

SUN LIFE FINANCIAL INC.

CHARTER OF THE GOVERNANCE, NOMINATION & INVESTMENT COMMITTEE

Purpose

The Governance, Nomination & Investment Committee (the "Committee") is a standing committee of the Board of Directors (the "Board") whose primary functions are to assist the Board with its oversight role by:

Governance

1. Developing effective corporate governance guidelines and processes;
2. Developing processes to assess the effectiveness of the Board and its Committees, and the contributions of individual Directors, including the Chairman of the Board (the "Chairman");
3. Overseeing policies and procedures to sustain ethical behaviour;

Nomination

4. Overseeing the Director Recruitment Guidelines;
5. Identifying individuals with the competencies, skills and qualities determined by the Board to be required or best suited to complement the current Board composition, while considering the level of diversity on the Board, and recommending the nominees for election as Directors at each annual meeting;

Investment

6. Overseeing investment practices, procedures and controls related to the management of the general fund investment portfolio and the Sun Life Investment Management (inclusive of asset manager subsidiaries), MFS, and Sun Life Global Investments; and
7. Reviewing and monitoring the annual Investment Plan.
8. Review and approve transactions, either separately or jointly with the Risk Review Committee, where the acquisition of individual investments for the General Account would, on their own, exceed certain limits or ranges in the Investment and Credit Risk Management Policy, as outlined therein.

Membership

The Committee is composed of not less than three Directors, including a Committee Chair, appointed by the Board on an annual basis following each annual meeting.

Each member of the Committee shall be independent as defined in the Director Independence Policy. Committee membership is reviewed annually to ensure the Committee as a whole includes members with the experience and expertise required to fulfill the Committee's mandate. The Committee will include members who are literate in corporate governance and investment matters.

Any member of the Committee may be removed or replaced at any time by the Board and the Board shall fill vacancies on the Committee.

Structure and Operations

A meeting of the Committee may be called at any time by the Chairman, by the Committee Chair or by two members of the Committee. The Committee meets as frequently as is necessary, but not less than five times a year. A quorum at any meeting of the Committee shall be three members.

The Chair of the Committee is consulted in advance in connection with the appointment, reassignment, replacement or dismissal of the Chief Investment Officer, and annually on the performance assessment and compensation awarded to that individual.

The Committee holds a private session at each regularly scheduled meeting with the Chief Investment Officer and that individual has unrestricted access to Committee members between meetings. The Committee holds a private session at each meeting of the Committee for members only. The Committee has full access to the Corporation's records and information and, in consultation with the Chairman, may engage any special advisors it deems necessary to provide independent advice or assist in the review of Director compensation or the identification of Director candidates at the expense of the Corporation.

On an annual basis, the Committee will review this Charter and the Forward Agenda for the Committee and, where necessary, recommend changes to the Board for approval. This Charter will be posted on the Corporation's website and the Committee will prepare a report on its activities for inclusion in the annual meeting material. The Committee shall undertake an annual performance evaluation of the Committee and report to the Board on the results thereof.

Duties and Responsibilities of the Committee

Corporate Governance Guidelines and Processes

1. Develops and makes recommendations to the Board on the Corporation's approach to corporate governance matters, including:
 - (a) monitoring, on a continuing basis, corporate governance and regulatory developments and the effectiveness of the Corporation's corporate governance processes, guidelines and disclosure;
 - (b) reviewing corporate governance disclosure in annual meeting materials;
 - (c) reviewing the Annual Information Form;
 - (d) reviewing non-routine items of business for consideration at the annual meeting; and
 - (e) assessing proposals submitted for inclusion in the annual meeting materials.
2. Reviews and, when appropriate, approves policies regarding public disclosure, confidentiality of information, securities trading and assessment of responsible persons.
3. Reviews governance-related aspects of material transactions that are being proposed by the Corporation.
4. Reviews and approves the Responsible Persons Assessment and Subsidiary Board Governance Policy and receives periodic reports from management on matters related to that policy.

Board Administration and Assessment

5. Reviews and ensures management is responsive to the information requirements of the Directors.
6. Reviews the Forward Agendas of the Board and its Committees.
7. Reviews and makes recommendations to the Board related to:
 - (a) the Director Independence Policy;
 - (b) the Board Diversity Policy;
 - (c) the Charter of the Board (including position descriptions for the Chairman, Committee Chairs and individual Directors);
 - (d) Charters of the Committees of the Board;
 - (e) the remuneration of Directors and Director share ownership guidelines;
 - (f) the process for assessing the contributions of individual Directors, the Board as a whole and its Committees; and
 - (g) the process for selecting and evaluating the performance of the Chairman and the Chair of each Committee.
8. Assesses the independence of Directors and makes recommendations to the Board relating to Committee membership after each annual meeting.
9. Ensures that independent reviews of the Board and its Committees are conducted as needed.

Ethics

10. Reviews and makes recommendations to the Board on amendments to the Code of Business Conduct.
11. Reviews, at least annually, compliance with the Code of Business Conduct.

Nomination of Directors and Education

12. Consistent with the Director competencies, skills and qualities determined by the Board to be required or best suited to complement the current Board composition, and after considering the level of diversity on the Board, maintains a list of potential Director candidates, recommends persons to fill vacancies on the Board and nominees for election as Directors, and reviews disclosure related to the election of Directors for inclusion in the annual meeting materials.
13. Reviews the effectiveness of the Board's diversity policy, including achievement of the Board's internal target for the proportion of female Directors.
14. Considers any resignation letter submitted to the Committee Chair by a Director and recommends acceptance or rejection by the Board.
15. In consultation with the Chairman, oversees orientation programs for new Directors and education programs for current Directors.

Investments

16. Reviews and approves the organizational structure of the Investments function on an annual basis.
17. Reviews, at least annually, and approves changes to the statement of mandate, responsibility and authority of the Chief Investment Officer.
18. Reviews, at least annually, the adequacy of the authority and resources of the Chief Investment Officer.
19. Approves the objectives and reviews the effectiveness of the Chief Investment Officer and the Investments function annually.
20. Reviews succession plans for the role of Chief Investment Officer.
21. Ensures that independent reviews of the Investments function are conducted as needed.
22. Reviews and recommends to the Board the approval of the Corporation's investment strategy, including the annual Investment Plan.
23. Monitors performance against the Investment Plan.
24. Reviews the performance measures and targets for the Sun Life Investment Management incentive plans, and the assessment of performance against incentive objectives and/or performance factors after the end of the applicable performance period.
25. Requires management to identify and review with the Committee current market trends and investment management strategies to manage those trends.
26. Receives quarterly reports from the Chief Credit Risk Officer on credit risks.
27. Reviews quarterly investment performance of the general fund investments and annually reviews the total holdings of securities, mortgages and real estate assets of the general funds.
28. Reviews quarterly the summary investment performance of Sun Life Investment Management (inclusive of asset manager subsidiaries), MFS, and Sun Life Global Investments.
29. On an annual basis, reviews the allocation policies and practices governing the allocation of investment opportunities between the Sun Life general account and third-party accounts.
30. Reviews new asset classes which are recommended for investment by management.
31. Reviews quarterly reports on significant investment transactions.
32. Considers investment-related regulatory issues and the possible impact on the Corporation.
33. Reviews investment-related aspects of material transactions that are being proposed by the Corporation in accordance with investment-related policies.
34. Receives reports on breaches of investment-related policies.

Other

35. Approves significant charitable donations and related policies and budgets.
36. Reviews and approves the Enterprise Sustainability Policy.
37. Receives a report, at least annually, on the Corporation's sustainability program and initiatives and reviews the annual Sustainability Report.
38. Reviews the annual report on litigation.
39. Reviews the adequacy of directors' and officers' liability insurance coverage.
40. Reviews matters within its mandate that are addressed in the regular examination and similar reports received from regulatory agencies, including management's responses and recommendations.
41. Performs such other duties and exercises such other powers as may from time to time be assigned to or vested in the Committee by the Board.