



Q4'24  
Delivering sustainable shareholder value



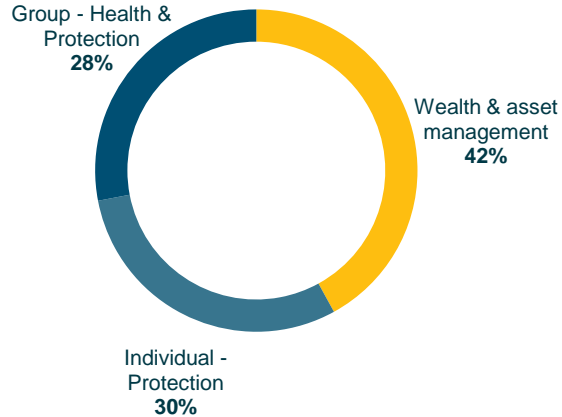


- **Business overview**
- Strategic overview
- Business group results & highlights
- Capital management
- Asset portfolio

# A leading global financial services organization

## Balanced & diversified business model<sup>2</sup>

Year-to-date at December 31, 2024



|                                       |   |  |  |  |   |
|---------------------------------------|---|--|--|--|---|
| <b>85M+</b><br>Clients <sup>3,4</sup> | <b>66,900</b><br>Employees <sup>3,5</sup> | <b>95,000</b><br>Advisors <sup>3,6</sup> | Offices in<br><b>28 markets</b> <sup>3</sup> | <b>\$1.54T</b><br>Assets Under<br>Management<br>(AUM) <sup>1,7</sup> | <b>\$49.0B</b><br>market cap <sup>7</sup> |
|---------------------------------------|---|--|--|--|---|



As of December 31, 2024. Includes Asia joint ventures.

<sup>1</sup> 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 December 31, 2024 ("2024 Annual MD&A").  
Footnotes 2-7: Refer to slide 34.



## The Sun Life story

---

- A **diversified business model**, with four well-positioned business groups, focused on creating value and positively **impacting our Clients**, employees 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
- We have an **omni-channel approach to distribution**, making it easier for Clients to do business with us across all markets
- We are operating like a **digital company** to drive leading experiences and capabilities
- **Purpose-driven people and culture** to help us deliver on our strategy through BOLDER behaviours and effective decision-making
- Our **trusted brand** informs the differentiated Sun Life experiences we create, the products and service experiences we deliver, and the culture we live by



## 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**





- Business overview
- **Strategic overview**
- Business group results & highlights
- Capital management
- Asset portfolio

# Executing on our ambition to be the best Asset Management and Insurance company in the world

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

Our Values: Caring, Authentic, Bold, Inspiring, Impactful

## Four Pillars

## Client Impact

## Strategic Imperatives

**AM**

A global leader in both public and alternative asset classes through MFS and SLC Management

**CAN**

A leader in health, wealth and insurance

**US**

A leader in health and benefits

**ASIA**

A regional leader focused on fast-growing markets



**01**

Leverage our asset management capabilities and extend our wealth presence

**02**

Accelerate our momentum in Asia

**03**

Deepen our impact along our Client's health journey

**04**

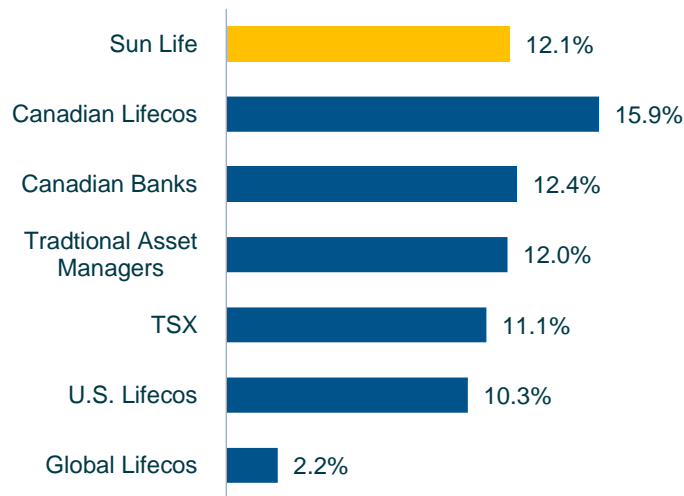
Operate like a digital company

Our Ambition: To be the best Asset Management and Insurance company in the world

# Consistently delivering value to shareholders

## 5-year annualized total shareholder return<sup>6</sup>

At December 31, 2024



## Performance against medium-term financial objectives

| Measure <sup>1</sup>             | Medium-term financial objectives <sup>2,3</sup> | Prior Medium-term financial objectives <sup>2,3</sup> | 2024  | 3-Year <sup>4,5</sup> |
|----------------------------------|---|---|-------|-----------------------|
| Underlying EPS growth            | 10%   | 8 - 10%   | 5%    | 8%                    |
| Underlying ROE                   | 20%   | 18%+  | 17.2% | 17.3%                 |
| Underlying dividend payout ratio | 40 - 50%  | 40 - 50%  | 49%   | 48%                   |

<sup>1</sup> Underlying EPS, underlying ROE and underlying dividend payout ratio are non-IFRS financial measures. See section M - Non-IFRS Financial Measures in our MD&A for the period ended December 31, 2024 ("2024 Annual MD&A"). Underlying dividend payout ratio represents the ratio of common shareholders' dividends to diluted underlying EPS. See section J - Capital and Liquidity Management - 3 - Shareholder Dividends in our 2024 Annual MD&A for further information regarding dividends.

<sup>2</sup> 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 in section P - Forward-looking Statements - Medium-Term Financial Objectives of our 2024 Annual MD&A.

<sup>3</sup> In 2024, we increased our underlying EPS growth medium-term financial objective to 10% from our previous objective of 8%-10%, and increased our underlying ROE medium-term financial objective to 20% from our previous objective of 18%+. These updates are supported by strong business performance. Our medium-term financial objective for underlying dividend payout ratio did not change.

Footnotes 4-6: Refer to slide 34.



# Digital leadership

We are operating like a digital company focused on:

## Digital Experiences

Amazing Client, employee, advisor and partner experiences

## Digital Capabilities

Enabling our experiences and improve our digital maturity

## Digital Way of Working

Empowering our people to support our digital journey

Supported by a strong, resilient and trusted technology foundation.

## Q4 2024 highlights

### Launched Clinical 360+ in the U.S.

- In Health and Risk Solutions, we **launched Clinical 360+**, an **expanded stop-loss program** that gives members digital access to personalized tools and care services through one easy app in collaboration with specialized health partners
  - Our Clinical 360+ program helps increase early care intervention and improve health outcomes for our members

### Increased registered users for online pharmacy services

- In Canada, we remain focused on building innovative health solutions, including online pharmacy services through the Lumino Health Pharmacy App, provided by Pillway and its affiliates, which offers quick and easy access to medications and pharmacist support.  
**Registered users increased 40% from the prior quarter**

### Launched MPF Navigator in Hong Kong

- We **launched MPF Navigator in Hong Kong**, an innovative digital platform developed with a leading fintech partner. This tool empowers Clients with personalized retirement planning advice, real-time market insights, and convenient MPF account management
  - By combining advanced technology with expert guidance, **we are enhancing our Clients' digital experience and helping them make informed decisions for their financial future**

# Distribution excellence

**Omni-channel approach** to serving Clients, including more mobile touch points, click-to-chat, call center and in-person interactions

Aim to reach Clients at the **right moments, with personally relevant and useful offers**

**New digital business models** broaden access to Clients

## Distribution across the four pillars

- |      |   |
|------|---|
| AM   | <ul style="list-style-type: none"><li>• <b>MFS</b> partners with leading retail intermediary firms and global institutional consultants</li><li>• <b>SLC Management</b> distributes products through affiliates Crescent Capital, BentallGreenOak, InfraRed Capital Partners and Advisors Asset Management</li></ul>  |
| CAN  | <ul style="list-style-type: none"><li>• Products distributed via multi-channel distribution model, consisting of: <b>a) Sun Life Financial Distributors</b>, our proprietary advisory network, <b>b) Third-party channels</b>, including independent brokers and broker-dealers, <b>c) Sales representatives</b> in collaboration with pension and/or benefit consultants and advisors, and <b>d) Direct to consumer</b>, using digital tools like Sun Life Go, Lumino Health and <i>Prospr</i> by Sun Life</li></ul> |
| US   | <ul style="list-style-type: none"><li>• Sell products and services through <b>independent brokers, benefits consultants</b> and <b>health plans</b>, as well as industry and <b>digital partners</b></li><li>• Supported by employee benefits representatives, supplemental health representatives, and stop-loss specialists</li></ul>   |
| ASIA | <ul style="list-style-type: none"><li>• <b>Network of 89,000 agents</b> across Asia<sup>1</sup> supported by Sun Life's Brighter Academy, which strives to develop and support advisors through the Most Respected Advisor (MRA) program</li><li>• <b>27 bancassurance partners</b> across Asia markets<sup>2</sup></li><li>• <b>Joint venture partnerships</b> in India, China and Malaysia</li></ul>  |

<sup>1</sup> As at December 31, 2024, including joint ventures.

<sup>2</sup> As at December 31, 2024.



- Business and strategic overview
- Strategic overview
- **Business group results & highlights**
- Capital management
- Asset portfolio

# Q4 2024 results

| Profitability  | Q4'24  | Q4'23 | Change    |
|--|--------|-------|-----------|
| Underlying net income <sup>1</sup> (\$ millions)                           | 965    | 983   | (2)%      |
| Reported net income (\$ millions)  | 237    | 749   | (68)%     |
| Underlying EPS <sup>1,2</sup> (\$)   | 1.68   | 1.68  | -         |
| Reported EPS <sup>2</sup> (\$)   | 0.41   | 1.28  | (68)%     |
| Underlying ROE <sup>1</sup> (%)  | 16.5   | 18.4  | (1.9) pp  |
| Tangible underlying ROE <sup>1,3</sup> (%)                                 | 34.4   | 41.7  | (7.3) pp  |
| Reported ROE <sup>1</sup> (%)  | 4.0    | 14.0  | (10.0) pp |
| Growth   | Q4'24  | Q4'23 | Change    |
| Net wealth sales & asset management net flows <sup>1</sup> (\$ billions)   | (13.6) | (9.7) | (3.9) B   |
| Total AUM <sup>1</sup> (\$ billions)                                       | 1,542  | 1,400 | +10%      |
| Group sales <sup>1</sup> (\$ millions)                                     | 1,270  | 1,459 | (13)%     |
| Individual sales <sup>1</sup> (\$ millions)                                | 743    | 707   | +5%       |
| New business Contractual Service Margin (CSM) <sup>1,4</sup> (\$ millions) | 306    | 381   | (20)%     |
| Financial strength   | Q4'24  | Q3'24 | Change    |
| SLF Inc. LICAT ratio <sup>5</sup> (%)                                      | 152    | 152   | -         |
| SLA LICAT ratio <sup>5,6</sup> (%)   | 146    | 147   | (1) pp    |
| Financial leverage ratio <sup>1</sup> (%)                                  | 20.1   | 20.4  | (0.3) pp  |
| Book value per common share (\$)   | 40.63  | 39.88 | +2%       |

## Results Highlights

### Underlying results consistent with prior year; fundamentals remain solid:

- **Wealth & asset management:** up 11% y/y on higher fee income across businesses, partially offset by lower net investment results in Canada
- **Group - Health & Protection:** down 27% y/y on unfavourable morbidity experience in U.S. medical stop-loss and less favourable morbidity experience in Canada, partially offset by business growth in Canada
- **Individual - Protection:** up 19% y/y on improved protection experience and higher Asia joint venture contribution
- **Corporate expenses & other:** higher net loss due to investments in Asia

**Reported net income** includes lower tax-exempt investment income, an impairment charge in Vietnam, market-related impacts, and other items

**Total AUM<sup>1</sup> up 10% y/y** due to market appreciation, partially offset by net outflows

**Total insurance sales down 7% y/y** driven by lower Group sales, partially offset by higher Individual sales in International, India and Hong Kong

**Total CSM up 13% y/y** on strong organic CSM growth and currency impacts

- **New business CSM down 20% y/y** driven by sales mix

### Strong capital position

- Organic capital generation<sup>1,7</sup> of \$350 million, net of dividends, driven by underlying net income and new business CSM
- SLF LICAT of 152%, in-line with the prior quarter, reflecting organic capital generation offset by market impacts and share buybacks
- Low financial leverage ratio of 20.1%; \$1.4 billion in holdco cash<sup>1,8</sup>

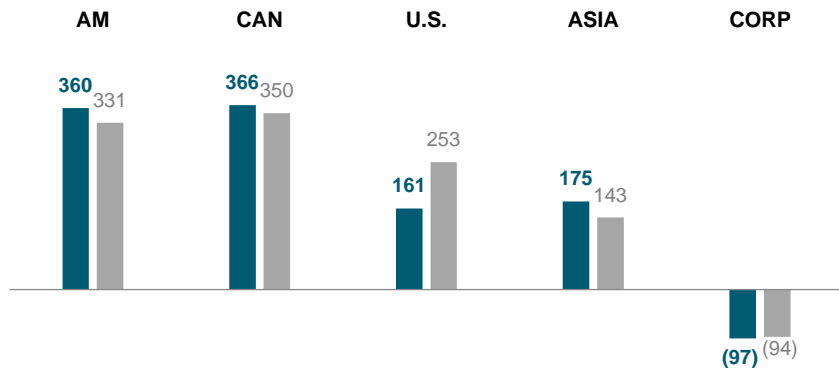
<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

Footnotes 2-8: Refer to slide 34.

# Q4 2024 results

## Underlying net income<sup>1</sup> (\$ millions)

Impact of currency translation increased underlying net income by **\$16M**<sup>2</sup>



■ Q4'24 ■ Q4'23

### Year-over-year growth

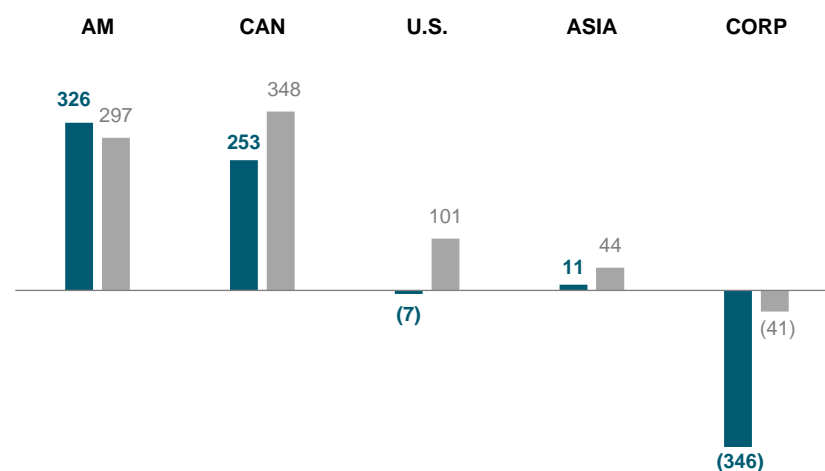
|     |     |       |      |      |       |        |       |       |
|-----|-----|-------|------|------|-------|--------|-------|-------|
| +9% | +5% | (38)% | +22% | +10% | (27)% | (107)% | (75)% | (346) |
|-----|-----|-------|------|------|-------|--------|-------|-------|

### Constant currency<sup>2</sup> year-over-year growth

|     |     |       |      |     |       |        |       |  |
|-----|-----|-------|------|-----|-------|--------|-------|--|
| +6% | +5% | (38)% | +20% | +7% | (27)% | (108)% | (89)% |  |
|-----|-----|-------|------|-----|-------|--------|-------|--|

## Reported net income (\$ millions)

Impact of currency translation increased reported net income by **\$17M**<sup>2</sup>



<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>2</sup> Percentage changes are reported on a constant currency basis, which excludes the impacts of foreign exchange translation.

# Asset Management: A global leader in both public and alternative asset classes through MFS and SLC Management

## Business Group Results (C\$)

| Profitability  | Q4'24 | Q4'23 | Change   |
|--|-------|-------|----------|
| Underlying net income <sup>1</sup> (\$ millions)           | 360   | 331   | +9%      |
| Reported net income (\$ millions)                          | 326   | 297   | +10%     |
| MFS pre-tax net operating margin <sup>1,2</sup> (%)        | 40.5  | 39.4  | +1.1 pp  |
| SLC pre-tax fee-related earnings margin <sup>1,3</sup> (%) | 23.0  | 24.2  | (1.2) pp |
| SLC pre-tax net operating margin <sup>1,3</sup> (%)        | 21.1  | 21.8  | (0.7) pp |

| Growth   | Q4'24  | Q4'23  | Change   |
|--|--------|--------|----------|
| Total assets under management <sup>1</sup> (\$ billions) | 1,121  | 1,016  | +10%     |
| MFS total AUM <sup>1</sup> (\$ billions)                 | 871    | 793    | +10%     |
| SLC total AUM <sup>1,4</sup> (\$ billions)               | 250    | 223    | +12%     |
| Total net flows <sup>1</sup> (\$ billions)               | (14.3) | (11.4) | (2.9) B  |
| MFS total net flows <sup>1</sup> (\$ billions)           | (28.5) | (15.3) | (13.2) B |
| SLC total net flows <sup>1</sup> (\$ billions)           | 14.1   | 3.9    | +10.3 B  |

<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A. Footnotes 2-4: Refer to slide 34.

## Q4 2024 strategic highlights

### MFS

- MFS continues to experience solid fixed income investment flows, generating **US\$1.5 billion in net inflows** in this asset class during Q4'24
- **Launched five active exchange traded funds**, continuing to expand the diverse range of investment products offered to Clients
- **Long-term retail fund performance** remains strong with **95% of fund assets ranked in the top half** of their respective Morningstar categories based on 10-year performance

### SLC Management

- **InfraRed Capital Partners closed its sixth flagship value-added infrastructure fund** during the fourth quarter with **over US\$1 billion** in capital commitments
- The SLC Management team won the **2024 Insurance Investor North American Award for Insurance Investment Strategy of the Year**





Focused on public equities and fixed income

Our purpose is to allocate capital responsibly and help investors achieve financial goals

**US\$606B**

**800+**

Assets under management<sup>1</sup>

Institutional Clients served

**9<sup>th</sup>** largest

**2,100+**

U.S. Retail Asset Manager

Employees

**RETAIL**

US\$426B AUM<sup>1</sup>

Distributed through financial advisors affiliated with brokerage houses, financial institutions, financial planning firms, defined contribution investment-only (DCIOs), RIAs, analyst teams and independent advisors

**Vehicles**

Domestic Mutual Funds, Non-U.S. Mutual Funds, Separately Managed Accounts (SMAs), and Variable Insurance Trusts

**Retail AUM by style<sup>1</sup>**

**Value:** 31% **Growth:** 33%  
**Core:** 14% **Other<sup>2</sup>:** 22%

**INSTITUTIONAL**

US\$180B AUM<sup>1</sup>

Partner with leading consultants to manage assets for public and corporate pension plans, DC retirement plans, insurance companies, sovereign wealth funds, endowments and foundations, and more

**Vehicles**

Commingled products, Separate accounts, and Sub-advised accounts

**TOTAL MFS**

US\$606B AUM<sup>1</sup>

MFS is a strong strategic and financial contributor to Sun Life and a top quartile asset manager in terms of operating margin<sup>3</sup>

We believe a fully integrated global research platform provides competitive advantages across our businesses

**MFS by the numbers**

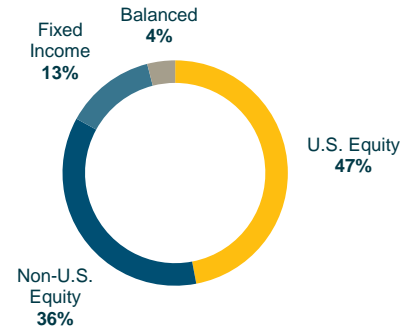
- 110** Fundamental research analysts
- 105** Portfolio managers
- 12** Quantitative research analysts
- 12** Analyst-managed strategies
- 8** Global sector teams

**MFS strategy**

**Continue to deliver superior investment performance while allocating capital responsibly for our Clients**

- Engage Clients to align with MFS to focus on longer investment horizons, leveraging our proven ability to deliver above benchmark performance through a market cycle
- Building out institutional fixed income products and sales capabilities and broadening non-U.S. retail initiatives
- MFS strives to maintain margins in the top quartile of active managers while providing long-term value to Clients

**Asset class mix<sup>1</sup>**



All numbers are as at December 31, 2024, unless otherwise noted. This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 35. <sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A. Footnotes 2-3: Refer to slide 34.



● ● ●  
**Focused on fixed income and real assets**

A diversified investment management firm that offers a range of yield-orientated asset classes designed to help our Clients meet their long-term financial obligations

**\$250B**  
 assets under management<sup>1,2,3</sup>

**1,400+**  
 Institutional Clients served

**\$1,238M**  
 LTM Fee-Related Revenue<sup>1</sup>

**750+**  
 Investment professionals

All numbers are as at December 31, 2024, unless otherwise noted. This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 35. <sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A. Footnotes 2-3: Refer to slide 35.



**Real Estate**  
**\$93B AUM<sup>1,2</sup>**

Seeks to help investors and stakeholders realize value from the world's premier real estate markets.

**Strategies**  
 Global Real Estate, Equity (Core, Core Plus, Value Add), and Real Estate Debt



**IG Credit**  
**\$73B AUM<sup>1,2</sup>**

Invests across spectrum of investment grade public and private fixed income for pension plans and insurance companies

**Strategies**  
 Investment Grade Private and Public Fixed Income, Liability-driven Investing ("LDI"), Insurance Asset Management



**Alternative Credit**  
**\$63B AUM<sup>1,2</sup>**

Seeks investments in high-quality companies across a diverse range of industries

**Strategies**  
 Direct Lending, High Yield, Mezzanine, Bank Loans/Collateralized Loan Obligations ("CLOs"), and Special Credit Opportunities



**Infrastructure**  
**\$18B AUM<sup>1,2</sup>**

230+ infrastructure investments under management<sup>4</sup>

**Strategies**  
 Infrastructure, Equity (Core, Value Add, Renewables)



**Distribution**  
**\$3B AUM<sup>1,2,3</sup>**

One of the largest independent investment solutions platforms in the U.S. with a full-service team and broad relationship network

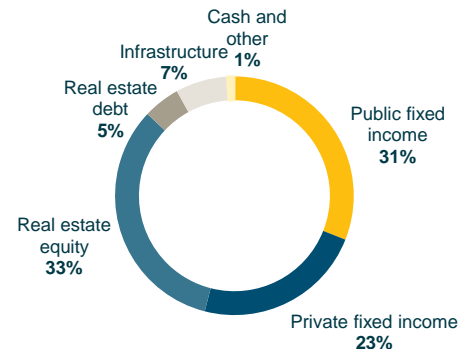
**Strategies**  
 Mutual Funds, managed Accounts, ETFs, UITs, with a focus on High-Net-Worth Clients

## SLC Management strategy

**Help investors meet their investment objectives by offering a broad suite of alternative asset classes and fixed income strategies**

- Deliver superior investment performance, expand and deepen our distribution relationships and build out products
- Offer our Clients a compelling suite of investment capabilities to meet their needs, including:
  - leading public and private fixed income capabilities, spanning both investment grade and alternative credit
  - global real estate expertise across both equity and debt investments, and global infrastructure capabilities

## Asset class mix<sup>1,2,3</sup>



# Canada: A leader in health, wealth, and insurance

## Business Group Results

| Profitability   | Q4'24 | Q4'23 | Change   |
|---|-------|-------|----------|
| Wealth & asset management (\$ millions)                             | 101   | 92    | +10%     |
| Group - Health & Protection (\$ millions)                           | 153   | 159   | (4)%     |
| Individual - Protection (\$ millions)                               | 112   | 99    | +13%     |
| Underlying net income <sup>1</sup> (\$ millions)                    | 366   | 350   | +5%      |
| Reported net income (\$ millions)                                   | 253   | 348   | (27)%    |
| Underlying ROE <sup>1</sup> (%)                                     | 23.0  | 21.9  | +1.1 pp  |
| Reported ROE <sup>1</sup> (%)                                       | 15.9  | 21.8  | (5.9) pp |
| Growth  | Q4'24 | Q4'23 | Change   |
| Net wealth sales & AM net flows <sup>1</sup> (\$ millions)          | 101   | 996   | (895) M  |
| Wealth & asset management AUM <sup>1,2</sup> (\$ billions)          | 189   | 167   | +13%     |
| Group - Health & Protection sales <sup>1</sup> (\$ millions)        | 88    | 174   | (49)%    |
| Group - Health & Protection net premiums <sup>1</sup> (\$ millions) | 1,800 | 1,644 | +9%      |
| Group - Health & Protection fee income (\$ millions)                | 131   | 100   | +31%     |
| Individual - Protection sales <sup>1</sup> (\$ millions)            | 142   | 171   | (17)%    |

## Q4 2024 strategic highlights

- Launched the **Designed for Health Report**, which focuses on chronic disease in the workplace and offers new insights and strategies to support employee health
- Also in November, we launched a **three-year partnership with Tribal Wi-Chi-Way-Win Capital Corporation (“TWCC”)**<sup>3</sup> to provide **Contact Centre services for the Canadian Dental Care Plan**. This partnership will double the size of TWCC's Contact Centre, bringing new employment opportunities to Manitoba

<sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>2</sup> Wealth AUM includes General fund assets, Segregated fund assets and Third-party AUM, excluding Third-party mutual funds assets.

<sup>3</sup> Tribal Wi-Chi-Way-Win Capital Corporation is 100% Indigenous owned by Five Manitoba Tribal Councils and several Independent Manitoba First Nations.



Help Canadians achieve lifetime financial security and live healthier lives

A leader in health, wealth, and protection in Canada

\$1,453M

FY24 Underlying net income<sup>1</sup>

12M+

Canadians served<sup>2</sup>

160 years

Experience in Canada

2,500+

Career Advisor Network professionals

All numbers are as at December 31, 2024, unless otherwise noted. This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 35. <sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A. Footnotes 2-8: Refer to slide 35.

## Group Retirement Services (GRS)

\$156B AUM<sup>1,3</sup>  
~1M Canadians<sup>2</sup>

**Market Position:** 1<sup>st</sup> in GRS<sup>5</sup>

### GRS

Retirement & saving solutions and related admin services for employers & their employees

### Defined Benefit Solutions (DBS)

Customized de-risking solutions for employers who offer defined benefit plans

## Individual Wealth

\$33B AUM<sup>1,3</sup>  
~0.7M Canadians<sup>2</sup>

**Market Position:** 4<sup>th</sup> in Individual Wealth Fixed and Seg Fund<sup>6</sup>

### Manufacturing

Wealth & insurance-based wealth solutions, (e.g., mutual & seg funds) including SLGI<sup>4</sup>

### Retail Distribution

Distribute solutions through our proprietary advisory network (SLFD), *Prospr* by Sun Life, and third-party channels

## Individual Insurance

\$6.3B Net premiums<sup>1,4</sup>  
~2M Canadians<sup>2</sup>

**Market Position:** 1<sup>st</sup> in Individual Insurance<sup>7</sup>

### Manufacturing

Life & health protection solutions (e.g., Critical illness, Term)

## Sun Life Health

\$7.1B Net premiums<sup>1,4</sup>  
~10M Canadians<sup>2</sup>

**Market Position:** 2<sup>nd</sup> in Group Benefits<sup>8</sup>

### Group Benefits (GB)

Health & protection solutions and related admin services for employers & their employees

### Health

Employer market adjacent health solutions (e.g., Virtual Care) and unique digital health experiences (e.g., Lumino provider search)

## Sun Life Canada strategy

**Advance our One Sun Client strategy** to serve more of our Clients' needs through holistic and tailored advice and solutions

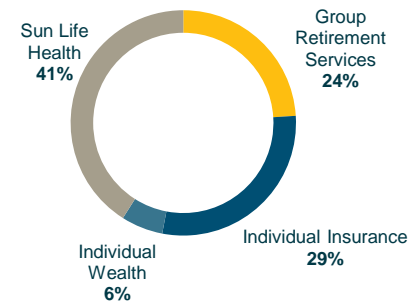
**Accelerate wealth and asset management** to deepen and expand our presence in wealth

**Be a trusted health partner** focused on access, affordability, and empowerment by helping Canadians live healthier lives

**Evolve distribution** to serve the holistic health, wealth, and protection needs of Canadians and deliver even more impact

**Sustain financial discipline** through continued focus on business performance, optimizing capital and risk, and aligning resources to growth opportunities

## FY24 underlying net income by business<sup>1</sup>



# U.S.: A leader in health and benefits

## Business Group Results (US\$)

| Profitability                                      | Q4'24 | Q4'23 | Change   |
|--|-------|-------|----------|
| Group - Health & Protection (\$ millions)          | 82    | 153   | (46)%    |
| Individual - Protection <sup>1</sup> (\$ millions) | 33    | 34    | (3)%     |
| Underlying net income <sup>2</sup> (\$ millions)   | 115   | 187   | (39)%    |
| Reported net income (\$ millions)                  | (1)   | 77    | (101)%   |
| Underlying ROE <sup>2</sup> (%)                    | 9.5   | 16.1  | (6.6) pp |
| Reported ROE <sup>2</sup> (%)                      | (0.1) | 6.7   | (6.8) pp |

| Growth  | Q4'24 | Q4'23 | Change |
|---|-------|-------|--------|
| Employee Benefits sales <sup>2</sup> (\$ millions)    | 203   | 246   | (17)%  |
| Medical Stop-Loss sales <sup>2</sup> (\$ millions)    | 561   | 572   | (2)%   |
| Dental sales <sup>2,3</sup> (\$ millions)             | 66    | 114   | (42)%  |
| Net premiums <sup>2</sup> – GB & Dental (\$ millions) | 1,993 | 1,915 | +4%    |
| Fee Income – GB & Dental (\$ millions)                | 95    | 92    | +3%    |

## Q4 2024 strategic highlights

- In Employee Benefits, we expanded our Healthcare Professional long-term disability coverage** to provide more income protection and return-to-work support for non-physician healthcare providers. Offering competitive benefits has become a powerful tool for healthcare organizations to recruit and retain talent, while helping to mitigate the provider shortages across the U.S. healthcare system

<sup>1</sup> Effective Q3 2023, the run-off reinsurance business was moved from the Corporate business segment to the U.S. business segment.

<sup>2</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>3</sup> Effective Q4 2023, prior period amounts related to sales in the U.S. Dental segment have been restated to reflect new information.



Helping Clients access the health care and coverage they need

One of the largest providers of employee and government benefits in the U.S. with a broad range of group products, dental care and health care navigation services

**US\$566M** **~50M+**

FY24 Underlying net income<sup>1</sup>

Members served

**100+** years

Group Benefits experience in the U.S.

**6,400+**

Sun Life U.S. employees<sup>2</sup>

### Dental

**US\$3.1B** Revenues<sup>1,3</sup>  
~35M Members

**Largest Dental benefits provider in the U.S.<sup>4</sup>**

Expand leadership in government programs, grow in commercial markets, expand care delivery

**Target clients**

Medicaid, Medicare Advantage, ACA, employers, their employees, health plans

**Products**

Dental, Vision, Care Delivery

### Health

**US\$2.7B** Revenues<sup>1,3</sup>  
~8M Members

**Largest independent Stop-Loss provider in the U.S.<sup>5</sup>**

Build on industry-leading capabilities and margins with differentiated offerings that improve healthcare access

**Target clients**

Employers, their employees, TPAs, captive managers, health plans

**Products**

Stop-Loss (direct and through captives), Care Navigation, Health Solutions

### Group

**US\$2.4B** Revenues<sup>1,3</sup>  
~9M Members

**Top ten U.S. Group Life and Disability provider<sup>6</sup>**

Focus on health and productivity, connectivity to the digital ecosystem, and help Clients get the coverage they need

**Target clients**

Small, middle and large employers and their employees, insurance companies, health plans, TPAs

**Products**

Life, Disability, Absence, Supplemental Health

### Individual

**US\$15.7B** AUM<sup>1</sup>  
~0.2M Members

**Closed blocks of individual and annuity business with sizable and stable earnings**

Enhance earnings contribution while providing excellent service for Clients

**Target clients**

Individuals

**Products**

U.S. Individual Life Insurance, U.K. Annuities, Run-off Reinsurance (closed to new sales)

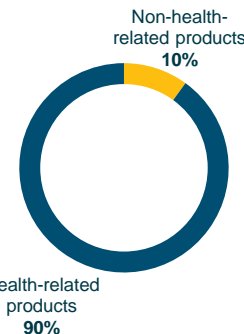
## Sun Life U.S. strategy

Helping Clients access the health care and coverage they need by extending our leadership position in medical stop-loss, leveraging DentaQuest's scale and expertise, focusing on health and productivity, and driving growth in FullscopeRMS

Making health and benefits easier through digital solutions by integrating with other health and benefits platforms, driving digital expansion and leveraging digital tools

Helping In-Force Management policy-owners achieve lifetime financial security, while effectively managing our operations by providing excellent service, implementing opportunities to improve profitability, and managing risk and capital

## FY24 health-focused business mix (US\$)<sup>4,7</sup>



All numbers are as at December 31, 2024, unless otherwise noted. This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 35. <sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in our 2024 Annual MD&A. Footnotes 2-7: Refer to slide 35.



# Asia: A regional leader focused on fast-growing markets

## Business Group Results

| Profitability                                    | Q4'24 | Q4'23 | Change   | CC <sup>1</sup> |
|--|-------|-------|----------|-----------------|
| Individual - Protection (\$ millions)            | 179   | 138   | +30%     | +26%            |
| Wealth & asset management (\$ millions)          | 25    | 16    | +56%     | +59%            |
| Regional Office expenses and other (\$ millions) | (29)  | (11)  | (164)%   | (157)%          |
| Underlying net income <sup>2</sup> (\$ millions) | 175   | 143   | +22%     | +20%            |
| Reported net income (\$ millions)                | 11    | 44    | (75)%    | (89)%           |
| Underlying ROE <sup>2</sup> (%)                  | 12.6  | 10.5  | +2.1 pp  | n/a             |
| Reported ROE <sup>2</sup> (%)                    | 0.8   | 3.2   | (2.4) pp | n/a             |

| Growth  | Q4'24 | Q4'23 | Change | CC <sup>1</sup> |
|---|-------|-------|--------|-----------------|
| Net wealth sales & AM net flows <sup>2</sup> (\$ millions)      | 668   | 729   | (61) M | (74) M          |
| Wealth & asset management AUM <sup>2</sup> (\$ billions)        | 42    | 37    | +14%   | +5%             |
| Individual - Protection sales <sup>2</sup> (\$ millions)        | 601   | 536   | +12%   | +10%            |
| Total weighted premium income (TWPI) <sup>2</sup> (\$ millions) | 1,918 | 1,674 | +15%   | +12%            |
| New business CSM <sup>2,3</sup> (\$ millions)                   | 201   | 223   | (10)%  | (12)%           |

## Q4 2024 strategic highlights

- We are committed to helping our Clients achieve lifetime financial security through financial literacy initiatives across the region. **In Vietnam, we launched a series of financial literacy campaigns** to promote awareness of financial planning and insurance, and to empower individuals with financial knowledge, fostering a more optimistic and secure future for our Clients

<sup>1</sup> Percentage change is reported on a constant currency basis, which excludes the impacts of foreign exchange translation. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>2</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>3</sup> New business CSM represents growth from sales activity in the period, including individual protection sales (excluding joint ventures).



● ● ●  
A regional leader focused on fast-growing markets

Operates in eight markets to deliver value to over 30 million Clients by providing life, health and wealth management solutions through multiple distribution channels and manages our International High Net Worth insurance business

**\$701M**  
FY23 Underlying net income<sup>1</sup>

**30M+**  
Clients served

**132 years**  
Experience in Asia<sup>14</sup>

**92,000**  
Agents

**27**  
Bank partners<sup>14</sup>

**6**  
Joint Ventures

All numbers are as at December 31, 2024, unless otherwise noted. This slide contains forward-looking statements within the meaning of applicable securities laws. For more information, refer to "Forward-looking Statements" and "Risk Factors" on slide 35. <sup>1</sup> Represents a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures section in our 2024 Annual MD&A. Footnotes 2-14: Refer to slide 35.

## Philippines

**\$242M** ins. sales<sup>1,2</sup>

- 1<sup>st</sup> in total premiums<sup>1,3</sup> for 13 consecutive years
- 2<sup>nd</sup> in new business premiums<sup>4</sup>
- 2<sup>nd</sup> largest mutual fund provider based on AUM<sup>1,5</sup>

## Hong Kong

**\$1,425M** ins. sales<sup>1,2</sup>

- 3<sup>rd</sup> in MPF net inflows and 3<sup>rd</sup> based on AUM<sup>1,6</sup>
- 7<sup>th</sup> in insurance sales, with a market share of 6.2%<sup>1,7</sup>

## Vietnam

**\$66M** ins. sales<sup>1,2</sup>

- 9<sup>th</sup> in insurance sales and 5<sup>th</sup> in bancassurance sales<sup>1,8</sup>
- Up from 13<sup>th</sup> in insurance sales in Q4 2020, supported by partnerships with Asia Commercial Bank & TPBank

## Indonesia

**\$58M** ins. sales<sup>1,2</sup>

- 12<sup>th</sup> in insurance sales and 11<sup>th</sup> in bancassurance sales<sup>1,9</sup>
- Top 3 in Sharia among foreign multinationals<sup>9</sup>
- Overall market share of 2.6%<sup>1,9</sup>

## Malaysia

**\$74M** ins. sales<sup>1,2</sup>

- 7<sup>th</sup> in insurance sales<sup>1,10</sup>
- 3<sup>rd</sup> in BancaTakaful and 4<sup>th</sup> in banca sales, with a 10.1% bancassurance market share<sup>1,10</sup>

## India

**\$319M** ins. sales<sup>1,2</sup>

- 7<sup>th</sup> in Individual insurance, with an overall market share of 4.7%<sup>1,11</sup>
- 6<sup>th</sup> largest mutual fund provider based on AUM<sup>1,12</sup>

## China

**\$36M** ins. sales<sup>1,2</sup>

- 12<sup>th</sup> in insurance gross premiums among foreign multinationals<sup>1,13</sup>

## High Net Worth

**\$212M** ins. sales<sup>1,2</sup>

- A leader in Individual life insurance solutions for HNW clients outside the U.S. and Canada and in Asia
- Best in market financial strength (AA credit rating)

## Sun Life Asia strategy

**Deliver on bancassurance, sustainably grow agency, embed quality and optimize distribution mix** by building sustainable scale, collaborating with existing bancassurance partners, scaling agency and becoming the partner of choice for advisors

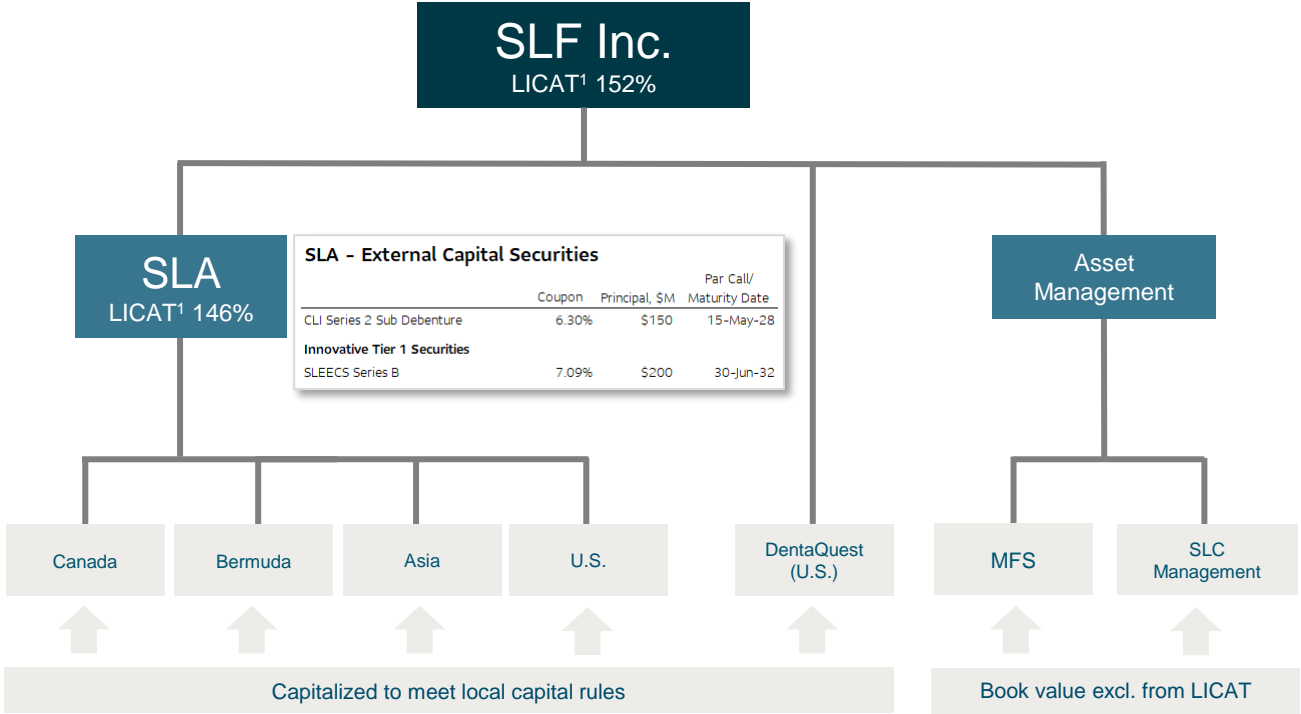
**Strengthen brand and differentiated Client value propositions to build and deepen Client, advisor, and employee relationships** by delivering digital excellence, building a distinctive and trusted brand, providing quality advice and offering relevant solutions, and becoming a partner in our Clients' health journeys

**Transform Client and advisor experience, capture efficiencies, retain and gain Clients and scale markets** by digitizing our business, increasing engagement of prospective and existing Clients, empowering advisors and delivering digital innovation for our business units



- Business overview
- Strategic overview
- Business group results & highlights
- **Capital management**
- Asset portfolio

# 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 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     |
| SLF Series 2022-1  | 4.78%    | \$650          | 10-Aug-29     |
| SLF Series 2023-1 Sustainability Bond                                | 5.50%    | \$500          | 4-Jul-30      |
| SLF Series 2024-1 Sustainability Bond                                | 5.12%    | \$750          | 15-May-31     |
| <b>Preferred Shareholders' Equity &amp; Other Equity Instruments</b> |          |                |               |
| 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  | 2.97%    | \$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     |

All information as at December 31, 2024; all dollar amounts are in C\$, unless otherwise stated.  
<sup>1</sup> Life Insurance Capital Adequacy Test ("LICAT") ratio; our LICAT ratios are calculated in accordance with the OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

# Capital strength & flexibility

- Target minimum cash and other liquid assets at the holding company of \$500 million<sup>1,2,3</sup>

| Q4'24 Capital metrics                 | SLF Inc. |
|---------------------------------------|----------|
| LICAT <sup>4</sup>                    | 152%     |
| Financial leverage ratio <sup>1</sup> | 20.1%    |
| SLF Inc. holdco cash <sup>1,3</sup>   | \$1.4B   |

## Sun Life Assurance Company of Canada Financial Strength Ratings

|           |     |
|-----------|-----|
| A.M. Best | A+  |
| DBRS      | AA  |
| Moody's   | Aa3 |
| S&P       | AA  |

| Q4'24 Capital<br>(\$ millions)   |               |
|--|---------------|
| Subordinated debt <sup>5</sup>   | 6,179         |
| Innovative capital instruments (SLEECs) <sup>6</sup>                     | 200           |
| Preferred shareholders' equity and other equity instruments <sup>6</sup> | 2,239         |
|  | <b>8,618</b>  |
| Equity   |               |
| Common shareholders' equity <sup>6</sup>                                 | 23,318        |
| Equity in the participating account <sup>6</sup>                         | 496           |
| Non-controlling interests' equity <sup>6</sup>                           | 76            |
|  | <b>23,890</b> |
| <b>Contractual Service Margin (after-tax)<sup>6</sup></b>                | <b>10,341</b> |
| <b>Total capital (for financial leverage)</b>                            | <b>42,849</b> |
| <b>Financial leverage ratio<sup>1,2</sup></b>                            | <b>20.1%</b>  |

## Deployment opportunities

- Organic investments
- Common shareholder dividend
- Mergers & acquisitions
- Share buybacks
- Debt redemption

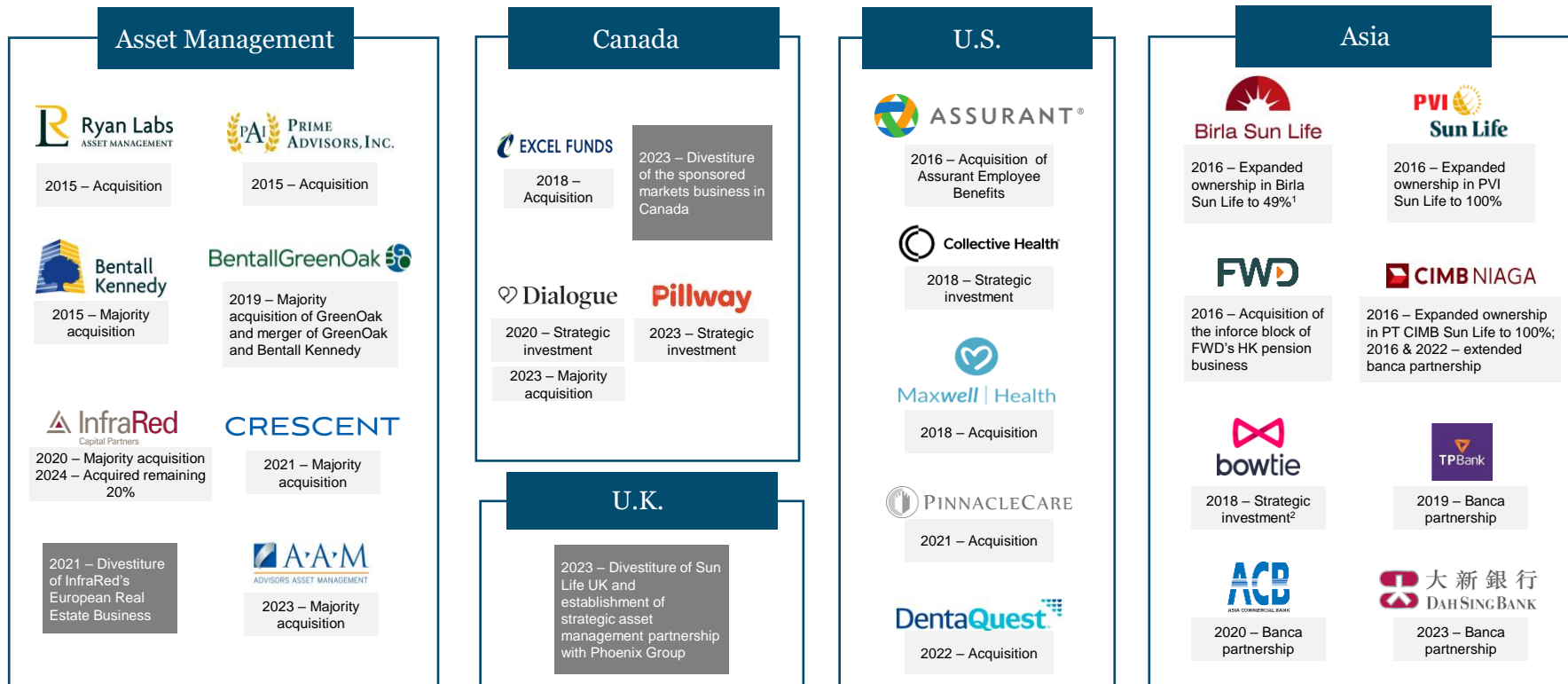
<sup>1</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in the appendix to these slides and in our 2024 Annual MD&A.

<sup>2</sup> See "Forward-Looking Statements" and "Risk Factors" on slide 35 of this document.

Footnotes 3-6: Refer to slide 36.

# M&A activity reflects strategic priorities

- Activity over last ten years promotes growth in Asia and Asset Management and builds out group benefits/dental capabilities in the U.S.



<sup>1</sup> Aditya Birla Sun Life AMC Limited (ABSLAMC) and Aditya Birla Life Insurance. Sun Life subsequently sold 12.5% and 6.5% of our ABSLAMC ownership in 2021 and 2024, respectively, to meet regulatory obligations.

<sup>2</sup> Increased our strategic investment in Bowtie Life Insurance Company Limited in 2021 and 2023.



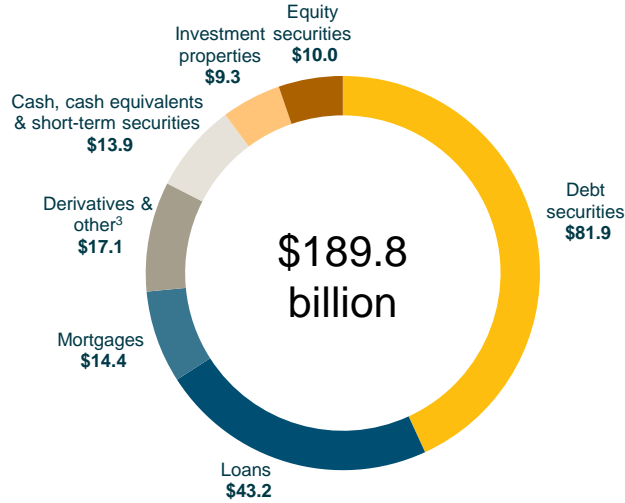


- Business overview
- Strategic overview
- Business group results & highlights
- Capital management
- **Asset portfolio**

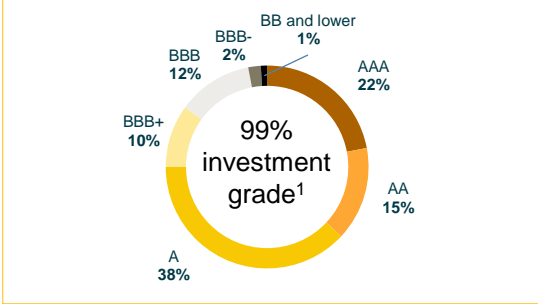
# High quality, well-diversified investment portfolio

- 74% of the portfolio is fixed income; 98% of fixed income rated investment grade<sup>1</sup>
- Only 5% of fixed income rated BBB-; skewed BBBs to private loans with collateral and covenant protection
- 25% of commercial mortgage loan portfolio is CMHC-insured; our uninsured commercial mortgage portfolio has strong metrics with LTV<sup>2</sup> of 54% and DSCR<sup>2</sup> of 1.77
- Repositioned real estate debt and equity portfolios to reduce exposure to underperforming property sectors and locations

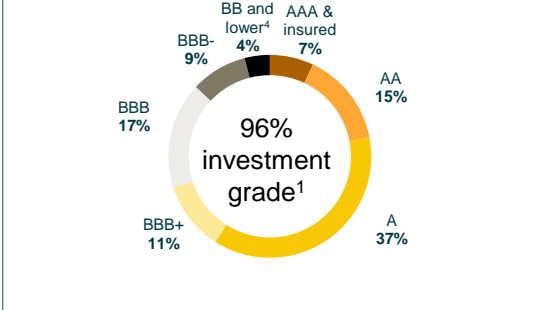
**Investment profile**  
As of December 31, 2024



**Debt securities by credit rating**  
As of December 31, 2024



**Mortgages & loans by credit rating**  
As of December 31, 2024



<sup>1</sup> BBB- and higher.  
Footnotes 2-4: Refer to slide 36.

# Mortgages and investment property exposures

## Mortgages by type and geography<sup>1</sup> As of December 31, 2024

| (\$millions)        | Office       | Industrial   | Retail       | Multi-family residential | Other        | Total         | % of Total  |
|---------------------|--------------|--------------|--------------|--------------------------|--------------|---------------|-------------|
| Canada <sup>2</sup> | 1,385        | 2,369        | 1,398        | 3,451                    | 799          | <b>9,402</b>  | <b>66%</b>  |
| U.S.                | 1,248        | 1,314        | 1,169        | 1,048                    | 49           | <b>4,828</b>  | <b>33%</b>  |
| Europe              | -            | -            | -            | -                        | 208          | <b>208</b>    | <b>1%</b>   |
| <b>Total</b>        | <b>2,633</b> | <b>3,683</b> | <b>2,567</b> | <b>4,499</b>             | <b>1,056</b> | <b>14,438</b> | <b>100%</b> |

### Mortgages:

- 39% of Canadian portfolio is CMHC-insured
- Well distributed maturity profile
- Portfolio is high quality with an average credit rating of A

## Investment Properties As of December 31, 2024

| (\$millions) | Office       | Industrial   | Retail       | Multi-family residential | Other      | Total        | % of Total  |
|--------------|--------------|--------------|--------------|--------------------------|------------|--------------|-------------|
| Canada       | 1,476        | 3,496        | 933          | 1,469                    | 448        | <b>7,822</b> | <b>84%</b>  |
| U.S.         | 347          | 965          | 118          | 36                       | 2          | <b>1,468</b> | <b>16%</b>  |
| Europe       | -            | -            | -            | -                        | -          | -            | -           |
| <b>Total</b> | <b>1,823</b> | <b>4,461</b> | <b>1,051</b> | <b>1,505</b>             | <b>450</b> | <b>9,290</b> | <b>100%</b> |

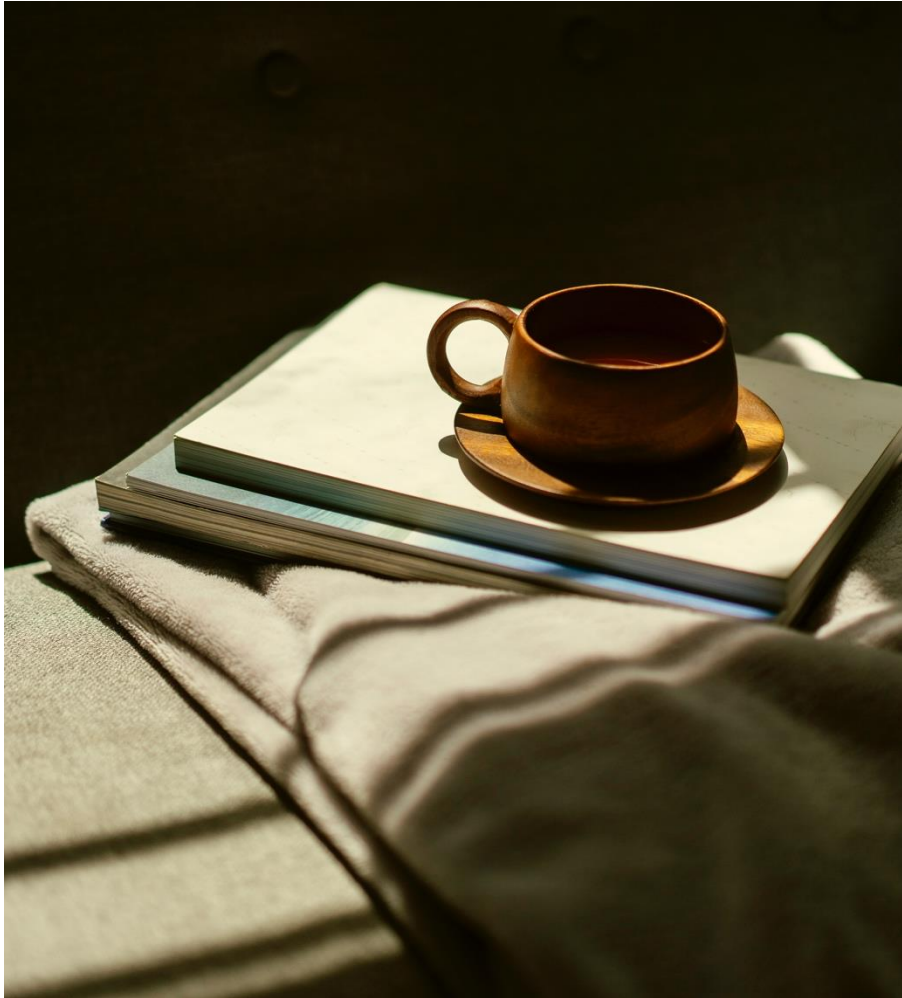
<sup>1</sup> Excludes real estate debt securities and private loans.  
Footnotes 2-3: Refer to slide 36.

## Mortgages by type and rating<sup>1,3</sup> As of December 31, 2024

| (\$millions) | Office       | Industrial   | Retail       | Multi-family residential | Other        | Total         |
|--------------|--------------|--------------|--------------|--------------------------|--------------|---------------|
| Insured      | -            | -            | -            | 3,205                    | 425          | <b>3,630</b>  |
| AAA          | -            | -            | -            | -                        | -            | -             |
| AA           | 169          | 1,322        | 563          | 119                      | 45           | <b>2,229</b>  |
| A            | 969          | 2,044        | 1,489        | 447                      | 58           | <b>5,007</b>  |
| BBB          | 1,178        | 295          | 489          | 682                      | 440          | <b>3,084</b>  |
| BB & below   | 305          | 12           | 14           | 46                       | 87           | <b>464</b>    |
| Impaired     | 12           | -            | 12           | -                        | -            | <b>24</b>     |
| <b>Total</b> | <b>2,633</b> | <b>3,683</b> | <b>2,567</b> | <b>4,499</b>             | <b>1,056</b> | <b>14,438</b> |

### Investment Properties:

- Portfolio reflects multi-year repositioning out of challenged sectors
- Repositioned portfolio into core urban locations
- Portfolio is high quality and well-diversified



## Appendix

---

# Market sensitivities

## Change in Private and Public Equity Markets<sup>1,2,3</sup>

| <b>As at December 31, 2024</b><br>(\$millions, unless otherwise noted) | <b>25% decrease</b>        | <b>10% decrease</b>        | <b>10% increase</b>        | <b>25% increase</b>        |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Potential impact on net income (after-tax)                             | <b>(550)</b>               | <b>(225)</b>               | <b>225</b>                 | <b>575</b>                 |
| Potential impact on CSM (pre-tax)                                      | <b>(775)</b>               | <b>(300)</b>               | <b>275</b>                 | <b>660</b>                 |
| Potential impact on LICAT ratio <sup>4</sup>                           | <b>2.0% point decrease</b> | <b>0.5% point decrease</b> | <b>0.5% point increase</b> | <b>1.0% point increase</b> |
| <b>As at December 31, 2023</b><br>(\$millions, unless otherwise noted) | <b>25% decrease</b>        | <b>10% decrease</b>        | <b>10% increase</b>        | <b>25% increase</b>        |
| Potential impact on net income (after-tax)                             | (400)                      | (175)                      | 175                        | 425                        |
| Potential impact on CSM (pre-tax)                                      | (625)                      | (250)                      | 250                        | 600                        |
| Potential impact on LICAT ratio <sup>4</sup>                           | 3.0% point decrease        | 1.0% point decrease        | 1.0% point increase        | 2.5% point increase        |

## Change in Interest Rates<sup>2,3,5</sup>

|  | <b>As at December 31, 2024</b> |                                | As at December 31, 2023 |                         |
|--|--------------------------------|--------------------------------|-------------------------|-------------------------|
| (\$millions, unless otherwise noted)         | <b>50 basis point decrease</b> | <b>50 basis point increase</b> | 50 basis point decrease | 50 basis point increase |
| Potential impact on net income (after-tax)   | <b>(50)</b>                    | <b>25</b>                      | (25)                    | 50                      |
| Potential impact on CSM (pre-tax)            | <b>150</b>                     | <b>(150)</b>                   | 75                      | (75)                    |
| Potential impact on OCI <sup>6</sup>         | <b>200</b>                     | <b>(200)</b>                   | 200                     | (200)                   |
| Potential impact on LICAT ratio <sup>7</sup> | <b>2.5% point increase</b>     | <b>2.0% point decrease</b>     | 1.5% point increase     | 1.5% point decrease     |

## Change in Credit Spreads<sup>3,8</sup>

|  | <b>As at December 31, 2024</b> |                                | As at December 31, 2023 |                         |
|--|--------------------------------|--------------------------------|-------------------------|-------------------------|
| (\$millions, unless otherwise noted)         | <b>50 basis point decrease</b> | <b>50 basis point increase</b> | 50 basis point decrease | 50 basis point increase |
| Potential impact on net income (after-tax)   | <b>75</b>                      | <b>(50)</b>                    | 50                      | (50)                    |
| Potential impact on CSM (pre-tax)            | <b>125</b>                     | <b>(125)</b>                   | 75                      | (25)                    |
| Potential impact on OCI <sup>6</sup>         | <b>200</b>                     | <b>(200)</b>                   | 200                     | (175)                   |
| Potential impact on LICAT ratio <sup>7</sup> | <b>2.0% point increase</b>     | <b>2.0% point decrease</b>     | 1.0% point increase     | 1.0% point decrease     |

## Change in Swap Spreads<sup>3,9</sup>

| (\$millions, unless otherwise noted)       | <b>20 basis point decrease</b> | <b>20 basis point increase</b> | 20 basis point decrease | 20 basis point increase |
|--|--------------------------------|--------------------------------|-------------------------|-------------------------|
| Potential impact on net income (after-tax) | <b>(25)</b>                    | <b>25</b>                      | (25)                    | 25                      |

## Change in Real Estate Values<sup>3</sup>

| (\$millions, unless otherwise noted)       | <b>10% decrease</b> | <b>10% increase</b> | 10% decrease | 10% increase |
|--|---------------------|---------------------|--------------|--------------|
| Potential impact on net income (after-tax) | <b>(450)</b>        | <b>450</b>          | (475)        | 475          |
| Potential impact on CSM (pre-tax)          | <b>(100)</b>        | <b>100</b>          | (100)        | 100          |

to Sun Life Financial Inc. ("SLF" or "SLF Inc."), its subsidiaries and, where applicable, its joint ventures and associates are collectively referred to as "we", "us", "our", "Sun Life" and the "Company". Reported net income (loss) refers to Common shareholders' net income (loss) determined in accordance with IFRS.

### 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, plans, targets, goals and priorities; (ii) relating to our growth initiatives and other business objectives; (iii) set out in our 2024 Annual MD&A under the heading K - Risk Management - Market Risk Sensitivities - Interest Rate Sensitivities; (iv) that are predictive in nature or that depend upon or refer to future events or conditions; and (v) 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.

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 matters set out in our 2024 Annual MD&A under the headings D - Profitability - 5 - Income taxes, G - Financial Strength and K - Risk Management and in SLF Inc.'s 2024 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.sedarplus.ca](http://www.sedarplus.ca) and [www.sec.gov](http://www.sec.gov), respectively.

### Medium-Term Financial Objectives

The Company's medium-term financial objectives are forward-looking non-IFRS financial measures. Our ability to achieve those objectives is dependent on our success in achieving growth initiatives and business objectives and on certain key assumptions that include: (i) no significant changes in the level of interest rates; (ii) average total return on real estate and equity investments of approximately 8% per annum; (iii) credit experience in line with expectations; (iv) no significant changes in the level of our regulatory capital requirements; (v) no significant changes to our effective tax rate; (vi) no significant increase in the number of shares outstanding; and (vii) other key assumptions include: no material changes to our hedging program, hedging costs that are consistent with our expectations, no material assumption changes and no material accounting standard changes. Our underlying ROE is dependent upon capital levels and options for deployment of excess capital. Our medium-term financial objectives do not reflect the indirect effects of interest rate and equity market movements including the potential impacts on goodwill or the current valuation allowance on deferred tax assets as well as other items that may be non-operational in nature.

Our target dividend payout ratio of 40%-50% of our underlying net income assumes that economic conditions and our results will enable us to maintain our payout ratio in the target range, while maintaining a strong capital position. The declaration, amount and payment of dividends is subject to the approval of the Company's Board of Directors and our compliance with the capital requirements in the *Insurance Companies Act* (Canada). Additional information on dividends is provided in the section J - Capital and Liquidity Management - 3 - Shareholder Dividends in the 2024 Annual MD&A.

Although considered reasonable by the Company, we may not be able to achieve our medium-term financial objectives as the assumptions on which these objectives were based may prove to be inaccurate. Accordingly, our actual results could differ materially from our medium-term financial objectives as described in this presentation. Our medium-term financial objectives do not constitute guidance.

### 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. 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; fluctuations in foreign currency exchange rates; and inflation; **insurance risks** - related to mortality experience, morbidity experience and longevity; policyholder behaviour; 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 geopolitical 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; shifts in investing trends and Client preference towards products that differ from our investment products and strategies; changes in the legal or regulatory environment, including capital requirements and tax laws; environmental and social issues and their related 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** - changes to accounting standards in the jurisdictions in which we operate; risks associated with 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 judgments used in calculating taxes.

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.

### Drivers of earnings

Certain 2023 results in the Drivers of Earnings and Contractual Service Margin ("CSM") Movement Analysis were refined to more accurately reflect how the business is managed.

### Currency

All amounts are in Canadian dollars unless otherwise noted.

### Rounding

Amounts in this document are impacted by rounding.

### **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 2024 Annual MD&A and the Supplementary Financial Information package on [www.sunlife.com](http://www.sunlife.com) under Investors - Financial results and reports.

### **Non-IFRS Financial Measures**

Underlying net income is a non-IFRS financial measure that assists in understanding Sun Life's business performance by making certain adjustments to IFRS income. Underlying net income, along with common shareholders' net income (Reported net income), is used as a basis for management planning, and is also a key measure in our employee incentive compensation programs. This measure reflects management's view of the underlying business performance of the company and long-term earnings potential. For example, due to the longer term nature of our individual protection businesses, market movements related to interest rates, equity markets and investment properties can have a significant impact on reported net income in the reporting period. However, these impacts are not necessarily realized, and may never be realized, if markets move in the opposite direction in subsequent periods or in the case of interest rates, the fixed income investment is held to maturity.

Underlying net income removes the impact of the following items from reported net income:

- i. Market-related impacts reflecting the after-tax difference in actual versus expected market movements,
- ii. ACMA – captures the impact of method and assumption changes, and management actions on insurance and reinsurance contracts, and
- iii. and Other adjustments (Management's ownership of MFS shares, Acquisition, integration, and restructuring, Intangible asset amortization, and Other).

Additional detail on these adjustments is provided in section M - Non-IFRS Financial Measures of our 2024 Annual MD&A.

All factors discussed in this document that impact our underlying net income are also applicable to reported net income. All EPS measures in this presentation 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: after-tax profit margin for U.S. Group Benefits, assets under administration (in SLC Management), assets under management ("AUM"), AUM not yet earning fees, capital raising, cash and other liquid assets, measures based on a currency adjusted basis, CSM movement analysis (organic CSM movement, impact of new insurance business on CSM, expected movements from asset returns & locked-in rates, impact of markets & other, insurance experience gains/losses, impact of change in assumptions, CSM market sensitivities), deployment, drivers of earnings, earnings on surplus, experience-related items attributable to reported net income and underlying net income, fee-earning AUM, fee-related earnings and operating income, financial leverage ratio, impacts of foreign exchange translation, LICAT market sensitivities, organic capital generation, pre-tax fee-related earnings margin, pre-tax net operating margin, return on equity, sales and flows, third-party AUM, total weighted premium income ("TWPI"), underlying dividend payout ratio, underlying EPS (diluted), 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.

## Footnotes

### From slide 3

<sup>2</sup> Business Mix based on underlying net income, excluding Corporate expenses and other. Wealth & asset management includes MFS Investment Management, SLC Management, Canada Individual Wealth, Group Retirement Services, Asia Wealth & asset management. Group – Health & Protection includes Canada Sun Life Health, U.S. Group Benefits (Employee Benefits and Health and Risk Solutions) and U.S. Dental. Individual – Protection includes Canada Individual Insurance, U.S. In-force Management and Asia Individual – Protection.

<sup>3</sup> As of December 31, 2024.

<sup>4</sup> Rounded to the nearest million.

<sup>5</sup> Rounded to the nearest hundred. Represents full-time equivalent employees, temporary employees and employees in Asia joint ventures.

<sup>6</sup> Rounded to the nearest hundred.

<sup>7</sup> C\$ as at December 31, 2024.

### From slide 8

<sup>4</sup> 2022 results have been restated for the adoption of IFRS 17 and the related IFRS 9 classification overlay (“the new standards”). The restated results may not be fully representative of our future earnings profile, as we were not managing our asset and liability portfolios under the new standards. The majority of the actions taken to re-balance asset portfolios and transition asset-liability management execution to an IFRS 17 basis occurred in Q1’23. Accordingly, analysis based on 2022 comparative results may not necessarily be indicative of future trends, and should be interpreted with this context.

<sup>5</sup> Underlying EPS growth is calculated using a two-year compound annual growth rate. Underlying ROE and dividend payout ratio are calculated using a three-year average of 2022-2024.

<sup>6</sup> Source: Bloomberg. Peer Groups: 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, China Pacific Insurance Company 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. Traditional Asset Managers – T Rowe Price, Franklin Resources, AllianceBernstein, Ameriprise Financial, BlackRock, Janus Henderson, and Invesco. Canadian Banks – RBC, TD, Scotiabank, BMO, CIBC, and National Bank.

### From slide 12

<sup>2</sup> All EPS measures refer to fully diluted EPS, unless otherwise stated.

<sup>3</sup> Tangible underlying ROE is calculated as underlying net income (loss) per share divided by the weighted average tangible book value per share. The quarterly ROE is annualized. Refer to the definition of Tangible book value per share in the Additional Non-IFRS Financial Measures Glossary of our Supplementary Financial Information for the period ended December 31, 2024.

<sup>4</sup> Impact of new insurance business on CSM, also referred to as “new business CSM”, represents growth from sales activity in the period, including individual protection sales (excluding joint ventures), and defined benefit solutions and segregated fund wealth sales in Canada.

<sup>5</sup> LICAT ratio of Sun Life Financial Incorporated and of Sun Life Assurance Company of Canada (“SLA”). Our LICAT ratios are calculated in accordance with the OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

<sup>6</sup> SLA is SLF Inc.'s principal operating life insurance subsidiary.

<sup>7</sup> Organic capital generation measures the change in capital, net of dividends, above LICAT requirements excluding the impacts of markets and other non-recurring items.

<sup>8</sup> Cash and other liquid assets at SLF Inc. and its wholly owned holding companies.

### From slide 14

<sup>2</sup> MFS pre-tax gross operating margin was 36.5% in Q4 2024 and 35.2% in Q4 2023.

<sup>3</sup> Based on a trailing 12-month basis.

<sup>4</sup> Does not include the General Account. SLC total AUM including the General Account was \$409 billion at December 31, 2024.

### From slide 15

<sup>2</sup> Includes: Total Return, High Grade, Municipal, and Other.

<sup>3</sup> 2023 McKinsey Performance Lens Global Asset Management Survey, consisting of ~250 participants worldwide and representing more than 60% of Global AUM, ranks MFS pre-tax margin in the top 17<sup>th</sup> percentile.



## Footnotes continued

### From slide 16

<sup>2</sup> Does not include the General Account. SLC total AUM including the General Account was \$409 billion at December 31, 2024.

<sup>3</sup> This does not include the \$15.9B of assets under administration, distributed mostly by Advisors Asset Management Inc.

### From slide 18

<sup>2</sup> Total number of Clients served, including Dialogue, Canadian Dental Care Plan members and dependents.

<sup>3</sup> Total SLGI AUM is \$41.0 billion at December 31, 2024. A portion of SLGI AUM related to the GRS business is included in the Total GRS AUM.

<sup>4</sup> FY2024 net premiums, which include gross insurance and annuity premiums adjusted for unearned premiums, experience-rated refund premiums, premium taxes and associated ceded amounts.

<sup>5</sup> Based on total Capital Accumulation Plan assets for the year ended December 2023 from 2024 Fraser Pension Universe Report.

<sup>6</sup> Based on LIMRA data for Individual Wealth fixed and seg fund products as of third quarter 2024, on a year-to-date basis.

<sup>7</sup> LIMRA Market Share by premiums within individual life and health market as of third quarter 2024, on a year-to-date basis.

<sup>8</sup> Based on revenue for year-ended December 2023 from 2024 Fraser Group Report.

### From slide 20

<sup>2</sup> Includes associates in our partner dental practices.

<sup>3</sup> FY2024 revenues (net premiums +fees).

<sup>4</sup> Based on membership as of December 31, 2024, for plans provided or administered by a Sun Life company. Ranking compiled by Sun Life and based on data disclosed by competitors.

<sup>5</sup> Ranking compiled by Sun Life based on data contained in the 2023 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 also sell medical claim administration services.

<sup>6</sup> LIMRA 2023 Annual Sales & In-force Reports for Group Life & Disability. Long-term disability results exclude reserve buy outs. Group Term Life, long-term disability and short-term disability results exclude business sold through associations; includes BIF managed by Sun Life for insurance carrier partners.

<sup>7</sup> Based on revenue (net premiums + fee income) for 2024.

### From slide 22

<sup>2</sup> FY2024 Individual – Protection sales. These include the sales in the company's joint ventures and associates with local partners in Asia based on our proportionate equity interest.

<sup>3</sup> Insurance Commission of the Philippines, based on Q3 2024 year-to-date total premium income for Sun Life of Canada (Philippines).

<sup>4</sup> Insurance Commission of the Philippines, based on Q3 2024 year-to-date new business premiums for Sun Life of Canada (Philippines).

<sup>5</sup> Philippine Investment Funds Association, based on October 2024 ending assets under management.

<sup>6</sup> Mercer MPF Market Shares Report, Q3 2024.

<sup>7</sup> Insurance Authority of Hong Kong, Provisional Statistics on Hong Kong Long Term Insurance Business, based on Q3 2024 year-to-date annualized first year premiums.

<sup>8</sup> November 2024 year-to-date annualized first year premiums, based on data shared among Vietnam industry players.

<sup>9</sup> Indonesia Life Insurance Association, based on Q3 2024 year-to-date first year premiums.

<sup>10</sup> Life Insurance Association of Malaysia and Insurance Services Malaysia Berhad, based on Q3 2024 year-to-date annualized first year premiums for conventional and takaful business.

<sup>11</sup> Insurance Regulatory Authority of India, based on November 2024 year-to-date first year premiums among private players.

<sup>12</sup> Association of Mutual Funds in India, based on December 31, 2024 ending average assets under management.

<sup>13</sup> China: based on gross premiums for Q3 2024 year-to-date (excluding universal life insurance deposits and pension companies) amongst foreign multinationals.

<sup>14</sup> As at December 31, 2024.

## Footnotes continued

### From slide 25

<sup>3</sup> Cash and other liquid assets at SLF Inc. and its wholly owned holding companies.

<sup>4</sup> Life Insurance Capital Adequacy Test ("LICAT") ratio of SLF Inc.; our LICAT ratios are calculated in accordance with the OSFI-mandated guideline, Life Insurance Capital Adequacy Test.

<sup>5</sup> Tier 2 capital under LICAT framework.

<sup>6</sup> Tier 1 capital under LICAT framework.

### From slide 28

<sup>2</sup> LTV: Loan-to-Value; DSCR: Debt-service coverage ratio.

<sup>3</sup> Consists of: Other financial invested assets (\$13.3B), derivative assets (\$2.0B), other non-financial invested assets (\$1.8B).

<sup>4</sup> BB and lower includes impaired mortgages and loans.

### From slide 29

<sup>2</sup> Includes insured mortgages; multi-family residential \$3,205M and other \$425M.

<sup>3</sup> Credit risk ratings were established in accordance with the internal rating process described in the Credit Risk Management Governance and Control section in our 2023 Annual MD&A.

### From slide 31

<sup>1</sup> Represents the respective change across all equity exposures as at December 31, 2024 and December 31, 2023. Due to the impact of active management, basis risk, and other factors, realized sensitivities may differ significantly from expectations. Sensitivities include the impact of re-balancing equity hedges for hedging programs at 2% intervals (for 10% changes in equity markets) and at 5% intervals (for 25% changes in equity markets).

<sup>2</sup> The market risk sensitivities include the estimated impact of our hedging programs in effect as at December 31, 2024 and December 31, 2023, and include new business added and product changes implemented prior to such dates.

<sup>3</sup> Net income, CSM and OCI sensitivities have been rounded in increments of \$25 million. The sensitivities exclude the market impacts on the income from our joint ventures in China and India.

<sup>4</sup> The LICAT sensitivities illustrate the impact on SLF Inc. as at December 31, 2024 and December 31, 2023. LICAT ratios are rounded in increments of 0.5%.

<sup>5</sup> Interest rate sensitivities assume a parallel shift in assumed interest rates across the entire yield curve as at December 31, 2024 and December 31, 2023 with no change to the ultimate risk-free rate. 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 on the slide. Sensitivities include the impact of re-balancing interest rate hedges for hedging programs at 10 basis point intervals (for 50 basis point changes in interest rates).

<sup>6</sup> The market risk OCI sensitivities exclude the impact of changes in the defined benefit obligations and plan assets.

<sup>7</sup> The LICAT sensitivities illustrate the impact on SLF Inc. as at December 31, 2024 and December 31, 2023. The sensitivities reflect the worst scenario as of December 31, 2024 and assume that a scenario switch does not occur in the quarter. LICAT ratios are rounded in increments of 0.5%.

<sup>8</sup> The credit spread sensitivities assume a parallel shift in the indicated spreads across the entire term structure with no change to the ultimate liquidity premium. The sensitivities reflect a floor of zero on credit spreads where the spreads are not currently negative. Variations in realized spread changes based on different terms to maturity, geographies, asset classes and derivative types, underlying interest rate movements, and ratings may result in realized sensitivities being significantly different from those provided on the slide.

<sup>9</sup> The swap spread sensitivities assume a parallel shift in the indicated spreads across the entire term structure. Variations in realized spread changes based on different terms to maturity, geographies, asset classes and derivative types, underlying interest rate movements, and ratings may result in realized sensitivities being significantly different from those provided on the slide.



## Sun Life Investor Relations

---

**To contact Sun Life Investor Relations:**

Please email [Investor\\_Relations@sunlife.com](mailto:Investor_Relations@sunlife.com)