

An S&P Global Ratings Post-Issuance Review (PIR) includes S&P Global Ratings' assessment of an Issuer's post-issuance sustainable financing reporting, where proceeds are allocated to environmental and/or social use-of-proceeds projects. A PIR provides a point-in-time opinion, reflecting the information provided to us at the time the PIR was created and published, and is not surveilled. We assume no obligation to update or supplement the PIR to reflect any facts or circumstances that may come to our attention in the future. A PIR is not a second party opinion (SPO) on pre-issuance financing, or a comment on the alignment of allocations with third-party published sustainable finance principles. A PIR is not a credit rating, and does not consider credit quality or factor into our credit ratings. See [Analytical Approach: Sustainable Financing Post-Issuance Reviews](#).

Post-Issuance Review: Allocation Reporting

Sun Life Financial's 7th Annual Sustainability Bond Use Of Proceeds Report

April 24, 2026

Primary contact

Assessment Summary

Consistency Opinion [\(jump to section\)](#)

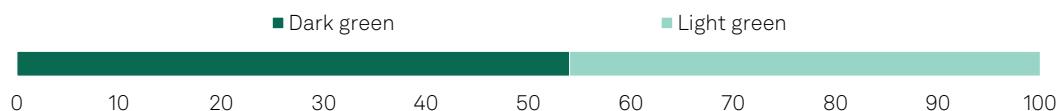
✓ Allocations are consistent with pre-issuance commitments.

Bryan Popoola
Washington, D.C.
+1-202-615-5962
bryan.popoola
@spglobal.com

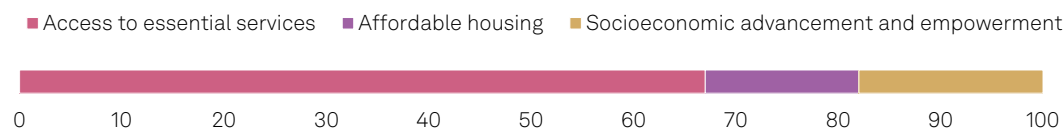
Allocation Analysis [\(jump to section\)](#)

As of Dec. 31, 2025, allocations consist of a portfolio of projects across the Framework's green and social categories in the U.S., Canada, Norway, and France. We consider projects for renewable energy and clean transportation Dark green and projects for green buildings and energy efficiency Light green. The financed social projects include those related to access to essential services, socioeconomic advancement and empowerment, and affordable housing.

Environmental: Allocations to projects as of Dec. 31, 2025 (% of allocation per shade)



Social: Allocations to projects as of Dec. 31, 2025 (% of allocation per category)



Reporting Quality Assessment [\(jump to section\)](#)

✓ The report meets the requirements for reporting contained in the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines and firm commitments in the 2024 sustainability bond framework relating to reporting.

Strengths

Sun Life has a track record of comprehensive allocation reporting. The company recently published its seventh allocation report, demonstrating its commitment to providing clarity around its green and social projects.

Weaknesses

No weaknesses to report.

Areas to watch

Some project descriptions lack details that could provide additional transparency, though the issuer is bound by nondisclosure agreements that limit its ability to report on some project details.

Issuer Description

Location: Canada

Sector: Financial services

Sun Life Financial is an international financial services organization providing asset management, wealth, insurance and health solutions to individual and institutional clients. In 2025, it recorded underlying net income of CAD \$4.20 billion. Sun Life published its sustainability bond framework in April 2024.

Consistency Opinion

This section provides our opinion on the consistency of allocations described in the report with the issuer's commitments made at pre-issuance.

Relevant issuances

Type	Identifier	Name	Date	Maturity	Amount issued	Amount allocated (%)
Bond	CA86682ZAT36	Series 2023-1 subordinated unsecured	Jul. 2023	July 2035	CAD \$500 million	100
Bond	CA86682ZAU09	Series 2024-1 subordinated unsecured	May 2024	May 2036	CAD \$750 million	100

Sources: Sun Life 7th Annual Sustainability Bond Use of Proceeds Report, S&P Global Ratings.

✓ Allocation consistency with pre-issuance commitments

Allocations to environmental and social projects are consistent with the issuer's pre-issuance commitments.

Allocation Analysis

This section provides information on the allocation of proceeds, incorporating the conclusions that led to our consistency opinion.

Environmental projects

- S&P Global Ratings has not provided a second party opinion on Sun Life's sustainability bond frameworks. This section reports our key analytical considerations for allocations using our Shades of Green methodology.
- As of Dec. 31, 2025, environmental allocations represented approximately 62% of the total allocated amount. For its 2023 bond, the issuer allocated 21% of proceeds to green buildings, 16% to renewable energy, 12% to clean transportation, and 11% to energy efficiency. For its 2024 bond, the issuer allocated 37% of proceeds to renewable energy, 22% to green

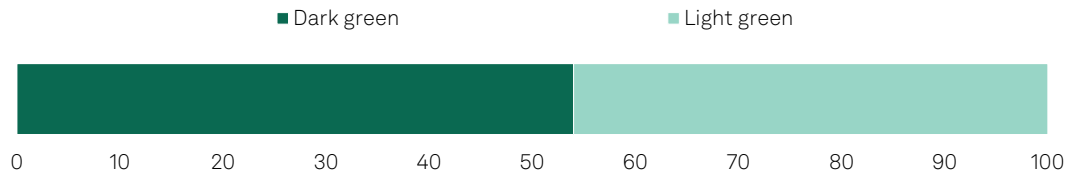
buildings, and 5% to energy efficiency. All environmental projects are located in Canada, Norway, and the U.S.

- Projects in the renewable energy category are related to two wind farms, two hydroelectric facilities, solar and battery storage assets, as well as a mix of renewable assets in one project in the U.S. The company states in its 2024 framework that eligible energy storage systems are technology agnostic and the allocation report does not provide details around which type of storage systems were financed.
- Green buildings projects are located in Canada and include an all-electric industrial development with solar arrays and LEED Gold certification, a retail mall with BOMA Best Platinum certification, and office and residential buildings with LEED Gold certification.
- In the energy efficiency category, projects include energy conservation measures at U.S. government buildings as well as energy efficiency upgrades or renewable energy installations for commercial properties in the U.S. The clean transportation project is related to a new subway line in a major Canadian city.

Shades of Green

- We consider the renewable energy and clean transportation projects Dark green, and we consider the green buildings and energy efficiency projects Light green.
- We assess allocations to renewable energy projects (28% across the two sustainability bonds), which include wind farms, hydroelectric facilities, solar assets, and energy storage, as Dark green. In its 2024 framework, the company states that hydro projects must either have: lifecycle greenhouse gas emissions below 100 grams (g) of carbon dioxide equivalent per kilowatt hour (CO₂e/kWh) for facilities in operation before 2020 or 50g CO₂e/kWh for facilities in operation after 2020; or power density greater than 5 watts per square meter (W/m²) for plants in operation before 2020 and 10W/m² for plants in operation after 2020; or be run of river facilities. The company's allocation report cites a mix of renewable assets in the U.S., which include solar, wind, and battery energy storage systems. In our view, these investments will contribute to decarbonizing the local grids in the countries where the funds have been allocated (the U.S., Canada, and Norway).
- Allocations to green buildings projects in Canada and the U.S. receive a Light green shade. Projects in this category demonstrate their environmental risk mitigation through green building certifications, including LEED Gold and BOMA Best Platinum. Although green building certifications cover a broad set of environmental issues, they differ considerably in their requirements for energy efficiency, embodied emissions of construction materials, and climate resilience. In our view, the two selected certifications ensure that material risks for the real estate sector are effectively mitigated.
- We also assign a shade of Light green for energy efficiency projects, which are related to energy conservation projects in U.S. government buildings and energy efficiency upgrades and renewable installations at commercial properties. Though the framework does not include quantitative thresholds for emissions reductions or energy savings, we consider energy efficiency projects an effective way to decrease or decarbonize energy used in buildings.
- The clean transportation project receives a Dark green shade, as it is related to a rapid transit metro line in Canada. This public transportation is not only electrified, it also promotes modal shift, meaning it facilitates passenger use of shared modes of transportation instead of individual modes.

Environmental allocations as of Dec. 31, 2025 (% of allocation per shade)



Source: S&P Global Ratings.

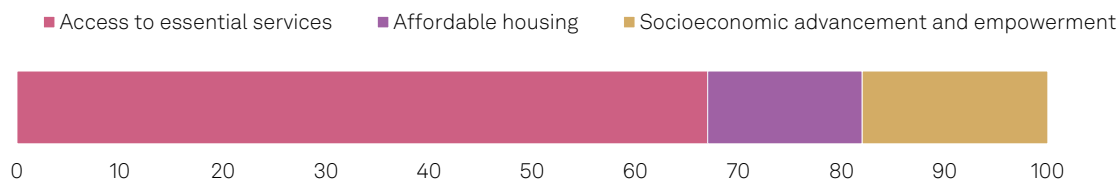
Social projects

- S&P Global Ratings has not provided a second party opinion on Sun Life's sustainability bond frameworks. This section includes our key analytical considerations for allocations since 2023.
- As of Dec. 31, 2025, social allocations represent approximately 38% of the total allocated amount. For its 2023 bond, the issuer allocated 40% of proceeds to access to essential services. For its 2024 bond, the issuer allocated 16% of proceeds to access to essential services, 11% to socioeconomic advancement and empowerment, and 9% to affordable housing. All social projects are located in Canada, the U.S., and France.

Analysis of social allocations

- In our view, the issuer's social projects have a clear social benefit and aim to address clear social issues.
- In the access to essential services category, it has allocated funds toward long-term care homes in Canada and emergency shelters and transitional housing in the U.S. Long-term care homes are specifically for vulnerable populations such as the elderly and emergency shelters and transitional housing serve low-income populations, though the company's allocation report does not provide specific target population definitions.
- Projects for socioeconomic advancement and empowerment are related to supporting First Nations ownership in an electricity transmission line in Canada. The issuer allocates capital to support equity ownership by Indigenous communities in its areas of operation, though the issuer does not indicate specific locations in Canada.
- Affordable housing allocations are related to financing housing initiatives for households earning less than 80% of the area median income in France. Though we note that the issuer does not specify which city or cities in France have received allocations for this project.

Social allocations as of Dec. 31, 2025 (% of allocation per category)



Source: S&P Global Ratings.

Reporting Quality Assessment

This section provides an opinion on the quality of the issuer's post-issuance allocation and impact reporting.

✓ Alignment with reporting requirements

The report aligns with the requirements for allocation and impact reporting contained in ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines.

Additional reporting considerations

Comprehensiveness of allocation reporting

- The report provides project-level information such as project descriptions and allocations per year, which we view positively. The issuer also notes when it is financing multiple projects within the same project description. The company discloses the share of proceeds allocated towards new versus existing projects for each individual bond issuance.

Linking allocations and issuer level sustainability performance, targets, and strategy

- The sustainability bond frameworks contain information on the role of sustainable financing in Sun Life's broader corporate strategy.













Relevance and materiality of metrics

- There are relevant and material links between the environmental objectives to be addressed and the metrics selected for all seven categories. We view the chosen metrics as relevant for all categories.

Transparency on methodology and assumptions

- Methodological assumptions are not explicitly included in the sustainability bond report, though we believe that investors could likely still understand key assumptions used referencing the methodology or criteria used by the standard setters referenced.

S&P Global Ratings' Shades of Green

Assessments					
 Dark green	 Medium green	 Light green	 Yellow	 Orange	 Red
Description					
Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps toward an LCCR future but will require further improvements to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects					
 Solar power plants	 Energy efficient buildings	 Hybrid road vehicles	 Fossil fuel buses and rails	 Conventional steel production	 New oil exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

Related Research

- [Analytical Approach: Sustainable Financing Post-Issuance Reviews](#), June 30, 2025
- [FAQ: Applying Our Analytical Approach for Post Issuance-Reviews](#), June 30, 2025
- [Analytical Approach: Second Party Opinions](#), March 6, 2025
- [FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions](#), March 6, 2025
- [Analytical Approach: Shades Of Green Assessments](#), July 27, 2023

Analytical Contacts

Primary contact

Bryan Popoola
Washington, D.C.
+1-202-615-5962
bryan.popoola
@spglobal.com

Secondary contacts

Jennifer Craft
Englewood, CO
+1-303-721-4106
jennifer.craft
@spglobal.com

Research contributor

Rimpal Acharya
Pune

Post-Issuance Review: Allocation Reporting: Sun Life Financial's 7th Annual Sustainability Bond Use Of Proceeds Report

Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P) receives compensation for the provision of the Second Party Opinions product, the Post-Issuance Review product and the European Green Bond External Review product (separately and collectively, Product).

S&P may also receive compensation for rating the transactions covered by the Product or for rating the issuer of the transactions covered by the Product.

The purchaser of the Product may be the issuer.

The Product is not a credit rating, and does not consider credit quality or factor into our credit ratings. The Product does not consider, state or imply the likelihood of completion of any projects covered by a given financing, or the completion of a proposed financing. The Product is a statement of opinion and is neither a verification nor a certification. The Product is a point in time evaluation reflecting the information provided to us at the time that the Product was created and published, and is not surveilled. The Product is not a research report and is not intended as such. S&P's credit ratings, opinions, analyses, rating acknowledgment decisions, any views reflected in the Product and the output of the Product are not investment advice, recommendations regarding credit decisions, recommendations to purchase, hold, or sell any securities or to make any investment decisions, an offer to buy or sell or the solicitation of an offer to buy or sell any security, endorsements of the suitability of any security, endorsements of the accuracy of any data or conclusions provided in the Product, or independent verification of any information relied upon in the credit rating process. The Product and any associated presentations do not take into account any user's financial objectives, financial situation, needs or means, and should not be relied upon by users for making any investment decisions. The output of the Product is not a substitute for a user's independent judgment and expertise. The output of the Product is not professional financial, tax or legal advice, and users should obtain independent, professional advice as it is determined necessary by users.

While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of the Product. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for reliance of use of information in the Product, or for the security or maintenance of any information transmitted via the Internet, or for the accuracy of the information in the Product. The Product is provided on an "AS IS" basis. S&P PARTIES MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDED BUT NOT LIMITED TO, THE ACCURACY, RESULTS, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE PRODUCT, OR FOR THE SECURITY OF THE WEBSITE FROM WHICH THE PRODUCT IS ACCESSED. S&P Parties have no responsibility to maintain or update the Product or to supply any corrections, updates, or releases in connection therewith. S&P Parties have no liability for the accuracy, timeliness, reliability, performance, continued availability, completeness or delays, omissions, or interruptions in the delivery of the Product.

To the extent permitted by law, in no event shall the S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence, loss of data, cost of substitute materials, cost of capital, or claims of any third party) in connection with any use of the Product even if advised of the possibility of such damages.

Some of the Product may have been created with the assistance of an artificial intelligence (AI) tool. Published Products created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

S&P maintains a separation between commercial and analytic activities. S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

For PRC only: Any "Second Party Opinions" or "assessment" assigned by S&P Global Ratings: (a) does not constitute a credit rating, rating, sustainable financing framework verification, assessment, certification or evaluation as required under any relevant PRC laws or regulations, and (b) cannot be included in any offering memorandum, circular, prospectus, registration documents or any other document submitted to PRC authorities or to otherwise satisfy any PRC regulatory purposes; and (c) is not intended for use within the PRC for any purpose which is not permitted under relevant PRC laws or regulations. For the purpose of this section, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

For India only: Any "Second Party Opinions" or "assessments" assigned by S&P Global Ratings to issuers or securities listed in the Indian securities market are not intended to be and shall not be relied upon or used by any users located in India.

Australia: S&P Global Ratings Australia Pty Ltd provides Second Party Opinions in Australia subject to the conditions of the ASIC SPO Class No Action Letter dated June 14, 2024. Accordingly, this Second Party Opinion and related research are not intended for and must not be distributed to any person in Australia other than a wholesale client (as defined in Chapter 7 of the Corporations Act).

Copyright © 2026 by Standard & Poor's Financial Services LLC. All rights reserved.