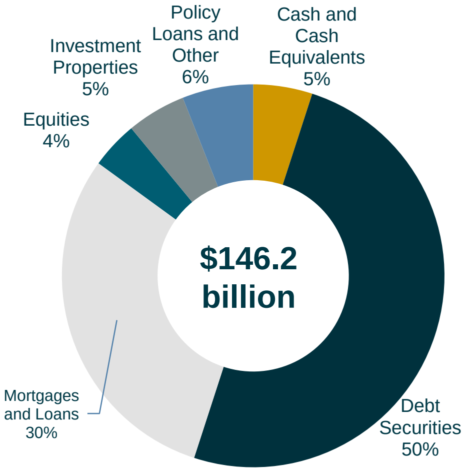
LICAT OVERVIEW

ASSET PORTFOLIO

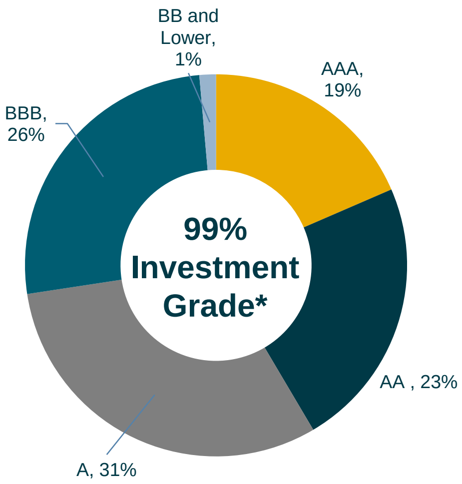
SUSTAINABILTY

HIGH QUALITY, WELL DIVERSIFIED INVESTMENT PORTFOLIO

INVESTED ASSETS



DEBT SECURITIES BY RATING



* BBB and higher

COMPETITIVE ADVANTAGES

- Leading non-public portfolio with significant origination capabilities
- Strengthened real estate and commercial mortgage capabilities with Bentall Kennedy acquisition
- Deep credit research resulting in strong credit experience

As of March 31, 2018

BUSINESS OVERVIEW

LICAT OVERVIEW

ASSET PORTFOLIO

SUSTAINABILTY

SUSTAINABILITY PRINCIPLES AND HIGHLIGHTS

SUSTAINABILITY PRINCIPLES

- Organizational Resilience
- Environmental Responsibility
- Community Wellness
- Governance & Risk Management

2017 SUSTAINABILITY HIGHLIGHTS

25% of annual incentive plan compensation aligned to Client experience measures

650+ Client correspondence documents improved using plain language

Almost **$1 billion** invested in clean and renewable energy projects

7% reduction in global GHG emissions from 2015

2020 and 2030 targets set for GHG emission reductions

$1.8 billion+ invested to develop resilient, safe and sustainable infrastructure in cities and communities

31,700 hours volunteered by Sun Life employees around the globe

36% of Sun Life's Board of Directors were women

Top 10 for Governance Practices in The Globe and Mail Report on Business Board Games review

2018 Bloomberg Gender-Equality Index

Canada's Top Employers for Young People 2017

FTSE4Good

GRESB 2017 Bentall Kennedy

2018 Global 100

2017 Canada's Greenest Employers

Dow Jones Sustainability Indexes

In this presentation, Sun Life Financial Inc. and its subsidiaries, joint ventures and associates are referred to as “we”, “us”, “our” and the “Company”.

Use of Non-IFRS Financial Measures

We report certain financial information using non-IFRS financial measures, as we believe that these measure provide information that is useful to investors in understanding our performance and facilitate a comparison of our quarterly and full year results from period to period. These non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed as alternatives to measures of financial performance determined in accordance with IFRS. Additional information concerning these non-IFRS financial measures and reconciliations to the closest IFRS measures are available in section M - Non-IFRS Financial Measures of the Earnings News Release. Non-IFRS Financial Measures and reconciliations are also included in our annual and interim MD&A and the Supplementary Financial Information packages that are available on www.sunlife.com under Investors – Financial results & reports.

Non-IFRS measures

Underlying net income (loss) and financial measures based on underlying net income (loss), including underlying EPS or underlying loss per share, and underlying ROE, are non-IFRS financial measures. Underlying net income (loss) removes from reported net income (loss) the impact of the following items that create volatility in our results under IFRS and when removed assist in explaining our results from period to period:

(a) market related impacts, which include: (i) impact of returns in equity markets, net of hedging, above or below our best estimate assumptions of approximately 2% per quarter in the reporting period. Equity market impact also includes the impact of the basis risk inherent in our hedging program, which is the difference between the return on underlying funds of products that provide benefit guarantees and the return on the derivative assets used to hedge those benefit guarantees; (ii) the impact of changes in interest rate that differ from our best estimate assumptions in the reporting period and on the value of derivative instruments used in our hedging programs including changes in credit and swap spreads, and any changes to the assumed fixed income reinvestment rates in determining the actuarial liabilities; and (iii) the impact of changes in the fair value of real estate properties in the reporting period.

(b) assumption changes and management actions, which include: (i) the impact of revisions to the assumptions used in determining our liabilities for insurance contracts and investment contracts and (ii) the impact on insurance contracts and investment contracts of actions taken by management in the current reporting period, referred to as management actions which include, for example, changes in the prices of in-force products, new or revised reinsurance on in-force business, and material changes to investment policies for assets supporting our liabilities;

(c) other adjustments:

(i) certain hedges in SLF Canada that do not qualify for hedge accounting - this adjustment enhances the comparability of our net income from period to period, as it reduces volatility to the extent it will be offset over the duration of the hedges;

(ii) fair value adjustments on MFS's share-based payment awards, that are settled with MFS’s own shares and accounted for as liabilities and measured at fair value each reporting period until they are vested, exercised and repurchased - this adjustment enhances the comparability of MFS’s results with publicly traded asset managers in the United States;

(iii) acquisition, integration and restructuring amounts (including impacts related to acquiring and integrating acquisitions); and

(iv) other items that are unusual or exceptional in nature

Underlying EPS also excludes the dilutive impact of convertible instruments.

Other non-IFRS financial measures that we use include reported ROE, adjusted revenue, administrative services only (“ASO”) premium and deposit equivalents, mutual fund assets and sales, managed fund assets and sales, life and health sales, premiums and deposits, adjusted premiums and deposits, assets under management (“AUM”), assets under administration, pre-tax operating profit margin for MFS, measures based on a currency adjusted basis, financial leverage ratio, dividend payout ratio, impact of foreign exchange, real estate market sensitivities, assumption changes and management actions, value of new business, after-tax profit margin for SLF U.S. Group Benefits and effective income tax rate on an underlying net income basis.

All EPS measures in this document refer to fully diluted EPS, unless otherwise stated. As noted above, underlying EPS exclude the dilutive impact of convertible instruments.

Reconciliation of Net Income Measures	Q1’18	Q4’17	Q1’17
Common shareholders' reported net income (loss)	**669**	**207**	**551**
Impact of certain hedges that do not qualify for hedge accounting	6	2	(2)
Fair value adjustments on share-based payment awards at MFS	(21)	(34)	(12)
Acquisition, integration and restructuring	(15)	(60)	(20)
U.S. Tax Reform	-	(251)	-
Net equity market impact	(45)	19	20
Net interest rate impact	(27)	(110)	(24)
Net increases (decrease) in the fair value of real estate	4	34	15
Assumption changes and management actions	(3)	(34)	1
Common shareholders' underlying net income (loss)	**770**	**641**	**573**

Forward-Looking Statements

From time to time, the Company makes written or oral forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements contained in this document include statements (i) relating to our strategies, (ii) relating to our growth initiatives and other business objectives, (iii) relating to the expected impact of U.S. corporate tax reform on the Company's tax expense, (iv) relating to our expected capital position under the new LICAT guideline, (v) relating to the movement of $1.2 billion from Sun Life Assurance Company of Canada to Sun Life Financial Inc. (vi) relating to our expected tax range in future years, (vii) that are predictive in nature or that depend upon or refer to future events or conditions, and (viii) that include words such as “achieve”, “aim”, “ambition”, “anticipate”, “aspiration”, “assumption”, “believe”, “could”, “estimate”, “expect”, “goal”, “initiatives”, “intend”, “may”, “objective”, “outlook”, “plan”, “project”, “seek”, “should”, “strategy”, “strive”, “target”, “will”, and similar expressions. Forward-looking statements include the information concerning our possible or assumed future results of operations. These statements represent our current expectations, estimates, and projections regarding future events and are not historical facts. Forward-looking statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. Future results and shareholder value may differ materially from those expressed in these forward-looking statements due to, among other factors, the matters set in our MD&A for the quarter under the C - Profitability - 5 - Income taxes, E - Financial Strength and H - Risk Management and in SLF Inc.’s 2017 AIF under the heading Risk Factors and the factors detailed in SLF Inc.’s other filings with Canadian and U.S. securities regulators, which are available for review at www.sedar.com and www.sec.gov, respectively.

Risk Factors

Important risk factors that could cause our assumptions and estimates, and expectations and projections to be inaccurate and our actual results or events to differ materially from those expressed in or implied by the forward-looking statements contained in this presentation, are set out below. The realization of our forward-looking statements, essentially depends on our business performance which, in turn, is subject to many risks. Factors that could cause actual results to differ materially from expectations include, but are not limited to: **credit risks** - related to issuers of securities held in our investment portfolio, debtors, structured securities, reinsurers, counterparties, other financial institutions and other entities; **market risks** - related to the performance of equity markets; changes or volatility in interest rates or credit spreads or swap spreads; real estate investments; and fluctuations in foreign currency exchange rates; **insurance risks** - related to mortality, morbidity, longevity and policyholder behaviour; product design and pricing; the impact of higher-than-expected future expenses; and the availability, cost and effectiveness of reinsurance; **business and strategic** risks - related to global economic and political conditions; changes in distribution channels or Client behaviour including risks relating to market conduct by intermediaries and agents; the impact of competition; the design and implementation of business strategies; changes in the legal or regulatory environment, including capital requirements and tax laws; tax matters, including estimates and judgments used in calculating taxes; the performance of our investments and investment portfolios managed for Clients such as segregated and mutual funds; our international operations, including our joint ventures; market conditions that affect our capital position or ability to raise capital; downgrades in financial strength or credit ratings; and the impact of mergers, acquisitions and divestitures; **operational risks** - related to breaches or failure of information system security and privacy, including cyber-attacks; our ability to attract and retain employees; the execution and integration of mergers, acquisitions and divestitures; legal, regulatory compliance and market conduct, including the impact of regulatory inquiries and investigations; our information technology infrastructure; a failure of information systems and Internet-enabled technology; dependence on third-party relationships, including outsourcing arrangements; business continuity; model errors; information management; the environment, environmental laws and regulations and third-party policies; and **liquidity risks** - the possibility that we will not be able to fund all cash outflow commitments as they fall due.

The Company does not undertake any obligation to update or revise its forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.