

Public Accountability Statement and Sustainability Report



Making life brighter

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OUR MISSION

To help customers achieve lifetime financial security.

OUR VISION

To be an international leader in protection and wealth management.

OUR CORE VALUES

Integrity

We are committed to the highest standards of business ethics and good governance.

Engagement

We value our diverse, talented employees and encourage, support and reward them for contributing to the full extent of their potential.

Customer focus

We provide sound financial solutions for our customers and always work with their interests in mind.

Excellence

We pursue operational excellence through our dedicated people, our quality products and services, and our value-based risk management.

Value

We deliver value to the customers and shareholders we serve and to the communities in which we operate.

A note on brevity

The Public Accountability Statement component of this report represents only a sampling of the many health programs, arts initiatives, institutions, organizations, causes and charities supported by Sun Life Financial and its employees and advisors in 2012.

About Sun Life Financial

Sun Life Financial is a leading international financial services organization providing a diverse range of protection and wealth accumulation products and services to individuals and corporate customers. Chartered in 1865, Sun Life Financial and its partners today have operations in key markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Vietnam and Bermuda. As of December 31, 2012, the Sun Life Financial group of companies had total assets under management of \$533 billion. Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under the ticker symbol SLF.

Making life brighter in 2012

A MESSAGE FROM THE PRESIDENT AND CEO

Welcome to our 2012 Public Accountability Statement and Sustainability Report. The pages that follow will highlight some of the many philanthropic, social and community programs we supported during 2012, and will introduce several new initiatives we adopted as we continue to reinforce our presence in the worldwide network of sustainable companies.

In Canada, 2012 was a banner year for our long-standing commitment to health and wellness. As you will see in the Health section, we launched a groundbreaking, Canada-wide campaign to fight diabetes – our largest-ever focus on a single cause. In other philanthropic efforts during 2012, we continued our long-standing investment in the cultural wealth of our nation and supported social services agencies from coast to coast with both corporate donations and the generous giving of our employees.

In the United States, we helped to keep young people in high school with our Rising Star Awards program. Launched in 2010 to combat the troubling drop-out rates in inner-city schools, we have just two years later invested close to US\$4 million to help send dozens of deserving American high school students to colleges and universities. Nor were younger children forgotten. Our Boston-based subsidiary MFS continued to sponsor school readiness programs, mentoring services, and play environments for the less fortunate children of that city.

We also contributed to humanitarian causes. Resources from the Sun Life Financial International Disaster Relief Fund for the Canadian Red Cross, together with money, clothing and food raised at our U.S. offices, went to the aid of thousands of individuals and families affected by the devastating hurricanes, floods and fires of 2012.

I am exceptionally proud of the work of our outstanding volunteers, who in 2012 went above and beyond for causes large and small. Of special note are the stories of cancer fighting in Canada, community service work in the U.S., and the dedication to children and families on the part of hundreds of Sun Life volunteers throughout our Asia operations.



While only the briefest review of Sun Life's 2012 social responsibility efforts is possible in this message, it is important to point out that our investments in sustainable energy continued to increase. Our leadership in this field within the Canadian financial services industry has been well established. In 2012 we invested approximately \$522 million in environmentally responsible energy projects, and our total investments in this sector now surpass \$2.5 billion.

On the subject of sustainability, last year I introduced our first combined Public Accountability Statement and Sustainability Report. In this year's report, we will share several evolutions of our sustainability strategy. For example, you will see mention of our new relationships with global third-party organizations such as the United Nations Environment Programme Finance Initiative – a partnership that reinforces our commitment to operate as a sustainable company that delivers value to its stakeholders, today and into the future.

Overall, this year's report employs the guidelines of the Global Reporting Initiative, the international body that provides a framework for the way companies report their sustainability practices. Our adoption of these guidelines aligns with our short- and medium-term priorities to improve our sustainability reporting in response to a broader global trend toward more transparency in disclosure practices. Our target over the next few years is to increase both the number and completeness of the indicators within our reports.

Finally, all of us at Sun Life are proud that we have once again been recognized as a sustainable company by a list of respected global organizations, as shown on page 3.

I invite you to review all the sections of our 2012 Public Accountability Statement and Sustainability Report to see in more detail how we at Sun Life are dedicated to *Making Life Brighter*.

A blue ink handwritten signature of Dean Connor, consisting of a stylized 'D' followed by 'Connor'.

Dean Connor
President and Chief Executive Officer

Scope of this report

PUBLIC ACCOUNTABILITY

This report is filed as the consolidated Public Accountability Statement required for Sun Life Financial Inc., Sun Life Assurance Company of Canada and Sun Life Insurance (Canada) Limited for the fiscal year January 1 to December 31, 2012, and includes information regarding their subsidiaries and joint ventures, including Sun Life Financial Trust Inc. Unless otherwise noted, all dollar amounts are expressed in Canadian currency. In this document, unless the context requires otherwise, references to “we,” “our,” “us,” “the Company,” “Sun Life,” and “Sun Life Financial” mean Sun Life Financial Inc. and its subsidiaries.

SUSTAINABILITY

This document is a combined Public Accountability Statement and Sustainability Report for the year 2012. Its scope provides information on environmental, social and corporate governance aspects of our businesses, captured under the broad definition of “sustainability.” This report includes examples of Sun Life’s actions as a sustainable company whose long-term vision for the future integrates financial, environmental, social and corporate governance considerations into our operations.

This year, we are using the Global Reporting Initiative (GRI) framework to guide our sustainability reporting. The GRI is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental and social performance.

MATERIALITY PROCESS

In this report, we follow Global Reporting Initiative G3.1 Guidelines to disclose information on significant economic, environmental and social impacts that would substantively influence the assessments and decisions of stakeholders. Sun Life’s International Sustainability Council reviews a broad set of topics based on the GRI. A set of indicators for inclusion is defined by combining business impact and results from our stakeholder engagement.

STAKEHOLDERS AND ENGAGEMENT PROCESS

Identifying stakeholders is part of our broader business review process as we develop our business strategy and risk management practices. Sun Life considers the respective interests of a number of key stakeholder groups including customers, employees, shareholders, debt-holders, regulators, rating agencies, and other capital market participants.

We engage our stakeholders in many ways. For example, we host Investor Days, invite shareholders to our Annual Meeting and conduct ongoing customer surveys. Our stakeholders can also engage with us directly by contacting us online or through our customer service lines or our advisors.

Research is an important component of our stakeholder engagement process. We monitor news involving various stakeholder groups as well as the response to consultation on specific issues as they arise. We keep track of questions from a range of stakeholder groups throughout the year, to determine the importance of various indicators for disclosure.

Recognition for Sun Life as a sustainable company

For more than a decade, Sun Life has been honoured with a range of awards for our business practices. During 2012, we received recognition from the following respected organizations:

GLOBAL 100 MOST SUSTAINABLE CORPORATIONS IN THE WORLD



GLOBAL 100

We are proud to have been listed as one of the 2013 Global 100

Most Sustainable Corporations in the World for our performance in resource, financial and employee management. This is the seventh time we have been named to the Global 100, whose Key Performance Indicators include energy, carbon and water productivity measurements, leadership criteria, and transparency. Being named to the Global 100 also recognizes our sustainability as a provider of long-term financial security for our customers. The 2013 Global 100 includes companies from 22 countries, encompassing all sectors of the economy. Sun Life was the only North American insurance company named to the list.

FTSE4GOOD INDEX



Created by the global index company FTSE Group, FTSE4Good is an equity index series designed to facilitate investment in companies that meet globally recognized corporate

responsibility standards. Sun Life has again satisfied the stringent environmental, social and governance criteria required to become an Index constituent. Sun Life has been included in the FTSE4Good Index since its inception.

DOW JONES SUSTAINABILITY INDEXES (DJSI)



Dow Jones Sustainability Indexes
Member 2012/13

In 2012, Sun Life was selected for the sixth

consecutive year as a member of the Dow Jones Sustainability Index North America. DJSI are the first global indexes tracking the financial performance of the leading sustainability-driven companies from several industry sectors worldwide.

CORPORATE KNIGHTS – BEST 50 CORPORATE CITIZENS IN CANADA



The 2012 Best 50 Corporate Citizens in Canada evaluates environmental, social, governance and transparency indicators found in the public domain. Sun Life has been included on this elite list seven times over the past 10 years.

2012 READER'S DIGEST MOST TRUSTED BRAND™ IN LIFE INSURANCE



Sun Life has been voted “Most Trusted Brand™ in Life Insurance” in Canada by the 2012 *Reader's Digest* Trusted Brand™ consumer survey, marking the third consecutive year we have captured the award. The

survey, based on a Leger Marketing poll commissioned by *Reader's Digest*, was carried out with a random sample of Canadians. Respondents were asked to indicate, unprompted, the company they consider the most trusted brand for life insurance. Sun Life ranked higher than 18 other insurers. Participants also ranked us on understanding customer needs, offering excellent value, and being a company they would recommend to others.

Other recognition

THE GLOBE AND MAIL – BOARD GAMES 2012 CORPORATE GOVERNANCE RANKING

Sun Life ranked #1 on *The Globe and Mail's* Board Games Corporate Governance Ranking for 2012 – the newspaper's 11th annual review of corporate governance practices in Canada. We scored 97 out of 100, leading the 244 companies on the list. The ranking is based on board composition, shareholding and compensation, shareholder rights, and public disclosure.

CANADIAN BUSINESS AND REPUTATION INSTITUTE MOST REPUTABLE COMPANIES RANKING

For the third consecutive year, Sun Life was included on the Canada's Most Reputable Companies list published by *Canadian Business* and Reputation Institute. The ranking assesses the reputations of 50 of Canada's largest companies by revenue, focusing on those that deal directly with consumers or have a high public profile. Each was rated by 100 people familiar with the company on its governance, corporate citizenship, innovation, workplace, leadership, performance, and products and services.

GLOBAL 100 MOST SUSTAINABLE CORPORATIONS IN THE WORLD, CORPORATE KNIGHTS and BEST 50 CORPORATE CITIZENS IN CANADA are registered trade-marks of Corporate Knights Inc.

FTSE4GOOD is a registered trade-mark of the London Stock Exchange plc and The Financial Times Limited.

DOW JONES SUSTAINABILITY INDEXES is a service mark of Dow Jones Trademark Holdings, LLC.

™ TRUSTED BRAND is a registered trademark of Reader's Digest Association Inc.

Corporate governance



At Sun Life Financial, our approach to corporate governance is founded on more than 140 years of guiding our customers' financial futures – a responsibility we take very seriously. This is why we have developed, and follow, processes that ensure consistent governance throughout our organization.

BOARD GOVERNANCE

The mission of the Board of Directors is to be a strategic asset to our organization, as measured by the effective execution of its overall stewardship role and the contribution the directors make – individually and collectively – to our long-term success. To better execute its mandate, the Board strives for continual improvement in its corporate governance processes and practices.

The Board currently has 13 members; 12, including the Chairman of the Board, are independent. The Board delegates certain responsibilities to standing Board Committees to allow for the in-depth review of topics. The four standing Board Committees are:

- the Audit & Conduct Review Committee;
- the Governance, Nomination & Investment Committee;
- the Management Resources Committee; and
- the Risk Review Committee.

Each Committee Chair reports to the full Board following each Committee meeting.

The Board regularly reviews its corporate governance processes and practices to ensure consistency with the requirements of:

- the Insurance Companies Act (Canada);
- the Canadian Securities Administrators' Corporate Governance Guidelines;
- the New York Stock Exchange Corporate Governance Rules;
- the Guidelines issued by the Office of the Superintendent of Financial Institutions for Effective Corporate Governance in Federally Regulated Financial Institutions; and
- evolving best practices in general.

Further information on the Board's governance practices can be found at www.sunlife.com in the 2013 Management Information Circular.

RISK MANAGEMENT AND COMPLIANCE

Sun Life Financial's enterprise-wide risk management framework sets out lines of responsibility and authority for risk taking, governance and control. We comply with applicable statutory and regulatory requirements in all jurisdictions in which we do business.

The Board of Directors is ultimately responsible for ensuring that risk management policies and practices are in place. Through approval of appropriate policies and ongoing oversight, the Board ensures that the Company's principal risks are identified and managed. The Board delegates this function to the Risk Review Committee. The primary function of this Committee is to assist the Board of Directors with its oversight role in managing the enterprise's risk appetite framework in order to promote balanced business and product models that will achieve agreed upon risk-adjusted returns, and allocate capital accordingly. The Risk Review Committee also oversees the identification of major risk areas facing the Company and the development of strategies to manage those risks, and reviews compliance with risk management policies implemented by the Company.

Primary accountability for risk management is delegated to management in the person of the President and Chief Executive Officer. The risk management structure enables the President and Chief Executive Officer to further delegate responsibilities throughout Sun Life Financial. The President and Chief Executive Officer delegates line accountability for the various classes of risk management to the Executive Team, whose members are accountable for day-to-day risk management. Business leaders have front line accountability for managing risks in their specific operations, and are supported by a network of business segment compliance and risk officers.

The Chief Risk Officer (CRO) is responsible for developing and communicating the enterprise risk management framework, and for overseeing development and

implementation of enterprise-wide risk management strategies to optimize the Company's global risk/return profile. In addition, the CRO provides independent functional oversight of the Company's enterprise-wide risk management programs by ensuring that effective processes are in place to identify, measure and assess risk, develop responses to risks, and to monitor, control, report and communicate any risks inherent in the Company's activities.

The Chief Compliance Officer (CCO) is responsible for promoting, facilitating, monitoring and assessing compliance with regulatory and market conduct requirements, and facilitating the identification and management of any relevant compliance risks. To do so, the CCO maintains an enterprise-wide network of compliance officers to identify, escalate and resolve material compliance matters, and leverage regulatory and market conduct best practices across Sun Life Financial. The CCO is also responsible for maintaining and distributing the Sun Life Financial Code of Business Conduct and managing Code-related programs.

Sun Life Financial's risk management activities are supported by the Company's Internal Audit function through its ongoing assessments of the effectiveness of, and adherence to, internal controls.

We are in the business of maintaining long-term relationships with our customers, who entrust us with comprehensive knowledge about them and their needs.

SUN LIFE FINANCIAL CODE OF BUSINESS CONDUCT ("THE CODE")

At Sun Life Financial, we understand that our corporate integrity is a reflection of the personal integrity of each and every employee of the Company. Our approach to business conduct is based on ethical behaviour, integrity, respect and working to the highest standards of business ethics and good governance. This approach is captured in the Sun Life Financial Code of Business Conduct.

The Code applies to all Sun Life Financial employees, and all directors of Sun Life Financial Inc., its subsidiaries and joint venture companies other than those companies that have adopted a code of conduct consistent with the spirit of ours. All employees are required annually to acknowledge their understanding of and compliance with the Code. As part of this requirement, 100 per cent of our employees are trained in deterring fraud, combatting money laundering and terrorist financing, avoiding conflicts of interest, and rejecting corruption and bribery.

To support our employees' adherence to the Code in their day-to-day business dealings, Sun Life Financial has a network of contacts to answer questions or inquiries about the Code. The Company has also established a 24-hour hotline (telephone and web-based) where employees may report concerns – anonymously if they wish – about possible violations of the Code.

The Sun Life Financial Code of Business Conduct can be found at www.sunlife.com.

PRIVACY

At Sun Life Financial, we are in the business of maintaining long-term relationships with our customers, who entrust us with comprehensive knowledge about them and their needs. This is why we are committed to protecting the confidentiality of their personal information.

Our Global Privacy Commitment outlines a set of principles followed by our business operations worldwide, which helps to ensure that our customers' personal information remains private and confidential. In certain countries in which we do business, the Global Privacy Commitment is supplemented by more detailed privacy policies or codes that reflect the particular legislative requirements of those countries.



Sun Life Financial worldwide headquarters at 150 King Street West, Toronto, Canada.

Public policy

Given the nature of our business – more than 140 years' experience in providing life insurance protection, wealth management and retirement products and services – Sun Life is positioned to provide a unique perspective on public policy for Canadians, and to actively contribute to public policy that secures people, communities and society, and sustains a high quality of life.

The policy environment in which we operate is ever changing. Much of the change reflects governments' mandate to act on behalf of their citizens to ensure that laws and regulations are responsive to political, economic and social transformation at home and abroad. The rise of new technologies, the interconnectedness of the world and recent financial and economic events have all accelerated the pace of policy shifts.

Sun Life supports responsive public policy, but we also recognize the need for policy to be well executed to best benefit people and their communities. Even well-principled policy changes, if inappropriately designed or implemented, can over- or under-accomplish their initial objectives, or have unintended collateral impact on the individuals and societies they are meant to serve. This is why the Sun Life Public and Corporate Affairs team coordinates and actively leads discussions with elected officials, public servants and regulators, think-tanks, thought leaders, industry groups, civil society, and other stakeholders, in all jurisdictions in which we operate. Led by Mary De Paoli, Executive Vice-President, and the Public and Corporate Affairs team, and with the active participation of dedicated colleagues, Sun Life contributes to achieving good public policy design, implementation and outcomes that benefit people and communities.

Much of our contribution to sound public policy involves working with our partners. In concert with our industry association, the Canadian Life and Health Insurance Association; in collaboration with broader industry

associations; and through forums that bring together a wide range of stakeholders, we are active in many important and meaningful areas. These include:

- improving pension policy to help Canadians save for a secure and comfortable retirement;
- strengthening the Canadian health-care system through investment in proactive and preventive wellness initiatives; and
- contributing insights for the development of retirement savings and health-care policy in Asian markets to support families' aspirations to financial security and better lives.

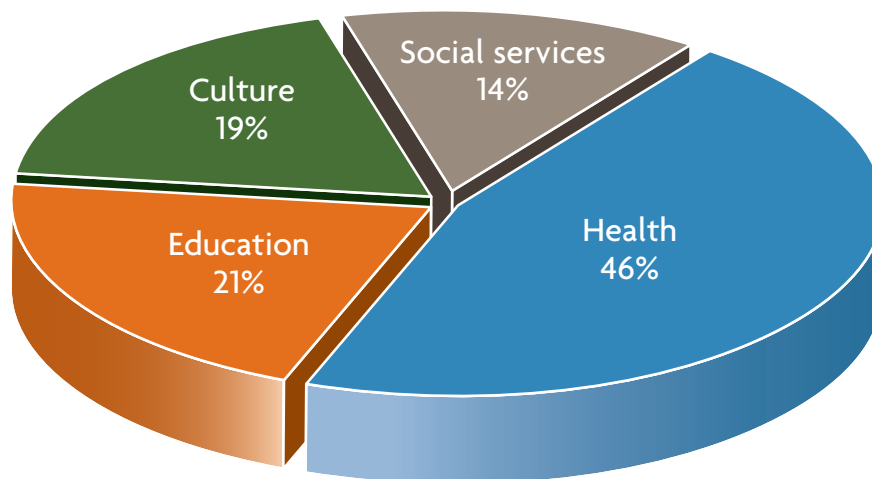


In 2012, Kevin Dougherty, President of Sun Life Canada, joined the Corporate Knights Council for Clean Capitalism as a founding member. This group is committed to advocating for policy changes that create a system that is good for business, the environment and society as a whole.

Sun Life is committed to transparency, and upholds high ethical standards in all our advocacy. We adhere to both the spirit and letter of the laws applying to contact with governments. We comply as required with all federal reporting guidelines on advocacy issued by the Office of the Commissioner of Lobbying, and follow all the rules and reporting requirements falling under provincial and municipal jurisdiction. When undertaking advocacy in all our international jurisdictions, we adhere strictly to local regulations, and always operate to the highest standards of business ethics and good governance.

Profile of giving

Sun Life Financial's 2012 worldwide philanthropic support*



Total funding **\$13,274,008**

■ Health	■ Education	■ Culture	■ Social services
\$6,064,634	\$2,726,829	\$2,574,354	\$1,908,191

* Includes matching gifts and corporate donations from our joint venture partners. Excludes employees and advisors' personal giving.

In Canada

Of the total funding, \$9,821,736 was distributed in Canada as follows:

\$5,591,990 went to support health initiatives; \$2,348,984 to cultural programs; \$1,274,690 to social service organizations; and \$606,072 to various levels of education.

A further \$271,434 was allocated to sponsorships of cultural and community initiatives across Canada.

Total corporate donations and sponsorships in Canada: \$10,093,170

Health

Healthier lifestyles, healthier futures. During 2012, together with our international partners, Sun Life contributed more than \$6 million to help fight disease and improve wellness around the world. Of this amount, close to \$5.6 million was allocated to health and wellness programs in Canada, and included the largest-ever investment in a single health cause in our 147-year history – DIABETES.

Sun Life Financial's new focus on diabetes

Photo: Paul Lawrence



Mary De Paoli (left), Executive Vice-President, Public and Corporate Affairs and Chief Marketing Officer, Sun Life, with Dr. Gary Lewis, Director, Banting and Best Diabetes Centre, in front of the newly renamed Sun Life Financial Banting and Best Diabetes Clinic.

The Canadian Diabetes Association projects that unless action is taken now, one in three Canadians – more than 10 million people – will be living with diabetes or prediabetes by the end of this decade.¹ The alarming increase in the incidence of type 2 diabetes (also known as “adult-onset” diabetes) in particular, has prompted the World Health Organization to name diabetes “the epidemic of the

21st century.” This is an unacceptable situation for a disease that can in many cases be prevented by making healthier lifestyle choices – a concept that is at the core of Sun Life’s wellness philosophy.

For decades, we have been committed to proactive and preventive health and wellness programs that help to build a stronger, more sustainable future – in this case, a future free of the impending epidemic of diabetes. For this reason, on World Diabetes Day in November 2012, we announced our commitment to the cause of diabetes with a donation of \$5 million over five years to the University Health Network (UHN) in Toronto to support transformational research, education, prevention and care. In honour of our donation, the world-famous Banting and Best Diabetes Clinics at UHN have been renamed the Sun Life Financial Banting and Best Diabetes Clinics, under the directorship of the eminent Dr. Gary F. Lewis, a world-renowned researcher, innovator and clinician in the field of endocrinology.

¹ Canadian Diabetes Association, *Diabetes: Canada at the Tipping Point – Charting a New Path*, 2011. Available at www.diabetes.ca.

DIABETES RESEARCH GETS A \$5 MILLION KICK-OFF

On November 25, 2012, Sun Life leveraged the huge media reach of the Canadian Football League (CFL) Grey Cup game in Toronto to raise awareness for the cause of diabetes in Canada, and to celebrate our historic commitment to diabetes research, education, prevention and treatment at Toronto’s UHN. During the Sun Life Grey Cup Fan March, which paused at our worldwide headquarters on King Street West, we presented our landmark donation of \$5 million to UHN to support their world-leading diabetes programs.



On the podium (L-R): Bill Ramsammy, Assistant Vice-President, Corporate Brand and Marketing, Sun Life; Mary De Paoli, Executive Vice-President, Public and Corporate Affairs and Chief Marketing Officer, Sun Life; Dr. Michael Baker, Rose Family Chair in Medicine, UHN; Kevin Dougherty, President, Sun Life Financial Canada; and Mark Cohon, Commissioner, CFL.

Dr. Gary Lewis talks about diabetes and Sun Life's partnership with the University Health Network

We know that diabetes is rapidly becoming, or already is, an "epidemic." What has led to this?

The first thing is to clearly distinguish type 2 diabetes from type 1 diabetes. Ninety per cent of people with diabetes have type 2, which is also called "adult-onset" diabetes. Type 1, which affects younger people, children and adolescents, is also increasing but at a much slower rate. So it's the type 2 that's becoming epidemic. The incriminating causes are changes in lifestyle. That includes the lack of physical activity, plus the increased consumption of calorie-dense foods in large quantities. So changes in diet and exercise are the two most important factors. Having said that, it's also important to know that there can be genetic factors at play as well, such as certain ethnic predispositions to diabetes and other non-lifestyle factors we're still trying to understand. But for the most part, prevention through lifestyle improvements is key.

When talking about the lifestyle changes that have led to the increase in type 2 diabetes, what are some of the simple things people can do every day to help prevent diabetes, or help those already living with the disease?

If you want a single measure of how you're doing with what you consume, just get on a scale. Just weigh yourself. Because apart from whether you're eating this many carbs or this many fats or this kind of supplement, or whatever it is, it's your body weight that is going to determine more than anything else whether you get diabetes or don't get diabetes. So knowing what your weight is, and if it's too high, doing things to reduce it, that's the single simplest thing.

Quantities are extremely important, too. Portion sizes have become distorted over the past three decades. Where we once went for a coffee that was small, now large has become the norm. A lot of it is perceived value. "For an extra five cents, we'll super-size you" Or a bagel. A "normal" bagel today is actually five times the size of a bagel from the 1970s or '80s.

Physical activity is another factor. It doesn't have to be expensive. There are many opportunities in an average day

to increase your physical activity. You can walk more. You can walk at lunch. You can get off the subway or the bus a few stops earlier and walk. You can walk on weekends in a mall. The more movement you do, the more calories you expend and the less likely you are to become obese and diabetic.

What you do to *prevent* diabetes is exactly the same as what you do if you *have* diabetes. Diet, exercise, lifestyle. Diabetes takes tremendous self-management – more than

perhaps any other disease. It's very important that people realize that yes, diabetes is a serious disease and not to be taken lightly. However, if you get diabetes, and millions of people do, there's a great deal you can do to live a very healthy, long and happy life. It takes self-management, including complying with medical guidance and committing to lifestyle changes.

How will Sun Life's financial partnership help to further your goals?

Sun Life's partnership means a great deal to us in more ways than money. Sun Life can help us greatly in building awareness for diabetes. Sun Life has tremendous reach in terms of media and creating awareness amongst the public – it reaches right across Canada. I was impressed to learn that something like seven million Canadians have a relationship with Sun Life. That is a lot of people – many more than we can

reach through our own organization. The value of that – of educating people, of building awareness of the disease and of preventive measures – is absolutely enormous.

Why is building awareness so important?

We have a tremendous problem with diabetes. Compared to other diseases such as cancer or heart disease, these diseases get tremendous coverage in the media, whereas type 2, which as we've said comprises the majority of diabetes cases, traditionally does not, for a number of reasons. Number one is that it usually creeps up on people quite insidiously. Type 2 diabetes is a person going to their doctor for an annual physical and being told their "sugar is slightly elevated." So it's a disease that people underestimate for the harm it can cause.



Photo: Bryan Kautz, UHN PhotoGraphics

Gary F. Lewis, MD, FRCPC
Director, Sun Life Financial Banting and Best Diabetes Clinics, UHN; Director, Banting and Best Diabetes Centre, University of Toronto; Director, Division of Endocrinology and Metabolism, University of Toronto; Professor, Department of Medicine and Department of Physiology, University of Toronto; and Drucker Family Chair in Diabetes Research, UHN.

Yet diabetes is the commonest cause in this country of blindness, amputation, kidney failure, heart disease ... so it's an absolutely devastating disease. The amount of money it costs the health care system is staggering. If we don't get a handle on this disease it will absolutely decimate our health care system. It is actually the biggest disease of this century but it is underestimated. So getting the message out through our partnership with Sun Life Financial ... we're very excited about that.

Can you speak to some of the diabetes research going on at UHN and more broadly, at the Banting and Best Diabetes Centre?

We've divided our diabetes activity into two major groups. One is "discovery research," in which we work to discover new mechanisms of the disease, new genes that cause diabetes, new treatments of the disease and much more. We have people here who are world experts in discovering why and how diabetes causes complications of eyes, kidneys and nerves. We have the top researchers in the world working on trying to take stem cells and make them into cells that make insulin. And we also have a very important program in pregnancy and diabetes.



Our other large group of programs here is "applied research," where we literally get out of the lab, if you will, and do research in the real world. For example, we have experts in international outreach, some of whom have developed educational programs, one most notably in Guyana, that have resulted in preventing amputations.

Another area of applied research is our interest in vulnerable populations. Not everybody is affected equally by diabetes. Certain populations, particularly certain immigrant populations from South Asia, have extraordinarily high rates. We're studying why. And we know the disease clusters more in

groups with lower socio-economic status. We're researching the causes. And we also have some world-class diabetes education programs for doctors, nurses, pharmacists and medical students.

As Director of the Sun Life Financial Banting and Best Diabetes Clinics, what kinds of work do you see going on here in the future?

That's where the incredibly generous funding Sun Life has provided for us will be put to the utmost use. It allows us to do a tremendous amount of work. We plan to fund many of the programs that I've described, such as the cutting-edge discovery research programs, as well as our applied research

studies, and creating tools to enable care providers including doctors, nurses and pharmacists to do a better job.

There are also advanced clinical trials going on at the Clinics. I do the kind of research that's somewhat different from clinical trials, in that we actually have a test centre here where we bring people in and give them

insulin intravenously to measure how the body responds to it. That's only one example. Our scientists who are working on discovery are part of our team. For example, the stem cell research. Our scientists in the lab are trying to make the stem cells, but here at the Clinics, we're already starting to design and get ready for the clinical trials that will follow their research. So it's a hand-in-hand operation between the research lab and the Clinics.

What we have here in Toronto at UHN and at the Banting and Best Diabetes Centre, is the largest concentration of diabetes research, certainly in Canada, and one of the largest in the world. The full spectrum of programs ranging from prevention to cure is unique. Not many places can do that.

SUN LIFE IN QUEBEC LAUNCHES A MAJOR DIABETES PROGRAM

On November 5, 2012, Sun Life Financial in Quebec announced its major support for the cause of diabetes with a three-year, \$600,000 donation to Diabète Québec (Diabetes Quebec). Events that day also included diabetes screening for employees. Two nurses and a nutritionist were on hand to perform testing for diabetes, cholesterol and blood pressure. Eighty-three of our Montreal employees took advantage of this important opportunity. To show our support for healthy eating – a major step in preventing diabetes – employees were treated to healthy, delicious soup (recipe approved by Diabetes Quebec).

Three days later, a Public Awareness Day was held at 25 Sun Life Financial Centres across Quebec. Again, diabetes screening was offered by health professionals, and 784

members of the public were tested in just four hours. In addition to the testing, a Diabetes Quebec volunteer was on hand to provide information and answer questions about diabetes.



Diabetes Quebec nurse Tina Bruna tests Sun Life employee Sami Basset at the Montreal Diabetes Awareness Day.

Sun Life's support for other diabetes-related initiatives

Diabetes is linked to, and in some cases is a direct cause of, a number of serious conditions affecting the heart, eyes, kidneys, liver and nervous system. It is also a disease that has a collateral effect on the families of diabetes patients. Following are some examples of the diabetes-related programs we supported in 2012.

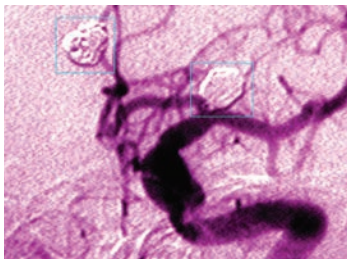
HOSPITAL FOR SICK CHILDREN/SICKKIDS FOUNDATION, TORONTO, ONTARIO



In 2012, we made a \$270,000, three-year commitment to serve as Sponsor of The Diabetes Resource Centre on AboutKidsHealth.ca, SickKids' comprehensive website and

online family education resource. This site provides trusted, medically approved health content, in a variety of languages for worldwide access. Diabetes content has been organized into easy-to-understand illustrated sections ranging from symptom recognition to diagnosis to treatment, and offers information on long-term outcomes.

GRAND RIVER HOSPITAL, KITCHENER, ONTARIO



We provided \$250,000 in funding for the newly named Sun Life Financial Interventional Radiology Suite at Grand River Hospital. Interventional radiology (IR) uses guided imagery combined with

minimally invasive catheters and probes to investigate, diagnose and treat a range of illnesses. Using this technology has several benefits. There is minimal physical trauma as patients require only light sedation, and are not subjected to open surgery under general anesthesia; the incidence of infection is reduced; recovery time and hospital stays are shorter, allowing patients to return to their regular activities more quickly; and costs to the health care system are minimized. Many of the patients receiving IR treatment have kidney issues resulting from diabetes.

CANADIAN NATIONAL INSTITUTE FOR THE BLIND (CNIB), TORONTO, ONTARIO

Diabetes is known to be a leading cause of blindness in Canada, but many diabetic patients in remote areas such as northern Ontario do not have access to education, advice and care for eye conditions, or have to travel long distances to receive it. The CNIB Eye Van fills that vital need. The Eye Van is a fully equipped eye care clinic on wheels. It services

more than 4,500 patients in 30 communities in northern Ontario from March until November each year. In partnership with the Northern Diabetes Health Network, the Eye Van program also ensures that on-site educators and dietitians are available at each location to provide screening for diabetes and to promote wellness and healthy lifestyles. Our \$100,000 donation in 2012 supported the Eye Van's northern Ontario tour in its 40th year of service.

UNIVERSITY OF WINNIPEG, MANITOBA



In 2012, we provided more than \$100,000 to fund the UWinnipeg Sun Life Diabetes Awareness and Education Program. This pilot program at the University of Winnipeg targets inner-city youth

in populations at high risk for type 2 diabetes, such as our First Nations people. Type 2 diabetes has been diagnosed in First Nations children as young as eight, and the incidence is increasing rapidly. The program will focus on education about the causes and consequences of diabetes, and will offer prevention strategies including good nutrition and physical activity.

KINGSTON GENERAL HOSPITAL (KGH), ONTARIO



KGH is transforming the way health care is delivered for patients and families with a new model of care called Patient and Family Centred Care (PFCC). As the name implies,

PFCC is designed to involve the patient and his or her family in the full spectrum of care. This is especially important when considering the special needs of patients – for example, the need to have food and insulin available for patients with diabetes while in a waiting room situation, or if transported by ambulance. The PFCC model treats the whole person, not just the presenting illness – because it is structured to manage the chronic condition, e.g. diabetes, while the patient is in hospital being treated for a serious issue such as cancer, stroke, or injury. The PFCC philosophy emphasizes family involvement as a critical component in successful disease management, and gives families an advisory role in their loved one's care and treatment. Our \$100,000 donation to the PFCC will enable KGH to create a superior and safer hospital experience for patients and their families.

Some examples of other health causes we supported in 2012

ORBIS CANADA – WORKING TO IMPROVE PEDIATRIC VISION IN CHINA



ORBIS is a non-profit humanitarian organization dedicated to saving sight and eliminating avoidable blindness worldwide. ORBIS responds to the needs of developing nations – where 90 per cent of the

world's visually impaired live – by providing opportunities for hands-on training to eye care professionals, public education about blindness, and technical assistance to improve access to quality ophthalmic services. It was the first international eye care non-governmental organization (NGO) to focus on comprehensive, sustainable approaches to children's eye care in developing countries. Today, ORBIS is engaged in improving children's eye care in 13 countries, including China.

ORBIS is developing a network of 10 rural eye care centres at county hospitals in Guangdong Province, China, home to an estimated 750,000 visually disabled people. These rural centres will be capable of providing high-quality, comprehensive pediatric services including the diagnosis and care of pediatric refractive error. This is an error in the eye's ability to focus light, and is a frequent cause of reduced visual acuity.

Sun Life has been a long-standing supporter of ORBIS and its valuable work. In 2012, we committed \$100,000 to its Pediatric Refractive Screening and Treatment Project. Through this project, ORBIS will provide training for eye care professionals to identify and treat refractive error, and will educate children and parents about the need to seek eye care, thereby improving the educational prospects for thousands of rural children.

JURAVINSKI HOSPITAL AND CANCER CENTRE FOUNDATION, HAMILTON, ONTARIO

Sun Life donated \$70,000 in 2012 to help fund a new Shared Care and Survivorship Transition Model for patients with lymphoma or myeloma – two types of blood cancers, for which a shared care model does not currently exist. Models for shared care have been successfully developed for other types of cancer – most notably breast cancer. This new model will provide better health care for the patient by establishing a formalized care link between hematologists and family physicians.

BOYS AND GIRLS CLUBS OF CANADA



This organization's Get BUSY program tackles the growing problem of inactivity and obesity by encouraging children and youth to get involved in new activities, and educating them on the importance of making

healthy lifestyle choices. Teens are provided with training to deliver the program – including physical activity, healthy food choices, food preparation and health promotion – to younger children ages eight to 12. Our \$100,000 donation will fund 10 Get BUSY locations across Canada, to the benefit of some 1,000 young people.

CANADIAN LIVER FOUNDATION (CLF), TORONTO, ONTARIO AND VANCOUVER, BRITISH COLUMBIA

In 2012, we were pleased to donate \$74,600 to support the CLF's education program focusing on hepatitis B and C in the Greater Toronto and Greater Vancouver areas. Both cities are home to large Asian populations who are significantly more prone to hepatitis B and C. Education sessions with Chinese communities will be presented in both Mandarin and Cantonese to ensure better understanding of the signs, symptoms and support available for hepatitis patients. The CLF will also distribute culturally sensitive information to health clinics and community centres.

UNIVERSITY OF BRITISH COLUMBIA (UBC), VANCOUVER

In 2010, Sun Life donated \$150,000 to fund a two-year project at UBC: the Gender-Based Health Optimization through Online Self Risk Assessment program. Building on proven differences in health risk factors between men and women, three prominent UBC researchers have been working to develop an online self-assessment program that includes a survey tool that analyzes medical factors by gender, including family history, symptoms and other health variables. This information is gathered in a personal risk profile specific to the male or female using the self-assessment program.

In 2012, we provided an additional \$96,753 to complete the survey tool for both men and women. The UBC researchers' development work over the past two years has resulted in a sophisticated and complex tool that weighs the variables of seven distinct diseases and conditions, and compares them against each other as well as with family history and lifestyle behaviour. The survey tool for men is on track to be completed in early 2013, with the women's approximately six months later.

Arts and culture



At Sun Life in 2012, we continued our long-standing investment in arts and culture with financial support for opera, dance, music, theatre and cultural events across Canada. We provided more than \$2.3 million during the year to many outstanding organizations that reflect our cultural heritage, offer superb production values and enchant audiences from coast to coast.

Following are some examples of how our award-winning *Making the Arts More Accessible™* program benefited Canadians during 2012.

SURTITLES™ – INCREASING UNDERSTANDING AND ENJOYMENT

When audiences are able to understand the words of a performance, be they sung or spoken, the arts are made more accessible and enjoyable through improved comprehension of the stories. With Surtitles technology, English words are projected on a screen above the stage, allowing the audience to follow a libretto, or, in the case of French language theatre, the dialogue.

Surtitles technology was pioneered in 1983 by the Canadian Opera Company, and has now been adopted by many smaller opera and theatre companies across Canada.

In 2012, Sun Life helped make Surtitles available to the Canadian Opera Company; Edmonton Opera; *La Troupe du Jour*; *Le Théâtre du Nouvel-Ontario*; Manitoba Opera; Opera Atelier; Opera Hamilton; Pacific Opera Victoria; *Théâtre français de Toronto*; and Vancouver Opera.

Photo: Bruce Zinger (2012)



Jack Rennie and Peggy Kirha Dye in the Opera Atelier production of *Armide*.

Photo: Kelly Redinger



A spectacular scene from the triumphant Edmonton Opera production of *Aida*.

Photo: Dany Rousseau



Marie-Claire Marcotte and Raoul Granger in the *La Troupe du Jour* French language production of *La Grande Vague*.

™ MAKING THE ARTS MORE ACCESSIBLE is a registered trade-mark of Sun Life Assurance Company of Canada.

™ SURTITLES is a registered trade-mark of the Canadian Opera Company. Other opera companies or theatre companies use the same technology, spelled as Surtitles or SurTitles.

The gift of performance

NATIONAL ARTS CENTRE, OTTAWA, ONTARIO

Sun Life was proud to serve as Presenting Sponsor of the National Arts Centre's Share the Spirit program, which brings the gift of artistic performance to deserving children and their families. Our support for Share the Spirit, a prime example of our *Making the Arts More Accessible™* program, made it possible for families of limited means to enjoy free holiday performances such as *The Nutcracker*, *Canadian Brass Christmas with the NAC Orchestra* and Handel's *Messiah*. In 2012 we also donated \$10,000 to serve as Impresario Box Sponsor for the Governor General's Performing Arts Awards Gala, and \$15,000 to support the annual National Arts Centre Gala fundraiser.



A scene from the National Arts Centre's 2012 holiday presentation of *The Nutcracker*, performed by the Alberta Ballet.

THEATRE CALGARY, ALBERTA

We were proud to be Presenting Sponsor of Theatre Calgary's Pay-What-You-Can Matinee performances for the 2012-2013 season. This program enables lower income individuals and families to attend matinee performances of outstanding productions such as *To Kill a Mockingbird*, *Shirley Valentine* and *Cats* for what they feel they can afford, or in many instances, free of charge.

SHAW FESTIVAL, NIAGARA-ON-THE-LAKE, ONTARIO



Photo illustration: Emily Cooper

Poster for the Shaw Festival's iconic production of *Ragtime*.

For more than 50 years, the Shaw Festival has been producing and presenting the works of Irish playwright and Nobel laureate George Bernard Shaw and his contemporaries. Sun Life supports the Shaw Festival's *Theatre for All* program, which offers a series of discounted ticket programs for youth, families and seniors, as well as informing theatre-goers about other ways to save on admission prices to many of the Shaw Festival's outstanding performances.

STRATFORD SUMMER MUSIC FESTIVAL, ONTARIO

Each summer, streets, parks, churches and concert halls in Stratford, Ontario come alive with performances by world-renowned musicians, bringing sounds and sights of every musical style to visitors and locals alike. With our 2012 gift of \$40,000, we continued our role as Season Sponsor of Stratford Summer Music, during which more

than half of the performances were free to the public, and as sponsor of the *Sun Life Financial Guide to Stratford Summer Music*.

SOULPEPPER THEATRE COMPANY, TORONTO, ONTARIO



Photo: Cylla von Tiedemann

Eric Peterson (top) and Kenneth Welsh in the Soulpepper Theatre Company's production of *The Sunshine Boys*.

For more than 15 years, Soulpepper Theatre Company has earned its reputation as one of Canada's best and brightest theatre troupes. Soulpepper is an artist-founded, classical repertory company with a three-tiered mandate: to present the world's greatest stories with uniquely Canadian interpretations; to train a new generation of theatre artists; and to inspire and enrich young people through mentorship and access programs. Our \$100,000 donation in 2012 sponsored the RUSH Program, which makes tickets available at deep discounts 30 minutes prior to curtain, and their Youth Access Programs, enabling more theatre-lovers of limited financial means to enjoy Soulpepper's world-class presentations.

Two of our other “supporting roles” during 2012

STRATFORD FESTIVAL, ONTARIO



Photo: Don Dixon

Daniel Briere and Sara Topham in the Stratford Festival production of *Romeo and Juliet*.

The Stratford Festival is the largest classical repertory theatre in North America. Its stellar productions include not only the works of Shakespeare and other fabled writers of the past, but also 20th century masterpieces. For four decades, Sun Life has been a strong supporter of some of

the Festival’s most acclaimed performances. In 2012, we contributed \$225,000 to serve as 2013 Season Opening Production Sponsor of the incomparable *Romeo and Juliet*, Sponsor of the Festival’s annual fundraising Gala, which honoured Dame Maggie Smith with a Legacy Award, and Sponsor of their RUSH and TiXX discount ticket programs.

CANADA’S NATIONAL BALLET SCHOOL, TORONTO, ONTARIO

In 2012, we provided \$50,000 to Canada’s National Ballet School as Presenting Sponsor of the school’s annual search for promising talent – the National Audition Tour. Members of the school’s artistic staff travelled across the country, auditioning more than 1,000 young dancers hoping to earn one of only 50 available positions in the Professional Ballet Program.

Celebrating arts and culture in Quebec

ORCHESTRE SYMPHONIQUE DE MONTRÉAL (OSM) – MONTREAL, QUEBEC

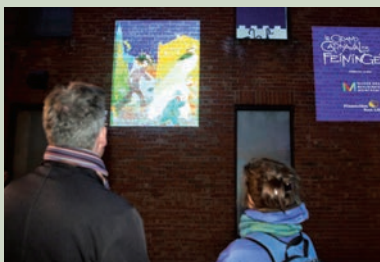


Crowds at the OSM’s Kent Nagano concert on the Esplanade Financière Sun Life at Montreal’s Olympic Stadium.

Founded in 1934, OSM is recognized as one of Quebec’s major cultural institutions. In late 2011, after 30 years of patient anticipation, construction of the Maison symphonique was completed and the concert hall inaugurated by the Government of Quebec. During 2012, OSM was able

to expand and balance its impressive repertoire in its new home, a stunning venue that attracts thousands of local and international music lovers. It was here that Sun Life was proud to be the Presenting Sponsor of the Orchestra’s Christmas show. Recently, as part of our support, we also participated in OSM’s Kent Nagano concert, which was held on Esplanade Financière Sun Life at Montreal’s Olympic Stadium.

MONTREAL MUSEUM OF FINE ARTS – LA RUE JAUNE ALLUMÉE PAR LA FINANCIÈRE SUN LIFE



Visitors enjoy the “Yellow Street II” display.

In collaboration with the Montreal Museum of Fine Arts, Sun Life was able to bring families a unique cultural experience. An alley located in Le Plateau Mont-Royal was renamed

“The Yellow Street Lit by Sun Life Financial.” The alley was totally transformed into an exhibit of 20 of Lyonel Feininger’s works, and the ambience made more magical with performances by street performers who created a carnival feel. The “Yellow Street” name was a nod to Feininger’s “Yellow Street II” work, which was on display at the museum.

LES JOURNÉES DE LA CULTURE



Defender of the Arts – an original sculpture by renowned Quebec artist Valérie Beaulieu, presented at a Financière Sun Life event during *Les Journées de la Culture*.



The grass roots *Les Journées de la Culture* is the Quebec-born event that inspired the Canada-wide Culture Days movement. Rich and welcoming demonstrations, hands-on workshops, conferences and guided tours that bring together artists and visitors are all part of *Les Journées*. The events provided an

excellent opportunity for Sun Life to show its commitment to raising awareness for the need for access to arts and culture. In the autumn of 2012, Sun Life was a major partner in the 16th anniversary celebrations of *Les Journées* in 300 communities throughout Quebec. We were proud that our involvement encouraged people of all walks of life to discover and appreciate the variety of arts and culture offered free to the public.

Education

Investing in knowledge – the foundation for a stronger future. In 2012, we continued to support education and learning across financial, academic and theoretical disciplines.

CREDIT EDUCATION WEEK CANADA



For the sixth consecutive year, in 2012 Credit Canada Debt Solutions mounted Credit Education Week Canada – a comprehensive

week-long event to promote financial literacy and sound personal money management. The theme of the 2012 week was Money Resolutions, and was designed to provide Canadians with the tools they need to make proper financial plans, and to put those plans into action.

Sun Life provided \$50,000 to support the more than 100 workshops and seminars that took place across the country. Of this amount, \$6,000 went toward prizes and scholarships for high school and adult winners of essay contests on the topic of personal finance. For more on Credit Education Week Canada and other important personal finance information, visit www.creditcanada.com.

CANADIAN COUNCIL FOR ABORIGINAL BUSINESS (CCAB)



Sun Life made a gift of \$35,000 to the CCAB in 2012, of which \$10,000 made us corporate members of the organization. The remaining \$25,000 was used to fund eight scholarships and two bursaries through the

Foundation for the Advancement of Aboriginal Youth, a national CCAB-administered scholarship and bursary program to assist Aboriginal high school and post-secondary students most in need of financial support.

PERIMETER INSTITUTE FOR THEORETICAL PHYSICS (PI), WATERLOO, ONTARIO



In 2012, Sun Life committed \$100,000 to serve for the third consecutive year as Presenting Sponsor of the highly successful Perimeter Institute Public Lecture Series.

This series is offered at no charge to the general public, and consists of eight lectures by some of the world's most recognized leaders in scientific thinking. Each lecture is recorded and available for online viewing at PI's website and many were broadcast on TVO, Ontario's educational television station.

COLLEGES ONTARIO, TORONTO



Sun Life contributed \$40,000 in 2012 as Diamond Sponsor of Colleges Ontario's Premier's Awards. These awards recognize the growing value of college education, and celebrate the important contribution college graduates

make to the economic and social vitality of Ontario. Awards are presented annually in six categories: Business, Community Services, Creative Arts and Design, Health Sciences, Recent Graduate and Technology.

Please see "The Sun Life Rising Star Awards" on page 22 for an update on our U.S. operation's investment in education for American high school students. This International section also features examples of our support for education in other countries.

Social services

At Sun Life, we believe in giving back to our communities. This belief is evident in our support for young people at risk and for the multiple United Way/Centraide agencies that reach out to improve the lives of thousands of Canadians in need.

UNITED WAY/CENTRAIDE CAMPAIGNS



United Way/Centraide is one of the largest providers of funds to the volunteer and social service sector in Canada, working through a network of more than 100 agencies across the country, each of which operates independently to help individuals, children and families in their home communities. People who are being, and have been helped by these agencies include abused women, at-risk children and teenagers, the elderly, the physically challenged, the homeless and immigrants.

At Sun Life, we are proud to have supported United Way/Centraide for more than 70 years. In 2012, 87 agencies across Canada received a total of \$1,422,921 from Sun Life. This amount was made up of corporate donations and the personal giving of our employees and advisors. For the 10th consecutive year, we were proud to receive a “Thanks a Million” award from United Way/Centraide in recognition of our efforts in generating more than a million dollars in donations.

PEACEBUILDERS INTERNATIONAL, TORONTO, ONTARIO

Peacebuilders International is a unique organization dedicated to improving the lives of troubled young people by working with them to manage conflict, resolve problems, overcome violence and bullying, and find pathways to their full potential. Peacebuilders believes in helping youth stay in school and out of the criminal justice system, through a

program of Restorative Justice. One of the techniques of Restorative Justice brings at-risk young people together in what is called Peacebuilding Circles – a series of non-confrontational, egalitarian, healing dialogues based on traditional Aboriginal healing circle models.



In 2012, Sun Life was proud to donate \$7,500 to be a Gold Sponsor for the organization’s annual Spring for Peace fundraising event that allows Peacebuilders International to carry on its valuable work. For more information on the organization, and a more in-depth description of its Peacebuilding Circles, visit www.peacebuilders.ca.

Our people's contributions



We are exceptionally proud of our dedicated volunteers who work so hard to make life brighter for so many in their communities. In Canada, during 2012 our people volunteered thousands of hours to the benefit of charities and organizations coast to coast. Their achievements were echoed by volunteering activities throughout our international operations, which are highlighted beginning on page 22 of this report.

OUR VOLUNTEER PROGRAM

Sun Life's volunteer program in Canada recognizes the efforts of employees and advisors who volunteer at least 50 hours each year for a registered charity or humanitarian cause. Those who qualify receive a \$500 cheque for the

charity of their choice. Each year, we also identify a National Volunteer of the Year and three finalists who receive additional cheques totalling \$19,000 for their extraordinary efforts. Their stories follow.

National Volunteer of the Year



Michele Schroder, Waterloo, Ontario

Michele Schroder dedicated more than 420 hours to volunteer service in her home community of Waterloo. More than 400 of those hours were spent as an Executive Board Member and Director of Entertainment for the Sun Life Financial Waterloo Busker Carnival.

For the past three years, Michele has contributed greatly to the Carnival's success through her creative vision, passion and expertise in event management. Her understanding of the purpose of the Carnival and its importance to the community, combined with her drive and leadership, have been key factors in its growing popularity and attendance.

The results of Michele's dedication, hard work and leadership are tangible. Her organizational and planning skills, combined with her ability to implement her vision, have resulted in positive feedback from both performers and audiences, and ultimately, the success of the Carnival.

Michele donated her \$10,000 award to the Sun Life Financial Waterloo Busker Carnival.

"The Waterloo Busker Carnival is more than a dynamic entertainment event; it is a vital contributor to our community's well-being. It's thanks to Michele Schroder's leadership, expertise, hard work and heartfelt commitment that our Carnival has enjoyed such outstanding success."

– Randy Warren, Chair, Sun Life Financial Waterloo Busker Carnival.

Volunteer finalists



Denis Boudreault

Levis, Quebec

Denis Boudreault volunteered more than 150 hours and was instrumental in raising record donations for two important causes: Fondation Hôtel-Dieu de Lévis (the Levis Hospital Foundation), and Maison natale de Louis Fréchette (birthplace of Louis Fréchette, Canadian poet, 1839-1908). As Honorary Chair of the Levis Hospital Foundation's fundraising campaign to purchase a new colour endoscopic ultrasound machine, Denis's efforts raised a total of \$425,000 – surpassing the original \$250,000 goal. The acquisition of the colour endoscopic ultrasound equipment makes a vital difference for cancer patients in the eastern Quebec region.

Denis also volunteered 50 hours as Honorary Chair of a major fundraising campaign for Maison natale de Louis Fréchette. This heritage house is an important cultural attraction in the historic city of Levis, as it offers visitors a glimpse into the life, spirit and works of this prolific poet, author and dramatist who has been called the unofficial poet laureate of Quebec.

Denis divided his \$3,000 award between Fondation Hôtel-Dieu de Lévis and Maison natale de Louis Fréchette.

“Mr. Boudreault’s dynamic personality and unwavering commitment has been instrumental in the success of our fundraising campaign. Fondation Hôtel-Dieu de Lévis is extremely grateful to this exemplary volunteer.”

– Denys Légaré, Executive Director,
Fondation Hôtel-Dieu de Lévis



James (Jim) Hildebrandt

Elm Creek, Manitoba

Jim Hildebrandt volunteered 600 hours for a variety of roles in the Elm Creek, Manitoba community. In all of his volunteer activities, Jim is well known and respected as a mentor – especially to children and young people.

His passion for helping others is demonstrated in his volunteer work as a youth group leader with his church. When circumstances caused the church to lose its youth pastor due to illness, Jim stepped up, performing many of the duties and working with other volunteers to maintain the work of the youth ministry despite the absence of a paid, full-time pastor.

As a youth leader, Jim coordinated and led a group of young people on a mission trip to Los Angeles, California, where they worked with street people in that city. In addition to his work with his church, Jim, an ardent sports fan, has spent many hours volunteering on improvements to the local skating rink, and many more hours coaching young hockey players.

Jim donated his \$3,000 award to Lifewater Canada.

“Jim is an excellent role model to parents and children alike, encouraging confidence and lending a listening ear when needed. His role as a coach does not stop with individual skills, but helps to develop the future citizens of our community.”

– Ken Froese, Co-coach and Manager,
Elm Creek Rink



Leonard Morgan

St. John's, Newfoundland and Labrador

Leonard Morgan volunteered approximately 285 hours for three charities in the St. John's-Conception Bay area. His enthusiastic volunteer efforts have generated much-needed funding, as well as physical, emotional and practical support for the VOCM* Cares Foundation, the Salvation Army's Glenbrook Lodge Long-Term Care Facility, and the Conception Bay South (CBS) Music School. The VOCM Cares Foundation actively supports children's charities and community programs benefiting needy families. He has chaired committees to raise funds for the fight against cystic fibrosis (CF) and spearheaded the launch of a golf tournament in memory of a CF patient.

For the Salvation Army's Glenbrook Lodge, Leonard is working with the provincial government to ensure that the long-term care facility will continue to provide the highest standards of holistic care. He has also been a member of the CBS Music School for more than 40 years and a tireless fundraiser for the school, helping to ensure that anyone wishing to learn and enjoy music may do so at no cost.

Leonard donated his \$3,000 award to the VOCM Cares Foundation.

“Leonard does nothing by half measures. Our foundation would not have achieved the level of success it has without Leonard's commitment and direction.”

– Kelly Reid, Executive Director,
VOCM Cares Foundation

*VOCM (Voice of the Common Man) is a radio station broadcasting from St. John's, Newfoundland and Labrador.

Other volunteer highlights

Sun Life volunteers fight cancer every way they can



Stuart Monteith (right of centre in dark green jacket), Senior Vice-President, Group Benefits and Honorary Chair, The Weekend to End Women's Cancers, stands with Sun Life's "Team Yellow" as they set out on the Toronto walk, September 8, 2012.

THE WEEKEND TO END WOMEN'S CANCERS – SUN LIFE WALKERS RAISE \$121,000 FOR VITAL RESEARCH

The alarming statistics on women's cancers indicate that one in seven Canadian women – some 32,000 mothers, daughters, sisters, grandmothers, aunts, cousins and friends – will be diagnosed with breast or gynecologic cancer in their lifetime.² The Weekend to End Women's Cancers raises funds for much-needed, ground-breaking research into women's cancers, and in 2012, for the first time, Sun Life joined in the cause – enthusiastically and in numbers.

Our Stuart Monteith, Senior Vice-President, Group Benefits, served as Honorary Chair of The Weekend to End Women's Cancers, and led a Toronto contingent of Sun Life participants in two days of 60 km walks, raising more than \$109,900 for the world-renowned Princess Margaret Hospital. Our Toronto team did so well, we placed in the Top 10 fundraising teams – an impressive accomplishment for a first-year team. Our colleagues in Montreal also staged their own Weekend walks, raising close to \$11,000 for Montreal's Segal Cancer Centre at the Jewish General Hospital.



Five of our Montreal walkers (L-R): Wiktoria Kagan; Dionne O'Gorman; Laura Morrison; Corinne McLay; and at the finish line, Julie Pouliot.

² Canadian Cancer Society, *Canadian Cancer Statistics*, 2011. Available at www.cancer.ca.

TEAMS FOR HEALTH

In keeping with our commitment to health and wellness, Sun Life offers a Teams for Health program to encourage and support our employees and advisors who participate in walks, runs or rides to raise money for health-related registered charities in Canada. Teams for Health pays the registration fees or minimum personal donation required to participate in the event, and supplies each participant with a Sun Life Financial T-shirt and hat. The Teams for Health program asks only that the teams be made up of at least five Sun Life employees or advisors, and that Sun Life people make up at least 50 per cent of any team. The remaining half of the team can be made up of family members, friends or acquaintances who want to join in and raise money for a worthy cause. In 2012, 817 employees and advisors participated in Teams for Health.

MATCHING GIFTS PROGRAM

Each year, Sun Life matches employees and advisors' personal donations to their favourite eligible charities, up to \$500. In 2012, our employees made 1,574 donations to 517 registered charities, amounting to \$389,035. Of this amount, \$259,057 was matched by the Company, for a total combined donation of \$648,092.

UNITED WAY/CENTRAIDE

As a major supporter of United Way/Centraide campaigns across Canada, Sun Life encourages employees and advisors in all of our offices to organize local campaigns for the benefit of their home communities. The Company also matches each employee and advisor donation, up to \$500. In 2012, \$888,340 raised by our people went to United Way/Centraide agencies across Canada. (This figure is included in the \$1,422,921 combined donation cited on page 17 of this report.)

CANADIAN BREAST CANCER FOUNDATION RUN FOR THE CURE

Once again, for the ninth consecutive year, Sun Life employees and advisors from almost every part of Canada, many with family or friends in tow, took part in the Canadian Breast Cancer Foundation Run for the Cure. Our Sun Life contingent, 320 strong, ran, walked, volunteered and cheered for the heartfelt cause of breast cancer. Thanks to their dedication and stamina, Sun Life raised



Sun Life's Wendy Garner (centre), winner of the 2012 Determination Award and a proud nine-year veteran of the Waterloo Run for the Cure, has herself raised more than \$106,000 for breast cancer research. Her running partners are good friend Ann Morris, (left) and fellow Sun Lifer Kathy Sauvé.

close to \$52,000 for research and treatment of breast cancer in Canada. Every Sun Life team in every city had special stories of perseverance and triumph. One of those was the accomplishment of Wendy Garner in Waterloo, a breast cancer survivor and winner of the Determination Award for raising \$14,645, bringing her one-woman fundraising tour-de-force to \$106,974, which surpassed her nine-year goal to have raised \$100,000 before her retirement.



Two of our Winnipeg Run for the Cure participants: Zorina Marzan Chang (left) and her daughter, Megan.

MOVEMBER – OUR MEN GROW A “MO” TO FIGHT MEN’S CANCER

Sun Life's dedication to fighting cancer in all its forms includes our participation in the ever-expanding annual “Movember” movement (a combination of **moustache** and **November**). During that month, participants in the movement grow a moustache to raise money for the fight against prostate cancer and other cancers that affect men. Until recently, men's cancers have not generated as much media coverage or share of mind as women's cancers. Yet one in six men will be diagnosed with prostate cancer in his lifetime.³ These are even greater odds than a woman's possibility of being diagnosed with breast cancer. Since 90 per cent of prostate cancer cases are curable if detected early, awareness and education are vital.

Employees at our Sun Life office in the United States began their involvement in 2010, and were quickly joined by teams of Canadian “Mo Bros.” In just two years, they have jointly raised tens of thousands of dollars to educate men about health risks, and to encourage early testing. In 2012, teams of Sun Life men from Wellesley, Massachusetts to Montreal, Quebec, to Waterloo, Ontario and beyond, (encouraged and supported by Sun Life women known as “Mo Sistas”) proudly displayed how superbly they could “grow a Mo” to help fight men's cancers.



These handsome Sun Life gentlemen from Waterloo, Ontario, let their expressions say it all when it comes to fighting men's cancers. Back row (L-R): Matt Donald; Emile McLean; Steven Schneider; Tom Green; Ralf Wall; Dan Skeen; and Jonathan Tsui. Front row (L-R): Andrew Bacchus; Grady Meston; and Dave Noyle.

³ Prostate Cancer Canada, *Prostate Cancer Facts*. Available at www.prostatecancer.ca.

International contributions



Making life brighter in communities where we live and work – at home and internationally. As an international organization with offices and partnerships around the world, Sun Life's community support extends far and wide. In 2012, our international operations contributed more than \$3.4 million to health, education, social services, disaster relief and environmental programs in their communities.

United States Sun Life U.S.

Our Sun Life U.S. operations, based in Wellesley Hills, Massachusetts, are long-standing supporters of important causes, close to home and across the nation. Here are a few examples from 2012.

THE SUN LIFE RISING STAR AWARDS



Four of our 2012 Sun Life Rising Star Award winners (L to R): Vicki Miranda and Terel Andrews, Boston, Massachusetts; Nick Groth, Phoenix, Arizona; and Yaneza Aquinaga, Chicago, Illinois, with Chicago Cubs President Theo Epstein.

The Sun Life Rising Star Awards program was launched in 2010 to address low high school graduation rates in large urban school districts. Through the Rising Star Awards, we provide grants to a number of non-profit organizations, which in turn each nominate a high school student who has overcome social and financial challenges and committed to staying in school. As a company with a profound belief in both educational and financial literacy as the foundations for a successful and secure future, Sun Life has proudly

invested close to US\$4 million in grants, scholarships and other resources since the inception of the Awards.

In 2012, for the third consecutive year, the Sun Life Rising Star Awards continued to make life brighter for 16 deserving students from across the United States. Each received a US\$5,000 scholarship toward his or her post-secondary education, and their supporting non-profit organizations each received a US\$50,000 grant.

Employee volunteering and fundraising – making a difference in many ways

COMMUNITY CARE DAY – BOSTON, MASSACHUSETTS



Three of our volunteers planting vegetables for the Long Island Shelter's soup kitchen (L to R): Christine Maxwell; Priscilla Santana; and Monica Tchakmakian.

Every year, Sun Life U.S. holds a “Community Care Day” during which employees of all levels, from trainees to senior executives, come together to help their local communities. In 2012, close to 90 of these dedicated Sun Life people joined with members of Boston Cares (a non-profit community support organization) at Boston Harbor for a long day of “pitching in.”

Many of the volunteers tackled chores at The Long Island Shelter, a 435-bed homeless shelter that provides emergency care, meals, clothing, medical and mental health services, as well as many other social services to homeless people living in the Greater Boston area. The shelter also operates Serving Ourselves Farm, a four-acre organic farm that produces more than 25,000 pounds of food each year to help feed the shelter's guests. Our volunteers painted the women's dormitory in the shelter, organized games and prizes for the shelter's guests, weeded vegetable gardens, and planted new crops at the farm.

Other volunteers busied themselves at Camp Harbor View, an organization partnered with the Boys & Girls Clubs of Boston that offers a four-week summer day camp program, providing some 800 children living in at-risk neighbourhoods the opportunity to enjoy typical camping activities as well as leadership and confidence-building programs. Sun Life volunteers helped to weed and plant the vegetable gardens that are used to teach the day campers where food comes from.

JUNIOR ACHIEVEMENT “JA FOR A DAY” PROGRAM – WINDSOR, CONNECTICUT

Our Windsor, Connecticut office participated in Junior Achievement's “JA for a Day” program at the JFK Elementary School. Twenty-eight Sun Life associates volunteered to “teach” classes for the day, sharing their knowledge of business and economics. The young “Junior Achievers” were able to learn valuable information while enjoying a break from their normal curriculum.

Please see page 21, for mention of our U.S. volunteers' participation in the “Movember” movement for prostate cancer.

THE LETHBRIDGE READING PROGRAM, LETHBRIDGE, ALBERTA, CANADA



Sun Life volunteer Jacqueline Day shares the joy of reading with six-year-old India Rozee.

Our employees at the Sun Life Service Center in Lethbridge, Alberta, Canada (which is part of our U.S. operations), are keen supporters of their community. Lethbridge volunteers have been participating in the reading program at the Senator Buchanan School for the past three years. Two mornings a week during the school term, Sun Life volunteers spend an hour reading with children in Grades 1 to 5.

Since reading is fundamental to a child's education, weaker readers may struggle with learning and understanding new topics. Encouraging children to read creates huge benefits in their education. We have seen this progress in their reading levels as they start to read more advanced books by the end of the school year. The importance of this program to a child's future literacy is balanced by their discovery of the sheer joy of reading – a reward in itself to our volunteers. As one said, “You can see the appreciation and excitement in their eyes.”

THE BERMUDA “END-TO-END” EVENT



Sun Life team members Debby Lima (left) and Merrilyn Johnson, tired but happy at the End-to-End finish line.

As with Lethbridge, our Bermuda office is also part of Sun Life U.S. In 2012, our employees there proudly participated in the annual “End-to-End,” Bermuda's largest charity event. As the name reveals, participants run, walk, jog, swim, row or bike from one end of the island to the other – a 24-mile (38 km) distance – in a one-day blitz to raise funds for local causes.

On this 25th anniversary of the End-to-End event, our Sun Life team, backed by many more Sun Life volunteers, joined with some 2,600 other participants to help raise more than US\$250,000. In all, over its 25-year existence, End-to-End has provided more than US\$4 million to make lives brighter for children, teens, families and the elderly all across the island.

THE WATERFORD, IRELAND COMEDY NIGHT FOR CHARITY



The Community Relations Committee in Waterford, Ireland presenting a €33,000 (\$43,000) cheque for The Solas Centre. (L-R): Anne Phelan; Fiona Murphy; Dave O'Connor; Patricia Sweeney-Kidi; Damian Roche; Pat Bruen (standing behind Damian); Marianne Keating; Seamus Mason; Dr. Brian Creedon, Chairman, South East Cancer Foundation; David Healy, Senior Vice-President, Sun Life Financial U.S.; Amy Lanigan; Geraldine Whittle; and Ger Scully.

Sun Life's office in Waterford, Ireland has a very active Community Relations Committee that organizes regular monthly fundraising events including a large charity event every other year. In recognition of all the charitable work carried out by the Waterford office, the Community Relations Committee was short-listed by Chambers Ireland for the Top 10 Corporate Social Responsibility Awards.

One of Sun Life Ireland's flagship causes is the South Eastern Cancer Foundation's Solas Centre. The Solas Centre, known as "A friendly sanctuary in a time of crisis," is a state-of-the-art facility where patients and their families can receive psychological, social and emotional support to help them cope with cancer and live as normal a life as possible.

Sun Life Ireland proudly hosted a Comedy Night for Charity in November 2012 with talented Irish comedians PJ Gallagher and Gearoid Farrelly, as well as up-and-coming star and Sun Life employee Ger Scully. Waterford employees have been strong supporters of the Solas Centre for nearly 10 years, and this year's fundraising surpassed all others, with employees raising nearly \$43,000 for the Centre to carry on its vital mission.

DISASTER RELIEF



Flooding in Hoboken, New Jersey caused by Hurricane Sandy.

When a natural disaster strikes, our hearts go out to the thousands of individuals, children and families whose lives have been torn apart by nature's fury. In 2012, Sun Life U.S. came to the aid of their fellow Americans dealing with the aftermath of two such disasters: Hurricane Sandy along the northeast coast, and the Colorado wildfires.

In addition to a \$50,000 corporate donation to the Red Cross (through the Canadian Red Cross International Disaster Relief Fund) for food, shelter, clothing and counselling in the wake of Hurricane Sandy's devastation, Sun Life U.S. augmented that funding with a special contribution to the Central Jersey Community Development Corporation's relief efforts. Our employees also made generous personal donations of money and winter clothing for hurricane victims of all ages.

Where water, rain and flooding caused so much suffering in several eastern states, halfway across the country in Colorado, the opposite was true. In the summer of 2012, record high temperatures combined with extremely dry weather and erratic winds ignited an outbreak of wildfires that decimated more than 225,000 acres of land, consumed homes and caused tens of thousands of people to evacuate the threatened areas.



Wildfires near Boulder, Colorado.

Sun Life employees in Colorado responded immediately to the needs of their fellow citizens who had lost everything in the devastating fires. As well as arranging donations to the Red Cross for disaster relief efforts, Sun Life representatives joined forces with their

brokers to amass truckloads of food, clothing and other much-needed supplies to assist hundreds of displaced families who so badly needed help.

MFS Investment Management*

THE PAN-MASSACHUSETTS CHALLENGE (PMC)



For 14 years, MFS has been a major supporter of the PMC. This annual bike marathon raises more money than any other athletic fundraising event in the United States. In fact, in 2012 alone, the PMC raised US\$37 million for Boston's renowned Dana-Farber Cancer Institute. MFS's \$175,000 sponsorship of the PMC plays a large part in enabling 100 per cent of every dollar raised by the riders to go to Dana-Farber. Each year, MFS employees sign up for the gruelling series of rides from Sturbridge to Provincetown – a 192-mile (307 km) marathon. In 2012, 57 riders hit the road, raising US\$367,256 along the way, all of it donated to Dana-Farber to support the work of this outstanding institution. Over the 14 years of MFS support, the combination of corporate sponsorship and Team MFS fundraising exceeds US\$7 million.

Each year for the PMC, Team MFS pairs up with a “pedal partner,” a young cancer patient being treated at the Jimmy Fund Clinic, the pediatric division of Dana-Farber. In 2012, the MFS pedal partner was nine-year-old Samantha Burns,



Nine-year-old Samantha Burns, the Team MFS “pedal partner” for the 2012 PMC.

whose courageous battle with cancer inspired the team and contributed to their increased total. Diagnosed with acute lymphoblastic leukemia in late 2011, Samantha began chemotherapy treatments. Then, just four months later, she contracted another severe and aggressive infection.

Facing the seemingly insurmountable challenge of a “double whammy” medical situation, Samantha persevered, fighting harder than ever, and now, almost a year later, is on the road to recovery.

But there's more to Samantha's story than beating the medical odds. Her fighting spirit is matched by her amazing empathy for other children in situations similar to hers. While undergoing her own treatments, Samantha noticed that some children in hospital did not have toys, so she teamed up with her teacher to conduct a teddy bear drive at her school for the children in the cancer unit. Her artistic talents also came to the fore. Her drawing of butterflies was used to create a reusable shopping bag.



Samantha designed this reusable shopping bag to raise money for the Jimmy Fund Clinic.

Half the proceeds of each bag sold goes to the Jimmy Fund Clinic. Not stopping there, Samantha inspired her family to launch the “Strong Samantha Team,” which raised \$25,000 for cancer research when they participated in the Leukemia and Lymphoma Society's *Light the Night Walk*.

Samantha is expected to continue treatments at the Jimmy Fund Clinic through 2013. MFS people couldn't agree more with Samantha's mother, Catherine, who said, “She's just a very strong kid. She's determined to do well, and she has inspired a lot of people.”

CITY YEAR

City Year is a national service-based organization that brings together young people to act as corps members who will spend a year as tutors, mentors and role models to help children stay in school and on track. Corps members work with their student groups to help transform schools, enhance communities and inspire learning. In doing so, during their City Year they develop leadership and community service skills they can use for a lifetime. In 2012, MFS was once again a proud City Year sponsor, donating US\$250,000 to fund two teams of corps members working with children at the Dever-McCormack Upper and Lower Schools in Dorchester, Massachusetts.

* MFS stands for Massachusetts Financial Services Company, which is the legal name of the company doing business as MFS Investment Management, a principal subsidiary of Sun Life Financial Inc.

JUMPSTART



MFS has been a major sponsor of Jumpstart for several years, and in 2012 continued its support with a US\$250,000 sponsorship of the School Readiness for All program in Boston's inner-city neighbourhoods. Jumpstart's mandate is to help build language, literacy and social skills in pre-school-age children from low income backgrounds. School Readiness for All identifies four-year-olds who are at risk of being unprepared to perform at grade level when they enter school, and provides literacy and social skills training through a network of Jumpstart college volunteers.

HORIZONS FOR HOMELESS CHILDREN

With its US\$250,000 donation in 2012, MFS began its fifth year as a sponsor of Horizons for Homeless Children. This independent non-profit organization is dedicated exclusively to serving homeless children and their families. Its mission is to improve the lives of these children by providing opportunities for early education and play that all children need.

MFS EMPLOYEES CONTRIBUTE TO THEIR COMMUNITY IN MANY WAYS

The financial support provided by MFS to various causes is augmented by the dedication of the company's employees who contribute thousands of personal dollars through the company's Matching Gift program, and through its Direct Donation program. In addition, and equally important, they volunteer hundreds of hours of time and effort for a wide range of charities, causes and community initiatives.

United Kingdom

BRIGHTER LIFE COMMUNITY PROGRAMME (BLCP)

Our U.K. office, headquartered in Basingstoke, England, had a very successful 2012 with their Brighter Life Community Programme, which funds charity and community groups across Hampshire and Gloucestershire, the two counties where Sun Life employees are based.

Sun Life U.K. received a record number of applications from charities during 2012, and launched the Charity of the Year program, voted on by the employees. They selected Winston's Wish, the leading childhood bereavement charity in the U.K, as their 2012 Charity of the Year. As a result, \$82,000 was contributed to fund residential therapy weekends to support children bereaved through suicide in their families.



The BLCP donated a further \$82,000 in 2012 to support many other initiatives. Some examples included respite nursing care for children, meningitis awareness projects, self-esteem and confidence-building activities, and opportunities for young people with disabilities. The BLCP also matched employee fundraising activities, from bake sales and dress-down days to charity walks and runs.

In 2012, employees were encouraged to participate in the Employee Volunteering Scheme, which allows employees time off to work with local charities or community groups. Some examples included working with the Samaritans, assisting with community gardening projects, school governorships and charity Christmas gift wrapping.

ASIA

Hong Kong

SUN LIFE SHINING ACTION



Our Sun Life Shining Action volunteers celebrate their successful 2012 food drive for the children of the Fresh Fish Traders' School and their families.

Sun Life Shining Action is the name of our volunteer group, made up of Sun Life Hong Kong employees, advisors, clients and their families. In 2012, the group supported the Fresh Fish Traders' School for the third consecutive year.

Almost half of the students' families are new migrants from mainland China, receiving subsidies from the Hong Kong government. Life is very difficult for these families, and they find themselves in need of food, clothing and shoes. The school's dedicated headmaster, Mr. Leung Kee Cheong, began giving canned food as performance incentives to students, hoping to help their families while providing a stable environment in which to study without worrying about basic needs such as food.

Our Sun Life Shining Action team decided to help the school and launched a one-month food donation drive. At the end of the campaign, the team, their families and Sun Life customers, had gathered 25 cartons containing rice, noodles, canned food, honey, candies and biscuits, as well as more than 120 dozen cakes that enabled the students to hold birthday parties. The hard-working volunteers also collected more than \$1,800 in supermarket coupons and 400 pairs of new sports shoes for the children. During the campaign, Sun Life also made a donation for every qualified new policy sold, resulting in more than \$8,000 given to the school to purchase English story books.



Students about to enjoy their Sun Life snack packages.

China

Sun Life operates in China through our partner company Sun Life Everbright Insurance Company Limited (SLEB). Our partners are dedicated supporters of their communities, especially in the areas of environment and health. Following is but one example from among the many SLEB social responsibility programs.

THE SUN LIFE EVERBRIGHT WALK CAMPAIGN (THE SLEB WALK) EXPANDS THROUGHOUT CHINA



Participants gather to begin the 2012 SLEB Walk at the Hangzhou Land Carnival.

The third SLEB Walk showed marked new progress in 2012. The campaign, mounted with government support from the State General Administration of Sport, and backed by media coverage in the 21st Century Business Herald, promotes a low-carbon, green and healthy lifestyle. Through its successful combination of SLEB Walk Club membership, Land Carnivals and website activity, the campaign has achieved extensive public exposure and has met with exceptional public acclaim.

Started in 2010 in Tianjin, Beijing and Nanjing, the campaign added Chongqing, Shanghai and Guangzhou in 2011, and in 2012 added the city of Hangzhou. More than 370,000 people have now become members of the SLEB Walk Club, and more than 53,500 people have participated in the program's Sina micro-blog – the most popular micro-blog in China.



Two happy mascots cheer on SLEB walkers. Their T-shirts read, in part, "Love walking, love life!"

Indonesia

Sun Life Financial in Indonesia consists of three companies (together, SLF Indonesia): PT. Sun Life Financial Indonesia, PT. CIMB Sun Life (CIMB Sun Life), and PT. Sun Life Indonesia Services. Following are the 2012 highlights of two of SLF Indonesia's major corporate social responsibility endeavours.

SLF INDONESIA PROVIDES SUPPORT TO TWO PUBLIC SCHOOLS



Some of the students from SDN Karet Tengsin 15 and 16 public elementary schools. In the background are Johnson Chai, President Director, Sun Life Financial Indonesia; Vivien Kusumawardhani, President Director, CIMB Sun Life; and Bert Paterson, Country Manager, Sun Life Financial in Indonesia.

In 2012, SLF Indonesia made donations to two public elementary schools, SDN Karet Tengsin 15 and 16, which are located close to its head office in Jakarta. The donations consisted of library renovations, school furniture, sports facilities, and painting sections of the school building. "This school contribution aims to support teaching and learning activities for both students and teachers at SDN Karet Tengsin 15 and 16 by creating more enjoyable learning experiences," said Bert Paterson, Country Manager of Sun Life Financial in Indonesia.

CONTRIBUTION THROUGH CIMB SUN LIFE CARE (CSL CARE)



CIMB Sun Life executives Danning Wikanti (far left) and Edwin Eldriansyah (far right), with the two scholarship winners, Feri Supriyatna and Kartika Amestia Hutapea.

In 2012, CIMB Sun Life's corporate social responsibility program, CSL Care, awarded scholarships to two of the best sales representatives from the telemarketing channel who showed strong performances

over the past three years with the company. These scholarships allow the recipients to obtain higher education at Jakarta's Insurance Management College at Trisakti University, one of the most prominent insurance schools in the country.

This scholarship program was in addition to an education donation of a library renovation and sports equipment that CSL Care provided earlier in the year for SDN Karet Tengsin 16 public elementary school.

India

Our joint venture in India, Birla Sun Life Insurance Company Limited (BSLI), makes substantial corporate donations and continually supports its communities through sponsorships of national causes. Following is one important example of the company's social commitment in India.

THE TERRY FOX RUN, MUMBAI

In Mumbai, India, BSLI is one of the main sponsors of the Terry Fox Run, with proceeds going to the Tata Memorial Hospital, India's national centre for cancer research.

In 2012, Mumbai's 14th Terry Fox Run attracted children from more than 60 schools, their families, cancer survivors, community groups, clubs and associations, several popular Indian celebrities, and dignitaries from all levels of government. Executives of the Aditya Birla Group and BSLI were proud to be there to cheer for the cause, and also to present a donation of \$9,000 to the Tata Memorial Hospital to support its ongoing advancements in cancer research and treatment.



Children from more than 60 schools participated in the 2012 Terry Fox Run for cancer research in Mumbai.

Philippines

The Sun Life Financial Philippines (SLF Philippines) Foundation works throughout the year to support and enhance programs of great importance to Filipinos. These include health and well-being, education, and social improvements that help secure brighter futures for families in need. While space in this report cannot accommodate the full list of SLF Philippines' 2012 philanthropic accomplishments, following are three highlights.



Photos 1, 2 and 3: Families are welcomed to their new homes at the Legacy of Light Village

In June 2012, 75 Sun Life employees and advisors gathered at the Legacy of Light Village in Calauan, Laguna, to welcome the families who were relocated from the banks of the Pasig River, where they had been living in makeshift shelters. The construction of 115 homes in the Legacy of Light Village is one of the many environmental initiatives undertaken by SLF Philippines in partnership with the ABS-CBN Foundation to decongest and clean up Manila's Pasig River.

Photos 4 and 5: Brigada Eskwela – cleaner, brighter classrooms

Once again, Sun Life employees were called upon to volunteer in the classroom cleanup and repainting drive of the Department of Education's *Brigada Eskwela* (School Brigade), a program SLF Philippines has supported for several years.

In 2012, no less than 348 dedicated Sun Lifers (many pictured in photo 4) rolled up their sleeves and helped in the clean-up activity at seven schools in Metro Manila, Cebu, Iloilo, Bacolod and Davao. Our SLF Philippines Foundation also donated 1,500 school bags and school supplies for the opening of the school year.

Photos 6 and 7: Children learn the joy of art at the Summer Art Workshops

In partnership with the Knowledge Channel, 87 Sun Life employees, advisors and their family members conducted weekly summer art workshops for the children of Ususan Elementary School. In the spirit of good fun and with the intent of nurturing the children's creativity, Grades 1 and 2 students were taught basic drawing and watercolour painting skills by their Sun Life friends and the Knowledge Channel's resident artist.



Commitment to employees

Every day, Sun Life's mission – helping customers achieve lifetime financial security – is brought to life by our people. It is our employees around the globe who bring their expertise, experiences and collective strengths to help us achieve our common goals and contribute to our unique high performance culture. In exchange, we offer a collaborative and respectful environment, challenging and meaningful work, and rewards that celebrate individual and team successes.

EXAMPLES OF WORLDWIDE PROGRAMS AND OFFERINGS

Programs and offerings for our employees in our various locations include:

- a competitive performance-based compensation program, including salary, annual incentives and recognition bonuses;
- comprehensive retirement plans, stock ownership programs and benefit plans;
- career planning and development tools, tuition reimbursement, orientation and leadership development programs, international opportunities and rotations in the countries where we operate;
- accelerated leadership development program for high potential recent university graduates and experienced leaders;
- extensive in-house development programs and 24/7 access to hundreds of online learning courses and materials;
- a robust wellness program with information sessions, voluntary health assessments, an online healthy weight centre and access to exercise facilities at many major locations;
- access to employee assistance programs when professional help is needed for personal or family challenges;
- telecommuting and flextime opportunities;
- charitable donations matching and volunteer program; and
- post-secondary financial scholarship opportunities for employees' children under the age of 25.

GLOBAL REACH

Sun Life's teams around the globe work together to leverage our strengths. Our top leaders connect regularly to address enterprise-wide challenges, share ideas and

best practices, and nurture a company-wide perspective to advance worldwide programs. Global networks are also active across many of our professional groups.

DIVERSITY

Sun Life has a strong commitment to diversity and inclusion as we recognize their many benefits, including diverse experience and skills, greater innovation and enhanced employee morale and retention.

EMPLOYEE TURNOVER

We take great pride in attracting, retaining and developing Sun Life's talented and dedicated employees. Our global employee turnover rate in 2012 was 14.58 per cent.

WELLNESS AND PREVENTION

We believe that wellness and the prevention of illness are key to healthy living. We offer comprehensive wellness programs to our employees, and to our customers, to help them identify health risks, prevent serious diseases and lead healthier lifestyles. In 2012, we announced a significant multi-year investment in the prevention and treatment of diabetes, outlined in more detail in the Health section of this report, beginning on page 8.

REWARDS AND RECOGNITION

Employees are at the heart of our success, and we strongly believe in recognizing and rewarding their accomplishments. In addition to programs geared toward everyday recognition, we hold various events and ceremonies to celebrate outstanding employee effort and achievement. The CEO's Award of Excellence is the pinnacle of recognition at Sun Life, and annually acknowledges the excellent work and accomplishments of individuals or teams throughout our worldwide operations.



Commitment to customers

At Sun Life, we have always worked hard to develop new and better ways to serve our customers – consumers in general, companies that provide our benefit plans (plan sponsors) and their employees (plan members) – and to make it easier for them to do business with us. Now we have sharpened our focus on the full experience we deliver to our range of customers and business partners.

Our heightened commitment to this effort is in response to what people around the world have told us. While most people recognize that they have a responsibility to make good financial decisions and to develop sound financial plans for their families, they have found that dealing with financial institutions is often difficult, even intimidating.

As a first step in this important direction, in 2012 we implemented a comprehensive consumer satisfaction research program that measures our ability to provide the customers we serve around the world with welcoming, helpful experiences that make it easier for them to achieve lifetime financial security.

The results of this global research program have begun to inform decision making by leaders in each of the countries in which we do business. A brief description of the process follows.

The Net Promoter Score® (NPS)⁴

Our consumer research program is based principally on the NPS, a research industry standard. The score is calculated by asking consumers, on a scale of zero to ten, if they would recommend your firm to a friend or colleague. Those who score your company between zero and six are considered “detractors.” Those who give it a seven or eight are “passives.” Those who rate it a nine or ten are “promoters.” A firm’s NPS is calculated by subtracting the percentage of its respondents who are detractors from the percentage who are promoters. The result is the firm’s score.



Comparisons between organizations are sometimes made. But the real value of this measure is within a firm, over time. So as companies continue to invest in various sources of customer feedback, the expectation is that they will see their NPS result improve. At Sun Life, we began in 2012 using this research methodology as part of comprehensive customer research studies in the U.S., Asia and Canada, and some of the early results are encouraging, indicating that significant progress is being made.

2012 CUSTOMER EXPERIENCE IMPROVEMENTS

Consumer research in the U.S. produced a fascinating set of findings that has begun to transform our commitment to customers across that country. We learned that many consumers can’t see how our solutions fit into their lives because of the way the products are named, described and sold. We also learned that many don’t see us as advocates

for them when bad things do happen, given the way we interact with them during a claim, for example. In short, the insights gathered identified many opportunities for us to serve our customers better throughout their relationships with Sun Life. As a result of these insights, customers will see our representatives in the U.S. advocate for them more, often in difficult situations, and help them with the emergencies and challenges often encountered in life. We will also work hard to make our products easier to understand and more affordable.

In Asia, a pilot research study in 2012 produced a number of key early-stage results. “Job One” is to improve our problem resolution process. That means when a customer has difficulty with us for one reason or another, we will work harder to correct the problem in a fair and equitable manner. That includes implementing a closed-loop process in which our customers can ask us for help with an issue, and we will respond quickly.

We identified four priorities in Canada. First, our commitment to service excellence means providing accurate, timely and easy-to-use services that meet customer expectations. For example, medical paper and web claims processing times have decreased by 75 per cent. We also made improvements to various internal processes. Second, we can now deliver “one-and-done” processing to four out of five customers. Our claims adjustment process, which previously took a week, can now be completed in less than 10 minutes. Third, customers served by more than one of our business units are enjoying a more seamless experience than ever. We aligned our people, processes and technologies so that our representatives can better serve our customers. And fourth, we’re communicating with customers in a manner that matches the best practices delivered by the world’s leading consumer brands.

⁴ Net Promoter, Net Promoter Score and NPS are trademarks of Satmetrix Systems, Inc., Bain & Company, Inc., and Fred Reichheld.



Socially responsible investment practices at Sun Life subsidiaries

As a global financial services organization, the mission, vision and values of our subsidiaries and joint venture partners are consistent with those of Sun Life. We share a commitment to continual improvement as a sustainable organization, and to finding innovative solutions to some of the most complex challenges facing society today.



ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE (ESG) PRACTICES



MFS, headquartered in Boston, dates back to 1924 with the launch of Massachusetts Investors' Trust, America's first mutual fund and a breakthrough of the era, since it opened

access to stock markets for everyday investors. MFS is now a global operation with offices in major markets around the world, and has earned a reputation as one of the world's leading brands in investment management. To help its clients achieve their objectives, MFS employs an investment approach that generally focuses on companies with sustainable, long-term competitive advantages. MFS recognizes that ESG factors can play a role in valuing the companies in which it invests, particularly over longer time horizons.



Principles
for Responsible
Investment

An investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact

SIGNATORY TO THE UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT

MFS is among the first U.S.-based global asset managers of its size to become a signatory to the United Nations Principles for Responsible Investment (UN PRI), which provides a framework that assists institutional investors to integrate ESG factors while meeting their fiduciary responsibilities to act in the best long-term interests of their clients.

MFS's commitment to the UN PRI is consistent with its focus on investing in quality companies with sustainable competitive advantages, and also responds to the growing need of many global institutional investors to seek closer alignment between their investment objectives and sustainable practices.

Since becoming a signatory, MFS has selected an independent ESG research provider to highlight ESG issues to analysts and portfolio managers for their consideration in assessing a company's long-term prospects. MFS believes that the insights thus gained will benefit its clients regardless of their stance on responsible investment. MFS does not consider its commitment to the UN PRI as a change in approach. Rather, it is an affirmation and reinforcement of its long-standing way of doing business.

"By signing the PRI, we are demonstrating our commitment to sustainable investment and business practices. This is consistent with the message we have been telling clients for years."

– Michael Roberge, President and Chief Investment Officer, U.S. Investments, MFS



Birla Sun Life

MICROINSURANCE IN INDIA



For Indian families of limited means, a large proportion of whom live in remote rural areas of the country, the illness or death of the

breadwinner – and the loss of what little income he or she earned – can be an overwhelming blow to the survivors already living in poverty and struggling to feed and educate their children. Microinsurance – small-premium, small-payout policies for the poor – can provide families with a measure of peace of mind not previously available. BSLI, our joint venture in India, has provided microinsurance products since 2007, and has since expanded its services. Over the past four years, in an effort to ensure that the benefits of insurance can reach those who need it most, BSLI has joined forces with some of the largest NGOs across India to open more than 50 small rural offices known as Rural Bima Kendras, where rural residents can come to receive counsel and assistance with the purchase of these specially tailored microinsurance products.

Environmental sustainability

At Sun Life, we are proud of steps we have taken – large and small – to advance our sustainability profile. While it is most gratifying to see our efforts recognized by respected third parties, as highlighted on page 3 of this report, we know there is always more to be done. We also acknowledge that the path forward is not always clear and that we may not have all the answers. We believe that the best results are gained from looking both within our organization and externally, and from collaborating with organizations whose broad sustainability goals are consistent with our own. Through sharing what we have learned, and learning from others, we will best be able to advance environmental sustainability within our own operations and, ultimately, on a global level.

The long-term nature of our business – making commitments extending 20, 30, 40 years or more into the future – is intrinsically aligned with the concept of sustainability. While our business does not generate the type or scale of environmental impact many other sectors do, we recognize that operating physical premises and carrying out regular business activities still have some impact. Therefore, there are always opportunities for improvement.

Our International Sustainability Council, composed of senior leaders with relevant responsibilities from across the enterprise, continues to set direction and champion key sustainability initiatives. Their influence is demonstrated in this section of the report, in which we will highlight some of the ways we are seeking to broaden our knowledge and work with others to advance environmental sustainability. We will also review some of the activities we have undertaken in our buildings and throughout our operations.

Engaging with global third-party organizations

THE UNITED NATIONS ENVIRONMENT PROGRAMME FINANCE INITIATIVE



UNEP Finance Initiative
Innovative financing for sustainability

In 2012, Sun Life's International Sustainability Council undertook to research international sustainability-focused codes, principles and organizations that have relevance to our sector and would benefit our organization's sustainability efforts. One of the resulting decisions was to join the United Nations Environment Programme Finance Initiative (UNEP FI), a global partnership between UNEP and the financial sector. More than 200 institutions, including other insurers, banks and fund managers, work with UNEP to understand the impact of environmental and social considerations on financial performance.

THE CARBON DISCLOSURE PROJECT

The Carbon Disclosure Project (CDP) is an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information. The CDP now holds the largest global collection of primary climate change and water data, and applies these insights to strategic business, investment and policy decisions. Each year, the CDP sends an "Investor CDP Information Request" to more than 5,000 of the world's largest listed companies to collect standardized climate change information. We are among the signatories to this request.

As a responding company, in 2012 we filed our first public Carbon Disclosure Project response. We invite you to read our response at www.cdproject.net, under *Reports & Data*. You may also review a summary version of Sun Life's greenhouse gas data, a component of the Carbon Disclosure Project response, on page 39 of this report.

SUSTAINABLE WATERLOO REGION



REGIONAL CARBON INITIATIVE
OBSERVING ORGANIZATION

Waterloo Region is a large and vibrant municipality in southern Ontario that includes the three cities of Cambridge, Kitchener

and Waterloo, as well as four surrounding townships. Waterloo is also the home of our Canadian headquarters, where approximately 40 per cent of Sun Life's Canadian employees are based – some 3,000 people who live, work, raise families and do business in this region.

Sustainable Waterloo Region is a non-profit group that advances the environmental sustainability of organizations across Waterloo Region through collaboration. Sustainable Waterloo Region's flagship program is the Regional Carbon

Initiative, which facilitates voluntary target setting and reductions of greenhouse gas emissions by local organizations by providing members with the networks, resources and other support services necessary to do so.

As an Observing Organization in the Regional Carbon Initiative, we value the many development and networking opportunities that have contributed to our understanding of the technical aspects of preparing to set reduction targets, as well as broader related topics. This is a model that other communities are now looking to replicate. The tools, support and networks we have been able to develop to date continue to add value, and move us closer to readiness to become a Pledging Partner committed to a specific reduction target. Sun Life is also proud to support the work of Sustainable Waterloo Region by serving as an Event Season Sponsor of the Regional Carbon Initiative.



Environmental sustainability in our premises

Sun Life occupies approximately 2.7 million square feet of office space across Canada, and we continually look for better ways to operate this space in a responsible and environmentally sustainable manner. In 2012, throughout our Canadian organization, we completed several energy and water efficiency projects and achieved substantial improvements in our environmental profile. The few specific examples that follow are indicative of our overall progress toward achieving cleaner, greener working environments for our employees in all Sun Life buildings across Canada.

• **Replacement of power supply components** – In 2012 we replaced two uninterrupted power supply units in our data centre. This upgrade is expected to achieve energy savings of approximately 250,000 kWh per year.

- **Reduction in exterior accent lighting** – We eliminated outdoor accent lighting at our Canadian headquarters in all but one portion of the building, where existing lighting was replaced with more energy-efficient LED units.
- **Interior lighting control** – In our larger Toronto offices, efforts continued to upgrade lighting systems to reduce energy consumption as well as the frequency of lamp replacements.
- **Reduction of water consumption** – We continued to replace original water fixtures with low-flow models in our corporate offices and Canadian headquarters.

Environmental sustainability in our business practices

We are continually evolving our business practices to include more environmentally sensitive ways of working, and to reduce our carbon footprint.

REDUCING TRAVEL THROUGH WEB CONFERENCING

As an international company, we have offices in the United States, the United Kingdom and several countries throughout Asia. By linking our offices and departments virtually, we can maintain business communication without the need to travel – significantly reducing our carbon footprint.

A common use for web conferencing is to provide training for employees located in multiple sites – for example, by connecting several offices in Canada with our Service Centre in India. Working groups spread across multiple locations also find web conferencing an effective way to maintain team connections. As an example, one manager estimated that he avoided approximately 14,000 km of car travel and 12,000 km of air travel in a year through the use of web conferencing tools. In 2012, throughout our organization, more than 3,000 Sun Life employees hosted web conferences.

INCREASE IN COMPOSTABLE MATERIALS



During 2012, in our Waterloo King and Waterloo Westmount buildings, where approximately 40 per cent of employees across Canada are based, we worked

with our food services provider to introduce compostable takeout packaging in our dining areas. All takeout containers and utensils must now be compostable or recyclable, and reusable options continue to be available.

TELEPHONY PROJECT

Since 2011, Sun Life has been upgrading to new phones that help reduce associated power use by 25 per cent. In doing so, our telephony team ensures that 100 per cent of the materials from the old phones are diverted from landfills. Here are the encouraging results:

- 13,490 pounds of plastic were recycled into new seat benches;
- 1,090 pounds of circuit boards yielded metal for gold, platinum and silver for jewelry manufacturers;
- 784 pounds of steel were smelted to produce metal for the automotive industry; and
- 156 pounds of copper-bearing material were recycled to produce wire for the manufacture of new phones.

REDUCING DELIVERY FREQUENCY



We partnered with our office supplies provider in Canada to ensure sustainable purchasing practices in all our locations. For example, we adopted a Right Day Delivery program, which

offers an environmentally responsible delivery option for all office supplies requests. Under this program, the number of delivery dates is limited to two per week. Our provider estimates this will result in a 17 per cent decrease in greenhouse gas emissions generated by deliveries.

EMPLOYEE ENGAGEMENT

We continue to engage employees in sustainability awareness through thought-provoking articles, leader hosted online discussion forums, and participation in Earth Hour, Earth Week and Earth Month activities. In 2012, during Earth Week, we held an e-waste collection event for employees. As a result of this event, we collected one entire skid of televisions and three bins of e-waste, for a total of 2,427 pounds of e-waste for reuse or recycling. In addition, teams of volunteers from multiple offices participated in Earth Month community cleanup events. The combined waste from the cleanup efforts of two of our offices was enough to fill a garbage truck to overflowing.

PAPER USE

Our paperless services provide fast, easy solutions for our customers. However, paper remains necessary to our operations and is our primary consumed material. Paper use in 2012 was 1,066 tonnes.* For office use, we purchase 30 per cent post-consumer recycled content paper.

SUSTAINABLE COMMUTING

TRAVELwise



Sun Life in Waterloo joined TravelWise to help employees move

to more sustainable forms of commuting. TravelWise is a Region of Waterloo Transportation Demand Management program that provides an assortment of transportation tools and services for employees of registered TravelWise Transportation Management Association companies. The program removes common barriers to changing commuting practices and provides employees with access to an online carpool matching program, discounted transit passes, and sustainable commuting information specifically targeted to the individual employee's needs and interests.

* Based on total office and internal printing use, and partial external printing (50 per cent by spend), for Canada.

Investment in clean and renewable energy

Sun Life has been investing in clean and renewable energy for 29 years, providing long-term financing solutions to developers. As a leader within the Canadian financial services industry, we have over those years invested more than \$2.5 billion in energy-related projects, including hydro-electric, wind, gas-fired and biomass power generation. Our portfolio also includes natural gas/cogeneration projects, which are considered environmentally preferable, as they use otherwise waste heat from neighbouring industries. In 2012, as part of our continuing involvement in this sector, we provided financing of approximately \$522 million in ten green and renewable energy projects. Two examples are described here.

SOLAR POWER

In 2012, we provided long-term financing for two solar projects in St. Isidore, Ontario, southeast of Ottawa, consisting of 11.6 Megawatt (MW) and 11.8 MW solar power generating sites. Each project interconnects to the Hydro One Networks Inc. distribution system, providing clean, renewable energy to thousands of homes and businesses. The power projects have reached final completion under their respective construction contracts and are now operational. Long-term operation and maintenance of the projects will be managed using local expertise.

Solar projects such as these at St. Isidore are considered environmentally desirable, as the only input they require to produce energy is sunlight, available at no cost. Solar plants do not cause pollution, emit greenhouse gases or release carcinogens into the air, nor do they cause noise that would disturb local residents.

These solar projects also contribute to the creation of thousands of direct and indirect jobs and help to expand Ontario's use of clean and renewable sources of energy. This in turns helps to protect the environment by combatting climate change and creating a healthier future for generations to come.

WIND POWER

In 2012, Sun Life was lead lender in a long-term financing to support the construction of a 100 MW 50-turbine wind farm project located in the Quebec regional municipality referred to as Centre-du-Québec. Once completed, the Quebec project will provide enough clean renewable energy to supply nearly 30,000 homes.

Wind farms generate energy by simply allowing wind to rotate the turbine blades. This rotation in turn causes the turbine's generator to produce electricity, which is then transmitted to the power grid through interconnecting power lines. Given that the energy resource – wind – is clean, free, reliable and inexhaustible, and that wind generation produces no harmful airborne emissions or waterborne pollutants, it exerts limited environmental impact when compared to traditional fossil fuel-based power generation methods. The Quebec project followed industry best practices when preparing environmental impact assessments to ensure there would be minimal negative effect on local residents, wildlife, forestry, or waterways.

In addition to environmental benefits, this project will provide material economic benefit to its local communities, many of which are rural, through the creation of hundreds of construction jobs and significant local demand for goods and services such as food and lodging. Following construction, a number of permanent positions will be required to operate and maintain the wind farm. As well, due to domestic content requirements, the developer must ensure that more than half of the project's inputs are sourced within the province.

On a related note, the wind farm is also expected to benefit the local community by serving as a tourist attraction. The visitors' centre will provide a venue for local cultural events, ongoing education, and promotion of renewable energy and sustainable development.



(From the left): An example of the type of solar panels at the Ontario solar power generating sites; artist's rendering of the visitors' centre at the Quebec wind farm; and an example of the type of wind turbines that will be used at the Quebec wind farm.

Sustainability in our real estate

Owning a real estate portfolio for investment purposes requires Sun Life to be a socially and environmentally responsible landlord. Our strategy is to own real estate assets that have a sustainable footprint achieved through proactive management of their effects on the environment.

ENVIRONMENTAL IMPROVEMENTS TO EXISTING BUILDINGS

Our primary goal for existing buildings is to actively monitor and manage the environmental footprint of each property. In doing so, our first objective is to align ourselves with organizations in the real estate industry, such as BOMA⁵ Canada and the Canada Green Building Council, which have identified industry best practices and developed programs to help landlords achieve optimal environmental performance.

To date, 62 per cent (by market value) of Sun Life's existing real estate has been awarded either a BOMA BEST⁶ or LEED[®] EB⁷ designation.

These achievements, together with the measurement of our greenhouse gas footprint (shown on page 39), provide our investment professionals with a benchmark from which to set new goals to help build even better environments for our occupants while minimizing the impact on our natural surroundings. Following are some examples.

MISSISSAUGA EXECUTIVE CENTRE RECEIVES LEED[®] EB GOLD



One of the buildings in the Mississauga Executive Centre, a four building office complex in downtown Mississauga, Ontario.

In 2012, Sun Life received a LEED[®] EB Gold designation for the Mississauga Executive Centre; a four building, 1.1 million square foot commercial complex in Mississauga's vibrant core, adjacent to that city's municipal offices, cultural venues and the iconic Square One shopping centre. Our aggressive commitment to achieving LEED[®] Gold status involved bringing not one, but four buildings of varying ages, construction and mechanical and electrical systems up to certification level. The complex as a whole received the LEED[®] Gold EB designation in June, following the completion of dozens of energy-saving upgrades that include:

- reprogramming HVAC systems to reduce their operation by one hour per day;
- air quality testing to ensure adequate fresh air delivery to each floor;
- infrared scanning of the building exteriors to check for air leakage, and repairing such leaks if detected;
- lighting control reprogramming to more closely match occupancy;
- being the first major office complex in Peel Region to implement extensive water saving techniques involving every use of water; and
- waste audits to ensure maximum diversion from landfills.

WATER SAVINGS IN RESIDENTIAL BUILDINGS



Durand Village in Hamilton is one example of four apartment complexes in Ontario that were retrofitted with water conservation upgrades in 2012.

In 2012, we undertook significant retrofitting of the water systems in more than 1,100 suites in four apartment complexes in Burlington, Hamilton, Kitchener and London, Ontario. The work included replacing all previous kitchen and bathroom fittings

with low-flow models. These significant retrofits are expected to reduce water consumption across the four complexes by more than 25 per cent.

GREEN INITIATIVES IN WESTERN CANADA

Sun Life owns a number of properties in western Canada, and in 2012 made a series of upgrades, replacements and conversions that contributed to significant energy and water savings at our buildings in Winnipeg, Calgary, Edmonton and the Greater Vancouver area. The examples on the next page are indicative of the work done throughout western Canada.

[®] LEED is a registered trade-mark of the U.S. Green Building Council.

⁵ BOMA stands for Building Owners and Managers Association.

⁶ BEST stands for Building Environmental Standards.

⁷ EB stands for Existing Buildings.



Office building at 200 Graham Avenue, Winnipeg, Manitoba.

This office building in downtown Winnipeg is occupied by high-profile corporations and government agencies, and has access to the Winnipeg Skyway, a pedestrian walkway that links various sections of downtown. During 2012, Sun Life implemented several environmentally responsible features, including:

- reduction of operating times of HVAC to save unneeded energy draw;
- conversion of main floor lighting from 250 watt incandescent pot lights to high-efficiency 18 watt compact fluorescent bulbs;
- conversion of all exit signs to LED units; and
- planning upgrades to water-efficient fixtures in three floors of common area washrooms.



Two industrial properties in British Columbia: Bridgeside Industrial Centre (left) in Richmond, and Cliveden Centre 3, one of six buildings in the Cliveden complex in Delta.

In December 2012, Sun Life launched an ambitious lighting upgrade project at these two industrial properties in the Greater Vancouver area. The extensive lighting retrofits will replace existing lamps with superior technology lighting, and will see automatic occupancy sensors installed in all offices, storage rooms and washrooms now fitted with on-off light switches. Estimates for two of the Cliveden buildings alone project a reduction in electricity consumption of 14.6 per cent – an annual saving of more than 2.5 million kWh.

GREENHOUSE GAS (GhG) INVENTORY (tonnes CO₂e) – CANADA

CANADIAN REAL ESTATE	2008	2009	2010	2011	2012
Natural gas (Scope 1)	31,711	32,410	30,132	30,791	29,672
Electricity and steam (Scope 2)	54,525	53,794	51,263	45,059	45,071
Waste and water (Scope 3)	8,473	8,412	8,318	7,676	7,761
Total for Canadian real estate	94,709	94,616	89,713	83,525	82,504
Intensity for Canadian real estate	4.2	4.2	4	3.7	3.6
LEASED PROPERTIES					
Natural gas (Scope 1)	1,133	1,112	943	891	670
Electricity and chilled water (Scope 2)	2,581	2,597	2,643	2,158	2,090
Waste and water (Scope 3)	108	102	104	78	82
Total for leased properties in Canada	3,821	3,811	3,690	3,126	2,842
Total footprint – Canada	98,530	98,427	93,403	86,651	85,346

ENERGY USE (GJ) – CANADA	2008	2009	2010	2011	2012
Natural gas (direct)	643,430	658,990	623,361	633,678	594,883
Electricity,* steam, chilled water (indirect)	841,973	821,930	753,648	692,668	713,784
Green power/renewable energy (indirect)	0	9,633	60,658	89,055	51,823
Total energy use – Canada	1,485,403	1,490,553	1,437,666	1,415,401	1,360,490

NOTES:

- GhG values are calculated based on the Greenhouse Gas Protocol of the World Resources Institute and the World Business Council for Sustainable Development (www.ghgprotocol.org).
- Emissions are reported here on a "rolling five year" basis, i.e. 2008-2012 for the 2012 reporting year.
- Sun Life has chosen the operational control approach for determining the scope of its GhG and energy use reporting. This includes all locations for which Sun Life (or its third party property managers) is directly metered and billed for energy used and where Sun Life has the ability to implement energy reduction initiatives. Joint venture properties for which Sun Life has operational control are accounted for based on percentage ownership.
- All GhG values are tonnes of carbon dioxide equivalents (tonnes CO₂e); all energy use values are in gigajoules (GJ); both are reported for the calendar year (January 1 to December 31).
- Emissions factors for natural gas and electricity are taken from the Environment Canada National Inventory Report 1990-2010 (published in 2012). 2010 electricity emissions factors are applied across all years.
- Emissions factors for water are taken from the Polis Project on Ecological Governance (March 2009).
- Industrial emissions for 2008 were set to equal 2009 emissions, as data was not compiled for 2008.
- Waste data was not available for all sites.
- Emissions from waste used to produce energy at Waste to Energy (WTE) facilities are not considered to be in scope.
- The impact of green power purchases is included in the results above.

*Net of green power/renewable energy purchases.

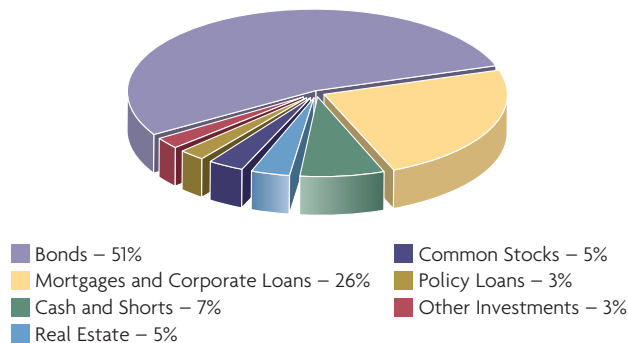
Investment profile

Investment assets. As an investor, Sun Life contributes to the Canadian economy through the diversification of its investment portfolio, which includes bonds, mortgages, real estate and stocks. We focus on maintaining high-quality, well diversified portfolios in each country where we operate.

The charts below illustrate the Company's total investment assets – worldwide, in Canada and by country.

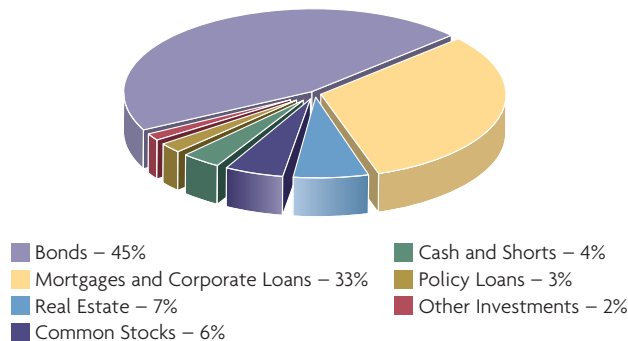
Total investment assets – global investments

Statement values as at December 31, 2012 – \$106 billion



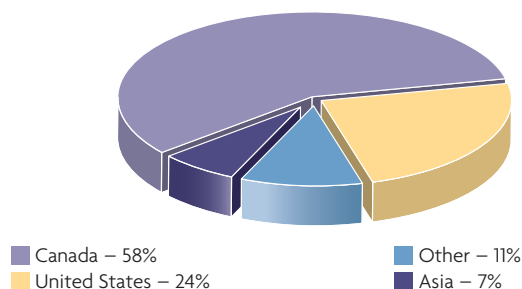
Total investment assets – Canadian investments

Canadian statement values as at December 31, 2012 – \$61 billion



Total investment assets – by country

Statement values as at December 31, 2012 – \$106 billion



Commercial mortgage lending

Sun Life is a leading provider of commercial mortgages throughout North America. The Company issues long-term fixed-rate mortgages within the retail, office, industrial and multi-family residential sectors. In addition, Sun Life has a construction lending program in Canada, whereby we lend to builders and developers. In 2012, Sun Life committed to 128 commercial mortgage loans for a total of \$1.08 billion in Canada, and 69 loans for a total of US\$930.7 million in the United States. In addition, Sun Life committed a further \$349.3 million for construction lending.

Common stocks

Sun Life's investments in publicly traded common stocks are concentrated in Canada and the United States. Our holdings span a variety of economic sectors including health care, biotechnology, information technology, financials, real estate, industrial, energy and consumer products. Within these sectors are companies that employ thousands of people all over the world, and provide valuable products and services – new drugs to treat various diseases, financing to individuals and businesses, and companies that develop new technologies to improve the quality of people's lives.

Public fixed income

Through good and bad economic times, Sun Life remains a consistent and important provider of debt capital to large and small North American and global corporations. These companies include health-care providers, financial services and essential service providers such as utilities, airports and major highways. These businesses form the backbone of our economy, and through our continued support they are able to grow, create jobs and expand their global presence.



We are also a significant provider of financing to all levels of federal, provincial, state and municipal governments. Through our support, they are able to improve infrastructure, support social programs and provide the critical funding needed to help improve and sustain living conditions. In 2012, Sun Life invested more than \$6 billion in fresh capital into the fixed income marketplace.

Risk management

At Sun Life, strong risk management is one of our core values. The Company has a history of developing strategies to avoid or lessen risk, and this discipline is a key consideration in our product development process. For example, by using hedging strategies, we are able to offer unique insurance and retirement solutions. These strategies allow us to offer richer product features than would otherwise be possible, giving our customers greater confidence in Sun Life's products for their long-term financial planning needs. Our principles of asset diversification, fundamental research and analysis of cash flows, proactive and continuous monitoring, and active management, among others, are core principles in the management of investment risk. All told, our risk management programs contribute to the overall safety and security of Sun Life's financial strength.

Private fixed income

Sun Life considers every new loan investment within the context of its social and environmental impact. An important aspect of the approval process is an assessment of the borrower for existing and potential environmental risks. Borrowers are required to comply with environmental laws and regulations, and are assessed on the appropriateness of their controls and monitoring to ensure compliance.

INFRASTRUCTURE FINANCING

Infrastructure financing includes the provision of long-term capital to support the construction, operation and maintenance of capital-intensive projects that contribute to the health of the economy. Canada has become a world leader in partnering with the private sector to stimulate the economy through long-term infrastructure development – creating thousands of jobs in the process, and stimulating economic growth and prosperity. Sun Life is proud to be among the leading financiers in this area.

Much of our infrastructure financing in Canada supports social and environmental initiatives, including airports, secondary and post-secondary educational facilities, hospitals, health care and medical research, libraries, correctional facilities, essential services in Northern Canada and social housing. The Company's investments in 2012 have promoted social initiatives including the construction of new health facilities in Ontario, new hospitals in Quebec, Ontario and British Columbia, and roads and bridges in Alberta and Ontario. The buildings involved are all to be LEED® certified.



An example of Sun Life's social infrastructure financing in the province of Ontario is the Woodstock General Hospital, which was completed as a public-private partnership on time and on budget.

In addition to the obvious social benefits of having new roads, bridges and hospitals, as mentioned above, these projects generate significant employment. The Company's diverse financing activities have also supported other transportation efficiencies across Canada, and new educational facilities. Canada continues to have an infrastructure deficit that likely exceeds \$100 billion in key areas such as transportation and health-care facilities, which will require innovative financing in the coming years. Financing of this infrastructure continues to be a focus at Sun Life, particularly as the public sector continues to diversify funding sources by partnering with the private sector. Our Canadian private infrastructure portfolio totalled more than \$2.5 billion at December 31, 2012.

In 2012, Sun Life also participated in debt financing for a number of green electrical generating projects in Canada and the United States. These included a wind power project in Quebec, two solar power projects in Ontario, and a geothermal plant in California that uses natural heat

contained in the earth to make steam, which in turn runs the turbines that create electricity. These projects will provide clean, affordable energy to power thousands of households while displacing thousands of tonnes of greenhouse gas emissions each year.



This geothermal facility in California uses heat from under the ground to create steam for turbines that generate electricity.

MID-MARKET LENDING

Sun Life is a very active lender to mid-size Canadian corporations – those with revenues of less than \$500 million. During 2012, we lent more than \$300 million to a variety of mid-size Canadian companies operating in different industries. These corporations produce a wide range of goods and services, and are essential contributors to the Canadian economy.



We also continued to provide financing to long-term care facilities across Canada. As Canada’s demographics change to include a much higher percentage of elderly citizens, our society will be increasingly called upon to care for the aged. In 2012, we provided more than

\$150 million in debt financing to long-term care providers who are dedicated to delivering high-quality care to seniors.

One of our associated investments involved \$2 million in the Capital for Aboriginal Prosperity and Entrepreneurship (CAPE) Fund, whose mission is to further a culture of economic independence, ownership, entrepreneurship and enterprise management among Aboriginal peoples. In communities where economic opportunity and capable political leadership are present, the Fund intends to provide capital, expertise and mentoring on individual projects that are capable of generating both social and economic returns.



PRIVATE SECURITIZATION FINANCE (formerly Lease Finance)

In 2012, Sun Life Private Securitization Finance funded \$950 million in equipment and vehicle lease transactions through its nationwide network of client lessors, bringing total assets under management to \$1.8 billion. During 2012, the small to mid-ticket lease industry saw continued consolidation and continued emergence of new funders with significant capital resources, as well as the re-emergence of funders who exited the industry due to the credit market uncertainty that began in 2009. Even with these competitive forces, Sun Life remained a significant source of capital for this market. As a result, Sun Life indirectly provided capital to approximately 25,000 small businesses and individuals, based on an average transaction size of \$40,000.

Sun Life continued to see increased opportunities to provide financing to health-care professionals across Canada, including doctors, dentists, pharmacists and



opticians. The proceeds of this financing will be used to improve the delivery of health-care services to patients.

In 2012, Private Securitization Finance continued its participation in environmentally favourable initiatives through its partnerships with four intermediaries who finance energy-smart home renovations (high-efficiency furnaces, hot water tanks and energy efficient window installations) that qualify for federal and provincial ecoENERGY grant programs. We also continued to work with businesses that promote efficient electricity use through the installation of hydroelectric “smart meters” in high-rise apartments and condominium towers.



PROJECT FINANCING

Project financing includes providing construction funding and long-term debt to support capital-intensive projects in sectors such as infrastructure and energy. For 29 years, Sun Life has sponsored environmentally favourable energy projects by providing long-term financing to developers of renewable energy and cogeneration projects. Sun Life has also provided early stage development capital to sponsor a number of renewable energy companies in Canada, some of which have successfully listed publicly, facilitating continued growth of their businesses. As a leader within the Canadian financial services industry for financing the construction of new renewable energy and cogeneration facilities in Canada, in 2012 we provided \$522 million in financing for such projects.



Across Canada, Sun Life's investments in this sector total more than \$2 billion and include hydroelectric power, wind, biomass and ethanol projects, as well as combined biomass/gas cogeneration projects – an environmentally preferred source of energy. This is one of the largest portfolios of its kind in Canada. Green and renewable energy is considered a growth sector, benefiting Sun Life's stakeholders, Canada's economy and the environment.

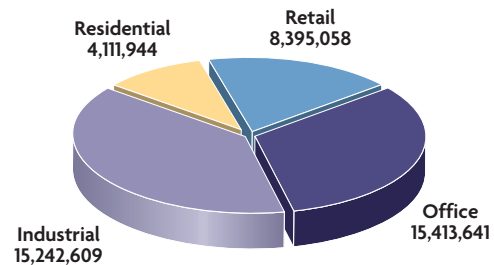
During 2012, Sun Life also provided new long-term debt financing of more than \$400 million in infrastructure projects in Canada. (This amount is included in the \$2.5 billion private infrastructure portfolio figure cited on page 41.) As a result, our Private Fixed Income Project Finance portfolio exceeds \$5 billion, which is among the largest of its type in Canada.

Real estate

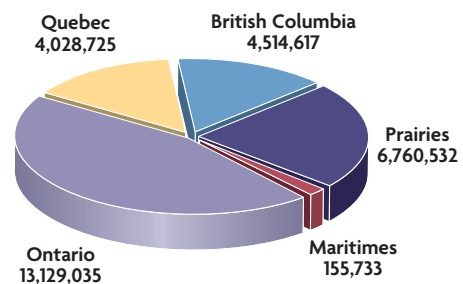
Our North American real estate portfolio consists of more than 43.2 million square feet of gross leasable area (GLA) with a market value of \$5.1 billion in Canada and \$1.6 billion in the U.S., for a total of \$6.7 billion. In each country, the portfolio is well diversified across both geography and asset type (office, industrial, retail and residential). This commercial space supports economic activity by providing premises for more than 2,000 small, medium and large size businesses across North America.

We continue to expand the portfolio through acquisitions and developments. Development activity generates construction jobs and economic growth in local communities. Our real estate investments in Canada also include rental apartment properties that provide housing for more than 10,000 people across the country.

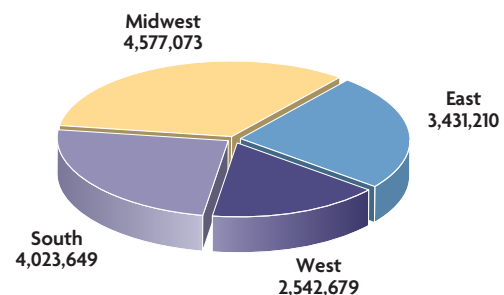
North America GLA by asset class in sq.ft.



Canada GLA by region in sq.ft.



U.S.A. GLA by region in sq.ft.



Debt financing

Debt financing to firms in Canada – 2012 (in \$000s)

For authorization levels of:

\$250,000 – \$499,999*	Authorizations	Outstanding	Customers
Quebec	402	0	1
Total	402	0	1
\$500,000 – \$999,999			
Alberta	1,480	0	2
British Columbia	864	0	1
Total	2,344	0	3
\$1,000,000 – \$4,999,999			
Alberta	22,837	2,784	6
British Columbia	29,984	156	11
Nova Scotia	3,074	0	2
Ontario	22,109	0	9
Quebec	16,299	3,121	7
Saskatchewan	1,400	0	1
Total	95,703	6,061	36
\$5,000,000 and greater			
Alberta	521,538	89,173	25
British Columbia	467,194	94,688	21
Manitoba	12,555	0	2
Nova Scotia	33,500	0	1
Ontario	1,763,764	103,809	61
Quebec	248,138	35,681	8
Saskatchewan	16,244	0	2
Total	3,062,933	323,351	120
Total all authorization bands			
Alberta	545,855	91,957	33
British Columbia	498,042	94,844	33
Manitoba	12,555	0	2
Nova Scotia	36,574	0	3
Ontario	1,785,873	103,809	70
Quebec	264,839	38,802	16
Saskatchewan	17,644	0	3
Total	3,161,382	329,412	160

NOTES:

Authorizations include all new commitments for 2012.

Outstanding amounts include any new commitments that were not yet advanced in 2012.

*There was no activity for authorization levels \$0 to \$24,999; \$25,000 to \$99,999; or \$100,000 to \$249,999 for the year 2012.

Economic value generated and distributed globally

DIRECT ECONOMIC VALUE GENERATED IN 2012	(in CAD\$ millions)
a) Revenue	\$ 16,011
ECONOMIC VALUE DISTRIBUTED	
b) Operating costs consisting primarily of policyholder claims and benefits	9,383
c) Employee wages and benefits	1,909
d) Dividends and interest	1,331
e) Income and premium taxes	418
f) Community investments	13
ECONOMIC VALUE RETAINED*	\$ 2,957

* Economic value retained also includes impact of changes in policyholder liabilities for the year.

NOTE: On December 17, 2012, we entered into a definitive stock purchase agreement to sell our U.S. annuities business and certain of our U.S. life insurance businesses (the "U.S. Annuity Business"), including all of the issued and outstanding shares of Sun Life Assurance Company of Canada (U.S.). Income and expenses associated with the U.S. Annuity Business to be sold have been classified as discontinued operations; the related net benefit is included in Revenue in this table.

Employees and advisors

Sun Life Financial employs close to 15,000 people around the world. In 2012, the Company paid \$2.1 billion in salaries and benefits to employees worldwide. Of this total, \$970 million was paid in salaries and benefits to Canadian employees.

Full-time and part-time employees in Canada*

BY PROVINCE	FULL-TIME	PART-TIME	TOTALS
Alberta	485	14	499
British Columbia	143	1	144
Manitoba	19	0	19
New Brunswick	9	0	9
Newfoundland and Labrador	8	0	8
Nova Scotia	41	2	43
Ontario	5,436	144	5,580
Prince Edward Island	3	0	3
Quebec	1,525	63	1,588
Saskatchewan	8	1	9
Total	7,677	225	7,902

*Employee numbers by province represent head count.

Around the world

COUNTRY	NUMBER OF FTEs**
Australia	15
Bermuda	30
Canada	7,885
China	5
Europe	240
Hong Kong	640
India	740
Indonesia	350
Ireland	345
Japan	25
Philippines	870
Singapore	20
South America	15
United States	3,710
Total FTEs	14,890

**Employee numbers around the world represent regular full-time equivalent employees.

Sun Life Financial and its joint ventures have a network of more than 128,000 advisors throughout the world to sell the Company's products and services. This network consists of independent career advisors, managers and insurance specialists focused on helping customers achieve lifetime financial security.

Advisors in Canada and around the world

Canada	3,715
China – Sun Life Everbright	2,920
Hong Kong	1,170
India – Birla Sun Life	109,995
Indonesia	5,005
Philippines	5,740
Total	128,545

Sun Life Financial also supported thousands of other jobs indirectly, in Canada and around the world, through its purchases in economic sectors such as service industries and information technology infrastructures and consultancies. In 2012, the Company paid approximately \$1.2 billion to external goods and services providers worldwide. Of this amount, almost \$500 million was paid to Canadian suppliers.

Sun Life employees are not represented by an independent union or covered by collective bargaining agreements.

Taxes paid

The taxes we pay in Canada and around the world are another measure of the way Sun Life Financial contributes to the economies and societies in which we live, work and do business.

In 2012, in all jurisdictions where the Company operates, tax expenses to governments totalled \$700 million. Of this total, \$217 million was paid in income taxes, \$188 million was paid in premium taxes and \$295 million was paid in excise, property and payroll taxes. In Canada, the Company's total tax expenses for 2012 were \$430 million.

Sun Life Financial Inc.'s 2012 Consolidated Tax Expenses (in thousands of dollars)

TYPE OF TAX	INCOME TAXES*	PREMIUM TAXES	TOTAL OTHER TAXES**	TOTAL
Canada				
Federal	\$ 60,601	\$ 0	\$ 67,470	\$ 128,071
Alberta	4,112	14,565	15,808	34,485
British Columbia	5,052	18,181	16,311	39,544
Manitoba	1,093	3,366	528	4,987
New Brunswick	958	3,574	758	5,290
Newfoundland and Labrador	744	1,972	417	3,133
Northwest Territories	36	101	0	137
Nova Scotia	1,378	3,260	1,502	6,140
Nunavut	0	1	0	1
Ontario	21,238	52,393	68,808	142,439
Prince Edward Island	385	883	8	1,276
Quebec	9,775	28,795	20,046	58,616
Saskatchewan	1,276	3,908	139	5,323
Yukon	66	124	0	190
Total – Canada	\$ 106,714	\$ 131,123	\$ 191,795	\$ 429,632

* Income tax amounts are estimates based on information available for the year ended December 31, 2012.

** The category "Total other taxes" refers to \$86 million in property taxes, \$43 million in payroll taxes, \$29 million in investment income taxes and \$34 million in sales and excise taxes.

Subsidiaries

Principal subsidiaries of Sun Life Financial Inc. as of December 31, 2012

Massachusetts Financial Services Company
 PT. Sun Life Financial Indonesia
 SLFC Assurance (UK) Limited
 Sun Life Assurance Company of Canada
 Sun Life Assurance Company of Canada (U.K.) Limited
 Sun Life Assurance Company of Canada (U.S.)
 Sun Life Financial Insurance and Annuity Company
 (Bermuda) Ltd.

Sun Life Financial Trust Inc.
 Sun Life Global Investments (Canada) Inc.
 Sun Life Hong Kong Limited
 Sun Life Insurance and Annuity Company of New York
 Sun Life Insurance (Canada) Limited
 Sun Life of Canada (Philippines), Inc.

Contact us

For more information on Sun Life's approach to environmental, social and governance practices, contact:

Sun Life Financial
Public and Corporate Affairs
150 King Street West, 4th Floor
Toronto, ON M5H 1J9
Canada

Tel: 416-979-6094
Email: corporate.affairs@sunlife.com

Philanthropy funding applications

Complete details of our areas of funding can be found at:
www.sunlife.com → Corporate responsibility → Philanthropy program guidelines

Funding requests should be directed as follows:

Contact for Canada (excluding Quebec)

Linda M. MacKenzie
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Contact for Quebec

Anne-Marie Buchanan
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Email: anne-marie.buchanan@sunlife.com

Contact for United States

Kaitlin Jaquez
Associate Director, Philanthropy
Sun Life Financial
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Wellesley Hills, MA 02481

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Contact for Asia

Mei Velasquez
Head of Customer Marketing and Communications
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Hong Kong

Tel: 852-2918-3871
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Global Reporting Initiative index

As Sun Life works toward more transparency around our sustainability practices, it is important that we disclose our information and progress in a way that is clear to our stakeholders. This is why we are committed to submit our 2012 Public Accountability Statement and Sustainability Report in accordance with the Global Reporting Initiative G3.1 Guidelines, including the GRI's Financial Services Sector Supplement. Sun Life self-declares this Public Accountability Statement and Sustainability Report to be GRI Application Level C.

Our full profile disclosure index can be found at www.sunlife.com/griindex

INDICATOR	CROSS-REFERENCE/ DIRECT ANSWER	REASON FOR PARTIAL REPORTING
EC 1 Direct economic value generated and distributed	Page 44	
EN 1 Materials used by weight or volume	Page 36	
EN 3 Direct energy consumption by primary energy source	Page 39	
EN 4 Indirect energy consumption by primary source	Page 39	
EN 16 Total direct and indirect greenhouse gas emissions by weight	Page 39	
EN 17 Indirect greenhouse gas emissions by weight	Page 39	
Air travel emission		A new travel system was launched in 2012. We anticipate disclosing this information in our 2013 report.
LA 1 Total workforce by employment type, employment contract, and region	Page 45	
LA 2 Employee turnover (partial)	Page 30	Turnover specifics not available.
LA 4 Percentage of employees covered by collective agreement	Page 45	
LA 8 Education, training, counselling, prevention programs for serious diseases	Page 30	
LA 10 Average hours of training per year per employee		Average training hours per employee is only one of several ways to measure Sun Life's comprehensive and ongoing employee development program. We are developing other, quantifiable reporting data for our 2013 report.
LA 13 Diversity (partial)	Page 30	On this page is a paragraph stating our broad commitment to diversity and our recognition of its benefits. We are working on developing metrics specific to diversity and will report these when our data is more complete.
SO 3 Anti-corruption training	Page 5	
SO 5 Public policy	Page 6	
PR 5 Customer satisfaction	Page 31	



Statement GRI Application Level Check

GRI hereby states that **Sun Life Financial Inc.** has presented its report “Public Accountability Statement and Sustainability Report 2012” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 18 March 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI globe logo.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 8 March 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

Sun Life Financial

Worldwide headquarters

150 King Street West
Toronto, Ontario
Canada M5H 1J9



Life's brighter under the sun

sunlife.com

As a provider of products and services that help customers achieve lifetime financial security, Sun Life Financial recognizes that environmental sustainability is critical to our overall well-being. The content of this Public Accountability Statement and Sustainability Report has been printed on Forest Stewardship Council (FSC®) certified paper. By using environmentally friendly paper, the following savings have been made:

					
7 trees preserved for the future	9,525 kg waterborne waste not created	11,424 L wastewater flow saved	151.5 kg solid waste not generated	298 kg net greenhouse gases prevented	5,032,000 BTUs energy not consumed

The content of this Public Accountability Statement and Sustainability Report has been printed on paper stock that contains 100 per cent postconsumer recycled material. The outside cover was printed on paper stock that contains 55 per cent postconsumer recycled fibre.



The greenhouse gas emissions associated with the production, distribution and paper lifecycle of this Public Accountability Statement and Sustainability Report have been calculated and offset by Carbonzero.



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