



Message from the CEO

Kevin Strain
President & Chief Executive Officer

As I reflect on 2024 and set our sights on the future, I am guided by our Purpose which remains unwavering and inspiring: *Helping our Clients achieve lifetime financial security and live healthier lives.* It serves as our steadfast guide especially as we navigate a rapidly evolving and increasingly complex world.

Rooted in everything we do, our Purpose shines through by being there for our Clients when and how they need us, whether we're helping Clients save for an important life event, like retirement or saving for a child's education, or being there as they navigate a challenging health diagnosis. We also play a critical role of empowering organizations to serve their employees' pension and health and wellness needs.

Our Purpose is the bedrock of our Client Impact Strategy, underpinning our efforts and strengthening the trust that defines our brand.

Delivering on our Client Impact Strategy

Delivering on our strategy are our more than 65,000 employees and 95,000 advisors around the world who work across our four pillars – Asset Management, Canada, U.S. and Asia. Our people make a difference in the lives of our 85 million Clients and their families every day.

Asset Management is a cornerstone of our success, representing more than a third of our business. We remain committed to expanding our asset management expertise. In 2024, we further solidified our position as a Top 25 global asset manager and the largest Canadian-based asset manager with more than \$1.54 trillion in Assets under Management (AUM). We're also ranked the fourth largest private equity

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real estate firm (BGO); Canada's leading group retirement services provider with \$156 billion in AUM; and the third largest MPF provider in Hong Kong with \$26.5 billion in AUM. In our asset management and wealth businesses we are truly helping people build wealth for the future, helping secure their lifetime financial security.

Our alternative asset manager, SLC Management, completed its purchase of InfraRed Capital Partners, our global infrastructure asset manager. We also introduced our alternatives asset classes from SLC to high-net-worth Clients in the Canadian market through our strategic relationship with Scotiabank.

As the company that created the first mutual fund, MFS celebrated a century of wealth creation for our MFS clients in 2024. One hundred years after bringing investing to the masses, MFS continues to rank as a Top 10 U.S. retail asset manager.

Canada remains a growth engine for Sun Life. Our deep-rooted presence in our home market positions us as a leader in health, wealth and insurance. In 2024, Sun Life Canada upheld its leadership ranking as the top individual insurance provider and a leading group benefits provider.



In Canada, we serve 12 million Clients and we are proud to be a leader in retirement savings, insurance protection, estate planning, health navigation, health insurance and virtual care, through Dialogue. We are truly helping Canadians with their financial security and health.

Deepening our Clients' health journeys and elevating access to care is integral to our long-term strategy. One example is as the administrator of the Canadian Dental Care Plan (CDCP), launched in 2024, we help underserved Canadian residents regain self-confidence, dignity and a better quality of life free from dental pain.

The first CDCP claim Sun Life processed was a check up and cleaning for a 79-year-old Newfoundlander on May 1, 2024. Since then, we've enrolled more than 3.1 million members, enabling care to 1.3 million applicants, processed 4.5 million claims and pre-authorizations, enrolled nearly 24,000 dental providers and answered more than 320,000 calls from members and providers.

We're accelerating our momentum in Asia, where we have significant opportunities to grow and change lives through our Purpose across the eight markets we serve. It's a region with a growing middle class that's looking to protect their financial future for themselves and their families. Sun Life Asia remains a Top 5 life insurer in Asia. We have more than 20 strong bancassurance relationships across the region and an agency force of over 92,000 who are there to help.

We also continue to be a leader in health and benefits in the U.S., including as one of the largest players in Stop-Loss and the largest dental provider in the country. And through a range of products and services we're providing through employer benefits, we're having a significant impact.

An example of how we deliver on our Purpose is the story of a Tennessee family who experienced the tragedy of losing their child. Their daughter was diagnosed with Mast Cell Activation

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Syndrome, a condition with no cure that causes severe allergy symptoms. In late 2023, her condition worsened, and she was moved to hospice care.

Balancing multiple hospital visits and caring for their other children was only possible because the father had Sun Life hospital indemnity insurance through his employer. The immediate funds allowed them to manage life's necessities so they could spend precious time with their daughter in her final days. That's one role we play in our Clients' lives – being there to support them through the highs and lows.

Making an impact on the lives of others

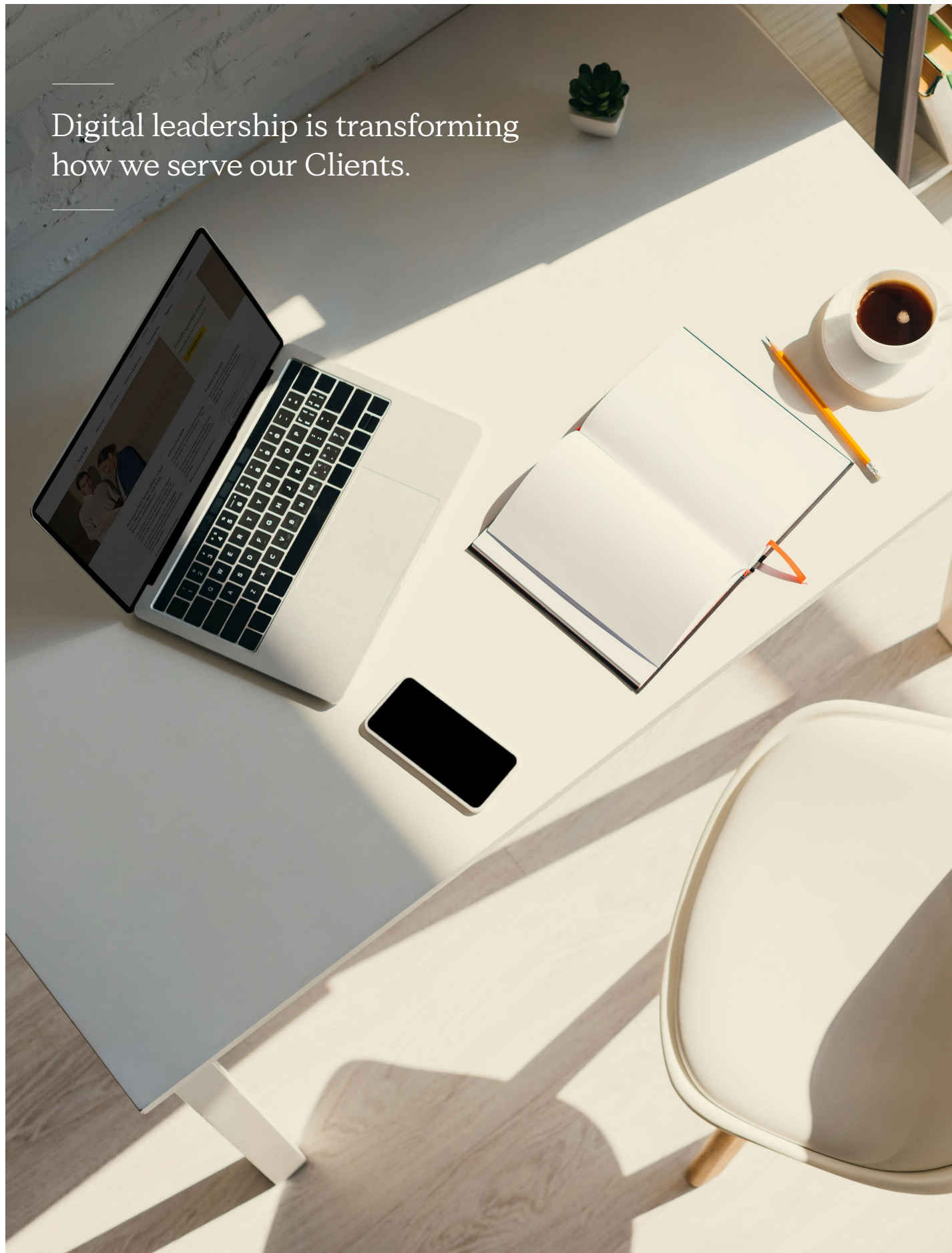
Each year I learn of hundreds of stories that highlight the profound impact Sun Life has on our Clients' lives and the meaningful difference we make.

Our feature story about a business owner and Sun Life Client in the Philippines named Framie, is a wonderful example. Framie took the advice of her Sun Life advisor who recommended health insurance for entrepreneurs. That insurance became a lifeline for Framie when she was unexpectedly diagnosed with cancer. It allowed her to support her family during treatment and grow her business post-recovery, something she never thought possible.

In Canada, we're playing a growing role in addressing the healthcare gap. With millions of Canadians struggling to find a family doctor and secure timely appointments, our efforts are helping to bridge this critical divide. A Toronto couple expecting their first baby faced a two-and-a-half month wait for a family doctor appointment during the critical first trimester. Desperate for care, they turned to Lumino Health Virtual Care, Sun Life's integrated health platform that provides access to health care professionals. To their relief, they saw a nurse practitioner that very same day, who swiftly arranged an ultrasound and essential blood tests that provided the couple with significant and timely medical information. This intervention brought peace of mind to the expectant parents who welcomed their healthy baby boy in the fall.

These stories stand as strong testaments to the power of delivering on our Purpose.

Digital leadership is transforming
how we serve our Clients.



Inspiring innovation

Operating as a digital company is one of Sun Life's strategic imperatives. Digital leadership is transforming how we serve our Clients, delivering exceptional experiences. We're achieving this by integrating technology across our organization and fostering a culture of innovation and collaboration.

In 2024, we experimented and implemented several new GenAI projects, testing ways to support employee productivity and finding opportunities to enhance our Client experience. Our award-winning internal chatbot, Sun Life Asks, helps our people be more productive and efficient, all while ensuring the security of our systems.

In the U.S., we enhanced connectivity across disability, supplemental health, stop-loss, and dental products. When members with multiple products file a single claim, their other Sun Life benefits process automatically, ensuring they receive all the coverage they elected without filing additional claims. In the Philippines we implemented an automated underwriting platform that boosted straight-through processing by 50% by our third quarter. Not only does it improve Client experience it offers quicker turnaround times and operational efficiencies.

Creating value

SLC Management recognized strong net inflows and capital raising throughout the year with a 19% increase in fee-earning AUM inflows over last year, and capital raising of \$24 billion.

Sun Life delivered strong results in 2024 with Asia and Canada highlighting the way, finishing the year with 17% and 6% growth respectively over the previous year. We also experienced solid growth in Individual Protection with a 20% increase in sales over 2023, which demonstrates the value Clients continue to place on financial security and health. Our capital position remains strong with a LICAT ratio of 152% at SLF and we ended the year reaching a new milestone of \$1.54 trillion in Assets Under Management (AUM). We remain confident our steadfast focus on our Clients, coupled with our balanced and diversified business strategy, positions us well for long-term growth.

In November, we announced that we were elevating our Medium-Term Objectives (MTOs) for Underlying Earnings Per Share (EPS) growth per annum to 10% and Underlying Return on Equity (ROE) to 20%, while reaffirming our Underlying Dividend Payout Ratio Medium-Term Objective of 40-50%.

Over the past 10 years, we've had a strong track record of execution and growth, which has allowed us to elevate these objectives.

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In 2025, Sun Life will celebrate a few milestones, one of which is our 25th anniversary of being a publicly listed company on both the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE). For our shareholders and investors, Sun Life stock has served as an anchor, providing steady returns and delivering growth.

Over the past 10 years, our strong capital deployment program has returned \$16.2 billion to shareholders in common dividends and share buybacks, including \$2.9 billion in 2024.

People and culture

Our Purpose shapes our culture and the dedication and loyalty of our people around the world make everything we achieve possible. They are what makes Sun Life and our culture so special.

Our values – Caring, Authentic, Inspiring, Impactful, Bold – are not just words on a page. Our values are reflected in every Client action and interaction, bringing out the best in us and driving us to excel in everything we do.



Being recognized as a **Great Place to Work**® in Canada, India, Indonesia, Ireland, Malaysia, Philippines, Singapore, Vietnam, and the United States is a testament to our commitment to nurturing an extraordinary culture. The fact that this recognition is based on employee feedback tells us we're on the right path, creating an inclusive workplace where everyone thrives.



The road ahead

Sun Life's success is not just measured in numbers, but in the stories of families securing their futures, individuals achieving their health goals, and communities thriving through our support.

As we enter our 160th year, we are inspired by the limitless possibilities that lie ahead. Transforming lives and creating meaningful impact have always been at the heart of Sun Life, and this steadfast commitment will continue to guide us for the next 160 years and beyond.

Our ambition is bold and visionary: to be the best asset management and insurance company in the world. It drives us to adapt to change, embrace innovation and evolve with the times. As we look to the future, we are focused on fostering a culture of growth and resilience – empowering our teams to align their efforts with Sun Life's Purpose and strategic imperatives. Together we will shape a future defined by progress, impact and unwavering dedication to making a difference in our Clients' lives.

In closing, my thanks to you, our shareholders and policyholders, for your ongoing support and commitment. Thank you to our Board of Directors for your continuing guidance. And thanks to everyone at Sun Life for being Purpose-driven and delivering for our Clients.

Lastly, to our Clients – thank you for being a part of this journey and entrusting Sun Life with your financial security and health needs. You are why we strive to make a positive impact – today and for the future.

Sincerely,
Kevin

Kevin Strain
President and Chief Executive Officer



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