

# Sustainability Report

## 2024 Performance





# Cautionary statement regarding forward-looking statements and other matters

This report is being provided solely for informational purposes and not for the purposes of promoting, either directly or indirectly, any business or business interest.

## Forward-looking statements

Certain statements made in this report are forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements contained in this report include statements relating to our sustainability and environmental (including climate), social (including inclusion) and governance (ESG)-related strategies, plans, activities, risks, opportunities, goals (including our interim and long-term net-zero greenhouse gas (GHG) emission reduction goals and sustainable investment goals), metrics and targets, commitments and priorities that are predictive in nature or that depend upon or refer to future events or conditions (collectively, our “Sustainability Objectives”); and 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 in this report represent our current expectations, estimates and projections regarding future events and are not historical facts, and remain subject to change.

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. In particular, because of the limitations and uncertainties inherent in climate science, risk analysis and sustainability and climate reporting, we have relied upon various market practices, taxonomies, methodologies, criteria and standards, and made reasonable approximations and assumptions, in establishing our Sustainability Objectives. However, there are many factors that we may not foresee or be able to accurately predict which may impact our ability to maintain or achieve our

Sustainability Objectives or otherwise achieve the results anticipated by such forward-looking statements. The factors and assumptions which may impact the forward-looking statements in this report include the following: the absence of a standardized taxonomy regarding sustainability-related terms (including in meaning and scope), the availability of comprehensive, comparable and high-quality GHG emissions data, the need for active and continued participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the establishment and fulfilment of climate adaptation and mitigation activities and goals (including net-zero and interim goals) by governments and companies, the assumptions underlying third-party decarbonization scenarios, the development and deployment of new technologies and industry-specific solutions (including in hard-to-abate sectors), evolving social views on sustainability-related topics, international cooperation and standard-setting, changes in government, political or regulatory approach or treatment in relation

to sustainability disclosures, reporting and other requirements, and our ability to gather and verify data and successfully implement various initiatives under expected time frames, among other unforeseen events or conditions.

The terms “sustainability”, “net zero”, “sustainable investing”, “ESG”, “carbon neutral”, “climate-related”, “decarbonization”, “transition” and similar terms, taxonomies, methodologies, criteria and standards are evolving in terms of both meaning and scope. As a result, our use of such terms may vary over time to reflect such evolution. Any references to such terms in this report are intended as references to internally defined criteria and not to any jurisdiction-specific regulatory definition or voluntary standard that may exist.

Our Sustainability Objectives described in this report rely on currently available science, and on assumptions and estimations based on internal and third-party data. Although we believe these sources are reliable, we have not independently verified or assessed the

assumptions or estimations or the underlying data, and we cannot guarantee the accuracy of such third-party assumptions, estimations or data.

Moreover, the quality, consistency and reliability of data used in connection with our Sustainability Objectives may vary across the sectors that we focus on, and in some cases may not exist. We caution that there are inherent limitations and uncertainties with available data and methodologies that may impact our underlying assumptions and estimations. Our ability to maintain or progress towards our Sustainability Objectives may be impacted if their underlying assumptions or estimations prove to be incorrect or if regulatory, economic, technological and other external factors necessary to enable their achievement fail to evolve. These factors and related uncertainties could have a material effect on our Sustainability Objectives and our ability to meet them.

We anticipate that our Sustainability Objectives and the methodologies and scenarios we use in connection with those objectives may need to be revised to reflect improvements in data quality and methodologies, the evolution of best practices, regulations, standards and science and changes in our business practices or strategies. In addition, our reporting on progress towards achieving our Sustainability Objectives relies on market practices and various external frameworks, methodologies, taxonomies, criteria and other

standards, which may change over time (or in some cases may not yet exist), resulting in changes to, or restatements of, our reporting processes and results.

We may need to or elect to purchase carbon and clean energy instruments, including carbon offset and removal credits and renewable energy certificates, to meet sustainability-related goals. The market for these instruments is still developing and their availability may be limited. Some of these instruments are also subject to the risk of invalidation or reversal, and there can be no assurance of the treatment of any such instruments in the future. There may also be changes to applicable regulations and standards that impact the market for carbon and clean energy instruments. The maturity, liquidity and economics of this market may make it more difficult for us to achieve our Sustainability Objectives.

Other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements in this report include the matters set out in the Annual Information Form of Sun Life Financial Inc. for the year ended December 31, 2024 under the heading “Risk Factors” and other factors detailed in Sun Life Financial Inc.’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.sedarplus.ca](http://www.sedarplus.ca) and [www.sec.gov](http://www.sec.gov), respectively.

The forward-looking statements in this report are presented for the purpose of assisting our stakeholders in understanding the ways we intend to address our Sustainability Objectives and may not be appropriate for other purposes. Sun Life 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.


### Additional disclaimers

This report is not required to be prepared or filed by Sun Life under Canadian or U.S. securities laws and is intended to provide information from a different perspective and in more detail than is required to be included in mandatory securities filings. The information contained herein should not be read as necessarily rising to the level of materiality of disclosure required in our securities law filings and should not be considered to be incorporated by reference into any such filings.

The information contained in this report is not intended to provide specific financial, tax, investment, insurance, legal or accounting advice and should not be relied upon and does not constitute a specific offer to buy and/or sell securities, insurance or investment services. This report may contain examples of our

internal ESG research processes and is not intended to represent any particular product’s or strategy’s performance or how any particular product or strategy will be invested at any particular time.

The recipient is solely liable for any use of the information contained in this report, and neither Sun Life nor any of its affiliates nor any of their respective directors, officers, employees or agents shall be held responsible for any direct or indirect damages arising from the use of this report by the recipient. The addresses or hyperlinks to third-party websites in this report are provided for the recipient’s convenience and the content of such websites are not in any way included or incorporated by reference into this report. Sun Life takes no responsibility for such websites or their contents, or for any loss or damage that may arise from their use. If you decide to access any of the third-party websites linked to this document, you do so at your own risk and subject to the terms and conditions of such websites.

Other information contained in this Report not identified by this symbol  was not subject to any independent limited assurance engagement. KPMG LLP (KPMG) has performed a limited assurance engagement of scope 1, 2, and select scope 3 metrics for our greenhouse gas (GHG) emissions in this report, as set out in KPMG’s [2024 Independent Limited Assurance Report](#).

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Sun Life is a leading international financial services company providing a diverse range of asset management, wealth, insurance, and health solutions to individual and institutional Clients. Our countries of operation include Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda. Learn more about who we are in our [2024 Annual Report](#) and at [www.sunlife.com](http://www.sunlife.com).

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## Reporting suite

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- ▶ [Annual Report](#) (PDF)
- ▶ [Management Information Circular](#) (PDF)

Visit our [Data and Reports](#) hub for more resources.

### FEEDBACK

We'd like your feedback on our reporting. Send your comments to [sustainability@sunlife.com](mailto:sustainability@sunlife.com).



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# About this report

Every year, we publish our Sustainability Report to provide an update on the progress we've made globally on key sustainability topics.

## Overview

This report presents the most relevant sustainability issues and impacts of our activities during 2024. We determine the sustainability issues of greatest importance to our business and our stakeholders through a periodic materiality assessment. Refer to [Stakeholder Engagement and Materiality](#) for more details. Reports from previous years are available on our [website](#).

## Reporting frameworks

We have followed the Global Reporting Initiative (GRI) framework since 2014 to guide our reporting. We have reported in accordance with the GRI Standards for the period from January 1 to December 31, 2024. We also report on select disclosure topics identified in the Asset Management and Insurance standards developed by the Sustainability Accounting Standards Board (SASB).

- [GRI Index](#)
- [SASB Index](#)

## Our process

We have designed a robust process that involves several groups reviewing the content of this report:

- internal subject-matter experts;
- senior management responsible for key sustainability-related activities;
- the Executive Sustainability Council; and
- the Governance Committee of our Board of Directors.

We obtained external and independent limited assurance of our scope 1, 2, and select scope 3 GHG emissions. Refer to KPMG's [2024 Independent Limited Assurance Report](#) and [2024 GHG Emissions Reporting Methodology](#) for more information. We did not seek an independent review of our full report.

## Scope and reporting period

This Sustainability Report ("Report") includes information about Sun Life Financial Inc. and certain of its subsidiaries and joint ventures, as applicable and as stated herein. It covers the fiscal year January 1 to December 31, 2024. Unless otherwise noted, we

presented all information in this report as at and for the year ended December 31, 2024. All dollar amounts are in Canadian currency, unless otherwise stated. References to "we", "our", "us", "the Company", and "Sun Life" mean Sun Life Financial Inc. and, where applicable, its subsidiaries and joint ventures.

This Report reflects the data that is available to Sun Life for each of the disclosed metrics. The default scope for disclosures in this Report reflects the following Sun Life business groups (collectively, the "Core Data Group"): Canada (includes Individual Insurance and Wealth, Sun Life Health and Group Retirement Services), U.S. (includes Group Benefits, Dental and In-force Management), Asia (includes ASEAN Markets, Hong Kong, High Net Worth and Regional Office), SLC Management and Corporate Support. Exceptions based on data availability are reflected in footnotes throughout the Report and, where indicated, vary from the Core Data Group

as follows:

NOTE 1: Includes MFS, Asia Joint Ventures and asset management affiliates (BGO, InfraRed, Crescent and Advisors Asset Management)

NOTE 2: Includes Asia Joint Venture (Malaysia)

NOTE 3: Excludes Vietnam, includes MFS

NOTE 4: Excludes Vietnam

NOTE 5: Includes MFS

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# Sun Life at a glance

## A leading global financial services organization

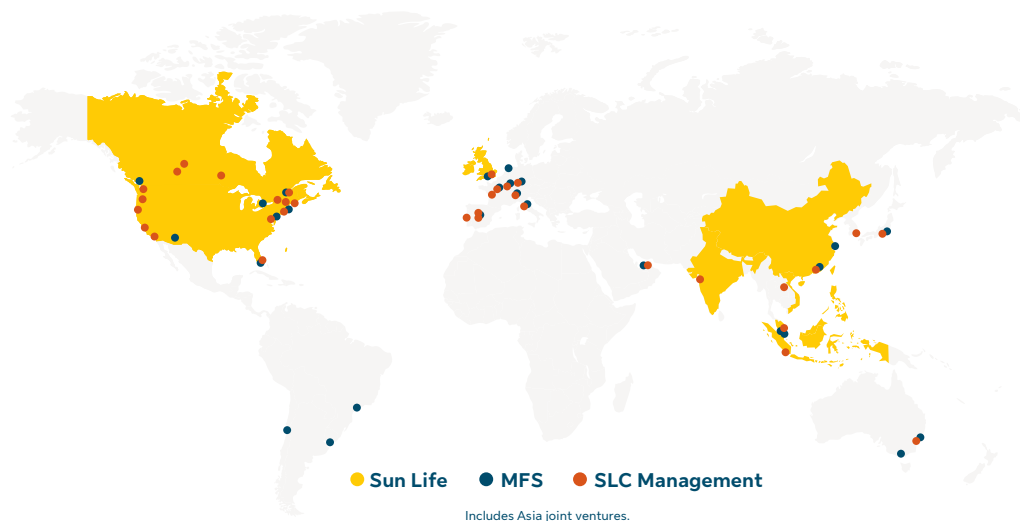
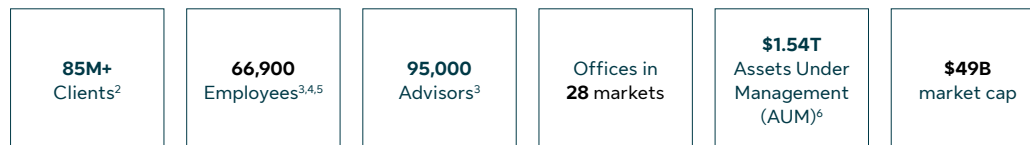
### Enterprise Strategy

#### Our Purpose

To help Clients achieve lifetime financial security and live healthier lives. Our Purpose shapes our strategy, structure, and people and culture.

#### Our Ambition

To be the best asset management and insurance company in the world<sup>1</sup>.



### Balanced & diversified business model<sup>7</sup>



- 42% Wealth & Asset Management
- 28% Group - Health & Protection
- 30% Individual - Protection

<sup>1</sup> For more information, refer to our [2024 Annual Report](#).

<sup>2</sup> Rounded to the nearest million.

<sup>3</sup> Rounded to the nearest hundred.

<sup>4</sup> Represents full-time equivalent employees and includes 31,768 regular employees, 895 temporary employees and employees in Asia joint ventures (33,736 regular employees and 529 temporary employees).

<sup>5</sup> Refer to [Report Scope - Note 1](#).

<sup>6</sup> Represents a Non-IFRS financial measure; Refer to the Non-IFRS Financial Measures section in our MD&A for the period ended December 31, 2024.

<sup>7</sup> Business Mix based on underlying net income, excluding Corporate expenses and other. Wealth & Asset Management includes MFS Investment Management, SLC Management, Canada Individual Wealth, Group Retirement Services, Asia Wealth & Asset Management, Group – Health & Protection includes Canada Sun Life Health, U.S. Group Benefits (Employee Benefits and Health and Risk Solutions) and U.S. Dental. Individual – Protection includes Canada Individual Insurance, U.S. In-force Management and Asia Individual – Protection.

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# 2024 sustainability highlights

## Increasing financial security

**2.5x more**

financial roadmaps and assessments created for Clients in Canada using the Sun Life One Plan digital tool - nearly 244,700, up from 95,900 in 2023

**2.2 million**

lives covered through affordable insurance policies issued in Asia<sup>1</sup>

Promoted

**financial literacy**

among young students in Vietnam through the launch of the “Finance for Yourself” campaign which aims to instill good financial management habits early

## Fostering healthier lives

**\$57.9 million**

committed to the fight against diabetes globally since 2012, including \$5.5 million in 2024

Expanded

**Family Leave Insurance in the U.S.**

to provide more workers with access to paid leave benefits to care for loved ones

Reached

**29.6 million**

Clients through our solutions that target the needs of an underserved group<sup>2</sup>

## Advancing sustainable investing

**\$22.1 billion**

in new sustainable investments between 2021 and 2025<sup>3,4</sup>, surpassing our sustainable investment goal of \$20 billion by 2025

Issued Sun Life's

**third sustainability bond,**

raising \$750 million to finance new and/or existing green or social assets<sup>5</sup>

## Building resilience in our business and operations

**40%**

of electricity consumption at our global offices from renewable sources such as solar and wind<sup>6</sup>

**3,935 employees globally**

completed our voluntary education on climate-related topics which empowers our people—who solve complex problems every day—to help our business build resilience against climate-related challenges

Developed a

**climate-resilience roadmap**

to chart the pathway to address physical risks and emissions of our North American offices

## Operating as a trusted and responsible business

**Completed Phase 3**

of the Partnership Accreditation in Indigenous Relations program in Canada, with certification in progress

**\$41.7 million**

invested in employee training and development programs globally<sup>7</sup>

**80% of employees**

told us they feel it's safe to speak up at Sun Life<sup>8</sup>, on par with 2023

<sup>1</sup> Affordable insurance products help people in the mass market (including lower-income segments) meet risk protection needs at an accessible price point. The criteria for a product to be considered affordable insurance varies by country and is based on factors such as: insurance premium amount relative to average income, coverage period, underwriting requirements and/or government regulation. Includes Asia Joint Venture (Malaysia) and ASEAN Markets (Philippines and Vietnam) only.

<sup>2</sup> A group of people that have been historically excluded from or deprioritized in the financial industry, including underinsured or uninsured populations. Underserved groups will differ across countries but generally include low-income individuals, the emerging middle-class in developing economies, people with chronic health issues and disabilities, women, LGBTQ+ individuals, underrepresented ethnicities, religious groups, immigrants, and those living in rural communities.

<sup>3</sup> Values as at transaction date.

<sup>4</sup> General account and certain third-party Clients, where relevant. More information on AUM methodology, including asset managers and criteria included in the calculation, is available upon request. Client asset values included represent a non-IFRS financial measure. Investments counted toward Sun Life's sustainable investment goal meet one or more of the criteria for investments based on ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, GRESB Real Estate Benchmark, and/or PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA Principles. Assets included may not align with criteria in Sun Life's Sustainability Bond Frameworks. Does not include all holdings in companies that may be defined as sustainable under other taxonomies.

<sup>5</sup> An amount equivalent to the net proceeds from the offering will be used to finance or refinance, in whole or in part, new and/or existing green or social assets that meet the eligibility criteria set out under Sun Life's [2024 Sustainability Bond Framework](#).

<sup>6</sup> The percentage of global electricity consumption from renewable sources includes on-site renewables, participation in green utility programs, and the purchase of renewable energy certificates (RECs) or other environmental attributes. These allow Sun Life to claim the environmental benefits of renewable energy, regardless of whether the electricity is directly drawn from the grid by Sun Life properties. Note that previously-reported figures for renewable electricity consumption also included electricity at owned real estate investment properties. Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.

<sup>7</sup> Refer to [Report Scope - Note 1](#).

<sup>8</sup> Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope - Note 2](#).



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# Message from our President and CEO

## A legacy of Purpose... a vision for the future



"Being focused on ensuring Sun Life is a long-term, sustainable and resilient business has become more crucial than ever. It is an integral part of how we create long-term value for our Clients, investors, employees, and communities."

As we reflect on another year, I am pleased to present Sun Life's 2024 Sustainability Report. For 160 years, our company has navigated change and managed risk while staying true to our core Purpose of helping our Clients achieve lifetime financial security and live healthier lives.

We are living through an unconventional time, where geopolitical shifts, economic uncertainty, and societal changes constantly reshape our landscape. Being focused on ensuring

Sun Life is a long-term, sustainable and resilient business has become more crucial than ever. It is an integral part of how we create long-term value for our Clients, investors, employees, and communities.

Our sustainability plan is deeply rooted in our business imperative. We aspire to be a responsibly managed organization that is Client-focused, Purpose-driven, forward-thinking, and built to last. This approach guides how we

operate our business, ensuring that we remain resilient and adaptive in the face of change.

At Sun Life, we understand that earning the trust of our Clients is an ongoing commitment. We do this by consistently delivering value and strengthening our relationships. Being purpose driven and thinking long-term, sustainably and resiliently is key to protecting and enhancing our ability to create this value over the long-term.

One example of how Sun Life is delivering value and strengthening relationships is our Bridges Initiative, which exemplifies our commitment to inclusive growth. I am particularly proud that this initiative focuses on closing gaps and creating pathways for greater health and wealth for underserved groups through our product and service offerings. By embedding this lens in our product design and delivery, we are not only living our Purpose more fully but also building a more resilient and growing business by reaching new markets and attracting new Clients. We share more about the impact and value to our

business this initiative has in the Q&A with our Chief Sustainability Officer.

Our focus on being long-term, sustainable and resilient also extends to our own investments made through our general account. For example, this year, we refinanced a large renewable energy portfolio in North America consisting of solar power generation and battery storage assets with over one gigawatt of total capacity enabling a more flexible and resilient power system.

As we look to the future, we remain confident that being guided by our Purpose and continuing to be sustainable serves the interests of our stakeholders and positions Sun Life for continued success. We invite you to explore this report to learn more about our efforts and achievements.

Thank you for your continued support and trust in Sun Life. Together, we're ensuring the resiliency of our organization in support of our Purpose.

**Kevin D. Strain**

President and Chief Executive Officer



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## Q&A with our Chief Sustainability Officer



### **The world is changing, putting pressure on corporate sustainability agendas. How is Sun Life navigating this environment?**

Our Purpose is to help Clients achieve lifetime financial security and live healthier lives. It's why we exist as an organization, and it guides what we do daily to serve our Clients. Our sustainability plan is built around that Purpose. While sustainability thinking and expectations may shift over time, our Purpose remains clear and enduring; it anchors our sustainability initiatives.

We're staying committed to our sustainability goals by focusing on three areas: fulfilling our Purpose, adopting a long-term perspective and delivering value to our stakeholders.

### **We're seeing the effects of extreme weather events on people, communities and businesses worldwide. What is Sun Life's role in addressing climate change?**

Climate change puts what we do and who we serve at risk. The implications vary for each of our businesses, but remaining profitable over the long-term requires investment, mitigation and adaptation in the short-term.

Within life and health insurance, we have a business imperative to understand the impact of climate change on our Clients. We're seeing extreme weather events, from wildfires to floods, disrupt people's lives and contribute to mental and physical health issues. We anticipate a changing climate is going to influence morbidity and mortality, but the data to grasp the full extent doesn't exist today. By gaining a deeper understanding of the health impacts of a changing climate, and finding ways to mitigate or avert those impacts, we can help our Clients live healthier lives.

As an asset owner, it's important for us to understand the sustainability-related financially material risks and opportunities of our investments to help make them more resilient. This is why we're integrating material sustainability factors, including climate considerations, in our investment decision-making as appropriate, in order to enhance or protect long-term risk adjusted returns.

When it comes to Sun Life's carbon footprint, we're implementing plans to support our goal of achieving

net-zero emissions by 2050 in our operations and our general account investments. At the end of the day, addressing climate change supports our Purpose.

### **Sun Life is focusing on driving more impact in Healthier Lives and Financial Security by addressing the needs of underserved groups through our product and service offerings. Why is this important and how will it create value for our business and stakeholders?**

Through our new Bridges Initiative, we are closing gaps and creating pathways for greater health and wealth for underserved groups through our product and service offerings. The importance of this is twofold. One, enabling more people to access the products and services we provide helps us to more fully live our Purpose. Two, we can't build a resilient and growing business if we don't reach new markets and attract new Clients. That's why we are embedding this lens in the way we think about, design and deliver our products.

Take diabetes, for example. Individuals with diabetes have traditionally faced significant challenges in getting life insurance coverage—an important component of financial security. While diabetes has been a signature theme of our global philanthropy program for years, we hadn't extended this focus to Client offerings.

To mitigate these challenges, Sun Life recently introduced a life insurance product tailored for Canadians with diabetes. It offers a higher likelihood of approval compared to standard life insurance policies, affordable premiums, and diabetes management resources via our Diabetes Care Program.

*"...we're spurring innovation, finding new sources of growth, accessing new markets, and amplifying our positive impact on our Clients."*

This program helps Clients manage their diabetes with personalized care plans, one-on-one coaching and more.

We are excited and proud of this work. By better meeting the needs of underserved groups, we're spurring innovation, finding new sources of growth, accessing new markets, and amplifying our positive impact now, and in the future.

### **Where does sustainability go from here?**

We have laid a strong foundation by integrating sustainability practices, programs and expertise across our global enterprise. And while we have begun the work, there is so much ahead to make real, meaningful progress against the increasingly complex, interconnected environmental and social challenges facing the world. I am optimistic that Sun Life is on the right path.

#### **Alanna Boyd**

Senior Vice-President and Chief Sustainability Officer

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# The Bridges Initiative

Sun Life is taking a significant step forward with our Bridges Initiative. We believe everyone should be able to access health and wealth solutions that meet their needs, yet we know underserved groups face barriers or lack opportunities to do so. At Sun Life, we're working to change that.

## Addressing the needs of underserved groups in three key ways:

### Products and service innovation

We aim to develop tailored solutions and enhancements for underserved groups leveraging data and insights. In 2024, we reached 29.6M Clients through our standalone solutions that target the needs of an underserved group. We're also piloting an innovation accelerator that prioritizes product development and builds capabilities needed to better address existing gaps.

### Philanthropy

We're supporting organizations that work with underserved groups. By 2030, Sun Life plans to donate \$75M to underserved groups as part of this initiative.

### Advocacy and thought leadership

We're promoting a more inclusive industry and producing research to understand the unique needs of underserved groups.

Historically, certain communities have experienced barriers to access health and wealth solutions. To understand the gaps they face, Sun Life conducted a survey<sup>1</sup> asking about their health, wealth and perceptions of our industry. While in general, people feel that the health and wealth products they have meet their needs, across countries, underserved groups generally have a **more negative assessment of their physical, mental and financial health, and a more pessimistic outlook for their future.**

Because our Purpose is to help our Clients achieve lifetime financial security and live healthier lives, we need to focus on outcomes. To improve outcomes, we have to innovate for unique needs. To innovate, we have to understand unique experiences.

## Key findings from survey next

### What are underserved groups to Sun Life?

A group of people that have been historically excluded from or deprioritized in the financial industry, including underinsured or uninsured populations. Underserved groups<sup>2</sup> will differ across countries but generally include low-income individuals, the emerging middle-class in developing economies<sup>3</sup>, people with chronic health issues and disabilities, women, LGBTQ+ individuals, underrepresented ethnicities<sup>4</sup>, religious groups, immigrants, and those living in rural communities.

<sup>1</sup> These findings are from an Ipsos poll conducted between December 12-23rd, 2024, on behalf of Sun Life. The survey was conducted across Canada, U.S., Malaysia and the Philippines (PH). A total of 6,000 surveys were completed (1,600 in Canada, and 1,500 each in United States, Philippines and Malaysia) among those aged 25-64 (75 in PH) holding or intending to acquire at least one financial or insurance product. Weighting was employed to ensure that the sample reflects that of the adult population according to Census data. The precision of Ipsos online polls is measured using a credibility interval. For the results, per market the data is considered accurate within +/- 3.1 percentage points, 19 times out of 20. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

<sup>2</sup> The definition of underserved groups varies by market and will continue to evolve over time.

<sup>3</sup> United Nations World Economic Situation and Prospect. "Country Classification". 2014.

<sup>4</sup> United Nations. "Indigenous peoples and ethnic minorities: Marginalization is the norm". 2018.

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Sun Life conducted a survey of underserved communities asking about their health, wealth and perceptions of our industry. We're digging deeper into these gaps. Spanning different countries, abilities, races, health and income levels, underserved groups are extremely diverse and so too are their experiences and needs.

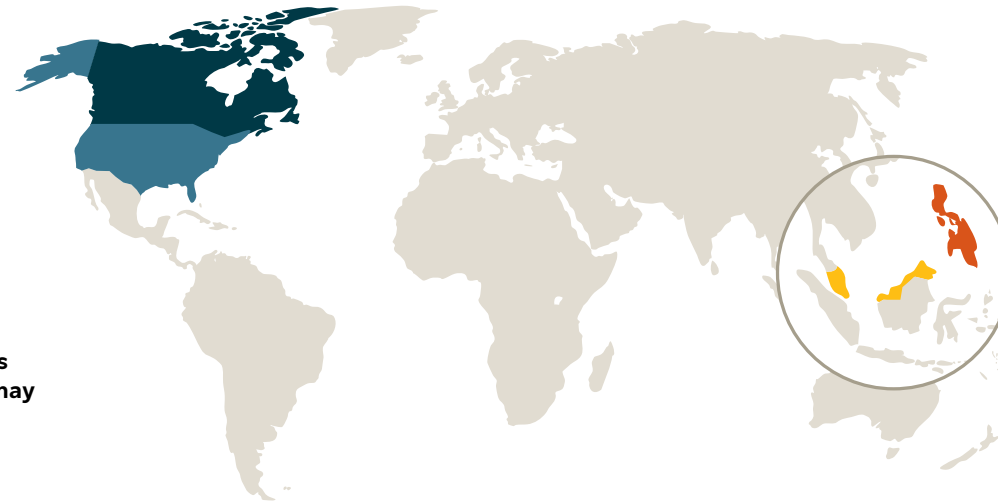
**Generally, underserved groups trust their financial and insurance providers; at least 80% of any underserved group in the four markets say they trust their primary financial services or insurance products providers.**

**In Canada, women are less likely to feel supported by their insurance providers.**

- 11 percentage points less likely to say they're being provided valuable support and advice.
- 10 percentage points less likely to report being in good physical health.
- 11 percentage points less likely to report being in good mental health.

**In the US, underserved groups living in rural areas report worse mental health, suggesting rurality may widen the mental health gap of these groups.**

- 56% of Americans with chronic illness report feeling lonely. Those who are chronically ill and living in rural areas fare worse – they're 11 percentage points more likely to feel lonely.
- Similarly, 59% of Americans with a disability report feeling lonely. Those who have a disability and live in rural areas are 8 percentage points more likely to feel lonely.



**In Canada, the US, and the Philippines, LGBTQ+ individuals are less likely to report being supported by the tools and solutions of financial services providers:**

- 11 percentage points less likely to agree that their health and medical insurance products address their unique needs.
- 18 percentage points less likely to agree that their health and life insurance provider cares about them.

**Underserved groups are more likely to feel impacted by extreme weather, both financially and emotionally, and, especially in Southeast Asia. This impact is more profound for those identifying with more than one underserved group.**

- People with disabilities are 39 percentage points more likely to say they've experienced financial strain due to such events as compared to those without disabilities. While people with chronic illness are 24 percentage points more likely to say their mental health has been negatively impacted by severe weather.
- Those with low income and a chronic illness are 18 percentage points more likely to say their mental health has been negatively impacted by severe weather compared to those who only identify as low-income.

● US ● Canada ● Malaysia ● Philippines

**Closing gaps and creating paths for greater health and wealth**

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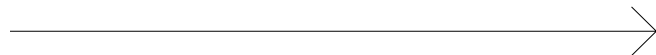
▶ **Sustainability at Sun Life**

# Sustainability at Sun Life

Sun Life’s Purpose is to help our Clients achieve lifetime financial security and live healthier lives. Our commitment to sustainability brings our Purpose to life.

**Thinking sustainably: The key to our future**

The world around us is rapidly evolving and Sun Life, through its Purpose, plays a role in helping to create better and brighter futures for communities across the globe. Our sustainability ambition is to ensure the long-term resilience of our organization and maximize our ability to advance our Purpose. We aim to create a competitive advantage and differentiation for our business through the following focus areas of our sustainability plan:



## Increasing financial security

We aspire to increase the lifetime financial security of our Clients, employees and communities. We’re increasing access to and use of insurance and wealth products, and empowering and educating people to improve financial security outcomes.



## Fostering healthier lives

We aspire to improve health and wellness outcomes for our Clients, employees and communities. We’re improving access to and use of health insurance and health care, and empowering people to navigate and manage their health journeys to improve health outcomes. Our investments in community health complement these efforts.



## Advancing sustainable investing

We consider material, long-term sustainability factors, as appropriate, to meet our risk-adjusted return requirements of the general account portfolio. We also invest a portion of Sun Life’s general account assets in investments that support a range of our sustainability objectives.



## Building resilience to climate impacts

We take action to address climate impacts within our own businesses. We’re supporting advancements in data and research on the impacts of climate change on human health, and focusing on managing transition risks to support our Clients’ sustainability goals and ensure our resilience. Meaningful action to ensure the resilience of our business will help us deliver on our Purpose.



## Operating as a trusted and responsible business

Our sustainability plan builds on our foundation as a trusted and responsible business. We aspire to be a responsibly-managed business that is Client-focused, Purpose-driven, forward-thinking and sustainable for the long term. From developing our people, to safeguarding our Clients’ information, we are committed to addressing the topics that matter most to our stakeholders and drive the success of our business.



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## Our material sustainability topics

Our Sustainability Plan—along with this report and complementary web disclosures—addresses the sustainability topics that our stakeholders identify as most important for us to act on, based on our latest materiality assessment conducted in 2024. Refer to [Stakeholder Engagement and Materiality](#) for details.

## Our sustainability governance model

From our Board of Directors to our front-line business teams, we continue to drive sustainability strategies, deepen our expertise and skills, and monitor sustainability performance at all levels.

### Board of Directors

The Board and select Board Committees provide ultimate oversight of Sun Life's enterprise approach to climate-related matters. The Board uses reports from the Board Committee Chairs and presentations by management and external experts to decide on the nature and extent of its input and to provide challenge, advice and guidance to senior management on the enterprise approach to managing climate-related risks and opportunities.

The Governance Committee (GC) of the Board assists the Board with oversight of sustainability matters, including those related to climate. The GC is responsible for reviewing and approving Sun Life's Sustainability Policy, overseeing progress against Sun Life's sustainability strategy and goals, reviewing

and approving the annual Sustainability Report, annual OSFI B-15 Climate Risk Management Report and the annual Chief Sustainability Officer (CSO) plan, and overseeing the development and implementation of Sun Life's Climate Transition Plan. In addition, the GC reviews any material issues related to sustainability raised by management throughout the year, including climate-related matters.

The Risk Committee of the Board assists the Board with enterprise-wide oversight of the management of current and emerging risks, which may include climate-related risks and, broadly, environmental risks. Refer to Sun Life's [2024 Annual Report](#) for more details on our risk management approach.

The Audit Committee of the Board reviews non-financial disclosures required to be included in Sun Life's financial disclosure documents, reviews management's quarterly reports on the effectiveness of Sun Life's internal controls over financial reporting, including any evolving disclosure standards, and requires management to implement and maintain appropriate systems, processes, and controls to ensure accurate, complete and timely reporting of financial and related information.

### Executive Sustainability Council

Our Executive Sustainability Council (ESC) is composed of senior executives from Sun Life's Global Leadership Team. Members include the: CSO (Chair), Chief Executive Officer, Chief Financial Officer, Chief Client

and Innovation Officer, Chief People and Culture Officer, Chief Legal Officer, Chief Strategy and Enablement Officer, Chief Risk Officer and Chief Investment Officer. The ESC is the decision-making body for the approval of sustainability goals and progress oversight and approval of cross-enterprise sustainability programs and issues management. The ESC also reviews and approves the annual Sustainability Report and OSFI B-15 Climate Risk Management Report prior to Board-level review and approval.

### Global Sustainability Leadership Team

Our Global Sustainability Leadership Team (GSLT) is composed of senior management from each of our business groups and key functions who have sustainability mandates. The GSLT advises on and drives execution towards our sustainability objectives and ensures strategic alignment where appropriate.

### Chief Sustainability Officer

The CSO has overall accountability for sustainability across the enterprise. This accountability includes setting the strategy and governance framework for our organization with respect to sustainability matters. The CSO chairs our ESC and GSLT.

### Global Sustainability Team

The sustainability team serves as a global centre of sustainability expertise and central resource for all sustainability activities. The team has responsibility for the sustainability strategy and sustainability-

related disclosures, as well as other sustainability-related matters as needed. The team provides subject matter expertise to ESC and GSLT members and teams across Sun Life, and provides support in project management, metrics development and accountability. The team also leads and collaborates on engagement and communications around sustainability internally and externally.

### Business Groups and Functional Sustainability Teams

Business Groups and relevant functions provide dedicated resources to support the implementation of the sustainability strategy.

## UN Sustainable Development Goals

Sun Life has been a supporter of the United Nations Sustainable Development Goals (SDGs) for many years. We aspire to align our work to the following SDGs where we believe we can have the greatest impact:

- #3 Good health and well-being
- #5 Gender equality
- #7 Affordable and clean energy
- #8 Decent work and economic growth
- #13 Climate action

Read our separate report, [Supporting the Sustainable Development Goals](#), to learn how we're contributing to each of these SDGs.

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## Stakeholder engagement and materiality

Listening to our stakeholders and ensuring we're in touch with what matters most to them is vital to our success.

One of the ways we check in with stakeholders, both external and internal, is through a materiality assessment to understand which sustainability-related topics they consider most important to Sun Life. This process helps us determine the most material sustainability impacts, risks and opportunities<sup>1</sup> to prioritize in our sustainability work, including our reporting.

We consider our key stakeholders to be Clients, employees and advisors, governments and regulators, industry associations, shareholders, investors, suppliers, and community organizations.

### Materiality assessment

In 2024, we completed a new materiality assessment using a methodology consistent with our last comprehensive review in 2021. To conduct our assessment, we:

- Collaborated again with Datamaran, a software firm that helps companies track and evaluate the relative importance of sustainability risks and opportunities in real time.
- Used a combination of AI data-driven analysis and a stakeholder survey.
- Took a double materiality approach, considering the potential impact of relevant sustainability risks and

### 1. Identified key sustainability topics

We used Datamaran's data analytics platform to assess the evolving universe of sustainability-related issues. The platform enabled us to analyze over 7,900 news articles, nearly 2,500 policy initiatives and regulatory developments, and activities of 178 industry peers in 10 countries around the world. Through this review, we generated a shortlist of 23 sustainability-related topics most relevant to Sun Life.

opportunities on our business, as well as impacts that our business has on the environment and society.

- Continued to follow best practices recommended by the Global Reporting Initiative (GRI).

### Key sustainability topics

We identified 23 topics considered relevant to our business and stakeholders. Most topics are similar to those identified in our 2021 assessment, however, there were some topics which were either net new or more granular than topics previously surveyed. The topics are shown on the graphic on the next page, grouped into three priority levels based on stakeholder feedback:

## Our assessment process

### 2. Engaged stakeholders to prioritize the topics

Using these 23 topics, we undertook an extensive consultation process with nearly 2,000 stakeholders, including Clients in Canada, U.S., the Philippines and Hong Kong; employees globally; advisors in Canada (new to 2024 scope); and investors. Through an online survey, we asked stakeholders to rank each issue from a double materiality perspective (how the issue impacts Sun Life and the importance of Sun Life playing an active role in the issue).

### 3. Validated the results

Through internal discussion and analysis, we combined related issues to establish a final list of material topics. Senior management and Sun Life's Board of Directors reviewed the findings as part of our annual strategic planning process.

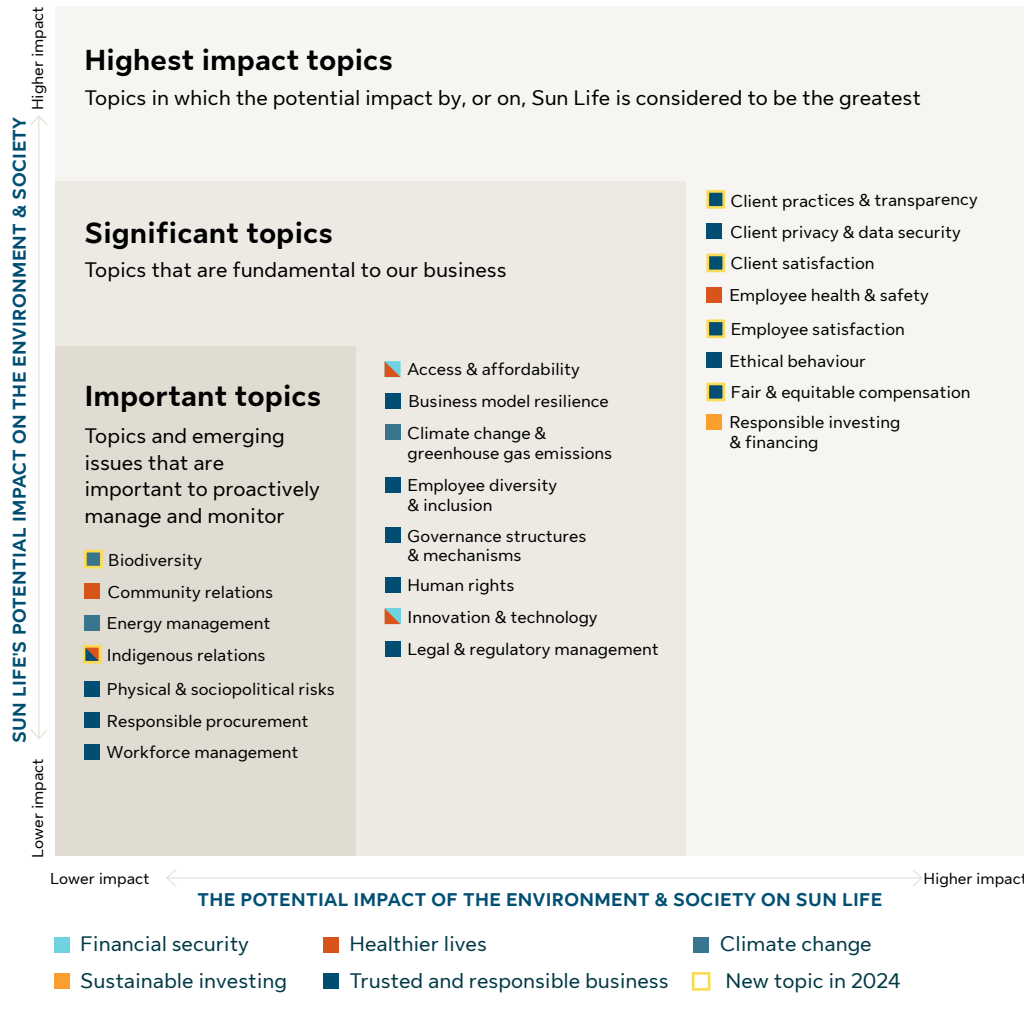
- Highest impact topics – topics in which the potential impact by, or on, Sun Life is considered to be the greatest
- Significant topics – topics that are fundamental to our business
- Important topics – topics and emerging issues that are important to proactively manage and monitor

With further analysis, we grouped these 23 topics into Sun Life's top 12 material topics and refined the list with terminology used by Sun Life. These 12 topics correlate with the five focus areas of our Sustainability Plan (financial security, healthier lives, sustainable investing, climate resilience, and trusted and responsible business). This report is structured in alignment with these material topics and our Sustainability Plan.

<sup>1</sup> The information contained herein should not be read as necessarily rising to the level of materiality of disclosure required in our securities law filings. Refer to the [Cautionary Statement Regarding Forward-Looking Statements and Other Matters](#) for more information.

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## 2024 materiality assessment results



Material topics	Relevant issues/sub-topics
Client experience	Client practices & transparency Client satisfaction
Client health	Access & affordability Innovation & technology
Climate change	Biodiversity Climate change & greenhouse gas emissions Energy management
Community wellness	Community relations Indigenous relations
Data security and privacy	Client privacy & data security
Diversity, equity and inclusion	Employee diversity & inclusion Fair & equitable compensation Human rights Indigenous relations Responsible procurement
Employee well-being	Employee health & safety Employee satisfaction
Financial security	Access & affordability Innovation & technology
Governance and ethics	Ethical behaviour Governance structures & mechanisms Human rights Legal & regulatory management Responsible procurement
Risk management	Business model resilience Physical & sociopolitical risks
Sustainable investing	Biodiversity Indigenous relations Responsible investing & financing
Talent management	Workforce management

### Insights from our analysis

- The results reaffirm the areas of focus within Sun Life's global Sustainability Plan and validate that our most material topics remain consistent with previous reporting periods.
- Client- and employee-centric topics continue to be the highest priority for stakeholders globally—in particular, *Client and employee satisfaction, Client practices & transparency, and employee health & safety.*
- *Responsible investing & financing, access & affordability and innovation & technology* emerged as higher priority topics than in 2021.
- *Climate change & greenhouse gas emissions* was assessed as a higher priority topic than in 2021.
- Emerging sustainability topics, such as *biodiversity*, are lower impact for Sun Life and continue to be monitored within the organization.

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## Tracking our progress

### Sustainability scorecard and goals

#### Increasing financial security and fostering healthier lives

**Goal**

Accelerate addressing the needs of underserved<sup>1</sup> groups

**Objective**

Reach more Clients through our Bridges Initiative

**Status**

In progress

2024: **29.6 million**  
Clients reached through standalone solutions

2023: **30.2 million**  
Clients reached through standalone solutions

Year	Clients Reached
2024	29.6 million
2023	30.2 million

**Goal**

Expand our philanthropic support of underserved groups<sup>1</sup>

**Objective**

Donate \$75 million to support underserved groups by 2030

**Status**

In progress

2024: **\$11.0 million**  
donated

2023: **\$8.4 million**  
donated

Year	Amount
2024	\$11.0 million
2023	\$8.4 million

#### Advancing sustainable investing

**Goal**

Grow sustainable investment portfolio

**Objective**

\$20 billion in new sustainable investments between 2021-2025<sup>2</sup>

**Status**

Achieved  
Total invested since 2021: \$22.1 billion<sup>3</sup>

2024: **\$4.5 billion**  
in new investments<sup>3</sup>

2023: **\$3.3 billion**  
in new investments<sup>3</sup>

Year	Amount
2024	\$4.5 billion
2023	\$3.3 billion

#### Operating a trusted and responsible business

**Goal**

Advance Indigenous relations

**Objective**

Achieve Partnership Accreditation in Indigenous Relations certification (Canada)

**Status**

In progress

2024: Phase 3 complete and certification in progress

2023: Phase 2 complete and Phase 3 in progress

Year	Phase 2	Phase 3	Certification
2024	Completed	In Progress	In Progress
2023	Completed	In Progress	Not started

<sup>1</sup> A group of people that have historically been excluded from or deprioritized in the financial industry, including underinsured or uninsured populations. Underserved groups will differ across countries but generally include low-income individuals, the emerging middle-class in developing economies, people with chronic health issues and disabilities, women, LGBTQ+ individuals, underrepresented ethnicities, religious groups, immigrants, and those living in rural communities.

<sup>2</sup> General account and certain third-party Clients, where relevant. Investments counted toward Sun Life's sustainable investment goal meet one or more of the criteria for investments based on ICMA Green Bond Guidelines, ICMA Social Bond Guidelines, ICMA Sustainability Bond Principles, GRESB Real Estate Benchmark, and/or PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA Principles. Assets included may not align with criteria in the Sun Life Sustainability Bond Framework. Does not include all holdings in companies that may be defined as sustainable under other taxonomies.

<sup>3</sup> Values are as at transaction date. Client asset values included represent a non-IFRS financial measure.





# Increasing financial security

We aspire to increase the lifetime financial security of our Clients, employees and communities. We're increasing access to and use of insurance and wealth products, and empowering and educating people to improve financial security outcomes.

## Material topic in this chapter:

- [Financial security](#)

## Our work is aligned to Sustainable Development Goal:



► **Financial security**

# Financial security

## Empowering people to achieve lifetime financial security

Achieving long-term financial security feels increasingly out of reach for many people around the world. In an environment where the cost of day-to-day living is dramatically increasing, many are living on the edge financially. Financial security can feel like an impossible objective. As well, financial security concerns are growing due to other issues like impacts from severe weather events on people and their assets, and from changes in their direct environment, which threaten the health and financial well-being of many individuals and communities<sup>1</sup>.

Access to financial services, digital self-serve tools, professional assistance and literacy programs can help elevate financial well-being and security. The challenge is to ensure they are reaching those in need. With a focus on inclusion and accessibility, we're helping more Clients and members around the world achieve financial security.

### Our approach at a glance

- > Designing and delivering innovative products to support lifetime financial security
- > Driving positive financial action through digital capabilities
- > Increasing access to and use of protection and wealth products
- > Improving financial confidence and engagement through proactive education
- > Advocating for financial security through public policy and outreach

> [Learn more online](#)

## 2024 Performance

### Helping people reach their financial and retirement goals

- Continued to empower Clients in Canada to plan and track progress towards their goals. For example, Clients created nearly 244,700 financial roadmaps and assessments powered by the Sun Life One Plan digital tool (2023: 95,900). This tool enables Clients to create and update their financial roadmaps as often as they like, while collaborating with their advisor on personalized goals.
- Helped Sun Life Canada Group Retirement Services (GRS) plan members prepare for financial security in retirement through new digital and retirement income solutions. For example, we:
  - Launched the Retirement Planner tool, powered by Sun Life One Plan, which enables plan members to create a retirement plan in less than five minutes.
  - Introduced the Sun Life MyRetirement Income solution for Choices Clients, which helps retirees transition their savings into steady and predictable retirement income over time. A first-of-its-kind in Canada, the solution takes the guess work out of retirement by providing an easy way to help Clients' savings last up to the age they choose.
- Provided GRS plan members with support and guidance through our Registered Retirement Savings Plan (RRSP) campaigns. We presented a message across our web and mobile applications to over 544,000 plan members. Over 156,000 of them engaged with our marketing messages which resulted in \$245 million in RRSP contributions.
- Enabled Clients in Canada to get flexible life insurance that evolves with them through the launch of Evolve Term Insurance (Evolve Term). Evolve Term gives Clients the option to increase their coverage amount or term length at certain life stages (e.g., marriage, new child, etc.) with simplified underwriting.

### Increasing financial education and knowledge

- Aimed to strengthen the financial literacy of GRS plan members with our free financial education webinar series. Each webinar covered a different stage of the financial journey. The following are some examples of webinar topics in 2024:
  - understanding credit and debt
  - managing money as a newcomer to Canada
  - financial considerations for women
  - planning for retirement
- Empowered nearly 900 students in Malaysia to learn money management through a financial and insurance literacy school program and InsureLit board game. Created by Sun Life Malaysia, the goal is to make learning about financial literacy engaging, interactive and fun for children. The board game aims to teach young learners the fundamentals of earning, saving and protecting their money while instilling core values of integrity.
- Promoted financial literacy among young students in Vietnam through the launch of the "Finance for Yourself" campaign. The initiative included financial-themed activities and educational games at schools, as well as donations of financial education books. The campaign aims to instill good financial management habits early, creating a foundation for a stable future.
- Educated over 1,000 Clients and students in Indonesia on the importance of financial planning, entrepreneurship and a healthy lifestyle. Sun Life Indonesia designed the workshop series to help women and young entrepreneurs:
  - turn their passion into business opportunities,
  - balance financial well-being with mental health, and
  - understand the link between nutrition and a bright future.

<sup>1</sup> Financial Resilience Institute. "The impact of extreme weather events on Canadian household financial vulnerability and financial stress". 2023. Sustainability Report – 2024 Performance

► **Financial security**

## The Bridges Initiative in action: Providing insurance coverage for low-income women and families in the Philippines



### The challenge:

Life insurance provides crucial financial security by covering living expenses, medical bills, debts and other costs in the event of death, protecting families from severe financial strain. It's especially vital for individuals who have limited financial resources. Yet, in the Philippines, less than 2% of the population has access to quality life insurance<sup>2</sup>, leaving many vulnerable to financial hardship after the loss of a loved one.



### The initiative:

In 2021, Sun Life Grepa Financial, Inc. (SLGFI) created a customized life insurance product for members of Ahon sa Hirap Incorporated (ASHI), a non-government organization in the Philippines focused on empowering low-income individuals and marginalized women to transform their lives. ASHI supports its members—80% of whom are mothers and earning under PHP 21,000 (~\$500) per month—by offering financial loans for income-generating activities and providing financial literacy training.

The low-cost plan, designed specifically for ASHI members, includes both life and non-life coverage.

With a monthly premium as low as PHP 78 (~\$1.85), principal life coverage is PHP 78,000 (~\$1,850). Coverage extends to dependents, including a woman's husband and up to three of their children, or for parents and siblings if the member is single. Non-life coverage offers protection against typhoons and other extreme weather events.

Additionally, SLGFI organizes medical and dental missions in ASHI communities, offering consultations, dental check-ups, and medications to address immediate health needs.



### The impact:

- Since 2021, SLGFI has insured more than 120,000 members of ASHI, providing them and their families with valuable financial security.
- In May 2024, SLGFI organized a mission to provide vital medical attention and support to 500 individuals from Pililla, in the province of Rizal.

- Used gamification to boost financial literacy among Filipinos through the launch of Play for Life: A Game of Choices. The campaign has touched more than 470,000 lives through nationwide events and online platforms. Attendees learned valuable lessons about budgeting and investing, and received expert financial advice about Sun Life's protection, health and wealth solutions.

### Improving financial access and inclusion

- Continued to provide affordable insurance offerings in Asia, with 2.2 million lives covered in 2024 (2023: 2.4 million lives)<sup>3</sup>. For example, in the Philippines:
  - We offer Credit Group Life and Credit Group Disability insurance through a partnership we established in 2023 between Sun Life Grepa Financial and Tonik Bank, a digital bank in the Philippines that caters to a broad client base including low-income individuals. The product,

PayHinga, provides coverage for 120% of the loan amount. The payment settles the outstanding loan balance first and the additional amount is paid as a benefit to the beneficiaries. It's an add-on insurance product for borrowers going through a tough time that need a break from paying off loans. They can do this by pushing the payment schedule back. The product has reached more than 45,000 lives.

- A partnership between Sun Life Grepa Financial and Tambunting Pawnshop makes it more affordable to add short-term personal accident insurance to a policy. This collaboration aims to provide financial protection to more Filipinos, reaching more than 1,800 lives in 2024.

#### JUST THE NUMBERS

- [Sustainability Performance Tables](#)

#### MORE ONLINE

- [Financial Advice](#)

<sup>2</sup> Manila Standard. "Insurance density, penetration remain low in the Philippines". 2023.

<sup>3</sup> Affordable insurance products help people in the mass market (including lower-income segments) meet risk protection needs at an accessible price point. The criteria for a product to be considered affordable insurance varies by country and is based on factors such as: insurance premium amount relative to average income, coverage period, underwriting requirements and/or government regulation. Includes Asia Joint Venture (Malaysia) and ASEAN Markets (Philippines and Vietnam) only.





# Fostering healthier lives

We aspire to improve health and wellness outcomes for our Clients, employees and communities. We're improving access to and use of health insurance and health care, and empowering people to navigate and manage their health journeys to improve health outcomes. Our investments in community health complement these efforts.

## Material topics in this chapter:

- [Client health](#)
- [Employee well-being](#)
- [Community wellness](#)

## Our work is aligned to Sustainable Development Goal:





# Client health

## Helping Clients access the health care and coverage they need

As a health insurance and benefits provider, we know first-hand how complex health-care systems can be. For many people, getting the care they need can feel like an insurmountable task. We're committed to making a difference.

Helping our Clients live healthier lives is central to our Purpose. We believe living a healthy life requires having access to comprehensive care that addresses physical and mental health. It also means that coverage should meet the needs of a broad range of Clients. By providing and promoting a diverse range of care options, we empower Clients to take control of their health and make decisions with confidence.

### Our approach at a glance

- > Improving access to care
- > Removing barriers to mental health treatment
- > Managing disability claims to improve outcomes
- > Educating and empowering people to take charge of their health
- > Sharing insights and best practices with others

> [Learn more online](#)

## 2024 Performance

### Enhancing health-care access and affordability for workers and families

- Expanded our partnership with Goodpath to offer virtual “whole-person” (i.e., holistic) care to our U.S. disability members. Services cover mental health, musculoskeletal (MSK) conditions, digestive issues, sleep concerns and cancer survivorship. Sun Life members using Goodpath's services have access to unlimited talk therapy sessions, customized care plans, health coaching, and various health and wellness offerings. These services can help reduce the need for work absences or extended leave.
- Enabled a broader range of employers to use our Health Navigator offering, helping more U.S. workers access health-care services. The personalized care navigation and health advisory service is available to U.S. Clients in the group benefits market. Key benefits include expert medical opinions, expedited appointments with qualified specialists, and a digital app with various health and well-being tools. These services are also available to U.S. employees. Learn more in [Employee Well-being](#).
- Sun Life Philippines and Lifestyle Medical Group Manila, a premier health care services provider, formed a strategic collaboration to empower Filipinos towards a healthier future. Through a holistic approach, the partnership enables individuals and communities to focus on maintaining good health with greater confidence, while enhancing health-care access and affordability.

## 3.5 million

Number of Clients in Canada with access to virtual health solutions for themselves and their dependants<sup>1</sup>

- Helped more Filipinos find the medical assistance they need quickly and conveniently with new digital innovations. Sun Life Grepa Financial, one of the major insurers in the Philippines, introduced an online consultation service as well as the Digital Healthcare Locator tool. The tool allows Clients to search for accredited service providers including hospitals, clinics and doctors nationwide.
- Continued to support access to health care and insurance protection in Hong Kong, helping more people prepare for their future medical and financial needs. Sun Life is a certified Voluntary Health Insurance Scheme (VHIS) provider in Hong Kong, issuing over 10,000 VHIS-certified policies in 2024.
- Supported the expansion of access and affordability of oral health by administering the Canadian Dental Care Plan (CDCP). The CDCP provides dental care coverage to Canadians who meet all of the eligibility requirements<sup>2</sup>. Sun Life administers the plan on behalf of the Government of Canada. Since the launch on May 1, 2024, over 4.5 million claims/pre-authorizations have been processed, over 3 million members have been enrolled, and 88% of oral health providers across the country were seeing patients through the CDCP.

### The Bridges Initiative in action

- Expanded Family Leave Insurance in the U.S. to provide more workers with access to paid leave benefits to care for loved ones. The offering is available in Alabama, Arkansas, Florida, Kentucky, Oklahoma, Tennessee and Texas and fills a substantial benefit gap for employers in states without government programs. Refer to [Family Leave Insurance: Making the case to Your Organization's Decision Makers](#) to learn more about Family Leave Insurance programs.

<sup>1</sup> Includes Clients with access to Dialogue's virtual primary care, mental health, and employee assistance programs. "Clients" refers to the primary account holder. An account holder can add their dependents.

<sup>2</sup> Refer to the eligibility requirements listed on the [Government of Canada website](#).

## Pushing to close the health gap in Canada

### Equity matters in health

Many women are overlooked and underserved in health care<sup>3</sup>. The health gap—the divide between the level and quality of health care for men and women—is due to many reasons, ranging from a lack of awareness, to stigma, and a lack of consideration of sex and gender differences in health research. Many women can't access or find health treatments and supports designed for their unique needs.

Inadequate recognition and support can lead to adverse impacts on women in several major health areas, such as reproductive, cardiovascular and mental health<sup>4</sup>.

### Interventions geared toward women

Helping our Clients achieve lifetime financial security and live healthier lives is our Purpose at Sun Life. This is why our Canadian business is committed to improving access to products and services that have the power to close health and financial security gaps.

Women are essential to the Canadian economy and closing the gap could result in an increase of 0.6% in annual growth of Canada's gross domestic product (GDP)—which would be equivalent to adding a new financial services sector to the Canadian economy<sup>5</sup>.

We're investing in our people, products and communities to change the narrative and help eliminate gender health disparities. The chart below highlights some of our ongoing efforts to help close the health gap in Canada:

#### Enhancing our products

- Included coverage for cold-capping to enable hair preservation for people undergoing chemotherapy in employee Health Spending Accounts.
- Added a gender filter to our Lumino Health Provider Search tool, to help Clients find health-care practitioners by gender.
- Dialogue acquired certain assets of Koble Care Inc. ("Koble"), a digital health and well-being platform, and added perinatal and other women's health content to its online library which is also available on Lumino Health Virtual Care.

#### Helping employers address women's health needs

- Published a research report, [The Gender Health Gap: Its Impact on Working Women in Canada](#), to draw attention to women's health challenges.
- Continued to partner with the Menopause Foundation of Canada to promote resources to employers, like the [Menopause Inclusive Playbook](#).
- Created a [web platform](#) for women's health resources, a new women's health toolkit with research, best practices, and products and solutions specific to women's health.

#### Empowering Clients of group benefits plans

- Launched new women's health content on the Lumino Health [website](#), including articles on postpartum depression and understanding perimenopause.
- Updated women's health content on resources available to plan members (e.g., Sun Life's [Employee Assistance Program](#), Lumino Health Virtual Care Stress Management and Well-being, provided by Dialogue<sup>6</sup>).

#### Investing in health practitioners, systems and research

- Sponsored scholarships for 52 health practitioners who became Menopause Society Certified Practitioners, an approximately 29% increase in Canada.
- Sponsored research at St. Joseph's Healthcare Hamilton to test, implement and share psychotherapy approaches for individuals living with hormonal sensitivities.
- Sponsored the inaugural Femtech Canada Forum which brought leaders in the sector together to explore women's health technology and health care innovation and shape the future of femtech.

<sup>3</sup> Women's College Hospital. "The Health Gap". 2016.

<sup>4</sup> Patwardhan, V., et al. "Differences across the lifespan between females and males in the top 20 causes of disease burden globally: a systematic analysis of the Global Burden of Disease Study 2021". 2024.

<sup>5</sup> McKinsey & Company. "The power of parity: advancing women's equality in Canada". 2017.

<sup>6</sup> Dialogue is a wholly-owned subsidiary of Sun Life Assurance Company of Canada operating as a stand-alone entity.

► **Client health** ► Employee well-being ► Community wellness

- Widened critical illness coverage in the U.S. to include family care services, such as fertility treatments, and a broader range of health conditions like pregnancy complications and mental health support. We're committed to ensuring that critical illness coverage grows with the evolving needs of today's workforce, where access to specialized benefits is a key consideration for employees.
- Increased our commitment to supporting women's health through the acquisition of intellectual property assets from the digital health and well-being platform, Koble. Koble's women's health content and digital assets will be integrated into Dialogue's Integrated Health Platform as part of the virtual care solutions offered to Canadian employers.

### Supporting Clients who face chronic health issues

- Continued to support and empower Canadians living with diabetes through two new offerings:
  - Sun Life Term Insurance for Diabetes, an industry first. The comprehensive life insurance product offers a higher chance of approval, affordable premiums and diabetes management resources. Prior to this solution, Canadians living with diabetes often found it difficult to get insurance

as many would not be able to qualify or their premiums would be relatively higher.

- A free, personalized Diabetes Care Program available to Clients through the Lumino Health™<sup>7</sup> Pharmacy, provided by Pillway<sup>8</sup>, to help manage this chronic condition. The Program offers a tailored plan, one-on-one support, virtual education and diabetes-related resources. Since the launch of the Program, over 1,000 patients have enrolled.
- Enhanced support for U.S. Clients with MSK conditions by partnering with Hinge Health. With this partnership, Clients can access leading MSK treatments and practitioners. Hinge Health uses technology and expert clinicians to help people move beyond pain, avoid unnecessary procedures and reduce dependence on medication. According to Sun Life<sup>9</sup>, MSK conditions ranked as the fifth-costliest among medical stop-loss claims over the last four years. Additionally, in Canada, we released the MSK Health Strategy Toolkit to help organizations set priorities and implement targeted actions to reduce MSK risk factors and focus on prevention.
- Launched the Respiratory Care Program in Canada to provide support, coaching and care plans for Canadians living with asthma or chronic obstructive

pulmonary disease (COPD). Respiratory diseases are on the rise, and the cost of drugs and care to treat these conditions can be expensive. For example, a survey done by Asthma Canada revealed that 66% of respondents experience some level of financial strain related to managing their asthma<sup>10</sup>.

- Implemented enhanced safety measures for our plan members in Canada and their eligible dependents who are prescribed opioid medications. While highly effective, these medications also carry significant health risks if not used properly. To address this risk, we've rolled out the Opioid Management Solution (launched in 2023), which incorporates dual control mechanisms: a drug supply limit and a daily dose limit. These safeguards are designed to promote the safe and responsible use of medications by preventing excessive opioid consumption. This comprehensive program now extends its protective reach to over 400,000 eligible Canadians, ensuring that these members currently taking prescribed opioids are benefiting from these crucial safety protocols.

### Sharing health insights to drive better outcomes

- Produced market-leading insights into the latest health needs of Canadians by publishing topical research and thought leadership, such as:
  - [Healthy Returns](#), a report that revealed actions for supporting employees returning to work after a disability leave.
  - [Working Together to Support Women's Health](#), a report that focuses on women's health in the workplace and how employers can support it.

#### JUST THE NUMBERS

- [Sustainability Performance Tables](#)

#### MORE ONLINE

- [Health and wellness resources](#)
- [Health insights for group benefits Clients](#)

<sup>7</sup> The Lumino Health™ Provider Search helps Canadians explore and find local health-care providers and services that are right for them. These providers range from dentists, chiropractors, physiotherapists, pharmacists and psychologists to doctors and dietitians. Used under license by Simpill Health Group Inc.

<sup>8</sup> SHG Pharmacy Inc. and SHG West Pharmacy Inc., doing business as Pillway pharmacies, are partially owned by Simpill Health Group Inc. Sun Life Assurance Company of Canada has partial ownership of Simpill Health Group Inc.

<sup>9</sup> Sun Life U.S. "High-cost claims and injectable drug trends analysis". 2024.

<sup>10</sup> Asthma Canada. "Asthma Canada's National Survey: A Snapshot of Asthma in Canada". 2024.

# Employee well-being

## Taking a whole health approach

In an era of transformative changes affecting businesses and people alike, from advancing technologies to new economic realities, it's more essential than ever to support employee well-being. We believe that supporting all parts of employee well-being, including mental, physical and financial, is essential to creating productive, fulfilling and inclusive workplaces.

Our commitment to employee well-being is a key differentiator for Sun Life. We continue to invest in programs and services designed to provide a safe working environment, equip employees with helpful resources and support employees experiencing wellness issues. Our aim is to ensure employees have positive experiences at work and beyond that contribute to their well-being.

## Our approach at a glance

- > Establishing clear priorities and actions through a coordinated Global Well-Being Strategy
- > Pillar 1: Supporting mental well-being
- > Pillar 2: Promoting physical well-being
- > Pillar 3: Investing in financial well-being
- > Measuring the success of our actions and making adjustments

> [Learn more online](#)

## 2024 Performance

### Our holistic approach to well-being

- Invested in the wellness of team members in Quebec by renovating the third floor of our Montreal office with the aim to meet the WELL Building Standard®. WELL is an international certification program created to ensure buildings are designed as healthy environments to work and/or live in. Among the office's new features are treadmill desks for enhanced mobility, a recreation space, enclosed and open workstations, and private rooms for resting, praying or meditation.
- Supported the financial well-being of our employees by enhancing our Stock Ownership Program (SOP) in Canada. For example, we increased the maximum company match and made savings more accessible. Employee participation in the SOP increased to 70% in 2024 (2023: 62%).
- Increased access to quality health-care services for employees in the U.S. through:
  - A new partnership with Hinge Health. Hinge Health provides access to digital exercise therapy treatment for joint and muscle pain at no cost to employees.
  - An expansion of Sun Life's Health Navigator offering to employees' parents, parents-in-law and adult children with additional options. Health Navigator is an advisory service that helps people find the right medical diagnoses, providers and treatments for their specific needs.

These services are also available to U.S. Clients. Learn more in [Client Health](#).

91%

of employees say that their immediate manager/supervisor supports their well-being<sup>1</sup> (2023: 92%)

### Supporting mental well-being

- Created scalable resources within a global framework for people leaders to support their employees throughout a leave of absence. Enabling a test and learn opportunity, we launched evidence-based resources and tools for people leaders supporting an employee in Canada taking disability leave. We plan to expand this framework to provide culturally appropriate and evidence-based resources and tools in each of our regions globally and for other leave types (e.g., parental leave, caregiver leave, etc.).
- Provided proactive support to employees and leaders in Canada when an employee is experiencing a decline in their well-being at work by establishing a new accommodation function. We aim to ensure that a return to work from leave is supported and sustained. We also launched two new mental health training courses for people leaders and employees, including courses on suicide awareness and leading with empathy. These interactive courses focus on key topics that have been shown to support well-being.
- Implemented a series of initiatives in the U.S. to promote suicide awareness and prevention while working to reduce stigma. These efforts included providing employees with resources on how to support their colleagues and loved ones who may be struggling. Activities ranged from organized group walks to show solidarity with those facing mental health challenges, to comprehensive training sessions on assisting individuals with mental health issues.

<sup>1</sup>Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope - Note 2](#).



▶ Client health ▶ **Employee well-being** ▶ Community wellness

- Encouraged employees across Asia to nurture their mental well-being by:
  - participating in mindfulness workshops,
  - attending wellness webinars,
  - engaging in physical activity, and
  - utilizing Employee Assistance Programs (EAP) which offer professional mental health support and counseling.
- Held a week-long safety event at our Sun Life Global Solutions (SLGS) India office, where we shared resources and had open dialogues on the importance of health and safety. We also provided training about potential safety hazards, emergency preparedness and safety protocols under various scenarios.
- Demonstrated the effective management of occupational health and safety at SLGS India by completing our first surveillance audit for ISO 45001:2018 Certification. This global standard is an internationally-recognized framework for managing risks and improving safety performance.
- Grew our team of safety ambassadors at Sun Life globally to 1,100 employees, up 40% from 2023. Safety ambassadors consist of first aid responders, evacuation wardens and health and safety representatives. Their role is to demonstrate and promote safe behaviour across the organization.

### **Reinforcing our commitment to a safe work environment**

- Promoted a safe work environment at Sun Life through ongoing education and awareness-building. For example, we:
  - Posted over 40 proactive communications on our internal collaboration tool to promote health and safety awareness and education for in-office and hybrid work in Canada and the U.S. These communications reached over 20,000 employees.
  - Engaged employees across the organization on the importance of health and safety during global health and safety week. During the event, we raised awareness and educated employees on health and safety topics such as emergency evacuation and workstation ergonomics. We also provided training on emergency preparedness and hazard reporting.



JUST THE NUMBERS

▶ [Sustainability Performance Tables](#)

# Community wellness

## Community solutions to global challenges

As a major health insurance and health benefits provider, helping people live healthier lives is a core part of our Purpose. Our community investments reflect that. Sun Life is well positioned to offer accessible solutions to global health challenges like diabetes, mental health and oral health.

We invest in community initiatives and organizations making a difference in these critical areas. We are particularly focused on youth, and disadvantaged and underserved communities. These groups tend to be disproportionately affected by barriers to health and wellness, such as lack of access, awareness and financial capability. Private sector support remains essential to delivering equitable wellness solutions for all.

### Our approach at a glance

- > Encouraging healthy, active living
- > Helping to slow and prevent the advance of diabetes
- > Responding to ongoing challenges in mental health
- > Harnessing and supporting the community work of employees and advisors

[> Learn more online](#)

## 2024 Performance



### Contributing to diabetes prevention

- Educated youth on the importance of physical activity to prevent type 2 diabetes through the Build Our Kids' Success initiative in Indonesia. The initiative has reached over 40,000 students across 144 elementary schools through physical activity programs.

**\$57.9 million**

committed to the fight against diabetes globally since 2012, including \$5.5 million in 2024.

- Promoted awareness of diabetes and healthier lifestyles among children in Hong Kong through the Healthy Lunchbox Meal Design Competition initiative. Nearly 100 primary schools in Hong Kong participated in this competition which enabled communication in families, creating a positive impact on the social and emotional development of children. As part of this initiative, we donated HK\$490,000 to Diabetes Hongkong.

- Addressed the rising risks of diabetes by offering free annual blood glucose screenings for adults in Malaysia. The fifth annual Brighter Health Blood Glucose Screening program screened over 5,100 Malaysian adults and more than 530 signed up for a 3-month health coaching program. In support of International Diabetes month, we also offered free diabetes self-test kits to 5,000 Malaysians. We're aiming to combat the rising risk of diabetes through early detection and monitoring.
- Provided access to a safe space for at-risk and underserved youth to be physically active and adopt healthy behaviour habits through the Sun Life Centre for Healthy Communities at Wilfrid Laurier University in Waterloo, Canada. Since launching the initiative in 2016, the Centre has helped more than 6,500 at-risk youth to access high-quality and affordable health programming.
- Continued to promote diabetes awareness and prevention during the 11<sup>th</sup> season of #SunLifeDunk4Diabetes in the U.S. In collaboration with the Boston Celtics basketball team, we've raised over US\$1 million to date for the YMCA of Greater Boston's Healthy Habits program. The free program provides information, tools and support needed for a healthy lifestyle.

### Stepping up for mental wellness

- Pledged more than \$1 million over three years to support mental health programs for at-risk and marginalized youth in Canada. The funds will be used to expand the George Hull Centre for Children and Families' innovative Feeling Explorers program and Unsinkable Youth, a peer-to-peer mental wellness program. This commitment aims to reach at least 860 young Canadians and their families, addressing the growing need for early intervention and prevention of mental health challenges.

► Client health ► Employee well-being ► **Community wellness**

Sun Life has provided more than \$10 million in philanthropic donations since 2020 to support mental health across Canada.

- Empowered nearly 3,000 underserved youth in communities across Canada to help improve their mental resilience through support of Unity Charity's Engage Program. The program uses hip-hop art forms to teach mental well-being. In year two of this initiative, 95% of participants reported improvements in their ability to positively cope with stress and 95% agreed that participating in this program has helped them to live a healthier life.
- Supported mental health while raising money for cancer patients through Maggie's Cancer Caring Centre in Hong Kong. Maggie's Cancer Caring Centre is a supportive haven for individuals with cancer, offering free emotional and psychosocial assistance to patients, their families and friends. We hosted a charity auction and Christmas carol concert. Over the past 10 years, the concerts have raised HK\$19 million to people fighting cancer, including HK\$1.9 million in 2024.

### Putting the spotlight on healthy and active lifestyles

- Promoted healthy and active lifestyles through basketball by supporting several initiatives and partners. For example:
  - Sun Life became the main health and wellness partner of the Montreal Alliance basketball team.

The partnership includes providing free game access for youth organizations. We have a history of supporting basketball in Canada, including partnerships with the Toronto Raptors and Canada Basketball.

- In partnership with Canada Basketball, we hosted a Hoops + Health basketball tournament in Toronto to raise awareness of Sun Life's philanthropic partnerships and demonstrate how Sun Life health products are helping Canadians live healthier lives. Members of the men's and women's national teams, as well as Wheelchair Basketball Canada players, were in attendance to engage the public on basketball skills, drills and demonstrations.
- In six locations across Asia, we promoted healthy living through Hoops + Health, impacting over 14,000 people. Through this initiative, we've trained 85 coaches, engaged over 130 Sun Life employees, reached more than 9,000 youth and renovated five basketball courts. Refer to our [feature story](#) for more information.
- Helped children embrace fitness and healthy lifestyle habits with the 10th year of Fit to Win in partnership with the Boston Celtics. The annual, four-week program teaches children to embrace fitness, nutrition, healthy lifestyle habits and mindfulness.
- Continued to encourage healthy lifestyles in Hong Kong through our 16<sup>th</sup> consecutive year of sponsoring

the Sun Life Stanley International Dragon Boat Championships. In 2024, the event attracted over 150 teams from Hong Kong and abroad, with more than 5,500 paddlers participating. Sun Life provided free water stations and encouraged participants to bring their own water bottles to reduce plastic waste and promote recycling initiatives.

- Promoted holistic wellness in Malaysia by hosting the Sun In the City Wellness Fest. The event attracted 350 participants and aimed to inspire Malaysians to embrace holistic wellness, including financial health.

### Removing barriers to dental care and resources

- DentaQuest, part of our U.S. business, helped provide underinsured adults and children with access to oral health care across the U.S. through new and ongoing partnerships. We provided financial and volunteer support to various Missions of Mercy free care clinics which delivered more than US\$13.5 million in care to over 13,500 people in major U.S. cities. In addition, funding for TeamSmile, a national nonprofit that offers one-day free clinics at professional sports stadiums, served more than 2,100 children and provided over US\$735,000 in free dental care and oral health education.
- Sun Life Grepa organized a medical and dental mission for the members of Ahon sa Hirap, Inc. (ASHI), a community organization in the Philippines. The event provided health-care services such as

consultations, dental check-ups, and medication distribution, benefiting 500 individuals. The mission was a collaborative effort with other local organizations and showcased our commitment to supporting underserved communities. Refer to our [feature story](#) for more information.

- Raised awareness about oral health disparities and the importance of dental careers in partnership with America's ToothFairy. The "Share Your Smile" campaign provides free resources to help kids maintain good dental hygiene habits. It also encourages teens to consider careers in dentistry, especially in underserved communities. The campaign aims to address the fact that over 57 million Americans, including many children, face barriers to accessing dental care<sup>1</sup>.

### Investing in Indigenous wellness in Canada

- Boosted the capacity of Anishinabeg Outreach, a centre for Indigenous healing, to offer support services in Ontario, Canada. We offered employees various volunteer opportunities to support Indigenous families and communities. For every hour of employee volunteer time, we donated \$20 to the centre, totaling \$938 in donations.
- Renewed our \$1.25 million commitment over three years in support of Brighter Days: An Indigenous Wellness Program with Kids Help Phone. Since launching the partnership in 2021, Sun Life's funding has empowered over 2,700 First Nations, Inuit

<sup>1</sup> KFF. "Dental Care Health Professional Shortage Areas (HPSAs)". 2024. Sustainability Report – 2024 Performance

and Métis youth with skills, tools and resources to support their well-being in 55 Indigenous communities across Canada. The partnership also launched an Indigenous outreach initiative, New Trails, which has connected with over 14,500 Indigenous youth in rural and remote communities to increase awareness of Kids Help Phone’s services.

**Giving and volunteering to make a difference**

- Actively engaged with local communities where we operate through

**\$24.6 million**

donated to registered charities and non-profit organizations globally

volunteering. Our employees globally volunteered over 37,900 hours with community organizations (2023: 28,400). Through the You Give We Give program in North America, Sun Life supports employees and advisors in giving back to the causes important to them – in time or money – by providing matching dollars to registered charities. Across Canada, the U.S. and Ireland, Sun Life and its employees and advisors donated over \$4.2 million to more than 4,100 charities. Learn more in our annual [Public Accountability Statement](#).

**Hoops + Health program champions healthier lives for youth in Asia**



**The challenge:**

Research from the Active Healthy Kids Global Alliance highlighted a concerning lack of physical activity among children aged 6 to 17 across Asia<sup>2</sup>. Such inactivity is known to accelerate young-onset diabetes, a condition that affects 1 in 5 adults in the region<sup>3</sup>.

Sports are widely acknowledged for promoting physical health, mental health and essential life skills, among other benefits. Yet strong coaching infrastructure and adequate facilities are required to access these benefits.



**The initiative:**

To help Asian youth live more active lives and address a critical social issue, diabetes, Sun Life teamed up with Beyond Sport, a global sport-for-social-change organization, to roll out the Hoops + Health program across six markets in Asia. The program launched in September 2023 in Indonesia, Hong Kong, Malaysia, the Philippines, Singapore and Vietnam. Sun Life invested \$1 million to support and grow the program.

Hoops + Health encourages active, healthy lifestyles for kids and communities across the region, focusing on three key areas:

- Improving access to safe spaces to play by renovating basketball courts in underserved areas
- Engaging local communities, coaches and Sun Life employees by organizing court opening events, volunteering days and educational workshops
- Inspiring young people to be more active through free basketball sessions



**The impact:**

By improving community access to courts and education across six Asian markets, the program has engaged local communities and inspired active and healthy living through basketball. Since its launch:

- More than 4,500 community members have accessed five newly renovated sports facilities
- 85 coaches have been provided with in-person basketball training and lessons about nutrition, physical activity and mental well-being
- More than 9,000 young people have been reached through the program

In the future, our support will help improve court management and raise funds for annual maintenance. Ultimately, the aim is to ensure the courts are sustained long in the future and reach even more young people across Asia.

<sup>2</sup> Active Healthy Kids Global Alliance. “The Global Matrix 4.0 on Physical Activity for Children and Adolescents”. 2022.  
<sup>3</sup> Tremblay, M., et al. “Active Healthy Kids Global Alliance Global Matrix 4.0—A Resource for Physical Activity Researchers”. 2022.



► Client health   ► Employee well-being   ► **Community wellness**

- Awarded US\$350,000 in grants to community organizations across the U.S. through the Sun Life Health Access grant program (formerly known as Team Up Against Diabetes). We engaged directly with health-focused non-profit organizations ranging from community farmer's markets to clinics offering diabetes interventions or oral health services. Since the start of the program in 2016, Sun Life has given more than US\$2 million to organizations and provided access to health programs for thousands of individuals and families in the U.S.
- Recognized 12 individuals and organizations working to improve access to care for communities that need it most through the Health Access Heroes program. Since 2015, we've honored 92 heroes and donated US\$340,000 to nearly 100 nonprofit organizations. Heroes can be individuals or organizations working on any health access issue, from oral health to diabetes management, social determinants of health, mental health and general medical care.
- Launched the "Life is Brighter" charity fund in Singapore to amplify our philanthropic efforts in the country. The fund supports a range of social causes, such as diabetes and mental health. We also pledged to donate 0.5% of Client premiums collected (up to US\$20,000 per policy) for every purchase of the SunBrilliance Whole Life or SunBrilliance Indexed Universal Life Insurance plan. Donations are funding Singapore-based programs aligned with Sun Life's philanthropy goals and empowering communities in need.

### **Contributing to other community needs**

- Provided access to safe and quality food, improving local food security, for remote communities in the Philippines in partnership with the World Wide Fund for Nature Philippines. This project enhanced sustainable farming technologies and livelihoods for nearly 80 individuals. It also indirectly benefited over 3,300 local residents by improving access to fresh, nutrient-dense and locally produced food.
- Supported the Heartstrings Walk 2024 in Singapore for the third consecutive year. Community Chest Singapore organizes this charity event, which rallies over 4,800 partners, volunteers and the community to build a caring and inclusive society. Over 200 critical programs receive proceeds from the event that empower the lives of children with special needs, youth-at-risk, adults with disabilities, persons with mental health conditions, and seniors and families in need of support.
- Donated over 7,600 computers and other technologies to charity organizations that help people in need. For example:
  - In Canada, we donated laptops and IT equipment to Computers for Success Canada, a non-profit organization that provides technology to underserved students, families and communities.
  - In the U.S., we donated to PCs for People which helps lower-income families and non-profit organizations benefit from access to technology while diverting electronic waste from landfills.
  - In the Philippines, we organized a laptop donation drive for local schools that do not have access to working computers or tablets.
  - In Vietnam, we collected and refurbished laptops and tablets which we distributed to local schools, non-profit and community organizations.
  - In Ireland, we partnered with South East Technological University on the Computer4Schools program which involved the donation of laptops to underserved schools.

#### JUST THE NUMBERS

- [Sustainability Performance Tables](#)

#### MORE ONLINE

- [Donations and partnerships](#)  
 ► [Health Access Grant Program](#)



# Advancing sustainable investing

We consider material, long-term sustainability factors, as appropriate, to meet our risk-adjusted return requirements of the general account portfolio. We also invest a portion of Sun Life's general account assets in investments that support a range of our sustainability objectives.

## Material topic in this chapter:

- [Sustainable investing](#)

## Our work is aligned to Sustainable Development Goals:



► **Sustainable investing**

# Sustainable investing

## Building resilience and capitalizing on sustainable opportunities

As a global insurance and financial services organization, we pool a large portfolio of premiums collected from policyholders into the Sun Life general account, which has \$222B AUM.

We consider material, long-term sustainability factors, as appropriate, to meet our risk-adjusted return requirements of the general account portfolio. The way these factors are integrated into investment decision-making varies across our range of asset classes.

We also invest these funds into different companies and assets in accordance with our internal policies and parameters developed with our actuaries to meet our policyholder obligations. Through these Sun Life-owned investments, we can support the transition to a low-carbon economy while building resilience into the portfolio by managing sustainability-related risks.

Sustainable assets we invest in may include technologies that support climate solutions, such as renewable energy, energy efficiency and clean transportation; real estate, where we proactively seek decarbonization investment opportunities throughout the asset life cycle; and social projects that increase access to essential services.

We strive to ensure that investments involving the general account are aligned with business objectives including meeting policyholder obligations and maintaining adequate liquidity at all times.

This section on Sustainable Investing focuses on our general account, where Sun Life is the asset owner. As the asset owner, we have discretion over investment guidelines to help meet our obligations to policyholders.

This section does not include the investing approaches of our asset managers, who are bound by their primary accountability of fiduciary duty to their Clients. Asset managers invest in line with Client goals and objectives.

For more information on the investment approaches of our asset managers, please refer to their respective websites.

## Our approach at a glance

- > Overview of approach to sustainable investing for the general account
- > Supporting sustainable infrastructure
- > Advocating for effective public policy and regulation
- > Strengthening transparency and reporting to help stakeholders evaluate our efforts

[> Learn more online](#)

## 2024 Performance

### Progress on sustainable investing goals

- Surpassed Sun Life’s sustainable investment goal of \$20 billion in new sustainable investments between 2021 and 2025 by contributing an additional \$4.5 billion in new investments in 2024<sup>1,2</sup>. This brings the total to \$22.1 billion invested as part of this goal. \$9.2 billion of the \$22.1 billion was invested through the general account. These additional investments ranged from affordable housing, long-term care, green buildings, and renewable energy to clean transportation.
- Completed decarbonization studies for eight of Sun Life’s properties in our real estate investments portfolio to mitigate risks and preserve long-term value. We identified and prioritized select residential, retail, industrial and office assets by evaluating the investment and asset strategy, geographic carbon exposure, financial impact, and the opportunity to decarbonize operational emissions. The studies identify comprehensive pathways and practical, cost-effective recommendations for these properties to reduce their operational carbon emissions.

Goal:  
**\$20 billion**  
 in new sustainable investments between 2021 and 2025

Achieved:  
**\$22.1 billion**  
 as of 2024<sup>3</sup>

<sup>1</sup> Values as at transaction date.

<sup>2</sup> General account and certain third-party Clients, where relevant. More information on AUM methodology, including asset managers and criteria included in the calculation, is available upon request. Client asset values included represent a non-IFRS financial measure. Investments counted toward Sun Life’s sustainable investment goal meet one or more of the criteria for investments based on ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, GRESB Real Estate Benchmark, and/or PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA Principles. Assets included may not align with criteria in Sun Life’s Sustainability Bond Frameworks. Does not include all holdings in companies that may be defined as sustainable under other taxonomies.

<sup>3</sup> \$9.2 billion of the \$22.1 billion was invested through the general account.



► **Sustainable investing**

## Financing green and social assets through the issuance of Sun Life's third sustainability bond

We issued our third sustainability bond in Canada in 2024. This bond (\$750 million) follows the success of Sun Life's first and second sustainability bond offerings in 2019 and 2023. An amount equal to the net proceeds of our third sustainability bond was used to finance or refinance, in whole or in part, new and/or existing Eligible Assets (as defined in Sun Life's 2024 Sustainability Bond Framework).

The third bond leverages an updated Sustainability Bond Framework, replacing the original version adopted in 2019. This latest framework introduces six new eligible asset categories, including affordable housing, affordable basic infrastructure and socioeconomic advancement and empowerment. It retains the original categories of renewable energy, energy efficiency, green buildings, clean transportation, sustainable water and wastewater management, and access to essential services.

The new framework also notes alignment of each category with relevant UN Sustainable Development Goals and includes examples of potential environmental and social impact measures

for reporting purposes, depending on the eligible asset. Our annual Use of Proceeds Reports provide information on how the net proceeds of each Sustainability Bond are allocated to finance or re-finance assets within Sun Life's general account that meet the framework's eligibility criteria.

Our Sustainability Bond Framework addresses the four core components of the ICMA Green Bond Principles<sup>4</sup>, the ICMA Social Bond Principles<sup>5</sup>, and the ICMA Sustainability Bond Guidelines<sup>6</sup>. Those four components, Use of Proceeds, Project Selection and Evaluation, Management of Proceeds and Reporting contribute to enhanced transparency, accountability, governance and risk management.

Following ICMA recommendations, Sun Life obtained an independent Second Party Opinion from Morningstar Sustainability. The Opinion supports the framework.

Refer to the Sun Life's [2024 Sustainability Bond Framework](#) and [Second-Party Opinion](#) for more details.

We plan to achieve these reductions using a combination of energy efficiency measures, strategic capital investments, on-site renewable energy solutions and procurement strategies to address residual emissions. We are leveraging learnings from initial studies as the portfolio begins to scale decarbonization measures across its assets.

### Investing in assets related to the transition to a low-carbon economy

- Invested in the construction and long-term financing of an electric vehicle battery manufacturing facility in the U.S. Global investments in energy transition surpassed US\$2 trillion in 2024 according to BloombergNEF<sup>7</sup>. Batteries and electric vehicles are a key driver of this growing market.
- Invested in energy security by refinancing a large renewable energy portfolio in North America. The investment includes solar and battery storage assets with over 1 gigawatt of total capacity. The portfolio includes co-located battery storage which contributes to improving grid stability and providing backup power during contingencies, while creating economic opportunities through power purchase agreements and market revenues. Refer to our [feature story](#) for more information.
- Completed the first-ever all-electric net zero carbon speculative industrial building development in Ontario, Canada through one of our affiliates. The 234,000+ square foot building offers an all-



All-electric net zero carbon building development in Ontario

electric HVAC system which is 200-300% more efficient than the standard. It also has a 500kW rooftop solar array that offsets 100% of the building's annual greenhouse gas (GHG) emissions. The building has achieved the Canada Green Building Council's Zero Carbon Building - Design Standard.

**87%**

Sun Life's North American real estate investment portfolio, based on net rentable area, with at least one green building certification<sup>8</sup> (2023: 88%)

- Made several new investments in green and sustainability bonds in Asia, including for example:

<sup>4</sup> International Capital Markets Association, "The Green Bond Principles (GBP) 2021 (with June 2022 Appendix 1)", published on June 28, 2022.  
<sup>5</sup> International Capital Markets Association, "The Social Bond Principles (SBP) 2023", published on June 22, 2023.  
<sup>6</sup> International Capital Markets Association, "The Sustainability Bond Guidelines (SBG) 2021", published on June 24, 2021.  
<sup>7</sup> BloombergNEF. "Energy Transition Investment Trends 2025". 2025  
<sup>8</sup> Certificates include BOMA BEST, LEED®, IREM Certified Sustainable Property, Fitwel and ENERGY STAR® certified 2024. LEED®, and its related logo, is licensed in Canada to the Canada Green Building Council and is used here with permission.



► **Sustainable investing**

## Advancing our product portfolio for Clients in Hong Kong

We continue to help Clients in Hong Kong grow long-term wealth while incorporating sustainable investment concepts. For example:

- The Sun Life MPF Global Low Carbon Index Fund surpassed HK\$2.38 billion<sup>9</sup> since its launch in 2023. This first-of-its-kind MPF fund in Hong Kong<sup>10</sup> is an investment option for our MPF members to save towards a healthy retirement in a sustainable way.
- We launched the SunWell product series, which includes SunWell Advance Care, SunWell Supreme Care and SunWell Essential Care. These products are the first ESG investing-focused whole life critical illness protection plans launched in Hong Kong<sup>11</sup>.
- We introduced new insurance and savings plans globally—SunJoy, SunGift, SunWing and SunPrime— that are designed to offer potential long-term growth and flexible options for Clients while integrating ESG concepts into their investment strategies.

- a sustainable Sukuk, a Sharia-compliant bond, issued by an Indonesian bank. The Sukuk is distributing financing to several environmental and social initiatives such as water conservation, sustainable food systems and pollution prevention.
- a green bond issued by a utility group in China. The bond is financing projects such as renewable energy production and energy efficiency activities.
- a sustainability bond issued by a bank in South Korea. Funds support various sustainability-related projects, including the development of affordable and sustainable infrastructure.

### Investing in social assets

- Continued to make investments that provide access to essential services. For example, we provided financing for the construction and operation of a transitional housing facility in a large North American city that will serve the LGBTQ+ community. Refer to our [feature story](#) for more information.
- Made several social bond investments across Asia. For example:
  - the Pegadaian Social Sukuk in Indonesia, which is supporting the growth of micro, small and medium enterprises (MSMEs), addressing gender disparities, and financial access for unbanked Indonesians.

- SEP Resources, from which the company will use the proceeds to finance and/or refinance a student hostel in Malaysia.
- a Korea Social Bond, which is channeling funds to support affordable housing for low- and middle-income households.

### Knowledge-building and best practices

- Participated in industry forums and organizations to advocate for advancements in sustainable finance. For example, we:
  - Continued to co-chair the Canadian Chamber of Commerce's Green and Transition Finance Council. This group is dedicated to collaborating with government, regulators, Indigenous groups and other relevant stakeholders. The Council's primary focus is advocating for harmonized sustainability reporting standards, fostering the acceleration of private investment in decarbonization, and translating corporate objectives into public policy recommendations.
  - Led a collaborative effort to offer recommendations to the Canadian federal government on how to partner with the private sector to build stable, cost-effective affordable housing on surplus federal lands.

<sup>9</sup> According to the MPFA website ([www.mpfa.org.hk](http://www.mpfa.org.hk)) as of December 31, 2024.

<sup>10</sup> The Sun Life MPF Global Low Carbon Index Fund was launched on June 5, 2023. It was the first low-carbon fund in MPF industry according to the MPFA website at <https://www.mpfa.com.hk>.

<sup>11</sup> The feature's "first ESG focused critical illness protection plan" statement is based on a comparison with other critical illness protection plans for new Composite and Long-Term Businesses as identified in the Register of Authorized Insurers by Insurance Authority as of April 25, 2024.

► **Sustainable investing**

## Providing financing for transitional housing



### The opportunity:

There is a growing role for private capital in social infrastructure. Investors can play a role in facilitating development by reducing the upfront burden on government budgets through private financing for these larger scale projects. This can result in an alignment of public interest and private capital, fostering opportunities in the investment grade private credit market.



### The investment:

This year, we provided financing for the construction and operation of a safe haven transitional housing facility located in a large North American city serving the LGBTQ+ community<sup>12</sup>. This project offers an opportunity to make a long-term investment with an attractive investment yield, backed by a large, financially stable city. The shelter operator is a leading non-profit housing developer and service provider.



### The impact:

The need for social infrastructure continues to be supported by demand, which frequently outpaces supply. Upon completion, the facility is expected to have over 40 beds and will provide the unhoused LGBTQ+ community with support services designed to help develop the skills needed to transition to longer term and more permanent housing. The facility is located in close proximity to medical services and public transportation in a residential neighborhood.

<sup>12</sup> Case study is provided for illustrative purposes only. Any reference to a specific asset does not constitute a recommendation to buy, sell or hold or directly invest in it. It should not be assumed that the recommendations made in the future will be profitable or will equal the results of the assets discussed here. The above investment was made by Sun Life's general account.

► **Sustainable investing**

## Investing in energy security through solar and battery storage



### The opportunity:

As renewables have become more cost-effective energy solutions, the opportunity to invest in battery energy storage systems (BESS) is becoming increasingly prevalent. BESS can help mitigate challenges the renewable energy sector faces, including grid volatility, the need to balance moment-to-moment supply and demand, and the integration of intermittent renewable sources like solar and wind.

The strong economics of BESS paired with solar can incentivize energy sources with lower greenhouse gas (GHG) emissions; the demand for BESS is expected to quadruple by 2030<sup>13</sup>, presenting a significant market opportunity.



### The investment:

This year, we invested in solar and battery storage by refinancing a large renewable energy portfolio in North America<sup>14</sup> consisting of solar power generation and battery storage assets with over 1 gigawatt of total capacity. The solar and battery assets use proven technology from leading global suppliers and are owned and operated by an experienced renewable energy developer. The portfolio benefits from predictable, long-term cash flows underpinned by power purchase agreements with a diversified group of highly rated counterparties.



### The impact:

From a sustainability perspective, BESS enables greater integration of renewable energy sources like solar and wind into the power grid by storing excess energy for use when these intermittent sources are not producing. This may reduce reliance on other power sources that may have higher GHG emissions and air pollution. Over 1 gigawatt of solar and battery storage can be enough to power hundreds of thousands of homes with electricity.

Investments in solar energy and BESS can improve grid stability and reliability, reduce power outages and provide backup power during emergencies. They also help manage peak electricity demand, potentially lowering energy costs for consumers. By enabling a more flexible and resilient power system, BESS may support the transition to a cleaner energy future and maintain energy security. Additionally, the growth of the BESS industry creates new jobs and economic opportunities in manufacturing, installation, and maintenance<sup>15</sup>.

<sup>13</sup> EY. "63rd edition of the Renewable Energy Country Attractiveness Index (RECAI)". 2024.

<sup>14</sup> Case study is provided for illustrative purposes only. Any reference to a specific asset does not constitute a recommendation to buy, sell or hold or directly invest in it. It should not be assumed that the recommendations made in the future will be profitable or will equal the results of the assets discussed here. The above investment was made by Sun Life's general account.

<sup>15</sup> United States Department of Energy. "2024 U.S. energy and employment jobs report". 2024.

### JUST THE NUMBERS

► [Sustainability Performance Tables](#)





# Building resilience to climate impacts

We take action to address climate impacts within our own businesses. We're supporting advancements in data and research on the impacts of climate change on human health, and focusing on managing transition risks to support our Clients' sustainability goals and ensure our resilience. Meaningful action to ensure the resilience of our business will help us deliver on our Purpose.

## Material topic in this chapter:

- [Climate resilience](#)

## Our work is aligned to Sustainable Development Goals:





► **Climate resilience**

# Climate resilience

## Managing climate-related risks and building long-term resilience

Sun Life's enterprise climate resilience approach addresses climate-related risks and opportunities across our life and health insurance businesses, our general account investments, and our operations.

Building long-term organizational resilience to climate impacts will better enable us to deliver on our Purpose to help Clients achieve lifetime financial security and live healthier lives.

### Our approach at a glance

- > Board and management oversight
- > Strategy to address climate-related risks and opportunities
- > Identifying, assessing, prioritizing and monitoring risks
- > Using metrics in line with our strategy

> [Learn more online](#)

### A new approach to climate-related reporting

In this section of the Sustainability Report, we report select highlights of our performance on climate and environmental-related topics.

Starting this year, Sun Life also provides annual climate-related disclosures expected by Canada's Office of the Superintendent of Financial Institutions (OSFI) in its OSFI B-15 Climate Risk Management Report. Building on our previous climate-related disclosures, this new report presents detailed information regarding our climate governance, strategy, risk management approach and metrics such as our operational greenhouse gas (GHG) emissions and financed emissions from our general account. For more information on these topics, refer to Sun Life's [2024 OSFI B-15 Climate Risk Management Report](#).

## 2024 Performance

### Measuring and improving efficiency and resilience

- Developed a climate resilience roadmap to assess the climate-related risk exposure of our office portfolio and chart the emissions reduction pathway of our offices in North America. The roadmap included:
  - an assessment of physical risk exposure by site;
  - a detailed evaluation of historical data on building emission sources, such as energy and water; and
  - an analysis on the potential impact of external factors on our emissions trajectory, such as emissions intensity of local grids.

We leveraged insights from this exercise to prioritize the most effective and business-relevant actions to strengthen climate risk management and support ongoing emissions reduction in our global offices through 2030 and onward.

- Continued to improve energy efficiency and streamline consumption by adopting energy-efficient technologies across our global offices.

At our Waterloo building in Ontario, Canada, we installed more ENERGY STAR-certified equipment. These changes make our buildings more resilient to potential future price increases of traditional energy sources.

- Sourced the equivalent of 40% of electricity consumption through renewable sources<sup>1</sup> at our global offices in 2024, up from 12% in 2023<sup>2</sup>. For example, we have 276 solar panels installed on our Waterford, Ireland office. This office is powered by solar for an average of 12% of its monthly energy needs. This increase follows the installation of 276 solar panels in 2023.

**40%**

of electricity consumption at our global offices from renewable sources such as solar and wind<sup>1</sup>

- Made progress toward our 2030 emission reduction goals for our general account investments and operations. For further information, refer to Sun Life's [2024 OSFI B-15 Climate Risk Management Report](#).

### Enhancing resilience through education and engagement

- Offered voluntary education to our employees and leaders on climate-related topics. We added new modules to our virtual Climate Change Academy to help employees gain a better understanding of climate science and the impact climate change has on people (including human health), communities, biodiversity and nature. More than 3,900

<sup>1</sup> The percentage of global electricity consumption from renewable sources includes on-site renewables, participation in green utility programs, and the purchase of renewable energy certificates (RECs) or other environmental attributes. These allow Sun Life to claim the environmental benefits of renewable energy, regardless of whether the electricity is directly drawn from the grid by Sun Life properties. Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.

<sup>2</sup> Renewable electricity consumption in 2024 and 2023 reflect electricity consumption at occupied global offices in each respective year. Note that previously-reported figures for renewable electricity consumption also included electricity at owned real estate investment properties.

## ► **Climate resilience**

employees globally completed voluntary modules in 2024.

- Continued to advance and share our understanding of climate resilience by engaging in external initiatives. For example:
  - Sun Life became a member of the Partnership for Carbon Accounting Financials (PCAF). PCAF is an industry-led organization that facilitates transparent and accurate reporting of emissions associated with financial activities. Sun Life uses the PCAF standards in our carbon accounting for financed emissions.
  - Sun Life joined the Business Renewables Centre-Canada. The Centre is a community of renewable energy buyers and project developers that are driving transition in Canada's electricity grid. This membership gives Sun Life access to resources and tools that will help us further refine our strategy and approach to renewable energy procurement.
  - For the second time, we co-convened a roundtable with the Canadian Association of Physicians for the Environment in cooperation with Climate Proof Canada. We hosted public health professionals, federal public servants and representatives from think tanks and non-profits to discuss updating Climate Proof Canada's recommendations to the

federal government on how to meet health and well-being goals in the Government of Canada's National Adaptation Strategy.

- Sun Life hosted a Climate and Health Insurer Breakfast at Climate Week New York City 2024 in partnership with the United Nations Environment Programme Finance Initiative's Principles for Sustainable Insurance (PSI). The event focused on the growing health risks from climate events and associated data challenges. It also covered the need for increased stakeholder and industry partnerships to address these challenges now and in the future.
- We attended the Biodiversity Conference of the Parties (COP16) in Colombia, the first biodiversity COP since the adoption of the Kunming-Montreal Global Biodiversity Framework. Sun Life used the opportunity to understand what actions businesses are taking when developing their nature-based strategies.
- We continued to participate in the TravelWise Program, an initiative of the Waterloo Region in Ontario, Canada. The program encourages employees to use sustainable transportation methods such as biking and carpooling.

- Engaged in biodiversity conservation in our markets in Asia. For example, in the Philippines more than 110 employees planted approximately 500 molave and narra trees. The initiative is to help restore a local watershed and promote environmental preservation. In Malaysia, 144 employees planted 1,000 trees to support the National Greening Malaysia Programme. In India, employees collected and donated mango seeds to support local agriculture.

### **Advancing understanding of climate resilience**

- Established research partnerships to address climate and health data gaps and advance our climate resilience strategy for our insurance business. For example, we're supporting the work of the Society of Actuaries to study the impact of air pollution from forest fires on mortality, accounting for geographical and socio-economic variations.
- Tested an adverse climate risk scenario via stress testing (Financial Condition Testing and Own Risk Solvency Assessment). The analysis increased our understanding of our physical and transition risk exposures. Refer to [Risk Management](#) for more details.

### **Improving waste stewardship**

- Continued to improve our waste diversion efforts and reduce waste to landfill. Among our activities:
  - We installed new waste management systems for recycling and compost at several of our offices across North America and our office in Ireland. Our Ireland office has a goal to increase waste diversion from 40% to 45% of daily office waste generation in 2025.
  - Sun Life's Infrastructure Teams partnered with a new vendor that both recycles and repurposes IT equipment. The vendor reused 58 IT assets.
  - Expanded our personal technology and recycling program at several of our office locations in North America. The program offers a means for our employees to ensure their old technology is recycled properly and that we donate usable tech through the On Site Support Laptop Donation Program. Since 2021, Sun Life has donated over 20,000 computers to charity organizations that help people in need.

#### JUST THE NUMBERS

- [Sustainability Performance Tables](#)

#### MORE ONLINE

- [2024 GHG Emissions Reporting Methodology](#)
- [2024 Independent Limited Assurance Report](#)
- [2024 OSFI B-15 Climate Risk Management Report](#)



# Operating as a trusted and responsible business

Our sustainability plan builds on our foundation as a trusted and responsible business. We aspire to be a responsibly-managed business that is Client-focused, Purpose-driven, forward-thinking and sustainable for the long term. From developing our people, to safeguarding our Clients' information, we are committed to addressing the topics that matter most to our stakeholders and drive the success of our business.

## Material topics in this chapter:

- [Inclusion](#)
- [Client experience](#)
- [Data security and privacy](#)
- [Talent management](#)
- [Risk management](#)
- [Governance and ethics](#)

## Our work is aligned to Sustainable Development Goal:



▶ **Inclusion** ▶ Client experience ▶ Data security and privacy ▶ Talent management ▶ Risk management ▶ Governance and ethics

# Inclusion at Sun Life

## Unleashing creativity, innovation and value

We believe that an inclusive and welcoming work environment—one that brings together the best talent, fosters diverse ideas and creates a sense of belonging for all—is critical to our ability to live our Purpose of helping our Clients achieve lifetime financial security and live healthier lives. It's about creating stronger teams within our organization, where each person feels valued and empowered to thrive. A strong inclusion focus is also key to growing our global business and sustaining positive relationships with Clients, employees and communities.

Our inclusion efforts are intentional and ongoing, create opportunities for everyone, break down obstacles to success and take an inclusive approach to the products and services we provide globally. We want Sun Life to be an inclusive workplace, business and community partner, to further our Purpose.

## Our approach at a glance

> [Inclusion at Sun Life](#)

> [Learn more online](#)

## 2024 Performance

### Creating an inclusive workplace

- Strengthened employee understanding of inclusion by offering and expanding voluntary inclusion education across our learning channels. For example, within Kaleidoscope (Sun Life's global platform for learning and embedding inclusion into daily behaviours), we:
  - Developed regional-specific content to respond to local trends and employee needs.
  - Began the Kaleidoscope 3-month foundational program with over 4,000 Sun Life Global Solutions (SLGS) employees in India and the Philippines.
  - Engaged senior leaders to start conversations in Kaleidoscope resulting in 33% increased engagement and participation across the enterprise.

In 2024, more than 6,100 employees chose to learn in Kaleidoscope, a nearly 20% increase from 2023. Employees were given tools to help deepen their learning and inspire action to create products, solutions and experiences for our people with diverse needs.
- Facilitated an inclusive environment through an internal forum for discussion on inclusion topics. It's an opportunity for employees to learn and understand the challenges and diverse perspectives of other employees. We strive for teams to collaborate and problem-solve more effectively, allowing them to deliver better outcomes for our Clients. In one of the sessions, Sun Life employees tuned in to Chris Singleton, an award-winning author, former professional baseball player and

inspirational speaker, for an inspiring conversation on nurturing an inclusive environment through empathy.

- In our Canadian business, we created opportunities for leaders to have open dialogue within their teams about unconscious bias and understanding others' perspectives through a series called, "Critical Conversations: Unconscious Bias." These conversations are intended to create small paradigm shifts in understanding others' perspectives through intentional conversations. The series started with our business leadership teams and has been cascaded to their teams to ensure each employee can participate.
- Enhanced our communications to be representative of the communities we operate in. We evolved our glossary to become the comprehensive Inclusive Language Guide for inclusive terminology. Employees can use this guide for communications within Sun Life and externally. As part of this update, we launched French language guidance on how to speak and write in a gender-neutral way.
- Evolved the inclusion charter for SLGS to include "belonging." Key initiatives undertaken included:
  - Embarking on an inclusion journey for Persons with Disabilities, including neurodiversity, locomotor, and hearing disabilities.
  - Launching an inclusion and belonging dashboard to influence data-driven decision making to better promote inclusion in our workplaces.

## 92%

of employees recommend Sun Life as an equitable and inclusive workplace<sup>1</sup>

<sup>1</sup> Based on the Q4 global employee engagement survey. 80% of employees surveyed participated. Refer to [Report Scope - Note 2](#).  
Sustainability Report – 2024 Performance



- ▶ **Inclusion** ▶ Client experience ▶ Data security and privacy ▶ Talent management ▶ Risk management ▶ Governance and ethics

- Improved communication and fostered transparency and inclusion through the Voice of the Employees program in the Philippines. The program ensures that employees have an active role in shaping their workplace experiences, promoting inclusivity and a positive workplace.
- Celebrated PRIDE month with initiatives across the organization and in local communities. In a historic move, SLGS India launched PRIDE, an employee resource group followed by a series of awareness workshops and programs in partnership with SLGS Philippines.

**Progressing contributions to Indigenous Peoples and communities in Canada**

- Completed Phase 3 of the Partnership Accreditation in Indigenous Relations (PAIR) (formerly known as Progressive Aboriginal Relations) program in Canada. This achievement sets us on the path to apply for certification in 2025. As part of our Phase 3 work, we continued to integrate reconciliation actions throughout Sun Life by enhancing our inclusive practices. We are working to embrace Indigenous perspectives and want to ensure Indigenous Peoples and communities share in the benefits of our business as outlined in the Truth and Reconciliation Call to Action 92. We are working to live by the motto, “Nothing about you, without you.”

- Recognized and celebrated Indigenous history, cultural diversity and successes through Sun Life’s Indigenous Circle. Created in 2022, this inclusion network supports the Indigenous employee community at Sun Life. It also enhances employee understanding of Indigenous contributions through communications and events throughout the year. At the end of 2024, there were 220 members.
- Focused on Indigenous employee inclusion and belonging as a critical step toward reconciliation. We hosted Indigenous employee listening circles to gain feedback from our employees on Sun Life’s culturally relevant employee benefit offering specifically for Indigenous employees.
- Partnered with an Indigenous-owned and led call center in Manitoba, Tribal Wi-Chi-Way-Win Capital Corporation (TWCC), to provide Client support for the Canadian Dental Care Plan. Since the partnership began, TWCC has hired more than 230 people.
- Welcomed the third cohort of the Dean Connor Inclusion Scholarship for Black and Indigenous Students in Canada. The program provides financial support to eligible students, as well as the opportunity to intern at Sun Life. In 2024, 50% of the 18 scholarship recipients were women, 78% were Black and 22% were Indigenous. The program has become a talent pipeline for Sun Life. For example, 40% of 2023 scholarship recipients returned to Sun Life the following year, and we’ve hired 51 scholarship recipients during the life of the program.



► **Inclusion** ► Client experience ► Data security and privacy ► Talent management ► Risk management ► Governance and ethics

## Embracing and advancing gender inclusivity

- Empowered women to share their stories, ideas and solutions through our BrightTalks speaker series. These live signature events foster learning, inspiration and discussions. In 2024, our BrightWomen Inclusion Network held 9 events engaging a network of nearly 2,500 women across Sun Life Canada and U.S.
- Continued to elevate the conversation surrounding women's health by hosting the Women's Health at Work event in Canada. Leaders and employees from organizations across the country, along with Sun Life's employees globally, discussed the inadequacies in women's health support, the knowledge gap around accessing care, career progression hurdles and mental health impacts that women experience in the workplace. At the event, we encouraged and inspired organizations to prioritize women's health in the workplace.
- Supported employees who balance work and caregiving responsibilities by launching the Working Families and Caregivers Inclusion Network in the Philippines. This initiative promotes mental health support, flexible work arrangements and community-building activities that can help improve work-life balance and inclusion for working families.
- Championed Filipino women in tech through the launch of a more comprehensive inclusion and belonging career plan in the Philippines. The new career plan is based on employee input and features development activities mapped across the complete employee life cycle.

## Composition highlights

### Gender composition: Board of Directors

**46%** Women on Board of Directors

### Gender composition: Global workforce

**37%** Women VP+

## Community highlights

**11%** Percentage of Canadian philanthropic donations spent on Black community initiatives

### Partnership Accreditation in Indigenous Relations certification Canada by 2025

Phase 3 complete  
Certification in progress

## Regional

### North America

**19%** Underrepresented ethnicities (URE)<sup>2</sup> VP+

### Canada

**5%** Black workforce

**1.5%** Black VP+

**8%** Black student workforce

**1%** Indigenous workforce<sup>3</sup>

### JUST THE NUMBERS

► [Sustainability Performance Tables](#)

### MORE ONLINE

► [Inclusion webpage](#)

<sup>2</sup> Canada: those who voluntarily self-identify as Visible Minorities per the Employment Equity Act; U.S.: those who voluntarily self-identify as People of Colour per the Equal Employment Opportunity Commission. 92% of employees surveyed have provided self-identification data.

<sup>3</sup> Indigenous is a collective name for the original peoples of North America and their descendants. In Canada, the term Aboriginal Peoples is also used for individuals identifying themselves as First Nations, Inuit or Métis.

# Client experience

## Enhancing the Client experience at every touchpoint

Our Clients are at the centre of everything we do—and our focus is on the positive impact we have on our Clients' lives. We continue to make investments to drive digital innovation and service improvements, based on data and Client needs. Our goal is to enhance the Client experience and provide meaningful support at every touchpoint—when, where and how they need us.

Among our efforts, Sun Life is providing digital tools to create faster, smoother interactions for Clients. We're creating new distribution channels to enable greater access to our products. And we're helping Clients navigate the evolving financial and health-care ecosystems through friendly, easy-to-understand communications. In addition to this section, we also discuss our efforts to deliver great Client experiences in the [Financial Security](#) and [Client Health](#) sections of this report.

### Our approach at a glance

- > Providing better Client communication and connections
- > Marketing and selling responsibly
- > Resolving complaints the right way
- > Measuring the Client experience

> [Learn more online](#)

## 2024 Performance

### Digital solutions to serve Clients better and faster

- Empowered Clients in Canada to make positive financial and health decisions by providing them with information, guidance and tools to manage their money and well-being. Through nudges by Ella, our digital coach, we connected over 151 million times with our Clients in 2024. Ella provides Clients with personalized tips and reminders about coverage and plans, and can help them find local health-care providers, check their account balances and more.
- Continued to invest in digital services and capabilities to provide better Client experiences. For example, in the U.S. we formed a new technology partnership with UKG, a leading HR and workforce management solutions provider, to automate absence management for employers. Sun Life Clients can use UKG's platform to streamline the tracking of employee leaves and absences, simplifying administration, reducing errors and saving time and manual work.
- Helped Clients in the U.S. get their benefits faster and easier by connecting claims across our disability, supplemental health, stop-loss and dental products. When a member has more than one of these products and files a single claim, all other applicable Sun Life benefits will be processed automatically. This ensures members quickly receive all the coverage they elected without having to file additional claims.
- Provided more insightful and dynamic reporting for Sun Life Canada's Group Retirement Service plan sponsors. We introduced a redesigned version of Planalytics, a tool used to support plan sponsors in their ongoing review of workplace savings plans. The new version of the report includes:



**Simona Salter**

Senior Vice President,  
Client Experience Office

“We help millions of Canadians make positive wealth, health and protection decisions, every day. We are tapping into data and insights to make our Clients' experience with us relevant and impactful.”

- Detailed reporting structure
- Metrics to support plan management
- Sections like a one-page summary to help drive better outcomes
- Simple and intuitive visuals
- Improved our digital offerings and simplified the onboarding journey to provide better Client experiences in Asia. For example:
  - In Hong Kong, we enhanced digital payment options, including through the introduction of SunWallet. It's a Client app that provides an overview of policy values, supports one-off withdrawals and provides instructions for regular withdrawals and transfers. This platform offers flexible withdrawal features while creating a seamless and hassle-free experience for Clients.
  - In Indonesia and Malaysia, we continued to improve the Client onboarding journey by enabling seamless digital application processes. In Indonesia this has resulted in 91% of new business applications being processed on the same day. In Malaysia, we continued to streamline the onboarding journey through SunSmart, achieving a 99% digital submission rate for new applications from agency and bancassurance financial service consultants.

► Inclusion ► **Client experience** ► Data security and privacy ► Talent management ► Risk management ► Governance and ethics

- In the Philippines, we continued to modernize our digital tools to adapt to evolving Client needs. For example, we enhanced the Client portal and mobile app to facilitate digital service requests such as fund withdrawals and payment detail changes. We are also modernizing our underwriting engine to improve turnaround times, simplify requirements, and accelerate decision-making. The new underwriting engine resulted in a 50% increase in straight-through-processing by Q3.
- In Vietnam, we optimized our call center workforce to reduce the number of calls abandoned from 21.3% to 10.4% and improve our Client service level to 84.6%. We also enhanced the self-service experience by improving the design of our website and mobile app to make it easier for Clients to find information and complete simple transactions.

### Measuring the Client experience

- Achieved strong performance in our global Client Satisfaction (CSAT)<sup>1</sup> score in 2024, up 1 point compared to the previous year. As our primary metric for Client sentiment, CSAT scores measure the holistic experience that Clients have with Sun Life and give us insights into where we need to improve. CSAT covers our key business lines across regions where we operate. In 2024, over 30,000 Clients completed the satisfaction survey.
- Recorded 1,329 Client complaints in Canada that required a review by our Client Advocacy team (2023: 1,777). More than 1,300 of these complaints were resolved within 13 days, on average. Some unresolved cases (44 in total), were reviewed by an independent complaint resolution body or regulator<sup>2</sup>, all of which (100%) resulted in a recommendation consistent with Sun Life's final position. We view complaints as an opportunity to improve and deepen our understanding of Client pain points.



#### JUST THE NUMBERS

► [Sustainability Performance Tables](#)

#### MORE ONLINE

► [Code of Conduct and Ethics Hotline](#)

<sup>1</sup> Excludes SLC Management, U.S. (In-force Management), Asia (High Net Worth and Regional Office) and Corporate Support. Includes Asia Joint Venture (Malaysia).

<sup>2</sup> Represents cases investigated by OmbudService for Life and Health Insurance, Ombudsman for Banking Services and Investments, or Autorité des marchés financiers.



# Data security and privacy

## Managing risks to keep data and systems secure

From increasing privacy regulations to the transformative impact of artificial intelligence, the digital ecosystem is advancing in new ways. As businesses and technologies advance in this dynamic ecosystem, so does the nature and scale of cybersecurity threats.

Organizations like Sun Life must continually navigate and keep up with the ever-changing landscape of data protection, to maintain our organizational resilience and stay ahead of those looking for potential system vulnerabilities to exploit. We work proactively to harness the latest cyber security technologies and safeguards, and build data protection best practices into our products, services and processes. It's all about ensuring that we safeguard our business systems and Client information effectively, and maintain the confidence of our stakeholders as a trusted and responsible business.

### Our approach at a glance

- > Delivering comprehensive training on data protection
- > Using powerful security safeguards to defend against cyberthreats
- > Embedding privacy protection and responsible data use throughout our organization
- > Collaborating with external organizations to boost our efforts

> [Learn more online](#)

## 2024 Performance

### Strengthening our cyber resilience

- Expanded our security controls coverage to protect Client data in the cloud environment. We completed a global rollout of new capabilities that monitor and protect against bad actors who try to gain access to Sun Life's cloud resources or take sensitive data. We will continue to increase this capability in 2025.
- Achieved global coverage protection from denial of service (DoS) attacks, which are malicious attempts to restrict access to our information systems and network resources, across all Sun Life's external-facing applications. This prevents threat actors from flooding our websites with internet traffic that would deny our Clients from accessing their data and our services.
- Implemented multi-factor authentication on 87% of our external-facing sites. This capability adds another layer of protection for Client data and accounts by requiring the Client to provide a second form of verification before accessing their account.
- Enhanced our global application security controls by introducing new capabilities to detect and remediate vulnerabilities in code early in the software development lifecycle. As a result, Client data is more secure and less prone to known vulnerabilities when new software is released.

### Fostering a privacy-focused workforce

- Balanced digital innovation with our long-held commitment to keep Client data safe and secure as we considered a responsible approach to Generative AI (GenAI). A team of internal, cross-functional experts

and leaders from our legal, risk, cybersecurity, technology and data ethics and privacy teams continue to collaborate to evolve the comprehensive guidelines that apply to our GenAI work at Sun Life. As GenAI evolves, we will continue to refine our guidelines and safeguards to stay ahead of emerging risks and uphold our ongoing commitment to data privacy as a trusted and responsible business.

- Upheld strong privacy controls by conducting 662 Privacy Impact Assessments (PIAs) for new or modified products, services and programs<sup>1</sup> (2023: 584). PIAs help us ensure Clients' data and privacy rights are protected, while also enabling the use of data and digital capabilities, including artificial intelligence (AI) technologies. PIAs help Sun Life keep up with evolving privacy laws.
- Continued to build employee knowledge on privacy and the responsible use of data, beyond Sun Life's annual mandatory privacy training. Our Global Privacy and Data Ethics Centre of Excellence delivered targeted, on-demand training and education—including webinars, International Data Privacy Week activities and coffee chats—to build employee awareness of PIAs, bias assessments, data principles, AI and data ethics.
- Recorded 1 substantiated privacy complaint from a regulatory body in 2024<sup>2</sup> (2023: 1). The complaint involved the over collection of one individual's personal information. In response, we took the required steps to delete the personal information collected in error. The regulator supported this assessment and resolution.

#### JUST THE NUMBERS

- ▶ [Sustainability Performance Tables](#)

#### MORE ONLINE

- ▶ [Security at Sun Life](#)
- ▶ [Your privacy at Sun Life](#)

<sup>1</sup> PIAs are mandatory evaluations that teams across Sun Life must complete when developing new business initiatives. Conducting a PIA is a strong risk management practice for identifying and mitigating privacy risks.

<sup>2</sup> Excludes SLC Management and Corporate Support. Includes Asia Joint Ventures.

# Talent management

## Empowering our people to thrive in a Purpose-driven culture

Sun Life is certified as a Great Place to Work® in many of our markets around the world. We believe that's a result of our efforts to build an inclusive, Purpose-driven culture, where our people feel motivated in their work and connected to their Sun Life experience.

Sun Life's culture and values guide our thinking, behaviours, and decisions, shaping our continued growth and transformation. Our culture is strong, positive and deeply embedded. We're committed to ensuring our culture continues to reflect our strengths and is enhanced in key areas to drive performance. Through ongoing communications, and by embedding culture into our programs and initiatives, we make it easy for our people to act in alignment with our culture and values. It's a deliberate, ongoing effort to help our people understand the way things get done at Sun Life, and what they can expect—and ask—of others.

### Our approach at a glance

- > Cultivating a strong, Purpose-driven culture
- > Inspiring and supporting our people through hybrid working practices
- > Providing a wide range of training and development opportunities
- > Identifying and developing talent and leaders
- > Engaging our people through multiple communication channels

> [Learn more online](#)

## 2024 Performance

### Excelling at hybrid

- Advanced our strategy to embed hybrid working best practices deeper into Sun Life's culture and how we work. We launched several key initiatives to focus on three areas of impact—career, productivity and connection—including:
  - A hybrid best practices guide for leaders and employees globally. The guide provides research-based practices for optimizing collaborative activities in a hybrid environment. Part of this initiative is an ongoing employee storytelling series where we share examples, tools and tips for excelling at hybrid.
  - Personalized leadership learning journeys delivered virtually. Eligible learners complete an initial assessment and then select areas of focus for their additional learning. The program attracted overwhelming interest and we have seen increased movement in lateral roles and employee retention since launching this initiative.
  - The introduction of AI-enabled tools to enhance creativity, productivity and efficiency.
  - Workspace upgrades to support collaboration and work best done in person. For example, we redesigned our Montreal, Waterloo and Wellesley offices in North America to reflect and encourage new ways of working and ensure seamless technology integration for hybrid meetings.

85%

of employees stated, "I have colleagues at work or friends that I can lean on during difficult or stressful periods" (which is 23 percentage points above the financial services norm)<sup>1,2</sup>

91%

of employees agreed that "my immediate supervisor/manager positively supports work prioritization so my most important work gets done"<sup>2</sup>

### Enriching leadership capabilities

- Completed the inaugural session of the Sun Life Executive Development Program. A group of senior leaders at Sun Life participated in an immersive program with a leading academic institution to challenge their thinking on leadership, business, technology and execution. This program fosters innovative and creative thinking to lead in a global organization like Sun Life.
- Evolved our approach to internal coaching to focus on building a coaching mentality at Sun Life. We delivered a variety of coaching offerings to support an increase in leader effectiveness and employee development, engagement and retention. We've held over 650 coaching sessions, reaching more than 430 leaders with one-on-one coaching and nearly 600 leaders through 22 group and team coaching sessions over the year.
- Created a two-year career development and business skills program for early-career employees who show a high potential for growth. The pilot includes 30 participants from business units across Sun Life.
- Launched a development planning pilot with 40 Assistant Vice Presidents in Canada. This program includes development assessments, training, 1:1 coaching and peer cohort support.
- Developed our cornerstone leadership development program, Leadership: Empowered Series (LES), for leaders in the U.S. This monthly webinar series connected and supported over 900 leaders with development and practical skills, including facilitated discussions between managers. Examples of webinar topics included:

<sup>1</sup> Based on Willis Towers Watson's Benchmark of Global Financial Services

<sup>2</sup> Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope – Note 2](#).

- Making Hybrid Work
- Proactive Performance Management
- Leading the Business
- Empowered Decision Making
- Ensured a cohesive leadership journey from aspiring leaders to senior executives in the Philippines through our new Ladderized Leadership Development Program. By providing targeted programs for each leadership level we're cultivating a strong leadership pipeline capable of driving business success and fostering high performance across the organization.
- Expanded Sun Life's Leadership Education and Development program in recognition of the integral role people leaders play in fostering engagement and supporting our culture. The program helps new people leaders in North America and Asia build core management skills and capabilities.

### Developing and recognizing our people

- Supported employee growth by investing \$41.7 million in training and development programs<sup>3</sup> (2023: \$42.4 million). This amount covered in-house learning programs, as well as external conferences, seminars and courses. On average, employees spent 23 hours participating in learning activities during the year<sup>4</sup>.

- Combined our efforts to celebrate excellence across Canada, the U.S. and Asia at the first global CEO's Award of Excellence. Each year, the awards recognize high-impact individuals or team contributions to our Purpose and one or more of the elements of our Client Impact Strategy. For the first time, we brought regional winners together at one event to help foster connection across all markets. Employee feedback was positive. 98% of winners agreed that Sun Life should continue with this global approach for future celebrations.
- Continued to recognize and reward the top students in Vietnam through the Sun Bright talent development program. In 2024, we recruited five students from the Sun Bright program as full-time employees and offered them a short-term working assignment in Canada. Since establishing the program in 2022, we have awarded 16 Vietnamese students with scholarships and internships at Sun Life Vietnam, Sun Life Asia and Sun Life Canada.
- Introduced the Capability Development Program for Future Skills for employees in the Philippines. In this pilot program, employees benefit from personal growth opportunities, increasing job satisfaction and engagement. We're proactively developing our employees' skills to ensure they're aligned with future business needs.

### Leading in employee engagement

- Continued to exceed the global financial services norm for employee engagement (83%), achieving a score of 88%<sup>5</sup>.
- Continued to experience a decrease in our voluntary employee turnover rate, now at 7.4%<sup>6</sup>, from 8.7% in 2023. Retaining top talent remains a priority.

7.4%

voluntary employee turnover rate<sup>6</sup>



**Dan Fishbein**  
M.D., President of Sun Life U.S.

“We truly believe that our culture is our superpower. Our employees work hard, are committed to our Clients, and respect and collaborate with one another. We see this every day and are pleased that surveys also show that employees feel good about working at Sun Life.”

#### JUST THE NUMBERS

► [Sustainability Performance Tables](#)

#### MORE ONLINE

► [Careers at Sun Life](#)

<sup>3</sup> Refer to [Report Scope – Note 1](#).

<sup>4</sup> Refer to [Report Scope – Note 5](#).

<sup>5</sup> Refer to [Report Scope – Note 2](#).

<sup>6</sup> Refer to [Report Scope – Note 3](#).

# Risk management

## From environmental risks to cyber threats – we’re strengthening our approach

As a global financial services organization, we face risks in every aspect of our business. Managing them well is critical to Sun Life’s success. A proactive risk management approach makes our business more resilient, competitive and sustainable.

Effective risk management also helps us meet our financial commitments to Clients as well as our regulatory obligations. Our [Annual Report](#) provides more details on our approach to risk management. The section to the right focuses on our 2024 performance for environmental and social risks.

### Our approach at a glance

- > Following our [Risk Management Framework](#) ensures a consistent approach across Sun Life
- > Prioritizing risk management through our culture
- > Staying risk ready with global risk management training
- > Achieving control and accountability through [three lines of defence](#)
- > Managing environmental and social risks

> [Learn more online](#)

## 2024 Performance

- Tested an adverse environmental risk scenario via stress testing (Financial Condition Testing and Own Risk Solvency Assessment). The adverse scenario captured the impact of widespread wildfires in North America in the short and medium terms. The scenario results from FCT and ORSA provided valuable insights into our exposure to physical risks, such as wildfires, as well as transition risks and the broader macroeconomic challenges that could follow a series of severe climate events. These insights are now informing how we refine and leverage scenario testing across the organization.
- Onboarded a new physical risk tool to understand the risks of climate-related hazards on our North American office portfolio. Using the tool, we quantified our organizational resilience and ability to mitigate loss and downtime. A critical outcome from the assessment was the measurement of the relative risk each property faces from major climate-related hazards across varying time horizons. This physical risk tool will be used across the business, where relevant, to further integrate climate risk-based data into organizational decision making.
- Enhanced our understanding and management of climate risks by participating in the Office of the Superintendent of Financial Institutions (OSFI) Standardized Climate Scenario Exercise (SCSE). The SCSE is a tool for measuring the potential exposure of financial institutions to climate risk.

- Reinforced our commitment to being a responsibly-managed business with 99% of our global employees completing risk-related training in 2024<sup>1</sup>. A key premise of our culture is that all employees play an important role in managing the Company’s risks.

99%

of our global employees completing risk-related training in 2024<sup>1</sup> (2023: 98%)

#### JUST THE NUMBERS

- ▶ [Sustainability Performance Tables](#)

#### MORE ONLINE

- ▶ [2024 Annual Report](#)
- ▶ [Financial Strength Ratings](#)

<sup>1</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.



# Governance and ethics

## Setting the foundation for a trusted and responsible business

Instilling confidence in the way we manage our business—and the financial needs of our Clients—is fundamental to our strength, stability and reputation as a global financial services organization. For us, it’s about good governance and management. It’s about acting responsibly, complying with laws and regulations and exhibiting the highest standards of professional behaviour. And it’s about treating our Clients, employees and other stakeholders with the utmost respect at all times.

### Our approach at a glance

- > Committing to best-in-class corporate governance
- > Maintaining high standards of ethical behaviour through robust practices
- > Providing a confidential way to raise concerns about unethical behaviour
- > Respecting fundamental human rights
- > Shaping public policy in a way that benefits public interests

[> Learn more online](#)

## 2024 Performance

- Updated our Code of Conduct (the Code) to reflect the Company’s strategic priorities and relevant trends within our industry. The refreshed content covers Sun Life’s culture and values and reinforces our commitment to human rights, sustainability, and inclusion. The Code is available in English and French and we are working on translating it into seven additional languages by the end of 2025.
- Provided education on sustainability strategy, including climate transition plans, to the Board of Directors. We also had regular engagement with the Board and Executive Team on matters throughout the year.
- Continued to manage and mitigate supply chain risks by assessing the alignment of 100% of critical suppliers with our Supplier Code of Conduct. Our Supplier Code sets out standards and expectations for suppliers on topics such as privacy, ethics, human rights and sustainable practices.

### Board composition

- 46%**  
of Board members self-identify as women
- 23%**  
of Board members self-identify as belonging to an underrepresented group<sup>1</sup>
- 75%**  
of Board committee chairs self-identify as women

- Kept ethical practices top of mind by delivering regular communications and training to employees throughout the year. In 2024, 98% of our employees completed Sun Life’s annual Code of Conduct training<sup>2</sup> (2023: 97%). In addition, 99% of employees completed training on financial crime awareness<sup>2</sup>. Employees have access to a full library of policies, training and support materials on key ethics topics on our intranet.
- Through employee surveys, measured our progress in achieving an ethical workplace. In 2024, 80% of employees told us they feel it’s safe to speak up at Sun Life<sup>3</sup> (2023: 80%). This result exceeds the global financial services norm of 77%<sup>4</sup>.

### JUST THE NUMBERS

▸ [Sustainability Performance Tables](#)

### MORE ONLINE

- [Sun Life Code of Conduct](#)
- [Ethics Hotline](#)
- [Statement of Corporate Governance Policies and Practices](#)
- [2025 Management Information Circular](#)

<sup>1</sup> Individuals who have self-identified as members of the Black, Indigenous, People of Colour, disabled and/or LGBTQ+ communities.  
<sup>2</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.  
<sup>3</sup> Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope - Note 2](#).  
<sup>4</sup> Based on Willis Towers Watson’s Benchmark of Global Financial Services.

► [I. Sustainability performance tables](#) ► II. Recognition

## APPENDIX I: Sustainability performance tables

Relevant standards/ indicators	Financial security	2024	2023	2022
<b>GRI 3-3, 203-2</b> <b>SDG 8.3, 8.10</b>	Number of lives covered under affordable insurance policies (Asia) <sup>1</sup> (millions)	<b>2.2</b>	2.4	1.6
	Number of positive financial actions taken by Clients in Canada towards financial security <sup>2</sup> (millions)	<b>1.4</b>	1.3	1.1
	Number of financial roadmaps and assessments created for Clients in Canada, powered by the Sun Life One Plan digital tool (thousands)	<b>244.7</b>	95.9	45.8
	Dollars paid in claims and benefits <sup>3</sup> (\$ billions)	<b>\$28.4</b>	\$26.0	\$21.6

<sup>1</sup> Affordable insurance products help people in the mass market (including lower-income segments) meet risk protection needs at an accessible price point. The criteria for a product to be considered affordable insurance varies by country and is based on factors such as: insurance premium amount relative to average income, coverage period, underwriting requirements and/or government regulation. Includes Asia Joint Venture (Malaysia) and ASEAN Markets (Philippines and Vietnam) only.

<sup>2</sup> Examples of positive financial actions include adding voluntary benefits, adding a voluntary savings product, making a lump sum deposit and more.

<sup>3</sup> Excludes SLC Management, Asia (Regional Office) and Corporate Support.

Relevant standards/ indicators	Client health	2024	2023	2022
<b>GRI 3-3, 203-2</b> <b>SDG 3.4, 3.8, 3.d</b>	Number of Clients reached with standalone solutions through our Bridges Initiative <sup>1</sup> (millions)	<b>29.6</b>	30.2	-
	Number of positive health actions taken by Clients in Canada towards health and wellness <sup>2</sup> (millions)	<b>2.2</b>	1.8	-
	Number of Clients in Canada with access to virtual health solutions for themselves and their dependents <sup>3</sup> (millions)	<b>3.5</b>	-	-
	U.S. stop-loss Clinical 360 savings for Sun Life and Clients (\$ millions)	<b>US\$46.5</b>	US\$36.2	US\$30.5

<sup>1</sup> Bridges Initiative includes our products and services that aim to address the unique needs of underserved groups, which may fall under either the Financial Security or Healthier Lives pillars of our sustainability plan. Includes Canada (Individual Insurance and Wealth, Sun Life Health and Group Retirement Services), U.S. (Group Benefits and Dental), ASEAN Markets (Vietnam, Philippines, Indonesia) and Asia Joint Venture (Malaysia) only.

<sup>2</sup> Positive health actions are actions a Client makes to lead a healthier life. One example of a positive health action is consulting a health-care professional via Lumino Health Virtual Care.

<sup>3</sup> Includes Clients with access to Dialogue's virtual primary care, mental health and employee assistance programs. "Clients" refers to the primary account holder. An account holder can add their dependents.

Relevant standards/ indicators	Employee well-being	2024	2023	2022
<b>GRI 3-3, 403-5,</b> <b>403-6</b> <b>SDG 3.4, 3.8, 5.4</b>	Total spent on compensation and benefits <sup>1</sup> (\$ billions)	<b>\$6.6</b>	\$6.1	\$5.1
	Percentage of qualified employees in North America voluntarily contributing to Sun Life's defined contribution plan			
	Canada	<b>91%</b>	91%	90%
	Percentage eligible for auto-enrollment who did not opt out	<b>92%</b>	92%	94%
	U.S.	<b>88%</b>	88%	88%
	Percentage eligible for auto-enrollment who did not opt out	<b>95%</b>	95%	95%
	Percentage of qualified employees in North America voluntarily contributing to Sun Life's share purchase plan			
	Canada	<b>70%</b>	62%	61%
	U.S.	<b>20%</b>	20%	21%
	Percentage of employees who say that their immediate supervisor/manager supports their well-being <sup>2</sup>	<b>91%</b>	92%	92%
	Percentage of employees who completed Sun Life's annual safety and emergency preparedness training <sup>3</sup>	<b>99%</b>	98%	93%
	Absentee rate (% of total days scheduled)	<b>5.6%</b>	5.6%	4.7%
	Work-related injuries <sup>4</sup> (Canada)	<b>0</b>	0	0
	Work-related fatalities <sup>5</sup> (Canada)	<b>0</b>	0	0
	Total injury rate <sup>6</sup> (Canada)	<b>0.25</b>	0.21	0.30

<sup>1</sup> Refer to [Report Scope - Note 1](#).

<sup>2</sup> Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope - Note 2](#).

<sup>3</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.

<sup>4</sup> Refers to a serious injury that places life in jeopardy, and involves an employee that is unconscious, experienced a significant loss of blood, a fracture or amputation of a limb, burns over major portions of the body, loss of sight in an eye or other significant losses that require immediate hospitalization.

<sup>5</sup> Work-related fatalities are fatalities due to work-related accidents, injuries or illness.

<sup>6</sup> Refers to the total number of work-related accidents relative to one million hours worked. Work-related accidents include: critical injuries, fatalities and non-critical injuries.

▶ **I. Sustainability performance tables** ▶ II. Recognition

Relevant standards/ indicators	Community wellness	2024	2023	2022
<b>GRI 3-3, 203-2</b>	Total corporate giving <sup>1</sup> (\$ millions)	<b>\$24.6</b>	\$25.1	\$23.8
<b>SDG 3.4, 3.8, 3.d</b>	Breakdown of Sun Life donations <sup>2</sup> by focus area (\$ millions)			
	Health	<b>\$11.8</b>	\$12.7	\$10.5
	Oral Health	<b>\$1.2</b>	\$1.2	\$0.6
	Diabetes	<b>\$5.5</b>	\$5.7	\$5.7
	Mental Health	<b>\$3.8</b>	\$4.4	\$3.3
	Culture	<b>\$0.6</b>	\$0.5	\$1.3
	Social Services	<b>\$5.0</b>	\$4.7	\$3.3
	Education	<b>\$1.4</b>	\$1.0	\$1.2
	Total donations to causes that support underserved groups <sup>2,3</sup> (\$ millions) (Goal: \$75 million by 2030)	<b>\$11.0</b>	\$8.4	-
	Percentage of Canadian philanthropic donations spent on Black community initiatives	<b>11%</b>	9%	10%
	Dollars raised by employees for charities across North America and Ireland (\$ millions)	<b>\$2.1</b>	\$2.2	\$2.2
	Number of registered charities supported by employee giving and volunteering in North America and Ireland (thousands)	<b>4.5</b>	4.3	3.2
	Employee volunteer hours <sup>4</sup> (thousands)	<b>37.9</b>	28.4	26.0

<sup>1</sup> Corporate giving amounts reflect giving towards registered charities and non-profit organizations. Includes MFS and asset management affiliates (BGO, InfraRed and Crescent).

<sup>2</sup> Includes Asia Joint Ventures (Malaysia and India).

<sup>3</sup> Underserved groups are groups of people that have been historically excluded from or deprioritized in the financial industry, including underinsured or uninsured populations. Underserved groups will differ across countries but generally include low-income individuals, the emerging middle-class in developing economies, people with chronic health issues and disabilities, women, LGBTQ+ individuals, underrepresented ethnicities, religious groups, immigrants, and those living in rural communities.

<sup>4</sup> Number of hours an employee performed a service without pay for the greater good of others, on behalf of a registered charity. Includes North America, Ireland and Malaysia joint venture. 2024 value includes Philippines, Vietnam and India, 2023 value includes India, 2022 value includes Vietnam.

Relevant standards/ indicators	Sustainable investing	2024	2023	2022
<b>GRI 3-3, 203-1, 203-2</b>	General account sustainable investment AUM <sup>1</sup> (\$ billions)	<b>\$28.6</b>	\$27.6	\$28.7
<b>SDG 7.1, 7.2, 7.3, 13.1, 13.3</b>	Total sustainable investment AUM <sup>2</sup> (\$ billions)	<b>\$83.3</b>	\$77.9	\$81.0
	Renewable energy	<b>\$12.4</b>	\$12.3	\$13.0
	Energy efficiency	<b>\$4.2</b>	\$3.5	\$2.8
	Sustainable/green buildings <sup>3</sup>	<b>\$44.6</b>	\$42.9 <sup>4</sup>	\$47.1
	Clean transportation	<b>\$1.9</b>	\$1.7	\$1.8
	Sustainable water management	<b>\$0.8</b>	\$0.7	\$0.7
	Access to essential services	<b>\$9.2</b>	\$8.7	\$9.5
	Green, social and sustainability bonds	<b>\$10.2</b>	\$8.1 <sup>5</sup>	\$6.1 <sup>5</sup>
	Value of new sustainable investments <sup>2,6,7</sup> (\$ billions) (Goal: \$20 billion between 2021-2025 <sup>8</sup> )	<b>\$4.5<sup>4</sup></b>	\$3.3	\$6.6
	Sustainable investment solutions AUM (SLGI) <sup>9</sup> (\$ billions)	<b>\$0.6</b>	\$0.6	\$0.5
	Percentage of green-certified space (real estate investments in North America) <sup>10</sup>	<b>87%</b>	88% <sup>5</sup>	90% <sup>5</sup>

<sup>1</sup> Portfolio at December 31 (general account and certain third-party Clients, where relevant). Client asset values included represent a non-IFRS financial measure. Includes MFS and asset management affiliates (BGO, InfraRed and Crescent).

<sup>2</sup> Reflects assets managed for the general account. More information on AUM methodology, including criteria included in the calculation, is available upon request. Asset values included represent a non-IFRS financial measure. Sustainable investments meet one or more of the criteria for investments based on ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, GRESB Real Estate Benchmark, and/or PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA principles. Assets included may not align with criteria in Sun Life's Sustainability Bond Frameworks. Does not include all holdings in companies that may be defined as sustainable under other taxonomies.

<sup>3</sup> General account and certain third-party Clients, where relevant. More information on AUM methodology, including asset managers and criteria included in the calculation, is available upon request. Client asset values included represent a non-IFRS financial measure. Sustainable investments meet one or more of the criteria for investments based on ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, GRESB Real Estate Benchmark, and/or PRI Impact Investing Market Map. Where issuers do not obtain a third-party opinion or provide an internal opinion on their issuance, our investment professionals apply judgment to assess whether the use of proceeds meets the standards set out in the ICMA principles. Assets included may not align with criteria in Sun Life's Sustainability Bond Frameworks. Does not include all holdings in companies that may be defined as sustainable under other taxonomies.

<sup>4</sup> Real estate assets include investment properties, owner-occupied properties and real estate in limited partnership investments.

<sup>5</sup> Amount is impacted by rounding.

<sup>6</sup> Figure restated to reflect additional data provided after year-end.

<sup>7</sup> Values are as at transaction date. Figures may be adjusted year-over-year due to rounding. Client asset values included represent a non-IFRS financial measure.

<sup>8</sup> Examples of typical investments include solar, wind and hydro renewable energy investments, energy efficiency projects, affordable housing and long-term care facilities.

<sup>9</sup> Includes investments from the Sun Life general account, SLC Fixed Income and two asset management affiliates: BGO and InfraRed.

<sup>10</sup> Sustainable investment solutions refer to sustainability-focused solutions as well as investment solutions offered or utilized by SLGI that embed ESG as part of the investment objectives.

<sup>11</sup> Certificates include BOMA BEST, LEED®, IREM Certified Sustainable Property, Fitwel and ENERGY STAR® certified 2024. LEED®, and its related logo, is licensed in Canada to the Canada Green Building Council and is used here with permission.

► **I. Sustainability performance tables**    ► II. Recognition

Relevant standards/ indicators	Inclusion <sup>1</sup>	2024	2023	2022
<b>GRI 2-7, 3-3, 405-1, 405-2</b>	Women (Global)	<b>59%</b>	60%	59%
	Senior management (Vice-President and above)	<b>37%</b>	37%	33%
<b>SASB FN-AC-330a.1</b>	Middle management (Assistant Vice-President and Director)	<b>50%</b>	50%	48%
	Staff	<b>61%</b>	62%	62%
<b>SDG 5.1, 5.2, 5.5, 8.5</b>	Underrepresented ethnicities <sup>2</sup> (North America)	<b>38%</b>	36%	34%
	Senior management	<b>19%</b>	20%	19%
	Middle management	<b>32%</b>	31%	29%
	Staff	<b>40%</b>	38%	35%
	Black/African American	<b>8%</b>	8%	6%
	Indigenous <sup>3</sup>	<b>1%</b>	1%	1%
	Asian	<b>20%</b>	18%	18%
	Hispanic/Latino	<b>3%</b>	3%	2%
	Other underrepresented ethnicity	<b>6%</b>	7%	7%
	Not disclosed	<b>8%</b>	9%	10%
	LGBTQ+ (North America)	<b>3%</b>	3%	3%
	Persons with disabilities (North America)	<b>2%</b>	2%	2%
	Black (Canada)	<b>5%</b>	5%	5%
	Senior management	<b>1.5%</b>	1.9%	3.1%
	Middle management	<b>2%</b>	2%	2%
	Staff	<b>6%</b>	6%	5%
	Within student workforce	<b>8%</b>	5%	8%
	Indigenous <sup>3</sup> (Canada)	<b>1%</b>	1%	1%
	Senior management	<b>1%</b>	1%	1%
	Middle management	<b>0%</b>	0%	0%
	Staff	<b>1%</b>	1%	1%
	Black/African American (U.S.) <sup>4</sup>	<b>13%</b>	13%	9%
	Senior management	<b>4%</b>	4%	5%
	Middle management	<b>7%</b>	6%	3%
	Staff	<b>15%</b>	15%	11%
	Age composition (Global)			
	<30	<b>17%</b>	18%	19%
	30-50	<b>59%</b>	60%	60%
	50+	<b>23%</b>	22%	21%

<sup>1</sup> Underrepresented ethnicity data is based on employee voluntary self-identification. 92% of employees surveyed have provided self-identification data.

<sup>2</sup> Canada: those who self-identify as Visible Minorities per the Employment Equity Act; U.S.: those who self-identify as People of Color per the Equal Employment Opportunity Commission.

<sup>3</sup> Indigenous is a collective name for the original peoples of North America and their descendants. In Canada, the term Aboriginal Peoples is also used for individuals identifying themselves as First Nations, Inuit or Métis.

<sup>4</sup> 2023 and 2022 figures have been restated to reflect a change in methodology.

Relevant standards/ indicators	Inclusion <sup>1</sup>	2024	2023	2022
	Average total compensation for women as a percentage of men by role <sup>5</sup> (Canada)			
	Senior management	<b>96%</b>	95%	96%
	Middle management	<b>98%</b>	98%	98%
	Staff	<b>98%</b>	97%	98%
	Average total compensation for underrepresented ethnicities <sup>2</sup> as a percentage of non-underrepresented ethnicities <sup>5,6</sup> (Canada)			
	Senior management	<b>110%</b>	104%	111%
	Middle management	<b>103%</b>	101%	101%
	Staff	<b>102%</b>	103%	103%
	Average total compensation for women as a percentage of men by role <sup>5,7</sup> (U.S.)			
	Senior management	<b>88%</b>	98%	97%
	Middle management	<b>96%</b>	98%	98%
	Staff	<b>94%</b>	96%	97%
	Average total compensation for underrepresented ethnicities <sup>2</sup> as a percentage of non-underrepresented ethnicities <sup>5,6,7</sup> (U.S.)			
	Senior management	<b>101%</b>	101%	103%
	Middle management	<b>103%</b>	102%	104%
	Staff	<b>99%</b>	100%	101%
	Average total compensation for women as a percentage of men by role <sup>5,8,9</sup> (Countries in Asia)			
	Middle management	<b>94-109%</b>	95-102%	89-104%
	Staff	<b>93-96%</b>	96-99%	98-101%
	Percentage of total direct spend (North America) with certified diverse suppliers	<b>2.1%</b>	1.4%	1.0%
	Percentage of employees who recommend Sun Life as an equitable and inclusive workplace <sup>10,11</sup>	<b>92%</b>	-	-
	Diversity and Inclusion Index score <sup>10</sup>	<b>89%</b>	88%	87%

<sup>5</sup> As at April 1, following completion of annual compensation cycle. Calculated for full-time employees only, excluding those participating in specialized incentive plans; includes base salary, annual incentives and long-term incentive grants.

<sup>6</sup> Includes primarily employees who self-identify as white, those who choose not to identify and those for whom there is no data.

<sup>7</sup> 2022 and 2023 figures exclude DentaQuest.

<sup>8</sup> Senior management populations across comparator groups did not meet the minimum required for reporting.

<sup>9</sup> Countries in Asia include India, Indonesia, Hong Kong and the Philippines.

<sup>10</sup> Based on the Q4 global employee engagement survey. 80% of employees surveyed participated. Refer to [Report Scope - Note 2](#).

<sup>11</sup> Survey language was modified in 2024, there are no comparative figures for 2023 and 2022.



► **I. Sustainability performance tables**    ► II. Recognition

Relevant standards/ indicators	Talent management	2024	2023	2022
<b>GRI 2-7, 3-3, 401-1, 401-2, 404-1, 404-2 SDG 5.4, 5.5, 8.5</b>	Total number of employees <sup>1</sup>	66,928	58,245	52,072
	Regular employees	31,768	30,941	28,932
	Temporary employees	895	999	1,066
	Regular employees - Asia joint ventures	33,736	25,775	21,549
	Temporary employees - Asia joint ventures	529	530	525
	Employee engagement score <sup>2</sup>	88%	88%	89%
	Participation rate in employee engagement survey	80%	71%	68%
	Total turnover rate <sup>3</sup>	10.2%	11.6%	14.7%
	Percentage of employees who left who identify as women	57.0%	57.8%	55.1%
	Voluntary turnover rate	7.4%	8.7%	13.1%
	Percentage of employees who voluntarily left who identify as women	58.1%	59.4%	55.9%
	Average employee tenure <sup>3</sup> (years)	8.2	8.2	8.4
	Percentage of employees who received a promotion <sup>3</sup>	9%	8%	10%
	Number of new hires <sup>3</sup>	9,616	10,321	9,765
	Percentage of hires filled by internal candidates	62%	38%	44%
	Percentage of women in technology <sup>4</sup>	37%	37%	38%
	Percentage of women in junior management positions <sup>4</sup>	61%	61%	60%
	Total invested in training and development <sup>5</sup> (\$ millions)	\$41.7	\$42.4 <sup>6</sup>	\$34.3
	Total hours of employee training <sup>7</sup> (thousands)	700.3	626.4	515.5
	Average hours of training per employee <sup>7</sup>	23	21	20
Mandatory risk-related training	4	5	3	
Other training <sup>8</sup>	19	16	17	
Senior management	10	16	-	
Middle management	28	21	-	
Staff	23	22	-	

<sup>1</sup> Represents full-time equivalent employees. Refer to [Report Scope - Note 1](#).

<sup>2</sup> Refer to [Report Scope - Note 2](#).

<sup>3</sup> Refer to [Report Scope - Note 3](#).

<sup>4</sup> Refer to [Report Scope - Note 4](#).

<sup>5</sup> Refer to [Report Scope - Note 1](#).

<sup>6</sup> Restated due to correction of error.

<sup>7</sup> Refer to [Report Scope - Note 5](#).

<sup>8</sup> Other training includes skills and career development training.

Relevant standards/ indicators	Risk management	2024	2023	2022
<b>GRI 3-3 SDG 13.1</b>	Percentage of employees who completed Sun Life's annual risk-related training modules <sup>1</sup>	99%	98%	91%

<sup>1</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.

Relevant standards/ indicators	Data security and privacy	2024	2023	2022
<b>GRI 3-3, 418-1</b>	Number of scenarios used in phishing simulation tests that were delivered to employees, contractors and Canadian Advisors (combined total) <sup>1</sup>	35	36	30
	Number of substantiated privacy complaints from a regulatory body <sup>2</sup>	1	1	1
	Percentage of employees who completed Sun Life's annual information security and privacy training <sup>3</sup>	99%	98%	91%
	Privacy Impact Assessments (PIAs) reviewed <sup>4</sup>	662	584	511

<sup>1</sup> Excludes U.S. (Dental and In-force Management) and Asia (High Net Worth). Includes Asia Joint Ventures (Malaysia and India).

<sup>2</sup> Excludes SLC Management and Corporate Support. Includes Asia Joint Ventures.

<sup>3</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.

<sup>4</sup> PIAs are mandatory evaluations that teams across Sun Life must complete when developing new business initiatives. Conducting a PIA is a strong risk management practice for identifying and mitigating privacy risks.

Relevant standards/ indicators	Governance and ethics	2024	2023	2022
<b>GRI 3-3, 405-1, 415-1 SDG 5.1, 5.2, 5.5</b>	Number of directors on the Board	13	12	11
	Number of independent directors on the Board	12	11	10
	Percentage of Board members who self-identify as women	46%	50%	55%
	Percentage of Board committee chairs who self-identify as women	75%	75%	75%
	Percentage of Board members belonging to an underrepresented group <sup>1</sup>	23%	25%	27%
	Percentage of employees who feel it is safe to speak up at Sun Life <sup>2</sup>	80%	80%	78%
	Percentage of employees who completed Sun Life's annual Code of Conduct training <sup>3</sup>	98%	97%	96%
	Percentage of employees who completed Sun Life's annual financial crime awareness training <sup>3</sup>	99%	98%	92%

<sup>1</sup> Individuals who have self-identified as members of the Black, Indigenous, People of Colour, disabled and/or LGBTQ+ communities.

<sup>2</sup> Based on the Q3 global employee engagement survey. 79% of employees surveyed participated. Refer to [Report Scope - Note 2](#).

<sup>3</sup> Training completion rates are as at January 15 since annual training assigned during the reporting year may be completed after year-end.

► I. Sustainability performance tables ► II. Recognition

Relevant standards/ indicators	Enterprise greenhouse gas emissions (tCO <sub>2</sub> e)	2024	2023	2022
<b>GRI 3-3, 305-1, 305-2, 305-3, 305-5</b>	<b>Scope 1</b>	<b>45,601</b> <sup>Ⓞ</sup>	44,883	50,211
<b>SDG 3.9, 8.4, 13.1, 13.3</b>	<b>Scope 2 location-based<sup>1</sup></b>	<b>39,554</b> <sup>Ⓞ</sup>	40,830	40,522
	<b>Scope 2 market-based<sup>2</sup></b>	<b>40,589</b> <sup>Ⓞ</sup>	34,558	38,055
	<b>Scope 3 location-based</b>	<b>15,950,347</b>	8,953,946	34,791
	<i>Scope 3 Upstream emissions</i>	<b>77,935</b>	48,266	34,791
	Category 3: Fuel and energy related activities <sup>3</sup>	<b>18,310</b> <sup>Ⓞ</sup>	-	-
	Category 4: Upstream transportation and distribution <sup>4</sup>	<b>151</b>	156	254
	Category 5: Waste generated in operations <sup>5</sup>	<b>8,865</b>	6,738	6,911
	Category 6: Business travel <sup>6</sup>	<b>16,664</b> <sup>Ⓞ</sup>	18,417	5,959
	Category 7: Employee commuting <sup>7</sup>	<b>12,492</b>	-	-
	Category 8: Upstream leased assets <sup>8</sup>	<b>21,453</b> <sup>Ⓞ</sup>	22,955	21,667
	<i>Scope 3 Downstream emissions</i>	<b>15,872,412</b>	8,905,680	-
	Category 15: Investments (Sun Life general account) <sup>9</sup>	<b>15,872,412</b>	8,905,680	-
	<b>Scope 3 market-based<sup>10</sup></b>	<b>15,945,495</b>	8,953,949	34,479
	<b>Total emissions location-based<sup>11</sup></b>	<b>16,035,502</b>	9,039,659	125,524
	<b>Total emissions market-based<sup>12</sup></b>	<b>16,031,685</b>	9,033,390	122,745

<sup>Ⓞ</sup> KPMG was engaged to provide limited assurance of figures identified with this symbol for the year ended December 31, 2024. Refer to KPMG's [2024 Independent Limited Assurance Report](#) for more information.

Sun Life uses a financial control approach to account for GHG emissions from operations and investments. Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.

<sup>1</sup> Location-based electricity emissions reflect the grid-average emission intensity (gCO<sub>2</sub>e/kWh) for the region in which a property is located.  
<sup>2</sup> Scope 2 market-based electricity emissions reflect contractual instruments implemented with respect to electricity purchases at Sun Life owned properties, i.e., renewable energy certificates (RECs). Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information on RECs and residual mix emissions factors.  
<sup>3</sup> Emissions from fuel- and energy-related activities (FERA) not already included in Scope 1 or Scope 2 at Sun Life owned properties.  
<sup>4</sup> Emissions associated with water transmission and distribution (not including wastewater treatment) at Sun Life owned properties.  
<sup>5</sup> Emissions associated with waste by disposal type (landfill, recycling, incineration, compost) at 88% of Sun Life owned properties.  
<sup>6</sup> Emissions from global air travel, rail travel, car rentals, employee-claimed mileage, taxi, ride-share and bus.  
<sup>7</sup> Emissions associated with the transportation of employees between their homes and Sun Life offices, and emissions from teleworking (i.e., employees working remotely). This emissions figure currently only reflects employees in business units where reliable commuting data was available from employee surveys and service records.  
<sup>8</sup> Sun Life does not have ownership or financial control over its global offices (unless they are located in Sun Life owned properties), thus, all energy and water emissions from leased offices are allocated to Scope 3 Category 8, Upstream Leased Assets, except for offices spaces located in Sun Life owned properties.  
<sup>9</sup> Sun Life calculates and reports financed emissions associated with listed equities and corporate bonds, sovereign debt, and non-majority owned real estate for its General Account (GA) in alignment with The Partnership for Carbon Accounting Financials (PCAF) Standard Part A: Financed Emissions. Majority-owned real estate is reported in Sun Life's Scope 1, 2 and applicable Scope 3 Categories (other than Category 15) under the financial control boundary. Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.  
<sup>10</sup> Scope 3 market-based electricity emissions reflect contractual instruments implemented with respect to electricity purchases at global leased offices, i.e., RECs.  
<sup>11</sup> Total of all reported location-based emissions across Scope 1, 2, 3. Note that the significant year-over-year increase in total location-based emissions is largely attributable to an increase in reported financed emissions, including both expansion of reporting across asset classes and investee sectors.  
<sup>12</sup> Total of all reported market-based emissions across Scope 1, 2, 3. For Scope 3, Category 8 Upstream Leased Assets, total market-based emissions are 16,602 tCO<sub>2</sub>e <sup>Ⓞ</sup>. Note that the significant year-over-year increase in total market-based emissions is largely attributable to an increase in reported financed emissions, including both expansion of reporting across asset classes and investee sectors.

Relevant standards/ indicators	Paper consumption (tonnes) in North America <sup>1</sup>	2024	2023	2022
<b>GRI 3-3</b>	Office paper (internal) <sup>2</sup>	<b>57</b>	57	40
<b>SDG 8.4, 13.1, 13.3</b>	Business forms (external) <sup>3</sup>	<b>249</b>	279	294
	<b>Total</b>	<b>306</b>	336	334

<sup>1</sup> Approximate total volumes from Sun Life Canada and Sun Life US, excluding subsidiaries and DentaQuest.  
<sup>2</sup> Copy paper printed from networked printing devices.  
<sup>3</sup> Marketing, direct-mail and statements.

Relevant standards/ indicators	Client experience	2024	2023	2022
<b>GRI 3-3, 203-2</b>	Change in Client Satisfaction (CSAT) score <sup>1</sup> from previous year (Goal: +2)	<b>+1</b>	+1	-
	<b>Problem resolution in Canada:</b>			
	Client problems reviewed by Sun Life's Client Advocacy team	<b>1,329</b>	1,777	1,531
	Client problems resolved by Sun Life's Client Advocacy team <sup>2</sup>	<b>1,318</b>	1,838	1,462
	Client problems reviewed by an independent complaint resolution body or regulator <sup>3</sup>	<b>44</b>	65	48
	Client problems reviewed that resulted in a recommendation different from Sun Life's position <sup>3</sup>	<b>0</b>	0	0

<sup>1</sup> Sun Life began measuring overall Client Satisfaction (CSAT) globally in 2022 as a replacement to the Client Experience Index. As a result, year-over-year changes in CSAT are only available for 2023 and 2024. Excludes SLC Management, U.S. (In-force Management), Asia (High Net Worth and Regional Office) and Corporate Support. Includes Asia Joint Venture (Malaysia).  
<sup>2</sup> Client problems resolved in the calendar year may be higher than the number of problems reviewed, as prior year problems may not be resolved until the following year.  
<sup>3</sup> Represents cases investigated by OmbudService for Life and Health Insurance, Ombudsman for Banking Services and Investments, or Autorité des marchés financiers.

► **I. Sustainability performance tables**    ► II. Recognition

Relevant standards/ indicators	Real estate energy, waste and water use	Global offices <sup>1</sup>			Sun Life owned properties <sup>2</sup>			Total		
		2024	2023	2022	2024	2023	2022	2024	2023	2022
<b>GRI 3-3, 303-5</b>	<b>Energy (eMWh)</b>	<b>98,329</b>	101,565	99,491	<b>524,347</b>	509,318	521,848	<b>622,676</b>	610,883	621,339
<b>SDG 3.9, 8.4, 13.1, 13.3</b>	Renewable electricity (eMWh) <sup>3</sup>	<b>28,599</b>	7,698	5,906	<b>36</b>	55,084	53,504	<b>28,635</b>	62,782	59,410
	<b>Water (m<sup>3</sup>)</b>	<b>366,134</b>	300,310	323,178	<b>1,668,933</b>	1,563,174	1,600,303	<b>2,035,067</b>	1,863,484	1,923,481
	<b>Waste (metric tonnes)<sup>4</sup></b>	<b>-</b>	-	-	<b>16,001</b>	13,920	13,127	<b>16,001</b>	13,920	13,127

<sup>1</sup> Energy and water use in global offices within Sun Life owned properties are included in only the Sun Life owned properties totals to avoid double-counting. Refer to Section 2.1 of Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information on Sun Life's global offices and owned properties.

<sup>2</sup> Energy and water use are reported for all Sun Life owned properties, inclusive of properties with emissions reported under Scopes 1, 2, and Scope 3 Category 15. Refer to Section 2.1 of Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.

<sup>3</sup> Renewable electricity equivalent megawatt hours (eMWh) represent on-site generation, RECs and green power purchase through the utility.

<sup>4</sup> Waste data is reported for 88% of Sun Life owned properties.

The following notes apply to enterprise greenhouse gas (GHG) emissions, and real estate energy, waste and water use, as reported on pages [54](#) and [55](#).

- All values are reported for the calendar year (January 1 to December 31).
- Historical results have been restated to reflect methodology changes, acquisitions and dispositions, updated emission factors and improvements in the data collection process, where applicable.
- Amounts are impacted by rounding.

Refer to Sun Life's [2024 GHG Emissions Reporting Methodology](#) for more information.

## APPENDIX II: Recognition

### General sustainability



Earned a spot on Corporate Knights' 2025 Global 100 Most Sustainable Corporations in the World, for the 16<sup>th</sup> consecutive year. We ranked first among insurance companies in Canada and represented 1 of only 11 Canadian companies across all sectors.



Constituent of the 2024 FTSE4Good Index for the 24<sup>th</sup> consecutive year.

Included in the Dow Jones Sustainability North America Index (DJSI North America) for the 19<sup>th</sup> consecutive year. Sun Life is 1 of only 8 North American insurers to be included in the 2024 DJSI.

### Financial security



Sun Life Malaysia received awards for Education Insurance Initiative of the Year and ESG Initiative of the Year at the 2024 Insurance Asia Awards. We were recognized for our commitment to boosting financial, insurance and Takaful literacy in Malaysia and our care of the community's health, especially in championing diabetes prevention.



Sun Life Philippines received three awards at the 2024 Insurance Asia Awards. The Sun Future Proof program was awarded Business Insurance Initiative of the Year, the Sun Peso Maximizer and Sun Dollar Maximizer plans earned Insurance Product Innovation of the Year and the Wheel of Life Campaign was recognized as Marketing Initiative of the Year.

Sun Life Indonesia received the Best Corporate Social and Environmental Responsibility Award in the life insurance category at the Indonesia CSR Awards 2024. The award recognizes the company's positive contributions to society, the environment and the economy.

### Employee well-being

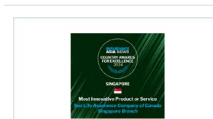


Recognized by Excellence Canada with the Canada Order of Excellence for Mental Health at Work. This recognition reflects Sun Life's continuous commitment to supporting the mental health of employees, Clients and communities. Sun Life is the fourth organization in Canada to receive the prestigious certification.

### Community wellness



Sun Life Hong Kong won the Outstanding Campaign for Targeted Community award by The Hong Kong Federation of Insurers at the Hong Kong Insurance Awards 2024 for Hoops + Health. This award honors exceptional marketing campaigns that have successfully reached and engaged a specific, underserved or niche audience.



For the 2<sup>nd</sup> consecutive year, Sun Life Singapore was recognized at the Singapore Community Chest Awards. In 2024, we received the Charity Gold Award following a Charity Silver Award in 2023. The award recognizes companies with an unwavering dedication to creating sustainable social impact with Community Chest.

### Sustainable investing



Sun Life Assurance Company of Canada received a four-star rating in the latest Principles for Responsible Investment assessment<sup>1</sup> for the Policy, Governance and Strategy module. Sun Life also received three-star ratings for the Indirect-Fixed Income-Active and Confidence Building Measures modules.



Sun Life was awarded Regional Sector Leader Status in the Development Component (Americas: Diversified, Non-Listed) in the 2024 GRESB assessment<sup>2</sup>, ranking 1<sup>st</sup> out of 6 entities in its peer group. We also achieved 4 (out of 5) Stars in the Standing Investments and Development modules.

<sup>1</sup> For copies of Sun Life Assurance Company of Canada's 2024 PRI Transparency and Assessment reports, contact [sustainability@sunlife.com](mailto:sustainability@sunlife.com). For more information on the assessment, visit the [PRI website](https://www.pri.org/).

<sup>2</sup> GRESB is a mission-driven and industry-led organization providing standardized and validated Environmental, Social and Governance (ESG) data to financial markets. Established in 2009, GRESB has become the leading ESG benchmark for real estate and infrastructure investments across the world, used by over 140 institutional and financial investors to inform decision-making. GRESB B.V. (GRESB) created and tabulated the Funds score, which covers activities taking place during calendar years 2022 and 2023 and is typically released on or around October 1 after a submission is made to GRESB.



► I. Sustainability performance tables ► **II. Recognition**

**Climate resilience**



Sun Life Ireland earned the ESG Special Award 2024 from Great Place to Work. This is in recognition of Sun Life's commitment to sustainability practices and climate action.



Earned Natural Resources Canada's ENERGY STAR® certification with 2024 ENERGY STAR scores of 100 for Sun Life's largest office space in North America, located at the Canadian head office in Waterloo, Ontario and for an office park in Edmonton, Alberta. This means the offices are more energy efficient than all similar properties nationwide.

**Inclusion**



For the 16<sup>th</sup> consecutive year, Sun Life U.S. has earned a 100% score on the Human Rights Campaign Corporate Equality Index.



SLGS India was recognized as one of the 100 Best Companies for Women in India by Avtar and Seramount. It was also recognized in the "100 Best-Hall of Fame" category for being listed in six editions of the award.

**Client experience**



Sun Life Philippines was recognized by the Trusted Brand Awards for 15 consecutive years, receiving the highest recognition, the Platinum Award for life insurance, for the past 7 years.



Sun Life was awarded the Most Innovative Product or Service from Insurance Asia News Country Awards for Excellence 2024 in Singapore. This is in recognition of our SunBrilliance Indexed Universal Life product which meets both the wealth management and philanthropy needs of our High Net Worth Clients.

**Talent management**



Certified as a Great Place to Work at Sun Life Canada, Sun Life U.S., Sun Life Global Solutions (SLGS) India and Philippines, Sun Life Philippines, Sun Life Ireland, Sun Life Indonesia, Sun Life Malaysia, Sun Life Singapore and Sun Life Vietnam. Great Place to Work Certification is an accreditation that shows an organization is an employer of choice.



Sun Life has also been recognized in 2024 by Great Place to Work Canada as one of the:

- Best Workplaces in Financial Services & Insurance
- Best Workplaces with Most Trusted Executive Teams
- Best Workplaces in Ontario
- Best Workplaces in Canada
- Best Workplaces for Mental Wellness
- Best Workplaces for Women



Great Place to Work recognized Sun Life as one of Ireland's Best Workplaces in 2024 as well as one of the Best Workplaces in Tech and Best Workplaces for Health & Wellbeing.



Great Place to Work recognized Sun Life Global Solutions India as one of India's Best Companies to Work For 2024 and India's Best Workplaces for Women 2024.