

2018 Sustainability Report

Building sustainable, healthier communities for life

Welcome

At Sun Life, our Purpose is to help our Clients achieve lifetime financial security and live healthier lives. Our focus on sustainability helps us bring this Purpose to life – and is central to our business strategy.

Our 2018 Sustainability Report is a reflection of our progress, as we continue on our journey to embed sustainable practices into our business and help tackle social and environmental challenges, from climate change to rising diabetes rates.

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2018 Sustainability Highlights



increase in our
Client Index score



of Sun Life's Board of
Directors were women



employee engagement score,
exceeding the global financial
services norm



reduction in paper consumption
since 2014, meeting our 2020
target two years ahead of schedule



on track to achieve
GHG emissions intensity
reduction target



invested to develop resilient,
safe and sustainable infrastructure
in cities and communities



of our employees believe our
business practices demonstrate
sustainability is important to
Sun Life



committed to diabetes
initiatives since 2012



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

Message from the President and CEO



2018 was a pivotal year for Sun Life's sustainability journey, and this year's Sustainability Report highlights the strides made to embed sustainability into our culture and business operations.

For over 150 years, we have proudly served Clients around the globe. We know the actions we take today will lay the foundation for generations to come. Our relentless focus on Clients is fueled by, and depends on, an organization that is competitive, forward thinking and sustainable for the long term.

Our commitment to Clients is anchored in a bigger Purpose: helping our Clients achieve lifetime financial security and live healthier lives. This is our North Star, and is directly aligned with sustainability – an important focus for our company and essential to our overall success.

At Sun Life, we invest for the future – for our Clients, employees, shareholders and communities. We are focused on creating a diverse and inclusive culture – one that unleashes creativity, fosters innovation, builds the best teams and drives value. We take pride in our inclusive environment and have heightened our focus with commitments to address gender and visible minority representation, specifically at the leadership level to better reflect our Clients and communities.

In 2018, we also made significant progress on our targets to reduce our impact on climate change and support the shift to a low-carbon economy. Climate change is one of the biggest risks facing the planet, and Sun Life has a responsibility to help. For example, we made

12 new renewable energy investments in 2018 in Canada and the U.S., and in the Philippines we purchased green bonds issued specifically to fund renewable energy and other climate-smart projects. Our investment decisions continue to include climate change considerations, and we were proud to co-host the Geneva Association's global forum on climate-resilient critical infrastructure.

“

At Sun Life, we invest for the future – for our Clients, employees, shareholders and communities.”

Our sustainability journey continues to advance – but we cannot do it alone. In 2018, we announced support for the Financial Stability Board's Task Force on Climate-related Financial Disclosures, joining the commitment to disclose climate-related information that will help investors, lenders and others make sound financial decisions.

Our Clients and our communities are counting on Sun Life – and as their needs and the world around us continue to quickly evolve, now more than ever is the time to deepen our commitment and strengthen our practices as we strive to shape a more sustainable future.

Dean A. Connor
President & Chief Executive Officer

About This Report

Published annually, our Sustainability Report aims to inform stakeholders about our progress on our environmental, social, economic and governance priorities, which are based on stakeholder input and shape the content for this report.

The concept of materiality is central to sustainability reporting and helps us determine the set of environmental, social and economic issues on which to focus. The Global Reporting Initiative (GRI) G4 Guidelines, which have informed our sustainability reporting since 2014, define material aspects as those that “reflect the organization’s significant economic, environmental and social impacts; or substantively influence the assessments and decisions of stakeholders”. We refer to these aspects as “priority topics”. This report has been prepared in accordance with the GRI Standards: Core option (refer to our [GRI Index](#)).

OUR PROCESS

Underscoring our commitment to transparency and best reporting practices, we strive to provide a detailed and balanced account of our sustainability performance. Internal subject-matter experts and management including members of our International Sustainability Council reviewed the content of this report. It was also reviewed by the internal Disclosure Committee, and reviewed and approved by the Governance, Nomination & Investment Committee of our Board of Directors. We do not currently obtain assurance over our Sustainability Report; however our real estate asset management company, Bentall Kennedy, obtains assurance over selected environmental indicators, including a substantial portion of Sun Life’s energy and emissions.¹

REPORT SCOPE

This Sustainability Report is for Sun Life Financial Inc., Sun Life Assurance Company of Canada and Sun Life Insurance (Canada) Limited for the fiscal year January 1 to December 31, 2018, and includes certain information regarding their subsidiaries and joint ventures. Unless otherwise noted, all information in this report is presented as at and for the year ended December 31, 2018 and all dollar amounts are expressed in Canadian currency. References to “we,” “our,” “us,” “the Company,” “Sun Life,” and “Sun Life Financial” mean Sun Life Financial Inc. and its subsidiaries.

¹ Additional details on Bentall Kennedy’s assurance activity is available at bentallkenedy.com/cr.

Reporting Suite

The following resources complement our Sustainability Report:



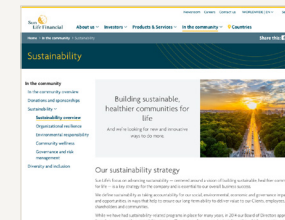
[2018
Annual
Report
\(PDF\)](#)



[GRI Index
\(PDF\)](#)



[Sustainability
Highlights
\(PDF\)](#)



[Sustainability
Website](#)



[Management
Information
Circular \(PDF\)](#)

FORWARD-LOOKING STATEMENTS

Certain statements made in this report are forward-looking statements, including statements relating to our plans, targets and priorities and statements 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. The forward-looking statements represent our current expectations, estimates and projections regarding future events and are not historical facts. These forward-looking statements are not a guarantee of future performance, involve inherent risks and uncertainties and are based on key factors and assumptions, all of which are difficult to predict. Future results may differ materially from those expressed in forward-looking statements due to, among other factors, the matters set out in the Company’s Annual Information Form for the year ended December 31, 2018 under the heading “Risk Factors” and other factors detailed in the Company’s annual and interim financial statements and management’s discussion and analysis and any other filings with Canadian and U.S. securities regulators made available on www.sedar.com and www.sec.gov, respectively.

The forward-looking statements contained in this report describe our expectations as at December 31, 2018 and accordingly, are subject to change after such date. 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.

About Sun Life

Sun Life Financial Inc. is a leading international financial services organization providing insurance, wealth and asset management solutions to individual and corporate Clients. We operate in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda.

OUR PURPOSE: To help our Clients achieve lifetime financial security and live healthier lives

OUR AMBITION: To be one of the best insurance and asset management companies in the world

We provide a diverse range of insurance, wealth and asset management solutions to individuals and corporate Clients, including:



INSURANCE

- Life insurance, including term life and permanent life
- Health insurance, including personal health, critical illness and disability



FINANCIAL ADVICE

- Financial planning and retirement planning services through licensed professionals



ASSET MANAGEMENT

- Pooled funds, institutional portfolios and pension funds – provided through MFS Investment Management and Sun Life Investment Management



INVESTMENTS

- Mutual funds, segregated funds, annuities and guaranteed investment products



37,000

EMPLOYEES¹



112,800

ADVISORS¹



26

countries

OFFICE LOCATIONS¹

¹ Includes Asia joint ventures.

SUN LIFE'S STRATEGIC AREAS OF FOCUS



Client: Our Clients are at the centre of everything we do and we are focused on building lasting and trusted Client relationships and deepening the value we provide our Clients.



Distribution Excellence: We continue to invest in our distribution capabilities, through digital channels and by enabling our advisors, agents, partners and brokers to deliver great Client experiences and focus on meeting Client needs.



Digital, Data & Analytics: We continue to invest in new capabilities to reach our Clients more effectively, drive efficiencies and explore new business opportunities.



Financial Discipline: Our continued financial and risk management prudence, efficient use of capital and strong execution will support our medium-term financial objectives.



Talent and Culture: Delivering on our strategy will require that we maintain our focus on attracting, retaining and developing the best talent, while also continuing to evolve our talent and culture.

MORE

[2018 Annual Report](#) (pages 11-12)

Managing Sustainability

Sustainability is central to our overall business success and strategy. Our ambition to be one of the best insurance and asset management companies in the world is deeply connected to our goal of building sustainable, healthier communities for life.

“

In 2018, we set out to better understand our employees' perspectives on sustainability. The results showed that 89% of our employees feel our business practices demonstrate that sustainability is important to Sun Life. As Executive Sponsor, I see every day the high level of interest and commitment to sustainability across our organization, through to our Executive Team and Board of Directors. I was pleased to learn our employees see it, too. As we report on our progress on sustainability in 2018, I'm looking forward to another strong year of performance in 2019, as we continue building sustainable, healthier communities for life.”



Melissa J. Kennedy

Executive Vice-President, Chief Legal Officer & Public Affairs
and Executive Sponsor of Sustainability

OUR SUSTAINABILITY STRATEGY

Sun Life's focus on advancing sustainability is a key strategy and differentiator for us. Endorsed by Sun Life's Board of Directors, our sustainability strategy is anchored on four principles: **organizational resilience**, **environmental responsibility**, **community wellness**, and **governance and risk management**. The strategy reflects input from external and internal stakeholders and is aligned with our company Purpose and strategic areas of focus (refer to page [6](#)).

Sustainability Principles



Organizational Resilience

We cultivate an organization that is competitive, forward-thinking, resilient and sustainable for the long term, so we can continue to meet the needs of our Clients, who are at the centre of all we do.



Environmental Responsibility

We are accountable for the impact of our operations on the environment, so we are consistently taking steps to measure, manage and reduce that impact.



Community Wellness

We believe that by actively supporting the communities in which we live and work, we can help to build a positive environment for our Clients, employees, advisors and shareholders.



Governance and Risk Management

We believe a well-run organization contributes to a stable operating platform for the Company, and positions us to meet our obligations to stakeholders. Proactive risk management and a strong risk culture are essential to our long-term success.

STAKEHOLDER ENGAGEMENT

Our commitment to sustainability starts with listening to stakeholders. Through a variety of engagement channels, we seek to understand and integrate the needs and interests of our stakeholders into all aspects of our operations and sustainability strategy. Open dialogue and inclusive engagements help us improve our business, build positive relationships and understand evolving expectations.

Our main stakeholders relevant to sustainability are those who we consider to have a direct or indirect interest in, or can influence or be impacted by, our business activities (refer to [GRI Index](#)).

PRIORITY TOPICS

Our sustainability reporting focuses on a set of “priority topics”. We identify, prioritize and validate these topics through ongoing stakeholder engagement and a periodic materiality analysis to ensure we are addressing the right issues. Refer to our [GRI Index](#) for key steps in our materiality process.

For 2018, the outcome of this process is a set of 13 priority topics: Client focus, digital innovation, data security and privacy, talent management, workforce wellness, diversity and inclusion, environmental impacts, sustainable investing, strategic philanthropy, infrastructure investments, public policy, ethics, integrity and corporate governance and risk management.

SUSTAINABILITY GOVERNANCE

We continue to integrate sustainability practices into our culture and across our global operations.

- Our Executive Sponsor of Sustainability and Executive Vice-President, Chief Legal Officer & Public Affairs, promotes global initiatives that help foster a sustainable business model.
- Our International Sustainability Council (ISC), which meets at a minimum of four times per year, is charged with embedding sustainability across the Company and reporting on progress.
- Our sustainability team acts as a central resource to the business, manages strategy development and implementation in collaboration with the ISC and business representatives, monitors sustainability trends and issues, and is responsible for reporting and communications. Supporting the team’s efforts is a network of sustainability champions from different business units and regions in which we operate.

- The Governance, Nomination & Investment Committee of the Board of Directors provides oversight of our sustainability program.
- Our commitment to sustainability is set out in our Code of Business Conduct, which applies to all employees and directors.
- Our Sustainability Policy formalizes oversight of our sustainability strategy and outlines practices to encourage business units to participate and report on their activities.

Key Stakeholders



Clients



Employees/advisors



Governments and regulators,
industry associations



Shareholders, investors,
ESG analysts



Suppliers



Community organizations
and members

Moving into the “purpose era” of sustainability

Interview with Alanna Boyd
Vice-President, Government Relations,
Regulatory Affairs and Sustainability, Sun Life



Q Where do you see sustainability in the global context?

A The world is changing around us, and quickly. This is driving a new era of corporate sustainability, where companies are moving beyond strategies of embedding sustainability into their operations to a “purpose-driven approach.” This is something that struck a chord when I had the chance to talk about it with Chris Coulter, CEO of GlobeScan, who wrote about this evolution in *All In*. Stakeholders are looking to companies to achieve something greater and contribute to society.

Q What opportunities does this present for Sun Life?

A We are well positioned to leapfrog into this new purpose era because we already have a clearly defined Purpose that conveys what Sun Life stands for. It resonates strongly with our stakeholders including Clients and employees. We’ve already done quite a lot to integrate sustainability into our organization, so now our sights are set on finding ways to elevate our efforts and contribute to broader discussions like the Sustainable Development Goals.

Q What’s next for your sustainability agenda?

A Reflecting on our sustainability journey to date, we’re very pleased with our progress but we want to do more to ensure we’re preparing our organization for the future. We’re refreshing our sustainability strategy to reflect our ambitions, align with our Purpose, and to continue to meet the evolving expectations of our stakeholders and Clients.

I lead the sustainability team at Sun Life and we are fortunate because we have an engaged Board and a strong executive leadership team. People across the Company view sustainability as important to our business. In fact, they want to know what more they can do. This is ideal because our team can devote energy to identifying sustainability opportunities and solutions instead of trying to prove the business case. It’s a very exciting time!

SUPPORTING GLOBAL SUSTAINABILITY EFFORTS

As sustainability is a matter of global significance, we are dedicated to supporting international efforts in the area – through our own programs and practices and by working collectively with governments, businesses and community groups to advance sustainable development solutions.

Sun Life supports and contributes to the Sustainable Development Goals (SDGs). Launched in early 2016, these are a set of 17 goals and 169 targets aimed at ending poverty, advancing human rights and protecting the planet by 2030. We have worked to understand and map the pertinent SDGs to our sustainability efforts (refer to [Appendix](#)). Many of our priority topics and sustainability activities are linked to the SDGs, and in particular, we have identified SDG #3 Good Health and Well-Being as the most relevant of the 17 goals because of its strong linkage to our company Purpose: helping our Clients achieve lifetime financial security and live healthier lives.

For Sun Life, the SDGs not only embody opportunities to offer innovative, sustainable solutions for a better world, but also serve as a compass to better our own operations. We will continue to build understanding of the SDGs within our organization and explore ways to further shape and align our ongoing sustainability initiatives with the SDGs.

In addition, we support other calls for action such as CDP, the UN-supported Principles for Responsible Investment (PRI) and the Global Reporting Initiative (GRI), all of which are discussed elsewhere in this report.



Organizational Resilience

Home

Organizational Resilience

Environmental Responsibility

Community Wellness

Governance and Risk Management

For over 150 years, our Clients have counted on us to meet our long-term commitments to them. That's why being a resilient organization is a strategic imperative – so we can continue to be here for decades to come. It's about cultivating an organization that is competitive, forward-thinking and sustainable for the long term. We believe this focus is a key differentiator and value-driver for Sun Life as we strive to be one of the best insurance and asset management companies in the world.

AWARDS AND RECOGNITION



For the 10th year in a row, Canadians voted Sun Life the Most Trusted Brand™ of Life Insurance Companies according to the 2019 Reader's Digest Trusted Brand™ Survey.¹



We continue to have strong brand recognition in the Philippines, where we are the only life insurance company to achieve recognition in Campaign Asia-Pacific's Top 100 Brands in the Philippines.

In this section

- [Client Focus](#)
- [Digital Innovation](#)
- [Data Security and Privacy](#)
- [Talent Management](#)
- [Workforce Wellness](#)
- [Diversity and Inclusion](#)

¹™Trusted Brand is a registered trademark of Reader's Digest Association Canada ULC.

Client Focus

Our Clients are at the centre of everything we do. We are focused on building lasting relationships and delivering on our Purpose, which we believe will allow us to provide better value and service to our Clients, and lead to better business outcomes for Sun Life.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

Putting our Clients at the centre of all we do means listening to them and understanding what they need from us at every touchpoint. It's not just about selling insurance or benefits. It's about delivering the best outcomes for our Clients.

Our Client-centric strategy means we're working harder than ever to ensure we're modernizing and humanizing our brand, while maintaining our core attributes of being a caring, optimistic and relevant company. The strategy is centered on three themes that reflect our Client focus:



1. Easy to do business with

We are committed to being an easier company to do business with, by making insurance more accessible, by helping our Clients make informed decisions and by simplifying our communications and processes.

2. Proactive contact

We have amplified our efforts to increase and personalize Client outreach so that we listen to and interact with Clients more often. To tailor their experience with us, we reach out in ways that make the most sense to each Client, whether that's through an advisor or by phone, email, text or social media.

3. Problem resolution

We have heightened our attention to the way we handle concerns or problems, viewing these as opportunities to create positive experiences through prompt, Client-minded solutions.

Across Sun Life, there is a range of processes in place to handle concerns and complaints. For example, in Canada we have a four-step process that includes escalating a complaint within a business unit, and if necessary, to our internal Ombudsman's Office or ultimately to the industry OmbudService for Life & Health Insurance. Our social media team also tracks each comment or complaint across various channels and engages the appropriate Client Services team to assist with a direct follow-up within one business day.

Measuring the Client Experience

We measure our success in delivering a great Client experience through a combination of metrics:

- **Our Client Index** – to gauge our service delivery performance. This proprietary measurement was developed using Client ratings from a variety of Client service channels. It has been in place since 2016, providing valuable historical data and insights that continue to sharpen our focus on performance and measurable outcomes.
- **The Net Promoter Score®¹** – a globally recognized methodology that measures customer experience and the likelihood that a Client will continue doing business with us.
- **Other performance measures** – each business has additional Client focus metrics to guide performance.

25% of our annual incentive compensation is determined by success on these Client-related metrics.

¹ Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of NICE Systems, Inc., Bain & Company, Inc., and Fred Reichheld.

PROGRESS IN 2018

Easy to Do Business With

- Enhanced the onboarding experience for new Clients through a more streamlined and automated process, better educational materials and a reduction in administrative tasks we ask Clients to complete.
- Rolled out a new disability management service in Canada through Medical Confidence Inc. The service makes it easier for Clients on disability leave to navigate through treatment and recovery options and gain accelerated access to healthcare professionals. In 2018, 450 Clients were referred to this service.
- Implemented digital enhancements to streamline our Client-facing platforms and processes across Asia.
- Offered products in the U.S. to improve access to coverage for financial security, including a new cancer plan that gives patients support for screenings, treatments, recovery needs and everyday expenses, through benefits that are paid directly to the member.

Proactive Contact

- Engaged Clients through online forums in Canada and the U.S. to gather real-time input and feedback to inform our work.
- Introduced a workplace accommodation consultative service in our U.S. business. This service leverages our expertise to help members who are injured or ill remain productive at work or return to work while helping employers comply with U.S. disability law and prevent lost productivity.

- Reached out to certain Clients, particularly people on disability leave, who may have been affected by natural disasters – including the wildfires in California and Colorado, floods in New Brunswick, and hurricanes that struck several U.S. states. This proactive outreach was to check on the well-being of our Clients and to offer assistance such as providing alternate ways to get their claims cheques. We also provided other assistance during these disasters for members and employer Clients, such as expediting claims, granting extensions for paying premiums and counseling support.
- Held investment education campaigns in Vietnam, Indonesia and the Philippines. These are part of an ongoing financial literacy effort to build knowledge on investing and how it can help people achieve their financial goals.

“

[Working with Sun Life] was so easy, it was different than I ever thought it would be. Every time I turned around, there was something happening that was good for me, to help me get back on track with life. I didn't want to go on permanent disability. I knew I was too young. I still had work to do.”

Sherry, Disability Member

- Leveraged data analytics to proactively reach out to Clients in the Philippines and offer them the most relevant product solutions based on their life stage and their current plan.

Problem Resolution

- Experienced an 8% decrease in complaints investigated by our internal Ombudsman Office in Canada, from 173 cases in 2017 to 160 in 2018.
- Developed and rolled out a new framework in Canada for resolving problems in a more Client-focused way.
- Established a team in Indonesia to proactively improve and simplify processes based on feedback from Clients, employees and advisors.



Our Hong Kong Mandatory Provident Fund (MPF) business earned the top ranking from Mercer's inaugural MPF Provider Satisfaction Rankings Report. The ranking reflects our strong fund performance as well as Client value-added services, including financial wellness education and e-alerts.²

² Based on a 12-month average of the Mercer's MPF Satisfaction Index (MPF SI), a monthly survey conducted by Nielsen, interviewing more than 2,000 respondents in Hong Kong's working population per year.

CASE STUDY

Plain language please!

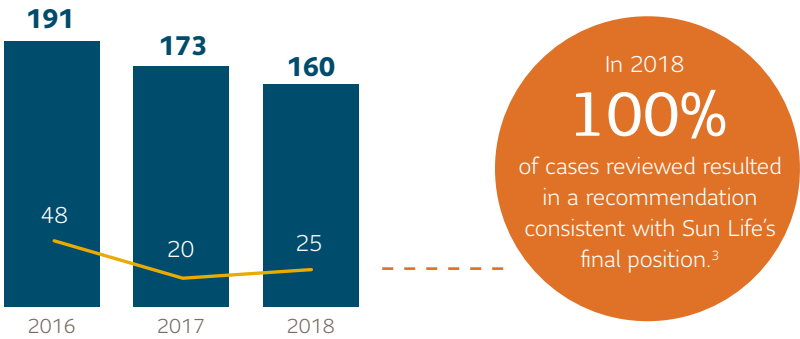
Industry jargon. Obscure writing. Long documents. These have plagued the financial services industry for years, often confusing consumers.

At Sun Life, we recognize that for too long, too much of our writing has not been Client-friendly, and we’ve been taking action to address it. Since 2016, we have made plain language a key Client experience priority. We’re improving the way we communicate with Clients and the way we write our plan member materials. By using plain language to make our materials both understandable and informative to our Clients, we can help them get the full value of their insurance and benefit plans.

A global effort to do better

- We are prioritizing existing forms and materials that need a rewrite. As at the end of 2018, we have rewritten more than 3,000 documents across Canada, the U.S., Hong Kong, Malaysia and the Philippines. User testing is helping us evaluate the impact of our rewritten materials.
- We are delivering plain-language training to employees along with resources such as before-and-after examples that show clearer ways of writing.
- We piloted a plain-language analysis tool that measures the readability of our materials and flags poor writing. This tool introduces metrics that allow our writers and reviewers to better track how we’re performing relative to our goals, and will be rolled out to teams across Canada and the U.S. in 2019.
- We shortened and simplified insurance forms in the Philippines and made communications in Hong Kong and Malaysia more Client-focused.

Improving Problem Resolution in Canada



■ Cases investigated by Sun Life's Ombudsman Office in Canada

— Cases reviewed by OmbudService for Life and Health Insurance, Ombudsman for Banking Services and Investments, or Autorité des marchés financiers following Sun Life's Ombudsman Office investigation

³ Represents cases that were subsequently reviewed by OmbudService for Life and Health Insurance, Ombudsman for Banking Services and Investments, or Autorité des marchés financiers following Sun Life's Ombudsman's Office investigation.

Key Performance Indicators	2018	2017	2016
Change in Net Promoter Score from previous year	+5%	+6%	N/A
Change in our Client Index score from previous year	+2%	+4%	N/A

Goals	
2019	<ul style="list-style-type: none">• Continue to bring our Client focus themes (easy to do business with, proactive contact, problem resolution) to life across all of our business lines• Continue to implement plain language initiative with a focus on training and tools that support employees

Digital Innovation

To thrive in the digital age, innovation is essential. Sun Life has been at the forefront of the industry in introducing digital and mobile technology into our businesses. Digital technology is revolutionizing the Client experience in ways never before possible – like submitting a health claim using the camera on your cellphone and directing the payment into your retirement savings account, or finding the best healthcare provider for you or your family in a matter of seconds.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

We're transforming our business by digitizing current operations and creating innovative new models that can delight our Clients, demystify a complex business and support the important work of our advisors and partners. Leveraging data allows us to personalize and deepen relationships with Clients, and better predict and anticipate their needs to help them achieve their goals.

We see enormous opportunity for our businesses to be increasingly relevant and impactful for our Clients. In the digital age, we can become a larger part of their daily lives, thanks to mobile connections and new tools and capabilities.

Components of our innovation agenda include:

- Developing digital products, services and touchpoints that are relevant and personalized for our Clients, with an emphasis on offering more choice and improving access to insurance, benefits and investments;



Sun Life's Ignite Studio in Toronto, Canada is a fun, highly collaborative environment for employees to nurture ideas and innovate for Clients.

- Promoting a culture of innovation and collaboration for our employees through design thinking (exploring and generating ideas and testing them early with Clients), and agile work (bringing teams together during product development to ensure rapid and iterative delivery);

- Leveraging external innovation-led partnerships with leading technology firms to help us advance our digital capabilities and offerings for Clients; and
- Accelerating our data analytics and the use of Artificial Intelligence in our operations and business models.

To fuel our digital transformation, Sun Life has developed digital technology labs – in the Philippines, India, and in three major sites in Canada – where our IT teams and business leaders collaborate and experiment on ways to enhance the Client experience. Complementing these labs is Sun Life's Ignite Studio, a living lab that supports agile project delivery, design thinking lab workshops, and innovation activities. Located at our corporate office, the Studio is where we collaborate in teams, innovate and launch new solutions quickly to market – in anticipation of evolving Client needs.

PROGRESS IN 2018

Increasing Personalization, Convenience and Relevance

- Expanded relevant tips from Ella, our digital coach, to the mobile app. Ella has reached over 2.4 million Clients with bright ideas, including smart shopping tips on cost-effective healthcare providers in their area.
- Acquired Maxwell Health, an Insurtech company that simplifies employee benefits enrollment and HR administration for our Clients. Individuals using the advanced platform can enroll in, manage, and access their full suite of benefits through a web portal and mobile app that includes virtual insurance ID cards and support with health and benefits-related questions.

660

employees trained in North America and Asia in design thinking

- Invested in Bowtie Life Insurance Company, Hong Kong’s first virtual insurer approved under the Insurance Authority’s Fast Track program.¹ Bowtie will create a scalable platform that offers insurance products and services to the new generations.
- In Hong Kong and the Philippines, introduced advisor apps that are making it easy for advisors to access Client and policy information and receive important notifications at their fingertips.



Team members
in Hong Kong at
the launch of the
MySun Life HK app.

- Teamed up with Lazada, the leading online shopping and selling platform in Southeast Asia, to make it easier for Filipinos to obtain insurance online, giving them access to affordable protection products from Sun Life.
- Launched telco insurance services in Indonesia in collaboration with Telkomsel’s TCASH, using this solution to reach the broader community rapidly, inexpensively and conveniently.
- Launched a tablet-based mobile point of sale platform for our advisors in Asia, enabling them to better support and respond to their Clients.

¹ Fast Track refers to the pilot scheme launched by the Insurance Authority of Hong Kong on September 29, 2017. It is a fast track for applications for authorizations of new insurers owning and operating solely digital distribution channels.

Improving Access to Healthcare

- Launched virtual doctor on demand in Canada where Clients can access immediate care through a virtual visit with a physician by live video, telephone or text.
- Introduced [Lumino Health](#) network, a platform that connects Canadians with healthcare providers and health innovators. Canadians can find massage therapists, dentists, physiotherapists and more with patient-submitted ratings and cost information.
- Began offering plan members in Canada the ability to scan the 8-digit drug identification number found on medication packaging with their smartphones. Plan members receive instant information on usage recommendations, possible side effects and potentially lower-cost alternatives.
- Launched SunActiv in Malaysia, a mobile app that rewards Clients for staying healthy and active, and helps them find and book appointments with healthcare professionals.

Promoting a Culture of Innovation

Sun Life is well known for its culture of innovation. In 2018, we continued to evolve that culture as we:

- Continued to train and engage employees across the world in design thinking;
- Grew our team of data scientists across the Company to over 200, building new predictive models for our Clients and our businesses; and
- Built online market research panels for instant access to Client feedback during agile development cycles—more than 1,000 tests were conducted in 2018.

1,000+
user tests conducted
with Clients and
prospects to validate
and refine new
digital ideas

Goals

- 2019
- Align digital metrics across various regions to enhance global reporting on digital outcomes



MARK SAUNDERS NAMED
ITAC CANADIANCIO OF
THE YEAR

Sun Life Executive Vice-President and Chief Information Officer, Mark Saunders, was named ITAC CanadianCIO of the Year for the private sector, an award that celebrates leaders who demonstrate business and technological vision while driving transformation and delivering measurable results.



TOP SCORES FOR
DIGITAL EXPERIENCE

Recognized as a leader in The Forrester Life Insurance Wave™: Canadian Sales Websites, Q2 2018, a report that rates where Canadian life insurance companies excel in their digital businesses. Sun Life received top scores in both the digital functionality and user experience criteria, with an overall score of 75 out of 100 compared to the industry average of 53.



Data Security and Privacy

Being in the insurance and wealth management business, we handle sensitive personal information, from medical records to financial statements. Our business is therefore dependent on maintaining a secure, confidential environment for our Clients', employees' and other partners' information, to ensure we protect and manage it with great care.

OUR APPROACH

Our commitment to data security and privacy is the foundation of trust that our Clients, employees and partners place in us. We maintain and continually invest in practices, processes and tools to safeguard our networks and our Clients' personal information.

Data Security

Our global security awareness program educates all employees on their security responsibilities and Sun Life's Security Policy. The program includes mandatory security training, security alerts and bulletins, and additional training for specific groups such as managers and system administrators. Our security architecture includes firewalls, intrusion detection systems, network monitoring, encryption and other tools to prevent and detect cyber security attacks.

Privacy

Our Global Privacy Program is embedded in our enterprise-wide risk management framework and includes various standards and processes. Our [Global Privacy Commitment](#) outlines principles to ensure personal information remains private and confidential. We employ privacy by design in our product development, and include privacy clauses in contracts with third parties that handle Client data. All employees receive privacy training, as well as guidance through our privacy policies, to understand and fulfill our corporate privacy commitments and all relevant regulations.

PROGRESS IN 2018

Strengthening Our Defences

- Initiated more than 20 projects to increase our cyber security capabilities. Examples include enhancements to our security alerting and incident response processes.
- Continued to embed our privacy risk appetite statement and compass in internal processes to better manage privacy risks and guide employees during the development and deployment of new products and initiatives.
- Enhanced our privacy risk self-assessment processes to better identify risks and strengthen privacy controls in our ongoing business processes, products and initiatives.
- Experienced no security breaches or substantiated privacy complaints from a regulatory body in 2018.

Promoting Cyber Safety

- Conducted monthly phishing simulation tests with every employee.
- Broadened our cyber security training and education to include new ways of reaching and engaging employees. For example, we:
 - used Workplace by Facebook to deliver a live streaming event that featured Q&As with executives, offering a forum for employees to ask questions about how to protect data and privacy both at work and at home; and
 - created topical blogs, posts and animated videos to bring cyber security issues to life. Topics addressed common questions and concerns raised by employees, such as online security, anti-virus protection, social media security and the Internet of Things.

350,000+

phishing simulation tests delivered to employees to heighten awareness on preventing real world cyberattacks

Building cyber resiliency, at Sun Life and beyond

Interview with Allan Porter
Vice-President, Chief Information Security Officer, Sun Life



Q What is the top issue keeping you up at night?

A Cyber threats. The explosive growth of the digital economy and connected devices has brought incredible benefits, but at the same time all sorts of cyber risks have emerged. These cyber risks are ubiquitous. No industry is untouched, so all organizations have to be super vigilant in guarding against these threats because they are real, ever-changing and increasingly sophisticated.

Q How is Sun Life responding?

A As Sun Life has become more dependent on digital systems and assets, we have evolved our cyber readiness capabilities to protect our business and our Clients. From monitoring and detection to response, we’re working on multiple fronts across all aspects of our business to be a cyber resilient financial organization. It’s a non-stop effort.

Q What can people do?

A In this heightened climate of cyber risks, all of us need to be proactive. So besides building our own defenses at Sun Life, we’re continually promoting cyber security awareness and education in our workplace. This past year we widened our focus to help employees learn how to protect themselves at home, too.

Beyond our organization, we have also increased our Client education and community outreach. We want to use our experience to help others safely navigate the digital landscape.

Industry Collaboration and Consumer Education

- Continued to work with industry partners to develop a privacy transparency framework for information about privacy practices, with the goal of demystifying data use and drawing attention to what matters most to our Clients. [The guide](#) was released in January 2019.
- Commissioned with external partners a national survey conducted by Environics Research to better understand the privacy issues that matter most to Canadians and how they want to be informed. [The findings](#) were released on international Data Privacy Day and are informing our outreach work.
- Participated in industry committees – such as the Cyber Security Specialists Group organized by the Canadian Bankers Association (CBA), Canadian Life and Health Insurance Association’s Information Security Sharing and the Canadian Cyber Threat Exchange – to share intelligence and best practices for guarding against cyberattacks.
- Participated in the development of “[Staying Safe Online – a cyber hygiene primer](#)”, released by the CBA during Cyber Security Awareness Month to encourage consumers to proactively protect their connected devices.
- Spoke at several conferences and community events to educate industry peers and the public about the importance of transparency to privacy as well as cyber security issues including phishing.

Goals	Results
2018	<ul style="list-style-type: none">Revamp our global privacy impact assessment process and tools ✓ AchievedContinue collaboration on a national survey to better understand what privacy issues matter most to Canadians and how they want to be informed ✓ Achieved – survey publishedContinue to improve employee security resilience by developing more targeted phish tests based on geolocation or employee role type ✓ Achieved - in addition to more targeted testing, we also increased the level of test difficulty
2019	<ul style="list-style-type: none">Finalize and roll out new global privacy impact assessment process and toolsEnhance enterprise-wide practices to embed ethical considerations in the development of innovative new digital capabilitiesContinue to focus on centralization and automation of security functionsConduct cyber resiliency preparation and simulation

Talent Management

With 37,000 employees across the globe, attracting, retaining and developing top talent is central to our success. We believe the more engaged our employees are the more productive and passionate they will be in delivering on our Purpose of helping our Clients achieve lifetime financial security and live healthier lives.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

We're committed to creating inclusive, sustainable and empowering workplaces where employees can contribute to their full potential.

Our objective is to build and attract a disproportionate share of top talent across our businesses, wrapped in a culture that emphasizes collaboration, integrity and treating Clients and colleagues with dignity and respect.



Employees from our Sun Life Malaysia office hosted a booth at the Graduan Aspire 2018 Career Fair to attract new recruits to our growing business.

- We offer in-house training, leadership development for junior managers to senior executives, job rotation and tuition assistance, as well as an e-learning portal (our Global Learning Centre) containing more than 10,000 courses, tools and resources.
- All employees must complete yearly mandatory training on a range of topics. In addition, business groups keep employees abreast of key developments.
- For highest impact learning, we use both traditional methods and emerging technologies, such as virtual classroom, simulation/ gamification, and social learning.
- We encourage open, two-way dialogue with our employees and seek their input through various channels, including through a 360-degree feedback program, performance reviews and career planning sessions, social media channels and our Global Engagement Survey, which measures the degree to which employees are invested in Sun Life and motivated to contribute their best.

PROGRESS IN 2018

Employee Engagement

- Maintained a positive company culture, demonstrated in our overall score of 85% in our 2018 Global Engagement Survey, which had a strong 88% participation rate. According to Willis Towers Watson, a leading firm specializing in employee surveys, Sun Life's engagement score is above the global financial services norm and places us among the top tier companies worldwide.¹
 - Our top scoring areas included feeling inspired by our Purpose, belief in the products and services we provide to Clients, diversity and inclusion, and total rewards and benefits.
 - For the first time, we introduced questions in our Survey to get a pulse on employees' views on the importance of sustainability and their awareness of Sun Life's activities in this area. The overall score for these questions was 87%.
- Created action plans to address specific areas for improvement identified through the survey results – namely, helping employees understand how their work contributes to corporate strategy, ensuring processes don't hinder managerial effectiveness, and speeding up our ability to bring ideas to execution.
- Sustained a focus on building a modern work environment. Over the past few years, we have been transforming our culture to reflect new ways of working and recognize that there is no "one-size-fits-all" approach to the way people work. In 2018, we expanded our model of open, bright and agile workspaces to more Sun Life locations.

85%
employee
engagement
score

MORE

[Sun Life Careers site](#)

¹ Based on Willis Towers Watsons benchmark of Global High Performance Companies and Global Financial Services.

- Generated greater employee collaboration and communication, as a result of implementing and expanding Workplace by Facebook across our global operations.



Members of our team showcasing an award from the Boston Globe, which named Sun Life Financial U.S. one of the Top Places to Work in Massachusetts.

Learning and Development

- Diversified and updated our training methods to support modern learning styles and enhance the employee learning experience. Solutions included 10 in-class learning boot camps, 15 new 90-minute virtual learning sessions, a digital learning library, mobile-enabled simulation and online self-learning options.
- Invested in a new learning system that will enable employees and leaders to access more quickly and easily the relevant training modules that they are looking for. The system presents a digital menu that employees can scroll through and also provides suggestions based on each employee’s interests and career paths. This focus on personalized, just-in-time learning is about getting the right learning to the right person when they need it.



- Continued to harness and inspire the talent of young people through a variety of initiatives, including:
 - co-op and work-study opportunities;
 - our millennial think tank, which enables leader-nominated millennial employees to network, offer input and collaborate; and
 - our Rotational Leadership Development Program (RLDP), which provides new grads with three roles in three years at Sun Life to fast track their growth. Since its introduction in 2010, the RLDP has benefited 115 post-secondary graduates.

“We’re proud of scoring very high marks from our employees on how engaged they are in their jobs at Sun Life. Across our company, we want our employees to feel respected and inspired in a culture where coaching, collaboration, innovating for Clients, ongoing feedback and rewarding experiences will be what sets us apart as a great place to work.”



Helena Pagano
Executive Vice-President and Chief Human Resources and Communications Officer, Sun Life



Key Performance Indicators	2018	2017	2016
Employee engagement score ¹	85%	N/A	85%
Employee turnover rate ²	10.5%	9.6%	10.4%
Average employee tenure (years)	8.1	8.5	8.5
Investment in training and development (\$ millions)	39	41	40

¹ Our Global Engagement Survey is conducted every two years.
² Turnover rate refers to voluntary turnover.

Goals	
2019	<ul style="list-style-type: none">Continue to measure the engagement of our employeesContinue to invest in the development of our employees



Recognized for the fourth consecutive year as one of Canada’s Top Employers for Young People.

Workforce Wellness

Employee wellness underpins our ability to deliver exceptional service to Clients, attract and retain top talent and continually enhance our high-performance culture. Research shows that companies with the most effective health and productivity programs have improved financial results¹ and save 1.5–1.7 days of absenteeism per employee per year.²

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

As we help our Clients achieve lifetime financial security and live healthier lives, we want the same for our employees. We're committed to supporting employees in strengthening their well-being and empowering them to bring their best selves to work.

Global Wellness Strategy

Two years ago, we unveiled a Global Wellness Strategy to drive a unified culture of health and well-being for employees worldwide. Aligned with Sun Life's Purpose, the strategy centres on three pillars of employee health: physical, mental and financial wellness. This approach helps frame our benefits programs, set priorities and embed a wellness mindset into our everyday activities.

We invest in a wide variety of programs and services to promote these three areas of wellness and help our employees identify health risks, prevent serious diseases and lead healthier lifestyles. For our global workforce, these offerings include competitive benefits packages, retirement and savings plans, flexible work options and rewards for participating in local wellness activities. Other wellness programs vary by region depending on local needs; examples include:

- Access to third-party confidential advice and support (employee assistance program)
- A Benevolent Fund to assist employees and their families facing difficult financial circumstances
Workstation ergonomic assessments, a self-service ergonomics program and sit-stand desks
- Access to ongoing and emergency back-up child care (through third-party provider)
- On-site gyms and/or discounted gym memberships

PROGRESS IN 2018

- Heightened our emphasis on wellness across the organization, which led to the following outcomes:
 - 77% of employees feel senior leadership is interested in their well-being
 - A continued rise in the number of employees engaging in Sun Life's wellness initiatives
 - A casual absence rate in Canada totaling 7.9 days, which is below the Canadian average of 9.5 days
- Refined our Global Wellness Strategy around a set of principles and deliverables for each of our three wellness pillars and adopted a common global brand for our activities related to wellness.
- Communicated changes to our Canadian paid leave programs and launched a sabbatical program for employees in the U.S. These programs reinforce the importance of taking time away from work to allow employees to recharge.
- Launched refreshed wellness incentive programs for employees in North America using digital technology that gives employees personalized access to resources to track and measure their progress in all three areas of wellness. Employees can earn prizes and points for engaging in activities such as completing a health risk assessment, tracking daily healthy habits and participating in team challenges. The technology will enable us to see how our investment in employee wellness helps improve employee well-being.

77%

of employees feel senior leadership at Sun Life is interested in their well-being³

¹ Willis Towers Watson. "Improving workforce health and productivity: Connecting the elements of workplace culture, U.S. research findings". April 2016.


² Sun Life Financial and Ivey Business School. "Sun Life-Ivey Canadian Wellness Return on Investment (ROI) Study, Phase 1". 2016.

³ Results from Sun Life's 2018 Global Engagement Survey.


Global snapshot


North America


CANADA


 Ran workplace awareness campaign during Canadian mental health week, focused on reducing stigma

 Sponsored and encouraged employee participation in support of charitable fundraising, including Sun Life events like the JDRF Walk to Cure Diabetes

 Leveraged digital platform to provide personalized health assessments and content to support healthy eating, physical activity, and more

 Ran chronic conditions pilot to provide nudges for employees who submit diabetes drug claims


 Introduced a financial health checkup tool (MAX Review)


 Delivered digital nudges to encourage employees to take advantage of the Company match in our retirement plan





Canadian employees at the JDRF Revolution Ride to Defeat Diabetes.


UNITED STATES

 Offered employees a digital tool to build resilience and practice mindfulness and meditation (2,400 employees attended one session)


 Offered employee incentives for attending mental health webinars


 Launched a campaign to raise awareness of diabetes in the workplace

 Leveraged digital platform to encourage physical activity, personalized health assessments, and offered biometric screenings


 Sponsored and encouraged employee participation in support of charitable fundraising




 Conducted retirement evaluation campaign

 Introduced digital reminders to encourage savings contributions


Asia

 Organized talks to educate employees on mental health issues, meditation and managing stress


 Held blood sugar screening for diabetes sessions (Hong Kong, Vietnam, Philippines, Malaysia)

 Hosted diabetes education and prevention health talks (Hong Kong, Indonesia, Vietnam, Malaysia)

 Encouraged 'no sugar day' (Indonesia)

 Promoted employee participation in annual Sun Life Resolution Run events

 Delivered retirement and financial planning sessions for employees (Hong Kong, Indonesia, Vietnam)

 Briefing session to help employees understand Sun Life products and connect with advisors (Hong Kong)



Employees in the Philippines ready for a pre-race bike out in preparation for the 70.3 Ironman Philippines.

Wellness pillars



CASE STUDY

Promoting wellness beyond our workforce

As a long-time champion of wellness within our organization, Sun Life is also leading the charge in promoting sustainable, healthier living beyond our workforce – among our Clients and our communities.

Last year, for example, we published research to draw attention to important wellness issues. In Canada, this included a [mental health study](#) and a [national financial wellness study](#) that highlighted the importance of retirement planning. We also published a five-market regional study on [diabetes in Asia](#), focused on measuring the public’s understanding and perception of diabetes. Other highlights from 2018 include:

- Participated in a pharmacogenetics pilot, a groundbreaking approach to better treat mental health issues by testing the link between an individual’s genes and the way their body reacts to medication.
- Promoted a digital diabetes management tool that uses personalized health insights to treat diabetes and hypertension with over 35% of eligible members participating.
- In collaboration with Quebecor, launched [Porte-Monnaie](#) (French for “wallet”), an online news source focused on personal finance, created by and for millennials.
- Held a roadshow in Malaysia to promote the importance of being healthy physically, mentally and financially, engaging more than 800 participants in workout sessions, health talks, free health tests and other activities.



During our roadshow in Malaysia, community members were able to get free health screenings for blood sugar, blood pressure, cholesterol and more.

Refer to pages [35–37](#) for more examples of our community wellness efforts.

- Extended access to digital wellness platforms to employees outside North America and leveraged digital technology to run our global wellness challenge. The 2018 challenge focused on working together to achieve a common goal of 500 million steps during a month-long campaign, to raise awareness of the role that regular physical activity can play in reducing the risk of type 2 diabetes. We exceeded our goal with employees reaching 586 million steps and achieved a 17% participation rate. Participation was lower compared to previous years, which we attribute to competing priorities across the business and scheduling that coincided with a busier time of year.



Key Performance Indicators	2018	2017	2016
Percentage of employees who feel senior leadership at Sun Life is interested in the well-being of employees	77%	N/A	78%
Total spent on compensation and benefits globally (\$ billions)	3.7	3.7	3.4
Percentage of eligible employees in Canada making voluntary contributions to Sun Life’s defined contribution plan	83%	83%	82%
Percentage of eligible Canadian employees participating in share purchase plan	63%	62%	57%

Goals
2019
• Evaluate global wellness challenge for improvement opportunities
• Expand successful regional wellness programs to other jurisdictions

MORE

[Community Wellness \(pages 34–41\)](#)



Diversity and Inclusion

Numerous studies show the link between an organization's diversity and inclusion culture and its long-term profitability and societal impact. Operating in 26 countries, we appreciate the value that diverse cultures, perspectives and identities bring to our business. We view diversity and inclusion as key drivers of innovation, engagement and sustainability, and a foundation for understanding Clients and their needs.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

Diversity and inclusion (D&I) is in our DNA. We embrace it because it unleashes creativity, fosters innovation and drives value – and it's the right thing to do.

Across Sun Life, our business practices reflect a commitment to diversity of all kinds – gender, race, religion, age, country of origin, sexual orientation – and encourage diverse perspectives, experiences and beliefs. We do this because by better reflecting and connecting with our communities, we can more effectively anticipate the unique needs of our Clients. It also increases our agility and ability to compete in the complex, fast-paced global environment.

By promoting D&I both internally and externally, we also contribute to the Sustainable Development Goals for achieving gender equality and reducing income inequalities.

Diversity and Inclusion Strategy

While D&I has always been at the core of Sun Life's values, we implemented a renewed, formal enterprise-wide strategy in 2016 to further build on our D&I commitment. In addition, each Executive Team member takes specific actions to address the unique D&I needs of each of their businesses globally.

To track our progress over time and identify areas where we can continue to evolve our inclusive culture, we have created a scorecard and key measures covering items such as our talent pipeline, diversity of hires and exits as well as compensation, which we benchmark against external best practices. The scorecard includes results of our D&I index, created from data in our bi-annual Global Engagement Survey.

¹ Based on Willis Towers Watsons benchmark of Global High Performance Companies and Global Financial Services.

Our global, multi-year D&I strategy has three areas of focus



Colleagues

Foster an inclusive and respectful workplace where all employees can contribute to their full potential.



Clients

Better reflect and therefore anticipate the unique needs of our Clients across all lines of business and locations.



Communities

Better support the communities in which we operate, and conduct business with suppliers who share our commitment to social responsibility.

PROGRESS IN 2018

Workplace Highlights

- Achieved an 82% overall score in Sun Life's global D&I index, up from 81% in 2016 (when our last survey was conducted). The index is drawn from a common set of factors that define diverse and inclusive workplaces across global companies. Our 2018 score outperforms the financial services norm by eight percentage points.¹
- Established organizational commitments that address gender and visible minority representation at the leadership level by 2020, recognizing diversity and inclusion as key drivers of innovation and meeting Client needs.
- Refreshed our global D&I strategy to shift our focus from awareness (activity-based progress) to action and insights (metrics and sustainability), based on employee input.
- Developed a talent process review to identify potential barriers and bias, and continued to deliver management training to strengthen inclusive leadership.

Client and Community Highlights

- Became an official partner of Bentley University’s Center for Women and Business, through which Sun Life and other corporate partners work together to explore issues and identify actions to improve workplace gender diversity.
- In Canada, continued to implement our multi-year Accessibility Plan, which is focused on creating accessible products, services, employment and workplaces in ways that respect the dignity and independence of persons with disabilities.
- Implemented new supplier selection processes, helping ensure Sun Life conducts business with like-minded vendors. We are also members of groups such as the Canadian Aboriginal & Minority Supplier Council and the Canadian Gay and Lesbian Chamber of Commerce.
- Supported Pride Month in all of our locations in North America, and employees also participated in Pride marches and festivals in various cities.

- Maintained our support for Indspire’s Building Brighter Futures: Bursaries, Scholarships, and Awards program for Indigenous peoples in Canada, as well as the Play for Prevention program offered by Right To Play. The latter program, delivered in 75 Indigenous communities and 15 urban organizations across Canada, involves Indigenous youth in physical activity and healthy nutrition workshops.

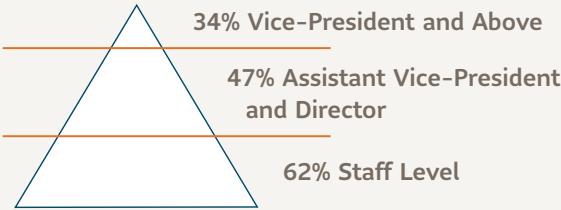


Employees and community members participate in the annual Boston Pride Parade.

Helping Women Push Boundaries in the Workplace

Across Sun Life, we empower women to seize opportunities and realize their goals. We continue to amplify our commitment and efforts, with a particular emphasis on developing and advancing women leaders.

Representation of women at Sun Life



External commitments



Included for the first time in Thomson Reuters D&I Index, which ranks the top 100 companies globally that are leading the way in embedding D&I into their company’s strategy.



Named to the 2019 Bloomberg Gender-Equality Index.



Named among the “Best Places to Work for LGBTQ Equality” in the Human Rights Campaign Foundation’s 2018 Corporate Equality Index, for the 10th year in a row.



Included in the [Pax Ellevate Global Women’s Leadership Fund](#), the first broadly diversified mutual fund that invests in the highest-rated companies advancing women’s leadership.



One of three organizations to earn a perfect score on the LGBT Corporate Canadian Index, for the second year in a row, for our strong support of the LGBT community.

Inclusion Networks at Sun Life

Our internal inclusion networks are grassroots, employee-led communities that offer an avenue for interested employees to exchange ideas and to raise awareness. This year, we launched the Mosaic Network, a network focused on creating and fostering inclusion for cultural diversity.

Our internal inclusion networks include:

- Asian American Heritage Association (U.S.)
- Black Excellence Alliance (U.S.)
- Gays, Lesbians and Others Building Equality (U.S.)
- Hispanic Organization for Leaders and Achievers (U.S.)
- Mosaic Network (Canada)
- Pride Network (Canada)
- Women’s Leadership Network (global)

In 2018, membership grew to more than 1,200 members.



In 2018, we produced videos of employees and partners discussing the work we’re doing to build a diverse and inclusive workplace. [Watch now](#)



We strive to ensure our marketing and communications are inclusive and reflect communities wherever we operate.



Key Performance Indicators	2018	2017	2016
Percentage of women in Vice-President roles and above	34%	33%	33%
Sun Life global D&I index score	82%	N/A	81%

Goals	
2019	<ul style="list-style-type: none">• Accelerate leadership commitment, accountability and visibility both internally and externally• Reinforce inclusion behaviours through talent and development• Enhance inclusion capability at all levels globally through education

² Results from Sun Life’s 2018 Global Engagement Survey.



Environmental Responsibility

[Home](#)[Organizational
Resilience](#)[Environmental
Responsibility](#)[Community
Wellness](#)[Governance and
Risk Management](#)

At Sun Life, we recognize the links between a healthy planet and a healthy economy, on which our company depends. By improving our environmental performance and embedding environmental, social and governance factors into our investment decisions, we are creating a more sustainable organization while supporting the transition to a lower-carbon economy.

AWARDS AND RECOGNITION



For the eighth consecutive year, the Global Real Estate Sustainability Benchmark (GRESB) ranked Bentall Kennedy among the top firms in the world for its commitment to investing sustainably.



Our Sun Life building in Montreal received the first-ever BOMA Best Platinum certification for a centennial building in North America, the highest distinction awarded to buildings for outstanding environmental performance and management.

In this section

[Environmental Impacts](#)
[Sustainable Investing](#)

Environmental Impacts

Our consumer and employee research confirms that environmental responsibility is relevant and a vital part of how people form their opinions of businesses. We recognize the impacts that a changing climate and climate-related risks can have on our operations, Clients and communities, and the importance of supporting the shift to a lower-carbon economy.

**RELEVANT SUSTAINABLE
DEVELOPMENT GOALS**



OUR APPROACH

We are accountable for our impact on the environment, and work every day to measure, manage and reduce that impact.

Through our environmental management framework, we integrate environmental sustainability into our day-to-day operations and decision-making. Our wide range of programs and practices aim to manage the environmental footprint of our business. We track and report on key environmental indicators to monitor progress and identify opportunities for improvement. We also assess climate risk and other environmental impacts through extensive risk management systems – refer to pages [44-45](#).

Climate Action

Given the nature of our business as an insurance, wealth and asset management provider with locations around the world, we view the most significant aspects of our environmental footprint to be those related to energy consumption and the resulting greenhouse gas (GHG) emissions, which affect the climate.

In the face of a changing climate and increasingly resource-constrained world, we recognize that the financial services industry has an important role to play in reducing GHG emissions, building climate resilience and investing in the transition to a low carbon economy (refer to Infrastructure Investments on pages [38-39](#)). We’re tackling climate change on all these fronts and have established GHG emissions intensity reduction targets that support the global response to climate change – including the Paris Agreement with its aim of keeping global temperature rise this

century well below two degrees Celsius above pre-industrial levels, and the Sustainable Development Goals.

- We aim to reduce our GHG emissions intensity 20% by 2020 and 30% by 2030, across our corporate and investment real estate portfolios (based on tonnes per square foot, relative to a 2014 baseline).

Green Buildings

As buildings are a major contributor to GHG emissions, we strive to ensure our facilities are environmentally sound. We have established sustainability design standards for our offices and use a sustainability scorecard to evaluate a site before entering a lease. In North America, Sun Life owns and leases over 22 million square feet of green-certified space. All of our major corporate sites in Canada, in addition to many properties in our investment portfolio, are Leadership in Energy and Environmental Design (LEED®)¹ or BOMA BEST² certified.

Sustainability in our Workplaces and Beyond

A major shift in our way of thinking and acting is leading us to change the way we work. BrightWork is how we refer to the changes and encompasses both the physical spaces we use and the way we work together. We are creating a workplace that will better meet our needs today and in the future—and one that we believe will also reduce our environmental impact.

On track

to meet 20% by 2020 target for reducing GHG emissions intensity (2014 baseline)

¹ LEED®—an acronym for Leadership in Energy and Environmental Design™— is a registered trademark of the U.S. Green Building Council®. The Canada Green Building Council is the sole license holder for the LEED® trademark in Canada.

² BOMA BEST Sustainable Buildings certification recognizes excellence in energy and environmental management and performance in commercial real estate. The Program is managed by the Building Owners and Managers Association of Canada (BOMA Canada) and delivered by the eleven Local BOMA Associations throughout Canada.

Close to 50% of our North American employees are based in our BrightWork spaces, and we expect to reach 75% within five years. Our BrightWork approach offers:

- office environments that are more eco-friendly and healthy, featuring improved air quality, enhanced thermal comfort, greater daylight exposure and low environmental-impact materials;
- greater choice and flexibility so our employees can select the space that will help them be their most productive on a given day—whether in a traditional workspace, collaboration setting or from home;
- more efficient use of space, which reduces the environmental impact of operating our office, since less space sits empty; and
- greater collaboration, communication and innovation.

Beyond our offices, we also recognize the importance of sustainable development along our value chain. As part of our procurement process, requests for proposals include a mandatory sustainability questionnaire and we evaluate potential new suppliers on their environmental, social and governance performance.

Responsible Paper Use

We support sustainable forest management and seek opportunities to reduce waste and unnecessary use of resources. We ask employees to think before they print, and equip them with technology solutions that support choice and flexibility in where and how they work—a key tenet of our BrightWork approach. Our focus on digital innovation offers convenient and practical solutions for Clients who are seeking more mobile options; and in some cases reduces the printing and delivery of paper, thereby reducing costs.

In 2018, two years ahead of schedule, we met our target to reduce paper consumption in our North American operations by 30% by 2020 (relative to a 2014 baseline).

Commitments and Memberships

To support our progress in achieving our environmental commitments, we engage in external initiatives and forums where we collaborate with others, disclose our performance and keep current with evolving environmental issues and opportunities.

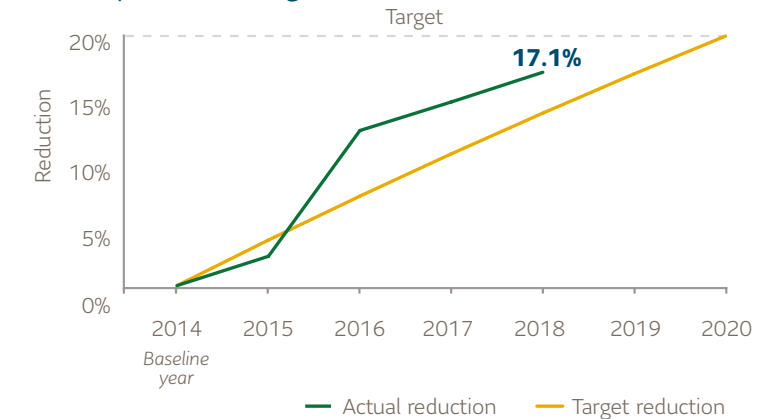


PROGRESS IN 2018

Energy and Climate Change

- Achieved GHG emissions intensity reductions of 2.8% vs. 2017, on track with our 20% by 2020 and 30% by 2030 GHG emissions intensity reduction targets.⁴⁻⁶ This success is attributable to ongoing energy efficiency and conservation programs, complemented by a tenant engagement program. We acknowledge that a concerted effort will be required through 2019 and 2020 to achieve our 2020 target.
- Experienced slight increases of less than 1% in absolute energy use and GHG emissions across our combined corporate real estate and real estate investment portfolios in 2018 compared to 2017, due to new property developments, colder weather, and increased occupancy, partially offset by reduction efforts.

Strong performance towards 2020 global GHG emissions intensity reduction target³⁻⁶



³ Tonnes of carbon dioxide equivalent per square foot.

⁴ GHG emissions resulting from energy, water, and waste (where weight data exists), and normalized to remove the impact of changing weather, occupancy and exceptional loads, for Canada, United States and International Real Estate Investment properties where Sun Life has financial control and global corporate real estate properties >40,000 ft² where Sun Life has financial control.

⁵ Year-over-year reductions are calculated annually and cumulatively reported vs. the 2014 baseline.

⁶ Reported reductions account for the purchase of renewable energy credits (RECs) and carbon offsets (net, market-based reporting). RECs purchased before 2016 do not adhere to the quality criteria set out in the GHG Protocol Scope 2 Guidance and are therefore not reported.

- Saw a 7.9% increase in GHG emissions from corporate travel in 2018 compared to 2017, despite efforts aimed at reducing the need for travel; compared to 2016, the increase was 1.6%. We remain committed to reducing the need for general business travel and employee travel between locations, through the use of video-conferencing and online collaboration tools and by encouraging eco-friendly options such as commuting by carpool, public transit, bicycling and walking where practical. In some of our major Canadian locations, we also facilitate hybrid or electric vehicle taxi services for employees.

CASE STUDY

Investing in climate resilience

Complementing our work to mitigate climate change impacts, we are building Sun Life's resilience to extreme weather events and climate risk. For example, we assess the potential impact of hazards such as tornados, flash floods, ice storms and coastline flooding on our office locations and real estate investment properties. In offices we rent or lease, our corporate real estate group works with building owners on mitigation activities and proactively searches for building resilience opportunities.

This past year we:

- Re-examined our assessment process and business continuity plans for opportunities to better integrate evolving climate risks, such as increased intensity and frequency of extreme precipitation and flooding.
- Tracked industry best practices, including initiatives like the forthcoming Resilience Assessment Protocol for Commercial Buildings by BOMA Canada, which is expected to be available in 2019.

“

In a world challenged by the effects of climate change and other environmental and social issues, we're being proactive to assess and capture ESG impacts in our investment strategies, across all asset classes. In real estate, our sustainability innovation lab is a prime example of that commitment, as we continue to demonstrate leadership in sustainable investing, with an eye on both financial returns and the well-being of our planet.”



Philip Gillin

Senior Managing Director and Portfolio Manager,
Canadian Property Investments and Chair of Sun Life's
International Sustainability Council

Sustainability Innovation Lab Pushes Zero Carbon Performance

Sun Life and our real estate subsidiary, Bentall Kennedy, launched the sustainability innovation lab, an initiative to generate ideas and execute initiatives that encourage innovation and value creation. The lab focuses on projects to enhance the performance of our buildings, reduce risk of obsolescence, strengthen tenant loyalty and reduce emissions to protect the environment.

To cut energy costs and promote a sustainability agenda the lab launched an experiment with a commercial building in Ottawa's ByWard Market. 100 Murray St. is the first commercial building in Canada to be certified as "zero carbon performance" by the Canada Green Building Council. This existing 60,000 sq. ft. Class A commercial office space further built upon its proven energy performance results and LEED Gold certification in 2016, to demonstrate that it had achieved a balance of zero carbon emissions from the building.



CORENET
GLOBAL | Canadian
Chapter

Our global headquarters at One York in Toronto received the 2018 REMy Award for sustainable design and social responsibility in workplace management and corporate real estate.



For the 8th consecutive year, the U.S. Environmental Protection Agency awarded Bentall Kennedy with the ENERGY STAR® Partner of the Year-Sustained Excellence award for its continued leadership in energy management and achievements in reducing its environmental footprint. The honor comes on top of the company's record of 10 years as an ENERGY STAR Partner of the Year award winner.

Employees Promote
Environmental Sustainability

Our employees demonstrated their passion for the planet by participating in many community environmental initiatives.



In Hong Kong, employees and their families pitched in for Paddle for the Planet to help clean up plastic and other trash polluting oceans and waterways. Employees in the region also teamed up for a beach clean-up on Lamma Island, collecting 240 kilograms and 2,500 pieces of trash.



Employees pitched in at the Springbank Community Gardens in Cambridge, Canada to support a local foodbank.

Reducing Waste and Materials

- Decreased total paper use in our North American operations by 17%, year-over-year, helping to meet our 2020 target of a 30% reduction in paper use relative to a 2014 baseline two years ahead of schedule.
- Diverted 70% of the total waste generated by our major offices sites in Canada, all of which have waste diversion programs in place.
- Rolled out an enhanced national approach to waste management across select Bentall Kennedy-managed locations in Canada, to improve waste diversion, reduce cost and implement efficiencies.

Collaborating On Climate-Resilient Infrastructure

Sun Life co-hosted high-level discussions on climate resilience challenges and opportunities related to critical infrastructure at the 2018 Extreme Events and Climate Change Risk Forum of The Geneva Association, in collaboration with Intact Financial Corporation. Held in Toronto, Canada, the event brought together executives of global re/insurance and financial companies, ministers and high-level officials from governments, international development banks and inter-governmental organizations to discuss the role of the insurance industry and public-private partnerships in scaling up investments in climate resilient critical infrastructure.

- Placed a major emphasis on recycling and reducing plastic in our offices and through our community work in Asia, recognizing this as the region's biggest environmental issue. For example, we:
 - Collaborated with local social enterprise BottLess and The Green Earth charity to provide complementary water refilling stations and recycling bins at the Sun Life Dragon Boat Championship in Hong Kong (the largest dragon boat event in the world).
 - Worked with two charities to promote sustainability and reduce plastic pollution at the Tuen Ng Festival in Hong Kong.

Goals	Results
2018 • Reduce GHG emissions intensity ⁷ by 20% by 2020 and 30% by 2030 (2014 baseline) ⁸⁻¹⁰	✓ On track
• Reduce paper use in North American operations by 30% by 2020 (2014 baseline)	✓ Achieved
2019 • Continue working to reduce GHG emissions intensity by 20% by 2020 and 30% by 2030 (2014 baseline)	

⁷ Tonnes of carbon dioxide equivalent per square foot.
⁸ Composed of GHG emissions resulting from energy, water, and waste (where weight data exists), and normalized to remove the impact of changing weather, occupancy and exceptional loads, for Canada, United States and International Real Estate Investment properties where Sun Life has financial control and global corporate real estate properties >40,000 ft² where Sun Life has financial control.
⁹ Year-over-year reductions are calculated annually and cumulatively reported vs. the 2014 baseline.
¹⁰ Reported reductions account for the purchase of renewable energy credits (RECs) and carbon offsets (net, market-based reporting). RECs purchased before 2016 do not adhere to the quality criteria set out in the GHG Protocol Scope 2 Guidance and are therefore not reported.

Sustainable Investing

We believe sustainable investing can improve the long-term return on our assets, helping us achieve superior results while also benefiting the communities where we live and do business. Incorporating an environmental, social and governance (ESG) lens in investment decision-making also helps us manage risks in our investment portfolios and identify opportunities related to ESG trends.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

We are committed to building long-term, sustainable value, firmly rooted in responsible investment practices, for our Clients and Sun Life's own investments.

Sustainability has been central to our investment decisions for over 150 years. As a leading insurer and asset manager, we understand how long-term financial commitments require investment solutions that preserve and enhance the long-term market value and income generation capacity of assets.

Sun Life operates two asset management businesses, which together manage \$650 billion:

- **MFS Investment Management (MFS)**¹, a global asset management company active in public markets with a broad range of equity and fixed income products for institutional and retail investors; and
- **Sun Life Investment Management**, a group of companies (Sun Life Institutional Investments (Canada) Inc., Bentall Kennedy, Prime Advisors, Inc. and Ryan Labs Asset Management) that provide investment solutions for defined benefit pension plans, insurance companies and other institutional investors across North America. In addition, Sun Life Investment Management manages the General Account supporting Sun Life's insurance operations.

These businesses develop investment strategies to achieve the specific goals of our Clients and Sun Life's General Account, striving to ensure that:

- our investments generate strong financial returns over the long term,
- our investment practices consider ESG factors and other non-financial risks, and
- our actions as an organization will have a positive impact on the well-being of the communities in which we work and live, benefiting local schools, hospitals, public transit and other services.

Proud signatories to the United Nations-supported Principles for Responsible Investment (PRI)

Sun Life and its asset management business are signatories to the PRI:

- Sun Life Investment Management
 - Sun Life Institutional Investments (Canada) Inc.
 - Bentall Kennedy
 - Ryan Labs Asset Management
- MFS

Sun Life and signatories publicly report on sustainability initiatives each year.

Signatory of:



¹ For more information on MFS Investment Management's sustainable investing practices, please visit www.MFS.com.

CASE STUDY

Green bond investments support climate-smart projects in Asia

2018 was a milestone year for Sun Life Philippines, marking its foray into green bonds to support sustainability projects. The company purchased:

- The International Finance Corp’s Green Bonds, the first of its kind in the Philippines. The proceeds of this issuance are being directed to renewable energy, energy efficiency and other climate-smart projects.
- Green bonds issued by Sindicatum Renewable Energy Company, a renewable energy developer and advocate of sustainable climate projects. Funds raised will support eligible clean energy projects in the Philippines.



In addition, Sun Life Hong Kong committed to investing in Clean Energy and Environment Fund LP managed by the Sustainable Investments unit of DWS. The Fund invests in clean energy and green environmental businesses that are enablers in deploying and delivering cleaner energy and solutions addressing environmental pollution across China.

ESG Plus: A Framework for the Future

In 2018, Sun Life Investment Management introduced ESG Plus, our enhanced sustainable investment program. ESG Plus increases our efforts to identify and manage both financial and non-financial risks related to our investments. The “plus” refers to our heightened awareness of non-financial risks outside of typical ESG factors, and investing in the right opportunities to achieve higher returns.

ESG Plus focuses on:

1. Building long-term, sustainable value firmly rooted in responsible investment practices;
2. Incorporating sustainable investment principles that build greater transparency and set formal standards around our sustainable investing activities;
3. Oversight of our activities by an executive level Sustainable Investment Council, which provides a forum to discuss, establish and implement best practices in maintaining a robust sustainable investing culture; and
4. Promoting a culture of sustainability by actively engaging our employees in community issues.



The ESG Plus approach is not something that our people do off the side of their desks. It’s an integrated part of what we are doing and will continue to shape how we manage our portfolios.”

Eugene Lundrigan
President of Sun Life Institutional
Investments (Canada)

Our Investment Approach

Our approach to sustainable investing on behalf of the General Account and Clients of Sun Life Institutional Investments (Canada) Inc. is built on eight principles:

OUR PHILOSOPHY

1. We invest sustainably to improve the long-term risk-adjusted return on client assets.
2. We factor non-financial risks/issues into our investment decisions.

OUR PROCESSES

3. Process of identifying, measuring and managing non-financial risks is dynamic.
4. Our sustainability analysis and decision-making is embedded within each investment team and across the asset classes.
5. For each asset class we invest in, we document our sustainable investing efforts.
6. We report on our sustainable investing practices on a regular basis – and do so clearly and transparently.

OUR PRESENCE

7. We are actively engaged in broader sustainability initiatives.
8. We promote a sustainability culture among our employees.

PROGRESS IN 2018

- Introduced ESG Plus, our strengthened sustainable investment program, and established the Sustainable Investment Council (refer to [Our Approach](#)). Through this effort, we seek to build greater transparency and standards around our sustainable investing activities among our stakeholders.
- Conducted a stress test on our General Account portfolio under various climate change scenarios to more fully understand and document the risks.
- Completed an in-depth analysis of our investments in banking and chemicals – industries designated for study by our Council. By implementing more consistent methodology and reporting, we have gained a broader understanding of the risks related to assessing investments in these areas.

- Increased our advocacy activities:
 - Steve Peacher, President and CEO of Sun Life Investment Management, participated in a panel discussion on private investments in climate resilience at the 2018 Extreme Events and Climate Change Risk Forum of The Geneva Association, co-hosted by Sun Life and Intact Financial Corporation.
 - Participated in the 2018 International Association of Credit Portfolio Managers Survey investigating how climate change considerations are being incorporated into credit risk management, and approaches to managing climate risks.
- Increased Sun Life’s holdings of green bonds in North America and Asia to over \$480 million.

Goals	Results
2018	<ul style="list-style-type: none">• Form a sustainable investing council with representatives across asset classes ✓ Achieved• Implement factors in our investment strategy that address the impact of climate change on the management of our investment portfolio ✓ Achieved
2019	<ul style="list-style-type: none">• Conduct a climate change scenario analysis on the General Account portfolio• Assess current disclosure and develop a plan for implementing the recommendations of the Task Force on Climate-related Financial Disclosures• Manage our real estate portfolios to support greenhouse gas reduction targets (refer to <i>Environmental Impacts</i> page 27)• Continue the roll-out of the ESG Plus process across our asset classes

MORE

[Corporate Responsibility at Bentall Kennedy](#)
[MFS Annual Sustainable Investing Report](#)



Community Wellness

[Home](#)[Organizational
Resilience](#)[Environmental
Responsibility](#)[Community
Wellness](#)[Governance and
Risk Management](#)

As a company with many connections to communities around the world, we believe we play a role in their development and well-being. Our goal is to build sustainable, healthier communities where we all live and work, helping to improve the lives of individuals and families.

AWARDS AND RECOGNITION



Recognized as an Imagine Canada Caring Company, a program that recognizes outstanding leadership in community investment, as we contribute a minimum of 1% of pre-tax profits in Canada in support of communities.

Business / Arts

Received the Community Impact Award for our Sun Life Financial Musical Instrument Lending Library program in recognition of an arts and business partnership that has enhanced the quality of life and enriched a local cultural scene.

In this section

[Strategic Philanthropy](#)[Infrastructure Investments](#)[Public Policy](#)



Strategic Philanthropy

Our long-term success depends on the health and sustainability of communities that support our Clients, employees and business. That's why we see shared value in making a positive societal impact by supporting and investing in the communities in which we live and work.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

We lead and invest in high-impact philanthropic programs around the world, drawing on our resources, talent, networks and strategic partnerships with community organizations.

Our Focus Areas

To drive positive social impact, Sun Life supports a number of charities and causes in the communities where we live and do business. Since 2012, diabetes has been our global priority – a focus that ties into our Purpose of helping our Clients achieve lifetime financial security and live healthier lives.

We have made a major commitment to combating this rapidly growing global health concern through our **Team Up Against Diabetes platform**, a targeted and coordinated strategy with an emphasis on diabetes awareness, prevention, care and research. Our wide-ranging efforts include education campaigns, online health checks, and a diabetes grant program.

In some regions, our businesses have additional giving priorities based on local needs. In Canada, for instance, arts and culture is a focus area, and programs we support are funded through our award-winning **Making the Arts More Accessible™ program** – an initiative created in 2004 to ensure people, regardless of their means, can enjoy arts and culture. In Asia, financial literacy and health and wellness are focus areas.

Contributed
at least 1%
of pre-tax profits
in Canada in support
of communities

Employee Giving

Each year, our employees donate money and thousands of volunteer hours to charities. We empower our employees to get involved in their communities and support them in several ways, depending on local needs:

North America

- Matching gifts program – Sun Life matches employees' charitable contributions
- Grants to charities for which employees volunteer (Canada)
- We pay registration fees/minimum donations required for employees who participate in health-related charitable events

UK

- Employee volunteering– employees receive time off for volunteering
- Ongoing volunteer opportunities promoted through external partners

Asia

- A variety of country-specific programs for our employees who are actively engaged in supporting charities and promoting health and wellness in the communities where we operate

MORE

[Donations and Sponsorships](#)

CASE STUDY

Food programs in West Virginia promote healthier living

A 2018 recipient of the Sun Life Team Up Against Diabetes grant program in the United States, Grow Ohio Valley (GOV) is a non-profit with a mission to build thriving communities through local food. GOV will apply the grant funding to two of its programs: FARMacy and Sprout Kids. Together, these programs will reach more than 3,400 children and 100 adults.

- Through FARMacy, doctors write prescriptions for vegetables to patients with diet-related illnesses such as type 2 diabetes. Participants collect local produce each week at the GOV farm stand, and participate in cooking demos, recipe exchanges and health screenings.
- The Sprout Kids program delivers interactive educational programming to local youth, centered around agricultural and nutritional literacy.



Grow Ohio Valley mobile farmer's market.

PROGRESS IN 2018

- Donated \$11 million to community organizations across North America, Asia and the UK.
- Engaged our people in community service, with more than 20,000 hours volunteered by employees.
- Advanced the fight against diabetes directing 41% of our total donations to the cause. Refer to page 37 for 2018 examples of our support worldwide.
- Deepened our commitment to making music education accessible to more Canadians by:

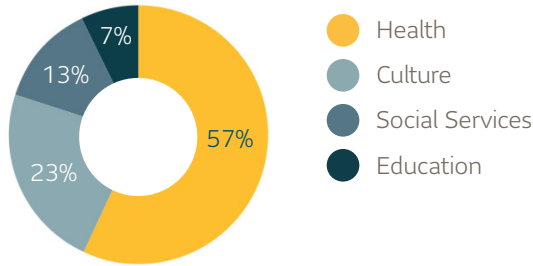
9,800 employees and community members took part in walks, runs and bike rides in support of community causes globally

- Extending our multi-year philanthropic commitment to the Sarah McLachlan School of Music, ensuring at-risk and underserved youth gain free access to best-in-class music instruction. To date, our support has provided 250 paid tuitions.
- Expanding Sun Life's popular and award-winning Musical Instrument Lending Library program to Regina, Halifax, Fredericton and Newfoundland & Labrador Public Libraries, making the program available in eight provinces across Canada. Since inception, 1,800 musical instruments have been donated.

- Supported our United Way Campaign across North America with \$2.7 million raised by employees and Sun Life.

- Continued to invest in improving financial literacy levels in Asia, through initiatives such as The Brighter World Builder Challenge, a partnership of the Sun Life Philippines Foundation and The Spark Project (a pioneering crowdfunding platform in the Philippines) to search for, fund and accelerate financial literacy programs. Each of the 10 contest winners received a P100,000 grant and crowdsourcing support to implement their programs in local communities.

Donations by Focus Area



Key Performance Indicators	2018	2017	2016
Corporate giving (\$ millions)	11	11.4	11.4

Goals	
2019	Enhance transparency and reporting of metrics related to community wellness activities

Tackling Global Diabetes in 2018

North America

CANADA

- Became title sponsor of the Sun Life Walk to Cure Diabetes for JDRF, the largest diabetes fundraising event in Canada that aims to accelerate research and inspire Canadians to learn more about type 1 diabetes. Over 1,800 Sun Life employees and their families took part.
- The Sun Life Dunk for Diabetes initiative doubled in size in its second year, reaching 50 Boys and Girls Clubs across Canada and benefiting over 2,000 youth. In partnership with the Toronto Raptors and NBA Canada, the six-week program engages kids in basketball-themed fitness and nutrition challenges while educating them on how to prevent type 2 diabetes. Over 100 Sun Life advisors volunteered to help facilitate the program at local clubs.



Toronto employees pitched in at the Sun Life Walk to Cure Diabetes.

- Launched Team Up Against Diabetes regional grant program in Canada, awarding two recipients a total of \$135,000 to support type 2 diabetes treatment and care. The program was created to help grassroots organizations obtain funding for diabetes programming in their communities.
- Sponsored the launch of a unique multidisciplinary program for the prevention of diabetes created by the Montreal Heart Institute.

UNITED STATES

- Awarded \$250,000 USD through Sun Life's Team Up Against Diabetes grant program, now in its third year of operation, to five organizations taking innovative approaches to diabetes prevention, management and/or education in their local communities.
- Partnered with the Boston Celtics basketball team for the fourth annual Fit to Win, a four-week program engaging children in fitness and healthy eating.
- Supported YMCA's Diabetes Prevention Program to help Americans reduce their risk of developing type 2 diabetes. The program provides coaching and resources at over 1,100 sites in 42 states and has served over 61,000

people, with 91% of participants reporting improved overall health thanks to the program.¹

- Raised \$20,000 USD for the American Diabetes Association through the Strikeout Diabetes campaign with the Kansas City Royals baseball franchise. The season-long initiative raised \$21 from Sun Life every time a Royals pitcher got a strikeout, representing that every 21 seconds, someone in the U.S. is diagnosed with diabetes.



We funded the American Diabetes Association's efforts in Kansas City to prevent and cure diabetes and to support those impacted by the disease.

Asia

- Developed Sun Life Resolution Run events to help more people across Asia live healthier lives.
- Commissioned the second [Sun Life Financial Asia diabetes awareness study](#) to gauge public understanding and perception in Vietnam, Hong Kong, Indonesia, Malaysia and the Philippines. This year's study focused on the theme of family and diabetes.
- In Vietnam, our employees participated in the 22nd annual Terry Fox Run as part of our global wellness challenge.



Launched in Hong Kong and Malaysia in 2017, this past year we expanded the Resolution Run event to include the Philippines, Indonesia and Vietnam, attracting over 11,000 entrants, including employees and advisors.

\$25 million
committed to
diabetes
since 2012

“

I had so much fun in the Dunk for Diabetes program. I learned what type 2 diabetes is and how to stop it by eating healthy foods like fruits, salads and smoothies and to play lots of sports.”

Iyla, age 10

Boys and Girls Club of East Scarborough

Visit [sunlife.com](https://www.sunlife.com) for more examples

¹ YMCA. "Diabetes prevention program fact sheet: June 2018". June 2018.



Infrastructure Investments

By 2040, it is estimated \$94 trillion in funding will be needed to upgrade, replace or build essential infrastructure around the world.¹ Given the significant infrastructure needs globally and current gaps in funding, increased private and cross-sector capital is vital to help meet the demand for infrastructure investment.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

Sun Life has been and continues to be a long-term investor in infrastructure. In recent years, we have increased our portfolio of investments to support sustainable development.

Investing in sustainable infrastructure is an important part of our investment strategy, but especially in our alternative private asset classes where we believe we can have a meaningful impact on communities where we make these investments. With our investments in this area, we look to promote economic, social and environmental benefits. For example, investing in renewable energy projects can reduce air pollution, improve health and support the growth of the low-carbon economy.

Through our private investment platforms (which include private fixed income, commercial mortgages and direct real estate), we provide long-term private capital to support project construction, operation and maintenance of sustainable infrastructure.

With the enormous societal need for infrastructure spending to improve everything from hospitals and transportation to power generation, collaboration and co-financing among private and public partners is essential to build large-scale sustainable projects. We work closely with governments, other businesses, local communities and Clients to help bring such projects to fruition and ensure they achieve strong sustainable value.

For more details on our investment approach, refer to page [32](#).

We have recently aligned our infrastructure investments into the following sustainability categories:



¹ Global Infrastructure Hub. "Global Infrastructure Outlook: Infrastructure investment needs 50 countries, 7 sectors to 2040". July 2017.

PROGRESS IN 2018

- Undertook a review of our sustainable portfolio to enhance our ability to track, analyze and report on these investments going forward. As a result of this review, we:
 - began formally identifying investments in our portfolios that align with the six categories previously described; and
 - identified over 285 investments in these categories reflecting nearly \$14 billion for our General Account and \$1 billion managed for external Clients through our private fixed income funds.
- Made 31 new infrastructure investments, which included:
 - a portfolio of renewable energy projects consisting of wind and solar farms across Canada;
 - a large electric rolling stock fleet supporting almost one-quarter of the population in the UK;
 - a facility that provides critical electricity, steam and chilled water to hospital facilities in a major U.S. city; and
 - funding for the construction and long-term maintenance of two new campus buildings in a European city, as part of a major regeneration project on the site of a former hospital.



Our Sustainable Infrastructure Investments

Based on our six sustainability categories, below is a summary of our infrastructure portfolio and new investments in 2018.

Category of Infrastructure Investment	Portfolio at December 31, 2018 (General Account and for Third Parties) (\$ millions)	New Investments in 2018
1. Renewable Energy ¹	5,230	12
2. Energy Efficiency	450	1
3. Green Buildings	2,110	3
4. Clean Transportation ²	1,650	4
5. Sustainable Water Management	340	1
6. Access to Essential Services	5,020	10
Total	\$14.8 billion	31 new investments ³ worth \$1.7 billion in 2018

¹ Does not include investments in “clean” energy, as it is not renewable.
² Does not include toll roads.
³ Examples of typical new investments include solar, wind and hydro renewable energy investments, rolling stock rail, hospitals, long-term care facilities and other public infrastructure in Canada, the U.S. and the UK.

Goals	
2019	• Increase data and analytics related to tracking and managing our sustainable portfolio

Public Policy

In an industry subject to significant regulation – and in light of the influence that government policy has on public health – we believe it is important to contribute our views and experience to public policy debates on important issues that directly affect our Clients, employees and communities.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

To shape sound public policy, we participate in public policy discussions to highlight and address issues ranging from retirement security and quality healthcare to economic growth, sustainable development and climate change.

We actively engage with governments and regulators to share our views, as well as the perspectives of our Clients, employees and communities, to inform public policy debates. Our engagement activities take place both directly and through our participation in industry associations, such as the Canadian Life and Health Insurance Association, the American Council of Life Insurers and the Hong Kong Federation of Insurers.

Our approach focuses on being collaborative, constructive and responsible in our interactions with government officials and industry partners. Wherever we operate, we comply with local lobbying laws and regulations and are committed to being transparent about our public policy positions and activities. Our **Compliance Risk Management Policy** and **Prevention of Bribery and Corruption Policy**, supported by our [Code of Business Conduct](#), set out clear rules and restrictions for dealing with politicians and government officials.

Sun Life is politically non-partisan and as an organization, we do not provide any form of direct financial support to political parties, officials or candidates. However, our employees are free to engage in the political process as private citizens and through the Sun Life Political Action Committee (“PAC”) in the U.S. This employee-led, non-partisan committee supports U.S. federal candidates who value the importance of the employee benefits industry. The Sun Life PAC is funded solely through voluntary personal contributions from eligible employees.

PROGRESS IN 2018

Public Policy Activities

- Advocated for changes to the regulatory framework governing the Patented Medicines Prices Review Board that will result in lower prescription drug prices for all Canadians.
- Worked with the governments of Alberta and Ontario in Canada to design and execute a campaign aimed at helping our Clients protect themselves against influenza and stay healthy. The campaign reached more than 1 million Clients.
- Participated in the consultation process on pharmacare held by the Government of Canada’s Advisory Council on the Implementation of National Pharmacare.
- Worked with the Government of Canada to develop a new report on workplace pension plan enrollment, aimed at helping more workers access employer contributions for their retirement.

- Provided input to the Government of Canada’s consultations for a National Data and Digital Strategy, by participating in government-organized roundtables and filing a submission with Sun Life’s views on the strategy.
- Sponsored research by the non-partisan U.S. Committee for a Responsible Federal Budget, with the aim of proposing innovative solutions to the Social Security Disability Trust Fund’s fiscal challenges (research to be released in 2019).
- Through Toronto Finance International, provided input on a [feasibility study](#) of the opportunity to position Toronto as a sustainable finance hub.

Political Contributions

- We did not make any direct political contributions in 2018. The Sun Life PAC in the U.S. disbursed \$39,800 USD in funds raised by employees to 10 House and Senate candidates and three insurance industry PACs; these contributions are on public record via the Federal Election Commission.



Shaun Chen, Member of Parliament for Scarborough North, Canada and Deanna Remenyi, Director, Government and Regulatory Affairs at Sun Life, discuss how a pharmacare program can achieve drug coverage for all Canadians.

Goals	Results
2018 <ul style="list-style-type: none">• Continue to work with the federal and provincial governments to help ensure that prescription drugs are affordable and accessible to all Canadians• Collaborate with the Canadian federal government on approaches to enable insurers to help enhance Canada’s competitiveness and innovation through investments in technology and infrastructure	<div>✓ Achieved</div> <div>✓ Achieved</div>
2019 <ul style="list-style-type: none">• Work with federal and provincial governments on health innovation initiatives that will bring value to Canadians• Work with governments and regulators to ensure that Canadians have the necessary tools to plan and save for their retirement and long-term financial security• Continue to participate in discussions with U.S. lawmakers regarding the value of leveraging private insurers in government-mandated paid family and medical leave programs	



Governance and Risk Management

[Home](#)[Organizational Resilience](#)[Environmental Responsibility](#)[Community Wellness](#)[Governance and Risk Management](#)

We are committed to maintaining strong corporate governance practices and ethical behaviour throughout our organization. Proactive risk management and an embedded risk culture are also essential to our long-term success.

AWARDS AND RECOGNITION



Joined the 30% Club Canada, which has set a goal of 30% of board seats and C-suites to be held by women by 2022.



For the 10th consecutive year, Sun Life ranked in the top 10 in The Globe and Mail Report on Business' Board Games review of corporate governance practices of Canada's largest companies.

In this section

[Ethics, Integrity and Corporate Governance](#)
[Risk Management](#)



Ethics, Integrity and Corporate Governance

Our reputation as an ethical and trustworthy company is our most important asset. We believe that consistently focusing on good governance and applying the highest ethical practices in all of our activities enables us to uphold the trust of our stakeholders.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

Acting responsibly is an integral part of the Sun Life culture. We are committed to maintaining high standards of business ethics and integrity, as demonstrated through our best-in-class corporate governance practices that balance the interests of Company management, the Board of Directors, shareholders, Clients and other stakeholders.

Our approach starts at the top with our Board of Directors: 11 of our 12 Board members, including the Chairman of the Board, are independent to help ensure that the long-term interests of our stakeholders are addressed and protected. Gender balance is also a priority: our Board has a diversity policy that includes provisions relating to the identification and nomination of women directors, and has a target of having at least 30% women directors – one that we exceeded in 2018.

Our people are guided by strong, clear standards and expectations articulated in Sun Life's [Code of Business Conduct](#) (the Code). All employees and directors must comply with the Code and complete mandatory annual training on it. Employees also complete mandatory annual training on other key Sun Life policies and guidelines, including Business Continuity; Emergency Preparedness; Financial Crime Awareness; Maintaining the Privacy and Security of Personal Information; Records Management; and Security Awareness.

Sun Life operates a confidential Employee Ethics Hotline that empowers our employees to play an active role in protecting the organization by seeking guidance, identifying issues and ethical misconduct and enabling anonymity if requested. Our global compliance organization monitors and investigates reports to the Hotline service.

PROGRESS IN 2018

- Exceeded our target of at least 30% women directors: as of December 31, 2018, women comprised 33% of our Board members. As we continue to drive our commitment to gender diversity, we have recently:
 - Signed the Catalyst Accord 2022, which aims to increase the average percentage of women on boards and women in executive positions in corporate Canada to 30% or greater by 2022; and
 - Joined the 30% Club Canada, which has set a goal of 30% of board seats and C-suites to be held by women by 2022.
- Reflecting our commitment to the healthy renewal of our Board, added one new member in May 2018, with another member joining the Board on January 1, 2019.

33%

Women on
our Board
of Directors

MORE

[Charter of the Board of Directors](#)
[Director Independence Policy](#)
[2018 Annual Report](#)
[Management Information Circular](#)

Risk Management

The risk landscape for businesses around the world is evolving rapidly. Companies continue to face risks arising from various factors including climate change, market and credit factors, competitor actions, cyber security threats and evolving regulation and technology. Risk management is critical to our overall profitability, competitive market positioning and long-term financial viability, to meet the commitments to our Clients and other stakeholders.

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



OUR APPROACH

As a large financial services organization operating in a complex industry, Sun Life is exposed to various risks, including sustainability-related risks such as climate change, occupational health and safety, and data security.

Our **Risk Management Framework** prescribes a comprehensive set of protocols and programs for conducting our business activities. The risks that arise when providing products and services to Clients are managed within these protocols and programs. This framework, along with our suite of risk management policies, seeks to ensure that risks are appropriately managed to achieve the Company's business objectives.

The Risk Management Framework includes a risk culture statement and risk culture elements. Risk culture relates to how we behave and respond, in addition to adhering to the requirements we set. It enables and rewards taking the right risks in an informed manner, including an understanding of Client needs and preferences so that we can act in their best interests. Our risk culture also encourages discussions on risk decisions, and facilitates an environment where employees are transparent about risks and outcomes.

Our **Risk Appetite Policy** sets out specific constraints that define the aggregate level of risk that Sun Life is willing to accept. Our risk appetite seeks to balance the various needs, expectations, risk and reward perspectives, and investment horizons of key stakeholders. In particular, our risk appetite supports the pursuit of shareholder value, while ensuring that the Company's ability to pay claims and fulfill policyholder commitments is not compromised.

Climate Change and Other Environmental Risks

Effectively managing environmental risks, including those related to climate change, is important for our long-term sustainability, and we consider these as part of our risk management practices. Potential sources of environmental risk include:

- Impacts of climate change and the shift towards a lower-carbon economy on our business operations, investments, Clients and suppliers, including the costs associated with adapting to a changing climate;
- Impacts from emerging environmental laws and regulations where we do business; and/or
- An environmental issue at a property owned by or affiliated with the Company that could have financial or reputational impacts.

PROGRESS IN 2018

- Increased the profile of environmental risk for our teams by making it a stand-alone category within our overall Risk Management Framework.
- Enhanced our global mandatory training by introducing a training program that embeds the knowledge employees require to ensure the sustainability and ongoing success of our organization (refer to 2018 Mandatory Training Courses Related to Risk Management on page [45](#)).
- Signed on to support the Task Force on Climate-related Financial Disclosures and contributed to studies on the management of environmental risks with multiple organizations, including the International Association of Credit Portfolio Managers (IACPM).

- Developed further processes used within asset teams in Sun Life Investment Management that enable them to better assess and evaluate specific climate change risks within their portfolios.
- Performed a climate-related stress test on Sun Life’s General Account portfolio to gain a deeper understanding of related environmental risks.
- Reviewed a “point in time” scenario analysis provided from a third party vendor on our U.S. publicly traded assets, which highlighted potential climate change risks related to a two-degree transition scenario based on both current exposures and the future projection of those business exposures to carbon activities over the next five years. As a result, we have identified opportunities to evolve our climate scenario testing in future years.
- Actively participated in external sustainability-related initiatives, including the following, to help us maintain strong risk practices and be transparent about our efforts:
 - Dow Jones Sustainability Indices
 - IACPM – Assessing and Advancing Climate Risk Awareness Steering Committee
 - CDP – annual Climate Change questionnaire

2018 Mandatory Training Courses Related to Risk Management

Our enhanced enterprise-wide mandatory training program ensures employees are “risk ready”, by giving them the knowledge and tools to protect our brand and mitigate the risks that could affect our business.



Goals

- 2019**
- As part of Dynamic Capital Adequacy Testing (DCAT), continue to perform climate-related stress testing on our General Account portfolio to gain a deeper understanding of related risks
 - Profile sustainability risks within our long-term strategic plan
 - Continue to raise sustainability-related risks with executive management committees and forums

MORE

[2018 Annual Report](#) (pages 48-69)

Appendix

ENVIRONMENTAL PERFORMANCE TABLES

Global GHG Emissions Associated with Real Estate (tCO ₂ e)	2018	2017	2016
Corporate Real Estate (Sun Life occupied space)¹			
Scope 1 (Sun Life paid ⁵ natural gas, oil)	2,556	2,392	2,320
Scope 2 (Sun Life paid ⁵ electricity, steam, chilled water)	9,950	9,588	9,735
Scope 3 (Water, landlord paid utilities)	8,169	7,953	7,800
Total location-based ²	20,675	19,934	19,855
Total market-based ³	20,107	19,495	19,855
Market-based emissions intensity ³ (kgCO ₂ e/ft ²)	5.1	5.1	5.2
Real Estate Investments (Sun Life owned properties)			
Scope 1 (Sun Life paid natural gas)	27,232	26,673	24,940
Scope 2 (Sun Life paid electricity, chilled water)	51,687	51,427	52,452
Scope 3 (Water, waste ⁴ , tenant paid ⁶ electricity)	12,516	13,120	10,180
Total location-based ²	91,436	91,219	87,572
Total market-based ³	88,799	88,440	85,360
Market-based emissions intensity (kgCO ₂ e/ft ²)	2.9	2.9	2.9
Total			
Carbon offsets	-1,313	-1,313	-1,471
Total net⁷ emissions (market-based)	107,593	106,622	103,745
Overall market-based emissions intensity³ (kgCO₂e/ft²)	3.1	3.1	3.1

¹ Some corporate real estate offices are located in Real Estate Investment properties. To avoid double-counting, energy/water/emissions are counted under the Real Estate Investment portfolio in these cases.

² Location-based electricity emissions reflect the grid-average emission intensity (gCO₂e/kWh) for the region in which a property is located.

³ Market-based electricity emissions reflect contractual instruments implemented with respect to electricity purchases, i.e. renewable energy credits (RECs).

⁴ Emissions resulting from waste are reported for Real Estate Investment properties, where available. Emissions from waste used to produce energy at Waste to Energy facilities are not considered to be in scope.

⁵ Utilities billed directly to Sun Life by the utility vendor, or submetered by the landlord and recovered from Sun Life based on actual consumption.

⁶ Submetered utility use for which costs are recovered from tenants based on actual consumption.

⁷ Net emissions account for carbon offsets purchased to offset property emissions.

Refer to additional notes on page [47](#).

Home

Organizational
Resilience

Environmental
Responsibility

Community
Wellness

Governance and
Risk Management

Global Energy Use Associated with Real Estate	2018	2017	2016
Corporate Real Estate (Sun Life occupied space)¹			
Energy use (eMWh)	89,313	87,063	88,091
Energy use intensity (kWh/ft ²)	22.6	22.6	22.9
Real Estate Investments (Sun Life owned properties)			
Energy use (eMWh)	360,449	358,286	348,599
Renewable energy use (eMWh)	22,669	22,203	5,933
Energy use intensity (kWh/ft ²)	11.6	11.7	11.6
Total energy use (eMWh)	449,761	445,350	436,690
Overall energy use intensity (kWh/ft²)	12.9	12.9	12.9

¹ Some corporate real estate offices are located in Real Estate Investment properties. To avoid double-counting, energy/water/emissions are counted under the Real Estate Investment portfolio in these cases.

Refer to additional notes on page [47](#).

GHG Emissions Associated with Corporate Travel (tCO ₂ e)	2018	2017	2016
Car	2,902	2,993	3,187
Air	8,910	7,962	8,437
Rail	43	29	38
Total	11,854	10,984	11,662

Travel emissions data accounts for materially all corporate travel by air, rail, car rental for business purposes and employee-claimed mileage (employee-owned car travel) for Sun Life's North American operations, and by employees based in the following office locations: India, the Philippines, the United Kingdom, Hong Kong and Ireland.

Refer to additional notes on page [47](#).

Notes on global environmental performance tables on pages 46 and 47

The following notes apply to GHG emissions, energy and water consumption associated with real estate, and GHG emissions associated with corporate travel, as reported on page 46 and 47.

- Energy, water and GHG values are calculated based on the GHG Protocol *Scope 2 Guidance* of the World Resources Institute.
- Sun Life has chosen the financial control approach for determining the scope of its GHG and energy use reporting. Properties partially owned by Sun Life are accounted for based on Sun Life’s equity share in the properties.
- All GHG values are listed in tonnes of carbon dioxide equivalents (tCO₂e); all energy use values are in equivalent kilowatt hours (ekWh); both are reported for the calendar year (January 1 to December 31).
- Emission factors are taken from publicly available sources, including National Inventory Report 1990–2016: Greenhouse Gas Sources and Sinks in Canada (Environment and Climate Change Canada); Emissions & Generation Resource Integrated Database (eGRID) (United States Environmental Protection Agency, eGRID2016); CO₂ Emissions from Fuel Combustion (International Energy Agency, 2018); UK Government GHG Conversion Factors for Company Reporting (GOV.UK Department for Business, Energy & Industrial Strategy).
- Global warming potentials are taken from the Climate Change 2007: Synthesis Report. Contribution of Working Groups I, II and III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change.
- Historical results have been restated to reflect property acquisitions and dispositions, updated emission factors, the addition of reporting by more Sun Life offices (for travel and energy use), and updates to historical data, in keeping with the principles of the GHG Protocol.

Paper Consumption (tonnes) in North America ¹	2018	2017	2016
Office paper (internal) ²	202	248	294
Business forms (external) ³	664	796	836
Total	866	1,044	1,130

¹ Approximate total volumes from operations in Canada and the U.S., excluding subsidiaries.

² Copy paper printed from networked printing devices.

³ Marketing, direct-mail and statements.

Global Water Use Associated with Real Estate	2018	2017	2016
Corporate Real Estate (Sun Life occupied space) ¹			
Water use (m³)	307,355	281,886	261,254
Water use intensity (L/ft²)	77.7	73.3	68
Real Estate Investments (Sun Life owned properties)			
Water use (m³)	1,877,541	1,889,489	1,930,792
Water use intensity (L/ft²)	60.5	61.6	64.5
Total water use (m³)	2,184,896	2,171,375	2,192,046
Overall water use intensity (L/ft²)	62.5	62.9	64.9

¹ Some corporate real estate offices are located in Real Estate Investment properties. To avoid double-counting, energy/water/emissions are counted under the Real Estate Investment portfolio in these cases.

Refer to additional notes on the left.

SUSTAINABLE DEVELOPMENT GOALS

Sun Life is contributing to the following 13 [Sustainable Development Goals \(SDGs\)](#) that are most relevant to our business and where we feel we can have the greatest impact.



SDGs	Description	Mapping to our priority topics
1 NO POVERTY 	End poverty in all its forms everywhere.	Client Focus Strategic Philanthropy
3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote well-being for all at all ages.	Client Focus Workforce Wellness Strategic Philanthropy Public Policy
5 GENDER EQUALITY 	Achieve gender equality and empower all women and girls.	Diversity and Inclusion Ethics, Integrity and Corporate Governance
6 CLEAN WATER AND SANITATION 	Ensure availability and sustainable management of water and sanitation for all	Infrastructure Investments
7 AFFORDABLE AND CLEAN ENERGY 	Ensure access to affordable, reliable, sustainable and modern energy for all.	Environmental Impacts Sustainable Investing Infrastructure Investments
8 DECENT WORK AND ECONOMIC GROWTH 	Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.	Client Focus Digital Innovation Talent Management Workforce Wellness Diversity and Inclusion Environmental Impacts
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	Environmental Impacts Infrastructure Investments

SDGs	Description	Mapping to our priority topics
10 REDUCED INEQUALITIES 	Reduce inequality within and among countries.	Diversity and Inclusion Ethics, Integrity and Corporate Governance
11 SUSTAINABLE CITIES AND COMMUNITIES 	Make cities and human settlements inclusive, safe, resilient and sustainable.	Environmental Impacts Infrastructure Investments Public Policy
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Ensure sustainable consumption and production patterns.	Environmental Impacts
13 CLIMATE ACTION 	Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy.	Environmental Impacts Sustainable Investing Infrastructure Investments Risk Management
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Ethics, Integrity and Corporate Governance
17 PARTNERSHIPS FOR THE GOALS 	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Digital Innovation Diversity and Inclusion Environmental Impacts Sustainable Investing Strategic Philanthropy Infrastructure Investments Public Policy Ethics, Integrity and Corporate Governance Risk Management



2018

Sustainability Report

Building sustainable,
healthier communities for life

Do you have a question about
sustainability at Sun Life?
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