

Q1'20

Results fact sheet



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

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

40,600
EMPLOYEES⁽²⁾

125,900
ADVISORS⁽²⁾

OFFICES IN 26 COUNTRIES⁽²⁾

\$17.4B

Gross claims & benefits paid in 2019

\$1,023B

Assets under management (AUM)^(3,4)

7%

(per annum) Shareholder Return over the past 5 years⁽⁴⁾

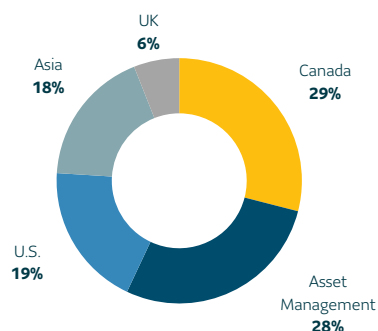
Q1'20 highlights



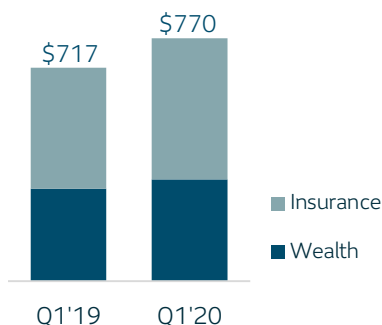
FINANCIAL RESULTS ⁽³⁾	Q1'20	Q1'19	CHANGE
REPORTED NET INCOME	\$391M	\$623M	▼ 37%
UNDERLYING NET INCOME	\$770M	\$717M	▲ 7%
UNDERLYING EPS	\$1.31	\$1.20	▲ 9%
REPORTED ROE	7.2%	11.5%	▼ 430 BPS
UNDERLYING ROE	14.2%	13.3%	▲ 90 BPS
INSURANCE SALES	\$776M	\$780M	▼ 1%
WEALTH SALES	\$59.9B	\$36.0B	▲ 66%
VALUE OF NEW BUSINESS	\$380M	\$382M	▼ 1%
AUM	\$1,023B	\$1,011B	▲ 1%

A balanced & diversified business model

Q1'20 UNDERLYING NET INCOME BY BUSINESS GROUP⁽³⁾



UNDERLYING NET INCOME BY BUSINESS TYPE^(3,6) (C\$ MILLIONS)



Graphic excludes Corporate Support results

MEDIUM-TERM OBJECTIVES⁽¹⁾

AVERAGE UNDERLYING EPS GROWTH: 8-10% PER ANNUM

UNDERLYING ROE: 12-14%

TARGET DIVIDEND PAYOUT RATIO: 40-50%

Figures as at March 31, 2020 and in C\$, unless otherwise stated

TICKER (TSX & NYSE)	SLF
TSX SHARE PRICE	\$45.27
NYSE SHARE PRICE (USD)	\$32.09
MARKET CAPITALIZATION	\$26.5B
COMMON SHARES OUTSTANDING	584.6M
BOOK VALUE PER SHARE	\$37.50
DIVIDEND PER SHARE	\$0.55
DIVIDEND YIELD	3.8%
2019 TOTAL DIVIDENDS PAID	\$1.24B
LICAT RATIO (Sun Life Financial Inc.)	143%

FINANCIAL STRENGTH RATINGS⁽⁵⁾

S&P	AA
MOODY'S	AA3
A.M. BEST	A+
DBRS	AA

Capital strength

143%
LICAT ratio for Sun Life Financial

\$2.4B
Cash at the holding company⁽⁷⁾

20.7%
Financial leverage ratio⁽³⁾ (25% target)

Our growth strategy and highlights from Q1'20

CAN

A LEADER IN INSURANCE AND WEALTH SOLUTIONS IN OUR CANADIAN HOME MARKET

- Assisting those experiencing financial hardship during the COVID-19 pandemic by extending the option to defer their premiums for a period of time
- Rolled out virtual health care services through Lumino Health to our Group Benefits Clients, which will support Clients through the global health crisis, helping to relieve some of their stress, support social distancing efforts across the country and alleviate the load on Canada's emergency health care system

US

A LEADER IN U.S. GROUP BENEFITS

- Expanded options to help members who have been temporarily laid off keep their benefits coverage, added coverage for COVID-19 to our critical illness policies, provided extra time for Clients to make premium payments, offered flexibility to self-funded employers to change their underlying health plans without affecting their stop-loss protection or rates, and provided a series of webinars with insights and analysis on new and rapidly changing federal and state laws
- Medical stop-loss business in-force increased to US\$2.0 billion, up 17% from the same period in 2019

AM

A LEADER IN GLOBAL ASSET MANAGEMENT

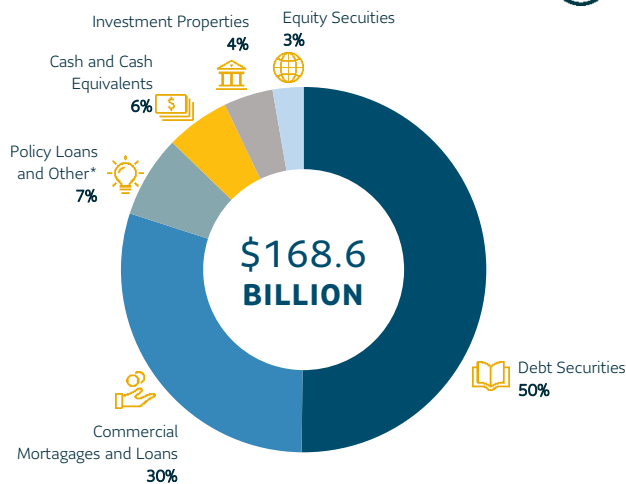
- Donated personal protective equipment to Boston area hospitals, as well as significant funds to COVID-19 related causes globally, through both direct giving and employee matching programs
- MFS continued to rank in the top ten in the Barron's Fund Family Rankings for both ten-year and five-year firm-wide performance categories for the 11th time in 12 years
- 88%, 90% and 87% of MFS's U.S. retail mutual fund assets ranked in the top half of their Lipper categories based on ten-, five- and three-year performance, respectively
- Pre-tax net operating profit margin ratio⁽³⁾ for MFS of 36%

ASIA

A LEADER IN ASIA THROUGH DISTRIBUTION EXCELLENCE IN HIGHER GROWTH MARKETS

- Stepped up support to help our Clients impacted by COVID-19 in a variety of ways, including extending coverage to include more hospitals and clinics, extending benefit limits and offering additional cash benefits to cover hospital expenses, expediting claims, waiving waiting periods, and offering continuation of coverage for lapsed policies due to quarantine or hospitalization
- Working with regulators to roll out the digitalization of the end-to-end sales process across markets, including the use of e-signatures
- In Vietnam, our exclusive bancassurance partnership with Tien Phong Commercial Bank was launched, with strong sales throughout the start of the year

General account invested assets



Invested assets as at March 31, 2020

*Consists of: Other invested assets (3%), Policy loans (2%), Derivative assets (2%).

99% of our debt securities are investment grade or higher

Achievements & recognition



Global 100 Most Sustainable Corporations



Best Places to Work for LGBTQ Equality



Dow Jones Sustainability Index



Global Real Estate Sustainability Benchmark



Bloomberg Gender-Equality Index



Canada's Top Employers for Young People



Bond Awards 2020 Winner



FTSE4Good

Events calendar

August 6, 2020 2nd Quarter 2020 Financial Results
November 4, 2020 3rd Quarter 2020 Financial Results

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

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⁽¹⁾ The objectives are based on underlying net income measures. The objectives are forward-looking non-IFRS financial measures and are not earnings guidance. Additional information is provided in our Q1 2020 interim MD&A and the Q4 2019 MD&A under the heading "Forward-looking Statements". ⁽²⁾ As at December 31, 2019. Includes Asia joint ventures. ⁽³⁾ Management uses certain non-IFRS measures such as underlying net income (loss), underlying EPS, underlying ROE, assets under management, sales, value of new business, financial leverage ratio and pre-tax net operating profit margin for MFS. These measures should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. ⁽⁴⁾ As at March 31, 2020. ⁽⁵⁾ Ratings are for Sun Life Assurance Company of Canada. ⁽⁶⁾ Wealth underlying net income includes results of Individual Wealth and Group Retirement Services in Canada, Asset Management, and the Company's wealth businesses in Asia. ⁽⁷⁾ Cash at the holding company includes cash and other liquid assets at Sun Life Financial Inc. and its wholly-owned holding companies.

Additional information concerning non-IFRS financial measures and reconciliations to the closest IFRS measures are available in the Q1 2020 MD&A under the heading M - Non-IFRS Financial Measures, our annual MD&A and the Supplementary Financial Information packages that are available on www.sunlife.com under Investors - Financial results and reports. All data is in C\$ unless otherwise noted.