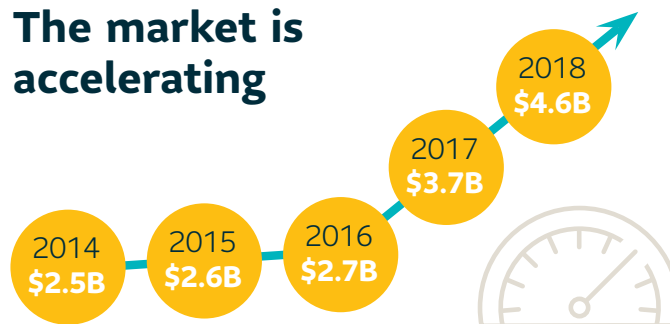


Group annuity sales hit record \$4.6 billion in 2018



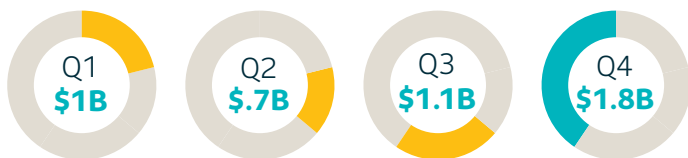
Sun Life Financial is proud to be the **#1 provider** of Canadian group annuities again this year

The market is accelerating



A record fourth quarter

Despite a 10% decline in average solvency ratios¹, nearly **\$2 billion annuities sold** in Q4



Q1 and Q3 were also record quarters for sales

Plan sponsors are moving to annuity-ready portfolios

No or little equities

Duration matched portfolio



Market dips (e.g., Q4 2018) don't derail a planned annuity purchase

Plan sponsors stay focused on risk management

Many plan sponsors continued to de-risk, despite provincial funding rule changes



Deal size keeps getting bigger²

Deals over \$100M



Alcoa
\$750M

Undisclosed
\$623M

For more information about our de-risking solutions contact:

Brent Simmons
Senior Managing Director & Head Defined Benefit Solutions
416-408-8935
brent.simmons@sunlife.com

Mathieu Tessier
Managing Director, Client Relationships
Defined Benefit Solutions
514-866-6947
mathieu.tessier@sunlife.com
sunlife.com/DBSolutions

Group annuities are provided by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

Unless otherwise stated, results are based on the LIMRA Secure Retirement Institute (February 14, 2019).

¹ Defined benefit plans end 2018 on a sour note, Mercer, January 3, 2019.

² Sun Life estimates.