

Q1'21

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**

42,100
EMPLOYEES⁽¹⁾

140,900
ADVISORS⁽¹⁾

OFFICES IN 27 MARKETS⁽¹⁾

\$18.3B

Gross claims & benefits paid in 2020

\$1.3T

Assets under management (AUM)^(2,3)

12.8%

(per annum) Total Shareholder Return over the past 5 years⁽²⁾

Q1'21 highlights

FINANCIAL RESULTS ⁽³⁾	Q1'21	Q1'20	CHANGE
REPORTED NET INCOME	\$937M	\$391M	▲ 140%
UNDERLYING NET INCOME	\$850M	\$770M	▲ 10%
UNDERLYING EPS	\$1.45	\$1.31	▲ 11%
REPORTED ROE	16.9%	7.2%	▲ 970 BPS
UNDERLYING ROE	15.3%	14.2%	▲ 110 BPS
INSURANCE SALES	\$730M	\$776M	▼ (6)%
WEALTH SALES	\$66.0B	\$59.9B	▲ 10%
VALUE OF NEW BUSINESS	\$278M	\$253M	▲ 10%
AUM	\$1,304B	\$1,031B	▲ 26%

MEDIUM-TERM OBJECTIVES⁽⁴⁾

UNDERLYING EPS GROWTH: 8-10% PER ANNUM

UNDERLYING ROE: 12-14%

DIVIDEND PAYOUT RATIO: 40-50%

Figures as at March 31, 2021 and in C\$, unless otherwise stated

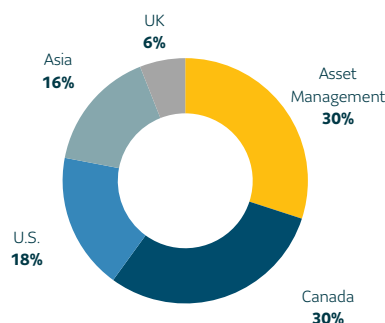
TICKER (TSX & NYSE)	SLF
TSX SHARE PRICE	\$63.51
NYSE SHARE PRICE (USD)	\$50.55
MARKET CAPITALIZATION	\$37.2B
COMMON SHARES OUTSTANDING	585.3M
BOOK VALUE PER SHARE	\$37.61
DIVIDEND PER SHARE	\$0.55
DIVIDEND YIELD	3.6%
2020 TOTAL DIVIDENDS PAID	\$1.28B
LICAT RATIO (Sun Life Financial Inc.)	141%

FINANCIAL STRENGTH RATINGS⁽⁵⁾

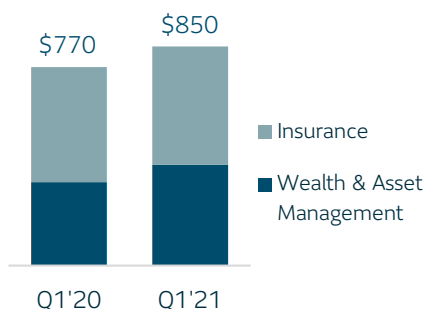
A.M. BEST	A+
DBRS	AA
MOODY'S	Aa3
S&P	AA

A balanced & diversified business model

Q1'21 UNDERLYING NET INCOME BY BUSINESS GROUP⁽³⁾



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



Capital strength

141%
LICAT ratio for Sun Life Financial

\$2.3B
Cash at the holding company⁽⁷⁾

22.7%
Financial leverage ratio⁽³⁾ (25% target)

Our growth strategy and highlights

CAN

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

- Ella, our digital coach, proactively connected with Clients over 3.6 million times, driving an additional \$294 million in wealth deposits, and \$461 million in insurance coverage
- Launched our *Investment GIF e-App*, a platform that enables Clients and third-party advisors to digitally manage investment applications; streamlining the end-to-end process, including the integration of e-signature
- Sun GIF (Guaranteed Investment Fund) achieved record quarterly gross sales⁽³⁾ of \$330 million
- SGLI (Sun Life Global Investments) gross retail sales⁽³⁾ up 18%
- Expanded our *Lumino Health* digital health care platform offering by adding new mental health and paramedical services, such as social workers, clinical counsellors and psychotherapists

ASIA

A LEADER IN ASIA THROUGH DISTRIBUTION EXCELLENCE IN HIGHER GROWTH MARKETS

- Individual insurance sales^(3,8) up 27% in Local Markets
- Launched *SunCanvas*, an intuitive virtual solution for advisors, enabling stronger engagement and easier planning, sales and service with Clients in the Philippines and Indonesia
- Built new digital Personal Accident and Cancer solutions in Vietnam in collaboration with one of our bancassurance partners
- Launched a premier digital on-demand wellness platform, *GoWell Studio*⁽⁹⁾, in the Philippines that includes virtual exercise programs, guided meditation sessions, and healthcare awareness and education content
- 66% of new business applications were submitted digitally⁽¹⁰⁾, up 14% from the end of 2020

US

A LEADER IN U.S. GROUP BENEFITS

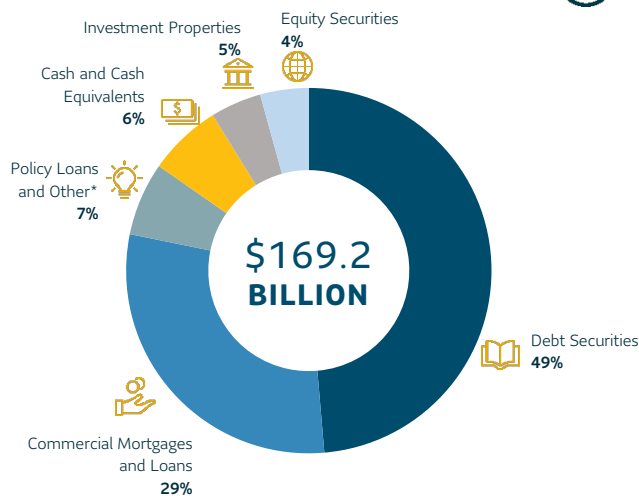
- In April, we entered into an agreement to acquire Pinnacle Care International, Inc.⁽¹¹⁾, a leading U.S. health care navigation and medical intelligence provider
- After-tax profit margin for U.S. Group Benefits of 8.1%^(3, 12)
- Recently launched *Stitch* in certain states, enabling members to buy coverage directly from Sun Life online or via mobile; helps protect part-time and gig workers, who typically aren't eligible for employee benefits
- Online disability claim submissions through *SunWorks*⁽¹³⁾ were up 26% from Q4 2020
- More than 46,000 active employees on our Maxwell Health digital benefits platform, a 10% increase from Q4 2020

AM

A LEADER IN GLOBAL ASSET MANAGEMENT

- Strong flows at SLC Management with fee-eligible inflows of approximately \$8.5 billion
- On April 1, 2021, SLC Management announced that BentallGreenOak ("BGO") acquired Metropolitan Real Estate Equity Management creating a diversified real estate platform for our Clients
- Crescent Capital Group was awarded the 2020 *Fundraising of the Year* by Private Debt Investor for its second European Specialty Lending Fund, which exceeded the target raise by €0.6 billion
- 97%, 84% and 95% of MFS's U.S. retail mutual fund assets ranked in the top half of their Morningstar categories based on ten-, five- and three-year performance, respectively

General account invested assets



Invested assets as at March 31, 2021

*Consists of: Other invested assets (4%), Policy loans (2%), Derivative assets (1%).

98% of our debt securities are investment grade or higher

Events calendar

August 4 2nd Quarter 2021 Financial Results
November 3 3rd Quarter 2021 Financial Results

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

Achievements & recognition



Most Sustainable Corporations in the World

GLOBAL100

(12 years in a row)



CANADA'S MOST RESPECTED

Awarded by DART I&C



G R E S B[®]
(10 years in a row)



Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

(15 years in a row)



BEST PLACES TO WORK
CORPORATE EQUALITY INDEX | 2021

(13 years in a row)

Sustainability Yearbook
Member 2021

S&P Global

(top 15% in industry)



(3 years in a row)



FTSE4Good
(20 years in a row)



(4 years in a row)

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⁽¹⁾ As at December 31, 2020. Includes Asia joint ventures. ⁽²⁾ As at March 31, 2021. ⁽³⁾ Management uses certain non-IFRS measures such as underlying net income (loss), underlying EPS, underlying ROE, assets under management (AUM), sales, value of new business, financial leverage ratio, and after-tax profit margin for U.S. Group Benefits. These measures should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. ⁽⁴⁾ 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 2021 MD&A under the heading "Risk Management". ⁽⁵⁾ Ratings are for Sun Life Assurance Company of Canada. ⁽⁶⁾ Wealth and Asset Management 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. ⁽⁸⁾ Sales from joint ventures are based on our proportionate equity interest. ⁽⁹⁾ GoWell Studio is a wellness platform offering a variety of features, including virtual exercise programs, guided meditation sessions and healthcare awareness and education content. ⁽¹⁰⁾ Includes eApp submissions and SunSmart, a digital asset for advisors to prepare and submit applications digitally; excluding joint ventures and International. ⁽¹¹⁾ On April 23, we entered into an agreement to acquire Pinnacle Care International, Inc.; the transaction is expected to close in mid-2021, subject to satisfaction of customary closing conditions, including the receipt of regulatory approval. See "Forward-Looking Statements" and "Risk Factors" in the Q1 2021 MD&A. ⁽¹²⁾ After-tax profit margin for U.S. Group Benefits calculated on underlying net income as a percentage of net premiums on a trailing four quarters basis. ⁽¹³⁾ SunWorks is a new integrated claims and absence management platform with online/mobile and automated capabilities for Group Benefits and National Accounts.