

Q1 2022

Building Sustainable Shareholder Value



Life's brighter under the sun





Business overview



Business group results & highlights



Capital management



Asset portfolio

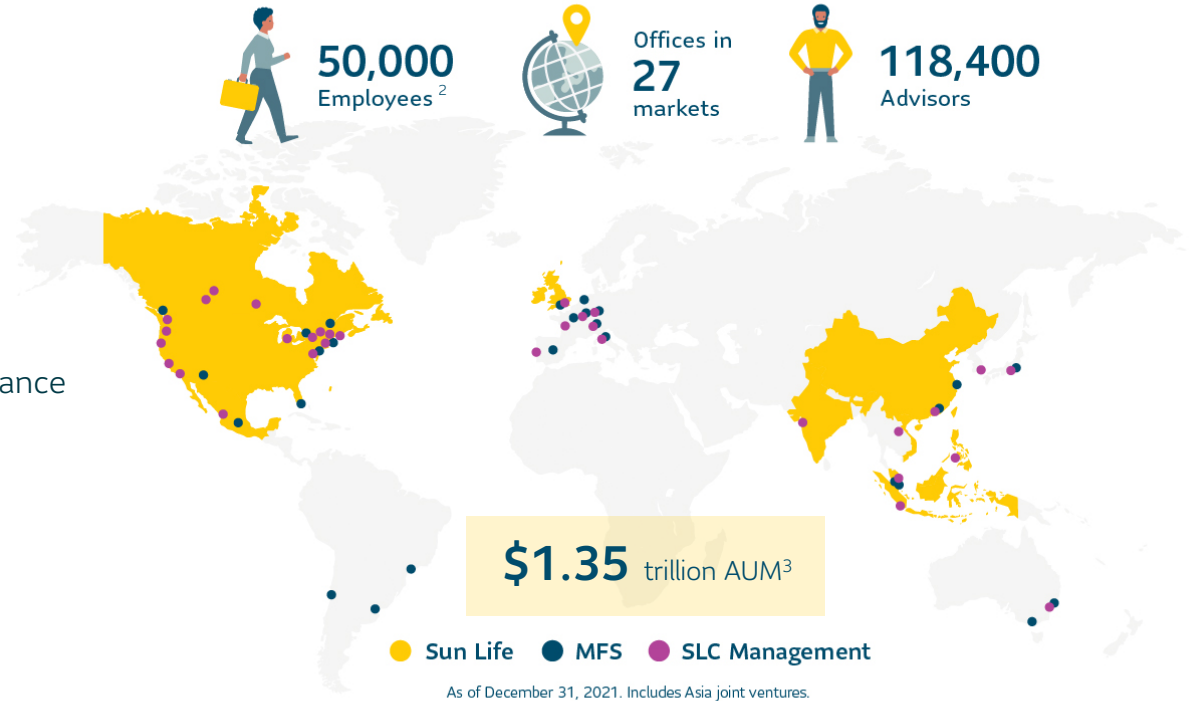


Sustainability

A \$41 billion leading global financial services organization¹

Balanced and diversified business model

-  Wealth & Asset Management
-  Group & Shorter Duration Insurance
-  Traditional Insurance



¹ Market capitalization (C\$) as at March 31, 2022

² As of December 31, 2021. Rounded to the nearest hundred. Represents full-time equivalent employees, temporary employees and employees in Asia joint ventures

³ Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our MD&A for the period ended March 31, 2022 ("Q1 2022 MD&A")

The Sun Life story

- A **diversified business model**, with four well-positioned business groups, focused on creating value and positively impacting our **Clients and shareholders**
- Portfolio of businesses that have **strong growth prospects and capital generation** in attractive global markets
- Strategy is underpinned by a continued commitment to **strong financial discipline and risk management**
- **Thinking and acting like a digital company** to drive leading experiences and capabilities
- **Purpose-driven sustainability strategy** to create a positive impact on our Clients, employees and communities
- **Empowered people and inclusive culture** to drive results



Executing on our ambition to be one of the best **asset management and insurance** companies globally

Our Purpose: *Help Clients achieve lifetime financial security and live healthier lives*

Four Pillar Strategy

- AM** A global leader in both public and alternative asset classes through MFS and SLC Management
- CAN** A leader in insurance and asset management
- US** A leader in health and benefits
- ASIA** A regional leader focused on fast-growing markets



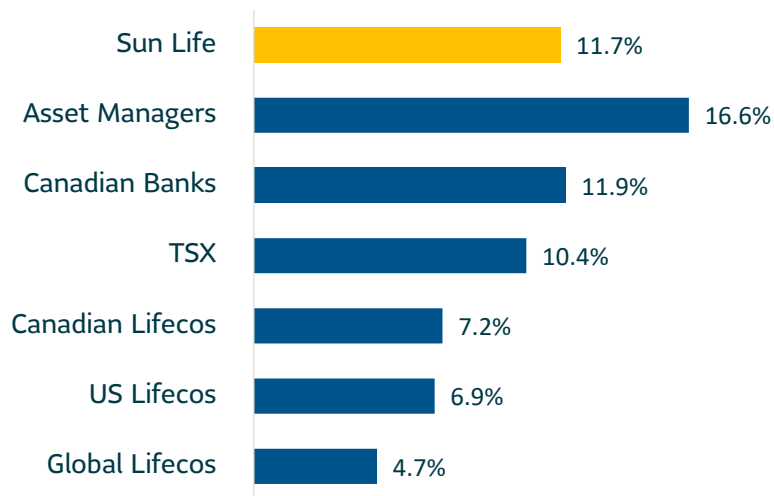
Key Priorities

- 1 Think and act like a **digital company**
- 2 Realize **synergies between Asset Management and Insurance** businesses
- 3 Build scale and capabilities through **M&A and strategic partnerships**
- 4 Deliver on our **Health strategy** in Canada, the U.S., and Asia

Consistently delivering value to shareholders

5-year total shareholder return²

March 31, 2022



Performance against medium-term objectives

Medium-term objective	Q1 2022	5-year as of 2021 ³
Underlying ROE ^{1,4} 16%+	14.0%	14.2%
Underlying EPS growth ^{1,4} 8-10%	(1)%	10%
Underlying dividend payout ratio ^{1,4,5} 40-50%	46%	40%

Digital Leadership

Thinking and acting like a digital company

DIGITAL EXPERIENCES

Amazing Client, employee, advisor, and partner experiences

DIGITAL CAPABILITIES

Enable our experiences and improve our digital maturity

DIGITAL WAYS OF WORKING

Empowering our people to support our digital journey

Strong, resilient and trusted technology foundation

Digital achievements across our businesses

CANADA

- Launched **Prospr by Sun Life**, a first-of-its-kind hybrid advice platform designed to help Clients manage their lifetime wealth and health goals
- In Q1 2022, digitally processed:
 - 93% of retail insurance applications
 - 80% of retail wealth transactions
 - 96% of group benefits health & dental claims

U.S.

- Introduced **Benefits Explorer**, an interactive platform with personalized educational content and customized tools to help members make well-informed benefits decisions
- Designed, built, and deployed an industry-leading, Cloud-hosted contact center solution integrated with Salesforce CRM to improve member experience

ASIA

- Leveraging **predictive modelling tool**, which enables Advisors to offer Clients the **Next Best Offer**, resulting in **70%+ more uptake** from 'High propensity' Clients identified
- 80% of new business applications submitted digitally** in Q1 2022¹, up 20 percentage points

Leveraging global trends



Individual and employer attention on physical and mental health



Demographic shifts in developed markets



Increased economic, market and geopolitical volatility



Gig economy and shift in nature of work



Digital acceleration



Adoption of digital health technologies



Growth of alternative asset classes



Increasing competition from new market entrants



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Sustainability

Business group performance

Reported net income (\$ millions)

Impact of currency translation decreased reported net income by \$6M¹



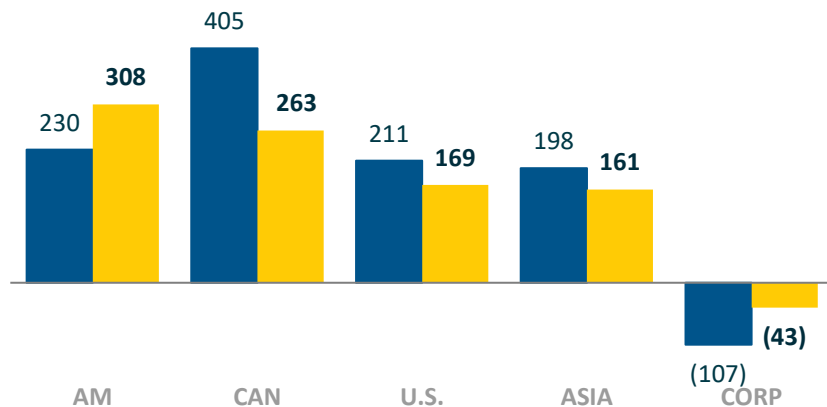
Constant
currency^{1,2}

+34%

(35)%

(20)%

(16)%



Underlying net income¹ (\$ millions)

Impact of currency translation decreased underlying net income by \$6M¹

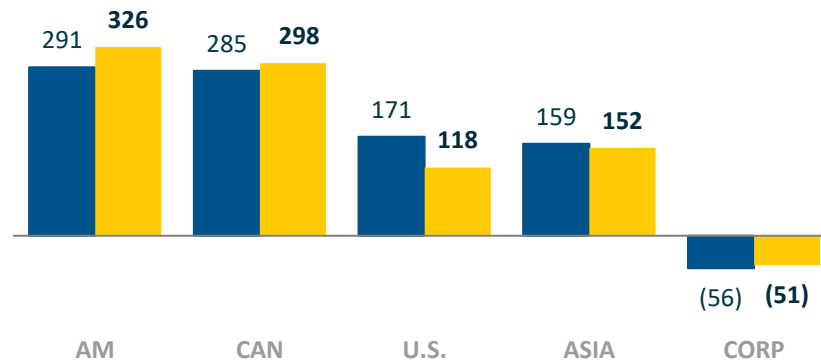


+12%

+5%

(31)%

(1)%



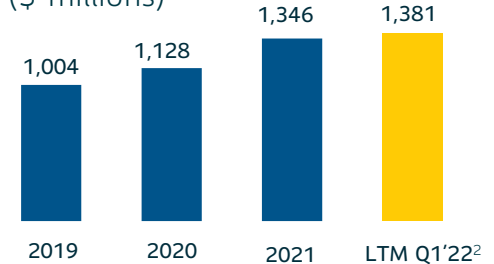
■ Q1'21 ■ Q1'22

Expanding asset management capabilities

Q1'22 highlights

- **MFS** ranked **10th and 5th for 5- and 10-year periods**, respectively, for performance across its U.S. fund line up, according to the **Barron's 2021 Fund Family rankings**
- Q1 pre-tax net **operating profit margin ratio¹ for MFS of 39%**; pre-tax **fee-related earnings margin¹ for SLC Management of 23%**
- Q1 **SLC Management net flows¹** of \$4.9 billion
- **Crescent Capital Group LP ("Crescent")** closed its third U.S. Direct Lending Fund, **raising ~US\$6 billion**, more than double the size of the predecessor fund
- **SLC Management** and its affiliates, **BGO and Crescent**, have become founding signatories to the CFA Institute's recently launched **Diversity, Equity, and Inclusion Code in the U.S. and Canada**

Underlying net income¹ (\$ millions)



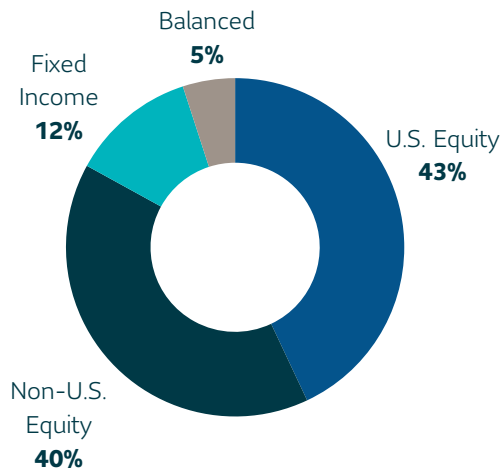
 **MFS** → **US\$637 billion AUM**

 **SLC Management** → **\$185 billion AUM³**

MFS: diversification of assets under management

Asset class mix

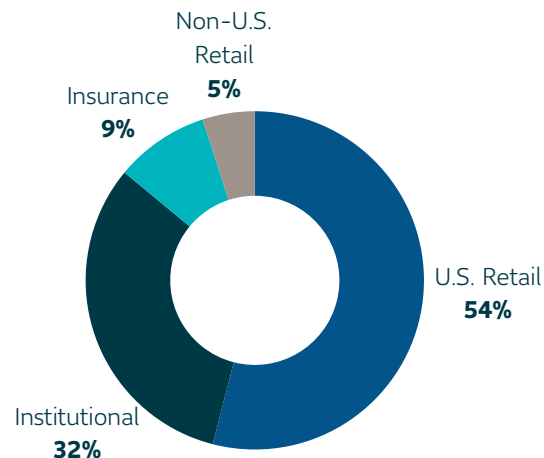
US\$, as at March 31, 2022



US\$637
billion AUM

Investor type

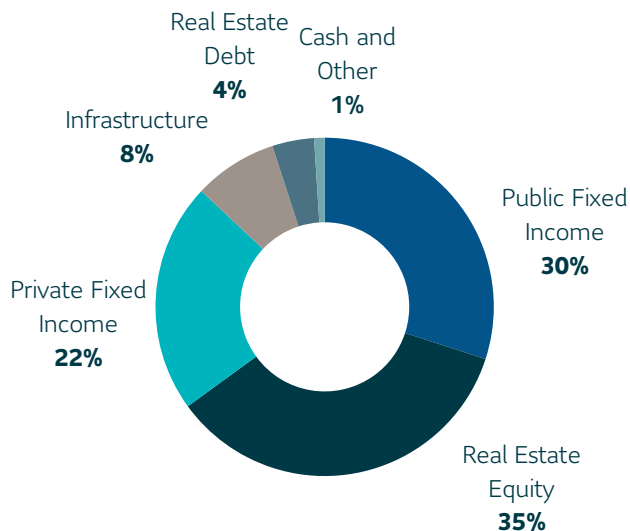
US\$, as at March 31, 2022



SLC Management: diversification of assets under management¹

Asset class mix

\$, as at March 31, 2022

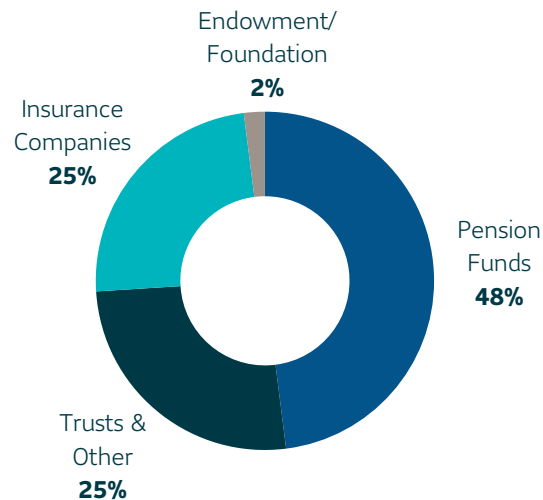


Investor type

\$, as at March 31, 2022



\$185
billion AUM¹



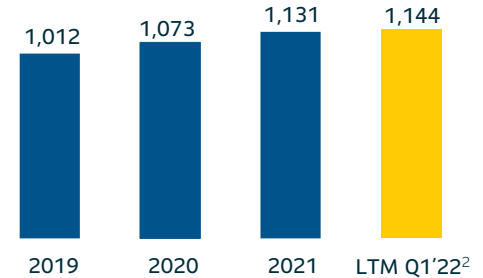
¹ Excludes assets managed on behalf of the Insurance businesses for the General Fund. Effective January 1, 2021, the methodology for AUM was updated for SLC Management with respect to certain real estate and investment-grade fixed income products to include uncalled capital commitments. For more details, see the Non-IFRS Financial Measures section in our Q1 2022 MD&A.

Canada is a growth market for Sun Life

Q1'22 highlights

- Launched **Prospr by Sun Life**, a hybrid advice solution combining a best-in-class digital platform with a team of licensed advisors, to meet Canadians' personalized and holistic financial planning needs
- Our digital coach, Ella, supported over \$410 million in wealth deposits and \$750 million in insurance coverage this quarter, an increase of 38% and 64% respectively over prior year
- Announced expansion of our partnership with Dialogue Technologies to offer Employee Assistance Program and internet-based Cognitive Behavioural Therapy to Sun Life Health Clients
- Advanced our accelerated underwriting capabilities by implementing an enhanced underwriting rules engine, enabling 62% of Individual Insurance's life policies to be processed without lab testing

Underlying net income¹ (\$ millions)



Market position by business

- 1st Individual insurance³
- 1st Sun Life Health⁴
- 1st Group Retirement Services⁵

¹ Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2022 MD&A.

² Last twelve months at March 31, 2022

³ LIMRA Market Share by premiums within individual life and health market as of fourth quarter 2021, on a year-to-date basis

⁴ 1st place group benefits provider based on revenue for year ended December 2020 from 2021 Group Benefits Provider Report

⁵ Based on total Capital Accumulation Plan assets for the year ended December 2020 from 2021 Fraser Pension Universe Report

Shaping the industry and capitalizing on opportunities in Canada



Shaping the market as a leader in our Canadian home market

- Capturing growing decumulation opportunity and be the retirement income provider of choice, by leveraging our **worksite advantage**
- Expanding **our role in health and well-being**, including increasing our focus on **mental health**
- A leader in the growing pension risk transfer market with **Defined Benefits Solutions**
- Accelerating our **wealth presence** through Sun Life Global Investments and Sun Life's Guaranteed Investment Funds



Making it easier for Clients to do business with us

- Creating a **One Sun Life digital experience**
- Expanding our Client reach through our digital coach, **Ella**
- Building **Sun Life Health's** digital capabilities, to help our Clients improve their health outcomes
- Building **seamless financial planning** and **asset consolidation** capabilities



Executing with financial discipline and putting Clients at the centre

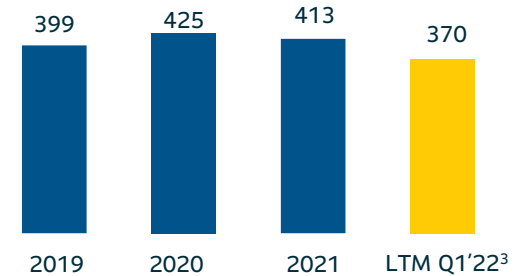
- Creating **proactive, predictive and personal contact** with Clients
- Balancing **top and bottom-line growth**
- **Optimizing our portfolio** of businesses
- Attracting and engaging **diverse top talent**

Deepening Client relationships in U.S. Group Benefits

Q1'22 highlights

- **Sequential improvement in results compared to Q4'21**, reflecting lower working-age population COVID-related mortality and favourable medical stop-loss results
- Launched **Benefits Explorer**, an interactive platform designed to provide employees with **personalized, live educational content and customized tools** to help them make well-informed benefits decisions
- Partnered with **Teledentistry.com**, which offers members **24/7 virtual access to dental providers**, making it easier to get dental care and advice in emergencies while traveling or during evenings and weekends
- Sun Life U.S. was named a **2022 Top Workplaces USA employer** by Energage¹ for the second consecutive year, moving up into the **top 50 this year** among companies with 2,500+ employees

U.S. Underlying net income² (US\$ millions)



Market position by business

#1 Independent medical stop-loss provider⁴

#1 Turnkey disability provider⁵

Top 10 Group life and disability benefits provider⁶

Key trends and opportunities in the U.S.

Improving health outcomes and costs

Large, complex U.S. benefits ecosystem, anchored by the \$3.8T healthcare market¹



Most U.S. employees are covered by a self-insured plan²



Health care costs, particularly prescription drug costs, continue to rise³



Medicaid program and Medicare expansion bills (including dental) could positively impact Dental business⁴

Helping Clients get the coverage they need

Many **Americans are underinsured for key financial risks**



Growing life insurance coverage gap, and many working Americans not covered by a disability policy⁵



Employees responsible for more health and benefits costs



Federal and state paid family and medical leave legislation driving absence requirements

We are focused on making things easier for **Clients** while increasing access to healthcare, improving **health outcomes and reducing costs**

- ✓ Acquired **PinnacleCare**, expanding further into the health care space
- ✓ Launched **Health Navigator**, powered by **PinnacleCare**, which helps members get the right care to create better health outcomes
- ✓ Intend to **acquire DentaQuest**^{4,6}, the largest provider of Medicaid dental benefits
- ✓ Leveraging **industry-leading Clinical 360 program** to analyze data to reduce costs for employers and members

We continue to deliver **digital capabilities**, making it easier for **Clients to get the coverage they need**, while continuing to lead industry advocacy on key regulatory and legislative issues

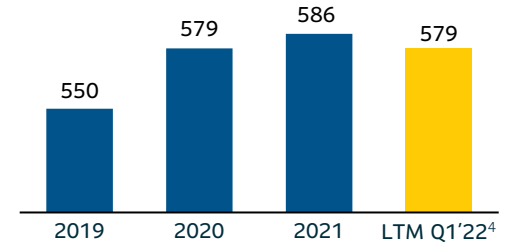
- ✓ Expanded **Maxwell Health**, a digital enrollment to shop and make benefit updates
- ✓ Launched **Stitch**, providing supplemental health coverage where members can buy directly from Sun Life online
- ✓ Offering **virtual enrollment**
- ✓ Building **APIs and digital connectivity** with benefits platforms
- ✓ Introduced new **absence management offerings** with single claim intake, digital and automated capabilities

Positioned in Asia's largest and fastest growing markets

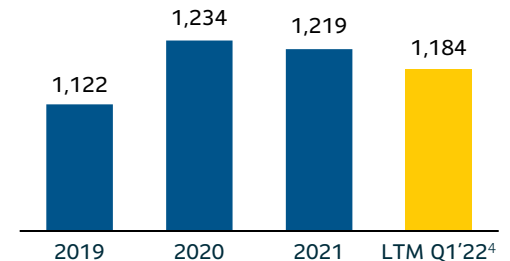
Q1'22 highlights

- **Earnings and sales in the last twelve months have shown resilience** despite pronounced COVID impacts across our markets
- **Expanded bancassurance partnership with CIMB Niaga**, Indonesia's second largest privately-owned bank¹ starting in 2025 through 2039. This transformational deal will drive improved market positioning and growth
- Our bancassurance partner, **Asia Commercial Joint Stock Bank**, a leader in the Vietnam bancassurance market, drove **99% of new business submitted digitally**
- **80% of new business applications** in Q1'2022 **were submitted digitally**², up **20 percentage points** (pp) from Q1'2021
- **Digital claims submissions**² in Q1'2022 **increased 9 pp** over prior year

Underlying net income³ (\$ millions)



Individual life sales³ (\$ millions)



¹ Based on total assets, as at December 31, 2021

² Includes Hong Kong insurance, Indonesia, Malaysia, Philippines, and Vietnam

³ Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2022 MD&A.

⁴ Last twelve months at March 31, 2022

Capturing growth opportunities in Asia

Local Markets



Philippines

- **#1 ranked insurance company** based on total premium^{1,2}
- **#1 largest mutual fund provider** based on AUM³



Indonesia

- **10th** in insurance sales^{1,4}
- Overall market share of 3%^{1,4}



China

- **6th** in insurance gross premium among foreign multinationals^{1,5}



Vietnam

- **6th** in insurance sales^{1,6}
- **2nd** in bancassurance insurance sales, up from 4th as of Nov 2021 YTD^{1,7}



India

- **7th** in individual insurance, with an overall market share of 4%^{1,8}
- **4th** largest mutual fund provider in the country based on AUM⁹



Malaysia

- **7th** in insurance sales^{1,10}
- **4th** in bancassurance, with a bancassurance market share of 11%^{1,10}

International Hubs



International

- Leverages the high-net-worth opportunities in Asia to offer Clients and distribution partners best-in-class products and services across all geographies



Hong Kong

- Ranked **2nd** in MPF net inflows and **3rd** based on AUM¹¹
- **12th** in insurance sales, with a market share of 2%^{1,12}



Singapore

- Well-positioned amongst the high-net-worth players in Singapore after starting operations in 2021



Business overview



Business group results & highlights



Capital management



Asset portfolio



Sustainability

Capital generation provides good capital flexibility

Capital deployment priorities:



Funding **organic growth**



Target **underlying dividend payout** ratio of **40-50%**^{1,2}



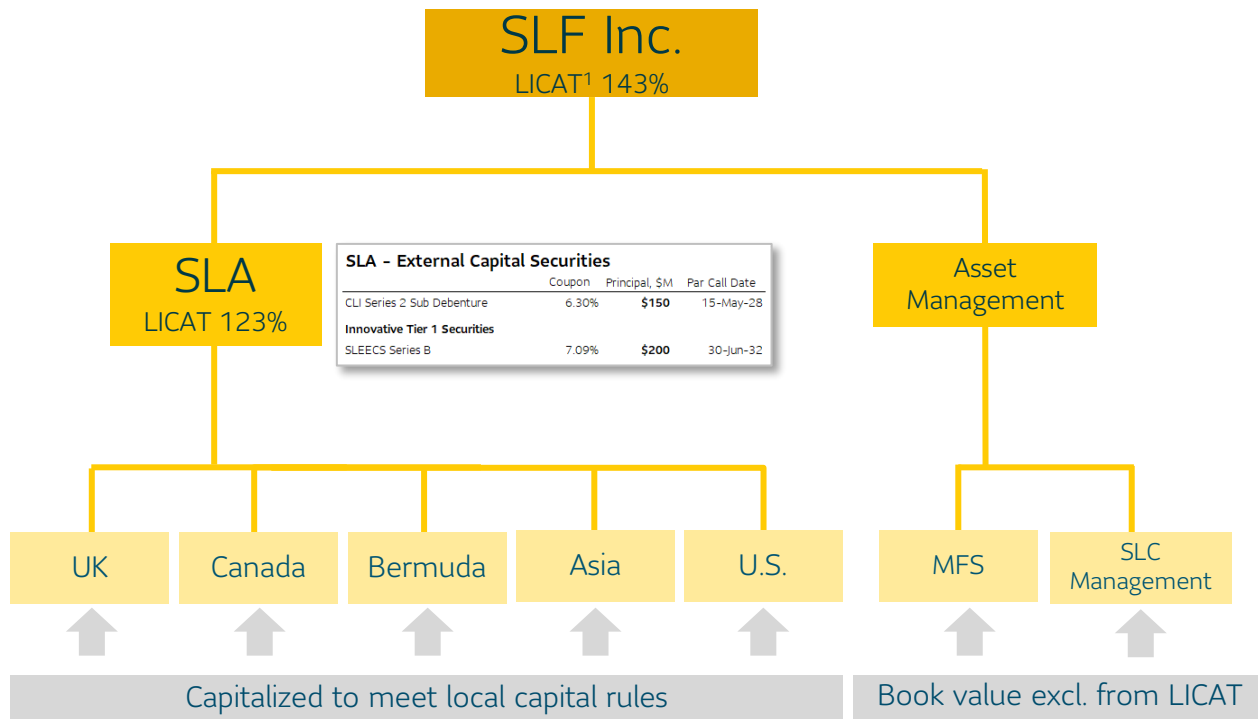
M&A opportunities and strategic investments



Share **buybacks**

Target minimum cash and other liquid assets at the holding company of **\$500 million**^{1,2,3}

Capital model provides financial flexibility



SLF Inc. - External Capital Securities

Subordinated Debt	Coupon	Principal, \$M	Par Call Date
SLF Series 2007-1	5.40%	\$400	29-May-37
SLF Series 2016-2	3.05%	\$1,000	19-Sep-23
SLF Series 2017-1	2.75%	\$400	23-Nov-22
SLF Series 2019-1 Sustainability Bond	2.38%	\$750	13-Aug-24
SLF Series 2020-1	2.58%	\$1,000	10-May-27
SLF Series 2020-2	2.06%	\$750	1-Oct-30
SLF Series 2021-1	2.46%	\$500	18-Nov-26
SLF Series 2021-2	2.80%	\$1,000	21-Nov-28
SLF Series 2021-3	3.15%	\$500	18-Nov-31




Preferred Shareholders' Equity & Other Equity Instruments

SLF Series 3	4.45%	\$250	31-Mar-15
SLF Series 4	4.45%	\$300	31-Dec-15
SLF Series 5	4.50%	\$250	31-Mar-16
SLF Class A, Series 8R	1.83%	\$155	30-Jun-25
SLF Class A, Series 9QR	Floating	\$125	30-Jun-25
SLF Class A, Series 10R	2.84%	\$171	30-Sep-26
SLF Class A, Series 11QR	Floating	\$29	30-Sep-26
SLF LRCN, Series 2021-1	3.60%	\$1,000	30-Jun-26

Capital flexibility & deployment opportunities

Capital flexibility¹ (as at March 31, 2022)

Deployment opportunities

Capital metrics	SLF Inc.
 LICAT ²	143%
 Financial leverage ratio ^{1,2}	25.9%
 SLF Inc. cash and other liquid assets ^{1,3}	\$4.7B

Type	Considerations
Organic investments	Making further investments in building out new business models and advancing our leading digital capabilities
Mergers & acquisitions	Actively seeking potential targets aligned with our strategic goals and meeting financial hurdles
Share buybacks	Utilize excess capital build up for share repurchases in the near term, when appropriate
Reinsurance transactions	Repatriating certain reinsurance arrangements with potential to increase earnings

¹ See "Forward-looking Statements" in the appendix

² Includes \$2.0 billion of proceeds from the subordinated debt offerings completed in November 2021, of which \$1.5 billion is subject to contractual terms requiring us to redeem the underlying securities, in full, if the closing of the DentaQuest acquisition does not occur; accordingly, \$1.5 billion will not qualify as LICAT capital until the acquisition closes

³ Approximately \$3.5 billion earmarked for DentaQuest acquisition; includes \$500 million target minimum cash and other liquid assets at the holding company

Leverage ratio and financial strength ratings

Q1 2022 capital

(\$ millions)

Subordinated debt ¹	6,426	Tier 2
Innovative capital instruments (SLEECs)	200	Tier 1
Equity		
Preferred shareholders' equity and other equity instruments	2,239	
Common shareholders' equity	23,659	
Participating policyholders' equity	1,704	
Non-controlling interests' equity	62	
Total equity	27,664	Tier 1
Total capital¹	34,290	
<i>Financial leverage ratio</i>	<i>25.9%</i>	



Sun Life Assurance Company of Canada Financial Strength Ratings	
A.M. Best	A+
DBRS	AA
Moody's	Aa3
S&P	AA



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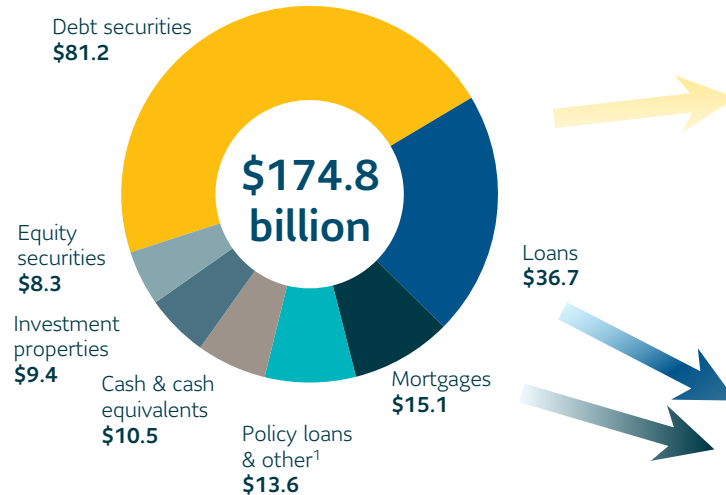
Sustainability

High quality, well-diversified investment portfolio

- Highly diversified with the largest non-government related exposure at 0.4% of total fixed income
- 97% of fixed income rated investment grade²
- Only 5% of fixed income rated BBB-; skewed BBBs to private loans with collateral and covenant protection
- Commercial mortgages 28% CMHC; well protected with 57% LTV and 1.74 DSCR⁴
- Repositioned real estate debt and equity portfolios to increase durability of cash flows

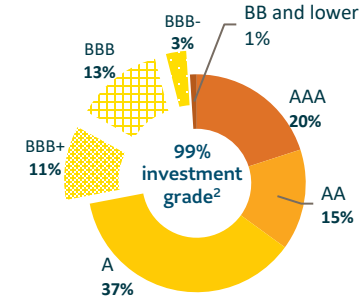
Investment profile

As March 31, 2022



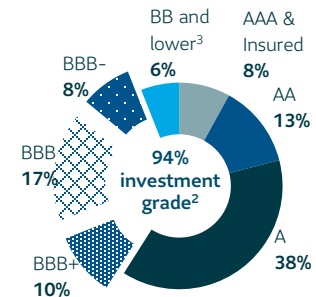
Debt securities by credit rating

As of March 31, 2022



Mortgages & loans by credit rating

As of March 31, 2022



¹ Consists of: Other invested assets (\$8.9), Policy loans (\$3.2), Derivative assets (\$1.5)

² BBB and higher

³ BB and lower includes impaired mortgages and loans

⁴ LTV: Loan-to-Value; DSCR: Debt-service coverage ratio



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Sustainability

Our sustainability plan brings our Purpose to life

Focused on areas of expertise where we can have the most positive impact:



Financial Security

- Provide innovative financial products and services
- Empower people to take positive financial action
- Increase access to insurance and wealth products

Goals¹

- Help Clients take positive financial actions (working towards setting a target)



Healthier Lives

- Offer products and tools to help Clients and employees live healthier lives
- Invest in community health
- Improve access to and use of health and disability insurance

- Help Clients take positive health actions (working towards setting a target)
- Address regional health issues²



Sustainable Investing

- Manage capital with sustainability embedded in our investment processes
- Offer our Clients and employees sustainable investing opportunities³
- Invest our assets to encourage a low-carbon and more inclusive economy

- Rigorous incorporation of ESG considerations in all investment processes and decisions
- \$20B in new sustainable investments (2021-2025)⁴

Goals¹

- Net-zero greenhouse gas emissions by 2050 for investments & operations
- 50% women in Vice-President (VP)+ roles globally and 25% underrepresented ethnicities in VP+ roles in North America by 2025
- Minimum representation of at least 35-45% women directors on the Board, with an aim towards balanced gender representation by 2025



Building on our foundation as a **Trusted and Responsible Business**:

- Focus on meeting Client needs
- Build a talented and diverse workforce
- Advance diversity, equity and inclusion
- Mitigate climate change, build climate resilience and demonstrate environmental stewardship
- Safeguard data with robust security and privacy practices
- Identify, measure, manage, monitor and report risks
- Ensure strong governance and an ethical culture

¹ See "Forward-looking Statements" in the appendix

² Mental health in Canada, health-care costs in U.S., diabetes in Asia

³ Majority of funds offered through employee retirement savings plans integrate ESG factors into investments considerations.

⁴ Criteria for investments based on market standards

Strong sustainability achievements and recognition



Financial Security

- \$750M of insurance coverage and \$410M of wealth products driven by Ella nudges in Q1'22
- 1.4M positive financial actions taken by Clients in Canada towards financial security in 2021
- ~138,000 microinsurance policies issued since 2018



Healthier Lives

- \$42.7M committed to diabetes globally since 2012
- 26.1M ratings on 150K health-care providers on Lumino
- Active role and advocacy for workplace mental health in Canada, reaching 100+ Canadian C-suite leaders in 2021



Sustainable Investing

- \$65B sustainable investment AUM; in 2021, \$6.8B towards target of \$20B in new sustainable investments (2021-2025)
- Sun Life's general account achieved a 5-star rating in the 2021 GRESB Real Estate Benchmark
- MFS named Avant Gardist firm by Responsible Investment Brand Index (2nd year in a row)



Trusted and Responsible Business

- DE&I focus and progress: 35% women in senior roles (VP+); 16% underrepresented ethnicities in senior roles (North America); 50% women on our Board¹
- First major insurance company to pursue the Progressive Aboriginal Relations certification, introduced Indigenous commitments and cultural awareness training for senior leaders
- For operations, set interim target of 50% by 2030, in support of goal of net-zero greenhouse gas emissions by 2050 (interim targets for investments to be announced in 2022)



(13 years in a row)



Powered by the S&P Global CSA
(16 years in a row)



(4 years in a row)



(14 years in a row)



SUN LIFE • Q1 2022



GRESB
(11 years in a row)



(5 years in a row)



FTSE4Good
(21 years in a row)



All figures as of December 31, 2021, unless otherwise stated; For more information, please visit www.sunlife.com/sustainability.

¹ Following election of director nominees as presented in the Sun Life Financial Inc. 2022 Management Information Circular, at the Company's annual meeting on May 11, 2022



Appendix

Market movements and impacts in the quarter

Market Movements	Q1'22	Q1'21
S&P/ TSX	+3.1%	+7.3%
S&P 500	(4.9)%	+5.8%
CA 10 - year	+98 bps	+88 bps
CA 30 - year	+71 bps	+77 bps
US 10 - year	+83 bps	+83 bps

Earnings on Surplus (\$millions, pre-tax)	Q1'22	Q1'21
Investment income	90	105
AFS gains	30	53
Seed investment gains/ (losses)	(8)	(9)
Investment properties mark-to market	5	(1)
Interest on debt	(52)	(40)
Total	65	108

Equity Market Impacts (\$millions, post-tax)	Q1'22	Q1'21
Equity market movement and volatility	(24)	67
Basis risk	22	5
Total	(2)	72

Interest Impacts (\$millions, post-tax)	Q1'22	Q1'21
Interest rate changes	(57)	161
Credit spread movements	40	(8)
Swap spread movements	(13)	(12)
Total	(30)	141

Credit-Related Impacts (\$millions, post-tax)	Q1'22	Q1'21
Changes in ratings	(2)	(14)
Impairments, net of recoveries	(24)	-
Release of best estimate credit	29	29
Total	3	15

Market sensitivities

Change in Equity Markets¹

As at March 31, 2022 (\$ millions, unless otherwise noted)	25% decrease	10% decrease	10% increase	25% increase
Potential impact on net income ^{2,3}	\$(450)	\$(150)	\$150	\$350
Potential impact on OCI ³	\$(50)	\$(50)	\$50	\$50
Potential impact on LICAT ^{2,4}	1.0% point decrease	0.0% point change	0.0% point change	0.5% point increase
As at December 31, 2021 (\$ millions, unless otherwise noted)	25% decrease	10% decrease	10% increase	25% increase
Potential impact on net income ^{2,3}	\$(400)	\$(150)	\$150	\$350
Potential impact on OCI ³	\$(150)	\$(50)	\$50	\$150
Potential impact on LICAT ^{2,4}	0.5% point decrease	0.0% point change	0.0% point change	0.5% point increase

Change in Interest Rates⁵

	As at March 31, 2022		As at December 31, 2021	
(\$ millions, unless otherwise noted)	50 basis point decrease	50 basis point increase	50 basis point decrease	50 basis point increase
Potential impact on net income ^{2,3,6}	\$(50)	\$-	\$(50)	\$50
Potential impact on OCI ³	\$250	\$(250)	\$250	\$(250)
Potential impact on LICAT ^{2,4}	1.5% point increase	2.0% point decrease	1.5% point increase	0.5% point decrease

Change in Credit Spreads⁷

	As at March 31, 2022		As at December 31, 2021	
(\$ millions, unless otherwise noted)	50 basis point decrease	50 basis point increase	50 basis point decrease	50 basis point increase
Potential impact on net income ⁸	\$(50)	\$25	\$(75)	\$50
Potential impact on LICAT ⁴	0.5% point increase	0.5% point decrease	0.5% point decrease	0.5% point increase

Change in Swap Spreads

	As at March 31, 2022		As at December 31, 2021	
(\$ millions, unless otherwise noted)	20 basis point decrease	20 basis point increase	20 basis point decrease	20 basis point increase
Potential impact on net income ⁸	\$25	\$(25)	\$25	\$(25)

Use of Non-IFRS Financial Measures

We report certain financial information using non-IFRS financial measures, as we believe that these measures 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 in isolation from or as alternatives to measures of financial performance determined in accordance with IFRS. Additional information concerning non-IFRS financial measures and, if applicable, reconciliations to the closest IFRS measures are available in section M - Non-IFRS Financial Measures of our MD&A for the period ended March 31, 2022 ("Q1 2022 MD&A") and the Supplementary Financial Information packages that are available on www.sunlife.com under Investors – Financial results and reports.

Non-IFRS Financial 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 impacts of the following items in our results under IFRS and when removed assist in explaining our results from period to period:

- (a) market-related impacts that differ from our best estimate assumptions, which include: (i) impacts of returns in equity markets, net of hedging, for which our best estimate assumptions are approximately 2% per quarter. This 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 impacts of changes in interest rates 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 impacts of changes in the fair value of investment properties in the reporting period;
- (b) assumption changes and management actions, which include: (i) the impacts of revisions to the methods and assumptions used in determining our liabilities for insurance contracts and investment contracts; and (ii) the impacts 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; and
- (c) other adjustments:
 - (i) fair value adjustments on MFS' share-based payment awards that are settled with MFS' 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' results with publicly traded asset managers in the United States;
 - (ii) acquisition, integration and restructuring costs - this adjustment enhances comparability of our results from period to period, by removing the impacts of costs, including the unwinding of the discount for certain liabilities related to acquisitions, that are not ongoing in nature and are incurred with the intent to generate benefits in future periods;
 - (iii) certain hedges in Canada that do not qualify for hedge accounting - this adjustment enhances the comparability of our results from period to period, as it reduces volatility to the extent it will be offset over the duration of the hedges; and
 - (iv) other items that are unusual or exceptional in nature.

All factors discussed in this document that impact our underlying net income are also applicable to reported net income.

All EPS measures in this document refer to fully diluted EPS, unless otherwise stated. Underlying EPS excludes the dilutive impacts of convertible instruments.

Other non-IFRS financial measures that we use include reported ROE, administrative services only ("ASO") premium and deposit equivalents, retail fund assets and sales, institutional fund assets and sales, insurance and health sales, assets under management ("AUM"), assets under administration, average net assets, pre-tax net operating margin, measures based on a currency adjusted basis, financial leverage ratio, underlying dividend payout ratio, impacts of foreign exchange translation, real estate market sensitivities, assumption changes and management actions, value of new business, after-tax profit margin for U.S. Group Benefits, fee-related earnings, pre-tax fee-related earnings margin, fee-earning AUM, AUM not yet earning fees, capital raising, deployment and effective income tax rate on an underlying net income basis.

Use of Names and Logos of Third Parties

Names and logos of third parties are used for identification purposes and do not imply any relationship with, or endorsement by, them. Third party trade-marks are the property of their respective owners.

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 the expansion of our bancassurance partnership with CIMB Niaga; (iii) relating to our intention to acquire DentaQuest; (iv) relating to our growth initiatives and other business objectives; (v) relating to the plans we have implemented in response to the COVID-19 pandemic and related economic conditions and their impact on the Company; (vi) relating to our expected tax range for future years; (vii) set out in this document under the heading H - Risk Management - Market Risk Sensitivities - Interest Rate Sensitivities; (viii) that are predictive in nature or that depend upon or refer to future events or conditions; and (ix) 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, and remain subject to change, particularly in light of the ongoing and developing COVID-19 pandemic and its impact on the global economy and its uncertain impact on our business.

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 impact of the COVID-19 pandemic and related economic conditions on our operations, liquidity, financial conditions or results and the matters set out in our Q1 2022 MD&A under the headings C - Profitability - 5 - Income taxes, E - Financial Strength and H - Risk Management and in SLF Inc.'s 2021 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 document, 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, which have been further heightened with the current COVID-19 pandemic given the uncertainty of its duration and impact. Factors that could cause actual results to differ materially from expectations include, but are not limited to: **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 policyholder behaviour; mortality experience, morbidity experience and longevity; product design and pricing; the impact of higher-than-expected future expenses; and the availability, cost and effectiveness of reinsurance; **credit risks** - related to issuers of securities held in our investment portfolio, debtors, structured securities, reinsurers, counterparties, other financial institutions and other entities; **business and strategic risks** - related to global economic and political conditions; the design and implementation of business strategies; changes in distribution channels or Client behaviour including risks relating to market conduct by intermediaries and agents; the impact of competition; the performance of our investments and investment portfolios managed for Clients such as segregated and mutual funds; changes in the legal or regulatory environment, including capital requirements and tax laws; the environment, environmental laws and regulations; **operational risks** - related to breaches or failure of information system security and privacy, including cyber-attacks; our ability to attract and retain employees; legal, regulatory compliance and market conduct, including the impact of regulatory inquiries and investigations; the execution and integration of mergers, acquisitions, strategic investments and divestitures; 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; **liquidity risks** - the possibility that we will not be able to fund all cash outflow commitments as they fall due; and **other risks** - COVID-19 matters, including the severity, duration and spread of COVID-19; its impact on the global economy, and its impact on Sun Life's business, financial condition and our results; risks associated with IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments; 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 tax matters, including estimates and judgements used in calculating taxes.

The following risk factors are related to our intention to purchase DentaQuest that could have a material adverse effect on our forward-looking statements: (1) the ability of the parties to complete the transaction; (2) failure of the parties to obtain necessary consents and approvals or to otherwise satisfy the conditions to the completion of the transaction in a timely manner, or at all; (3) our ability to realize the financial and strategic benefits of the transaction; and (4) the impact of the announcement of the relevant transaction and the dedication of our DentaQuest's resources to completing the transaction. These risks all could have an impact on our business relationships (including with future and prospective employees, Clients, distributors and partners) and could have a material adverse effect on our current and future operations, financial conditions and prospects.

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 document or to reflect the occurrence of unanticipated events, except as required by law.

Currency

All amounts are in Canadian dollars unless otherwise noted

Rounding

Amounts in this document are impacted by rounding.

From slide 6

² Source: Bloomberg;

Canadian Lifecosts – Manulife Financial Corporation, Great-West Life, and Industrial Alliance

Global Lifecosts – AXA SA, Prudential PLC, Allianz SE, Aviva PLC, Assicurazioni Generali SpA, AIA Group Ltd., China Life Insurance Co. Ltd, Great Eastern Holdings, and Ping An Insurance Group

U.S. Lifecosts – Hartford Financial Services Group, Lincoln National Corporation, MetLife Inc., Principal Financial Group, Inc., Prudential Financial, Inc., Unum Group, and Voya

Asset Managers – T Rowe Price, Franklin Resources, AllianceBernstein, Ameriprise, and BlackRock

Canadian Banks – RBC, TD, Scotiabank, BMO, CIBC, and National Bank

³ Although considered reasonable, we may not be able to achieve our medium-term financial objectives as our assumptions may prove to be inaccurate. Accordingly, our actual results could differ materially from our medium-term financial objectives as described on the slide. Our medium-term financial objectives do not constitute guidance. Our medium-term financial objectives are forward-looking non-IFRS financial measures and additional information is provided on slide 34 and in section N - Forward-looking Statements - Medium-Term Financial Objectives of our Q1 2022 MD&A

⁴ Underlying EPS growth is calculated using a compound annual growth rate; Underlying ROE and dividend payout ratio are calculated using an average

⁵ Underlying dividend payout ratio represents the ratio of common shareholders' dividends to Underlying net income; see section I - Capital and Liquidity Management - 3 - Shareholder Dividends in our MD&A for the period ended December 31, 2021 ("2021 Annual MD&A") for further information regarding dividends

From slide 11

¹ Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2022 MD&A

² Last twelve months at March 31, 2022

³ Excludes assets managed on behalf of the Insurance businesses for the General Fund. For more details, see the Non-IFRS Financial Measures section in our Q1 2022 MD&A

From slide 16

¹ Energage, an organization that develops solutions to build and brand top workplaces.

² Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our Q1 2022 MD&A

³ Last twelve months at March 31, 2022

⁴ Ranking compiled by Sun Life based on data contained in the 2020 Accident and Health Policy Experience Report from the National Association of Insurance Commissioners ("NAIC"); an independent stop-loss carrier is defined as a stop-loss carrier that does not sell medical claim administration services

⁵ Based on annual 2020 NAIC Accident and Health Policy Experience Report and DRMS market expertise

⁶ Based on LIMRA 2020 Annual U.S. Sales & In-Force Reports for group term life, group short-term disability and long-term disability insurance

From slide 17

¹ National Health Expenditure Accounts 2019 data from the Centers for Medicare & Medicaid Services

² Henry J. Kaiser Family Foundation 2020 Employer Health Benefits Survey

³ PwC's Health Research Institute (HRI) medical cost trends, 2021; Kaiser 2019

⁴ See "Forward-looking Statements" and "Risk Factors" in the appendix

⁵ Based on Oliver Wyman research, 2016; Council for Disability Awareness

⁶ DentaQuest Group, Inc. ("DentaQuest")

From slide 19

- ² Insurance Commission of the Philippines, based on Q4 2021 year-to-date total premium income for Sun Life of Canada (Philippines)
- ³ Philippine Investment Funds Association, based on December 2021 ending assets under management
- ⁴ Indonesia Life Insurance Association, based on Q4 2021 year-to-date first year premiums
- ⁵ China Insurance Regulatory Commission, based on gross premiums for Q4 2021 year-to-date (excluding universal life insurance deposits and pension companies)
- ⁶ February 28, 2022 year-to-date annualized first year premiums, based on data shared among industry players
- ⁷ November 30, 2021 year-to-date annualized first year premiums, based on data shared among Vietnam industry players
- ⁸ Insurance Regulatory Authority of India, based on Q4 2021 year-to-date first year premiums among private players
- ⁹ Association of Mutual Funds in India, based on average assets under management for the quarter ended at March 31, 2022
- ¹⁰ Life Insurance Association of Malaysia and Insurance Services Malaysia Berhad, based on Q4 2021 year-to-date annualized first year premium for conventional and takaful business
- ¹¹ Mercer MPF Market Shares Report, December 2021
- ¹² Insurance Authority of Hong Kong, Provisional Statistics on Hong Kong Long Term Insurance Business, based on Q4 2021 year-to-date annualized first year premiums

From slide 32

- ¹ Represents the respective change across all equity markets as at March 31, 2022 and December 31, 2021. Assumes that actual equity exposures consistently and precisely track the broader equity markets. Since in actual practice equity-related exposures generally differ from broad market indices (due to the impact of active management, basis risk, and other factors), realized sensitivities may differ significantly from those illustrated. Sensitivities include the impact of re-balancing equity hedges for dynamic hedging programs at 2% intervals (for 10% changes in equity markets) and at 5% intervals (for 25% changes in equity markets)
- ² The market risk sensitivities include the estimated mitigation impact of our hedging programs in effect as at March 31, 2022 and December 31, 2021, and include new business added and product changes implemented prior to such dates
- ³ Net income and OCI sensitivities have been rounded in increments of \$50 million. The sensitivities exclude the market impacts on the income from our joint ventures and associates, which we account for on an equity basis
- ⁴ The LICAT sensitivities illustrate the impact on Sun Life Assurance as at March 31, 2022 and December 31, 2021. The sensitivities assume that a scenario switch does not occur in the quarter. LICAT ratios are rounded to the nearest 0.5%.
- ⁵ Interest rate sensitivities assume a parallel shift in assumed interest rates across the entire yield curve as at March 31, 2022 and December 31, 2021 with no change to the Actuarial Standards Board ("ASB") promulgated Ultimate Reinvestment Rate ("URR"). Variations in realized yields based on factors such as different terms to maturity and geographies may result in realized sensitivities being significantly different from those illustrated. Sensitivities include the impact of re-balancing interest rate hedges for dynamic hedging programs at 10 basis point intervals (for 50 basis point changes in interest rates)
- ⁶ The majority of interest rate sensitivity, after hedging, is attributed to individual insurance products. We also have interest rate sensitivity, after hedging from our fixed annuity and segregated funds products
- ⁷ In most instances, credit spreads are assumed to revert to long-term insurance contract liability assumptions generally over a five-year period
- ⁸ Sensitivities have been rounded in increments of \$25 million

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