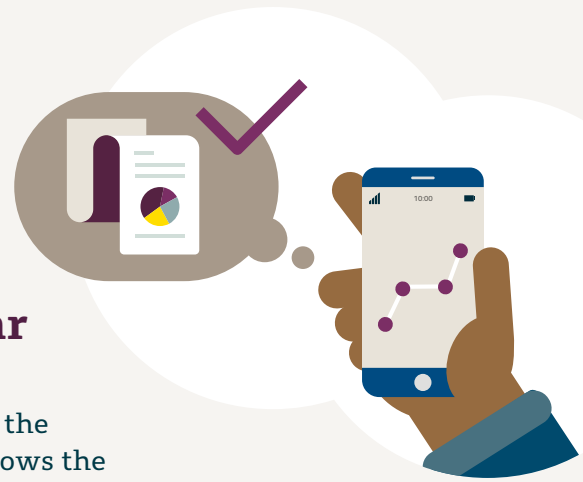


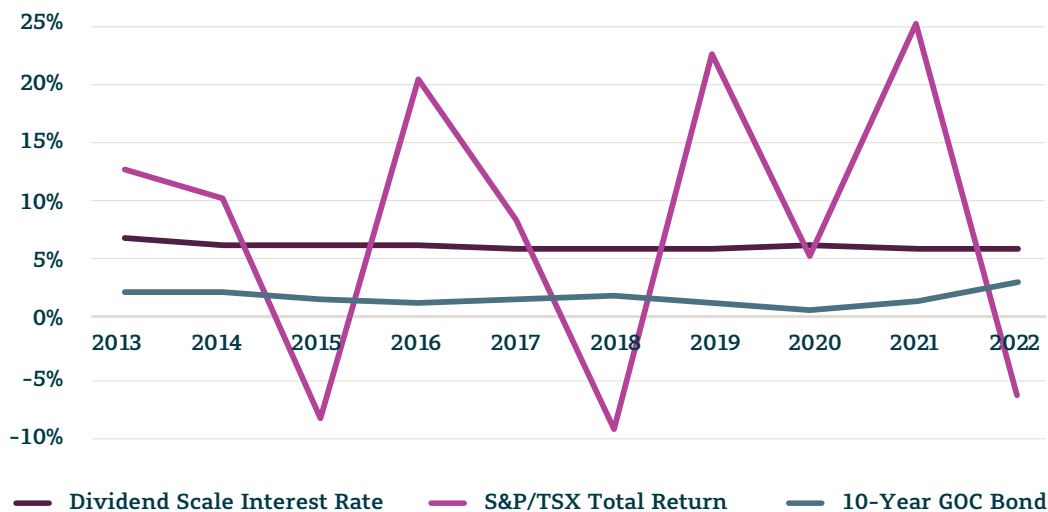
Sun Par Policy performance over time

another reason to choose Sun Life for Par



Sun Life Par policies continue to produce stable returns throughout the historically low-interest rate environment. The summary below shows the stability of the Sun Life dividend scale interest rate¹ compared to some other popular investment options over the past 10 years:

Year	Dividend Scale Interest Rate	S&P/TSX Total Return ²	10-Year GOC Bond ³
10-year average return	6.44%	7.74%	2.11%
10-year standard deviation	0.38%	12.75%	0.54%



The dividend scale interest rate is used in determining the investment component of the dividend scale. Although investment returns are only one factor of the dividend scale, they are the largest component, especially in the later policy years. Mortality experience, expenses, taxes and lapses are some of the other factors that impact the dividend scale.

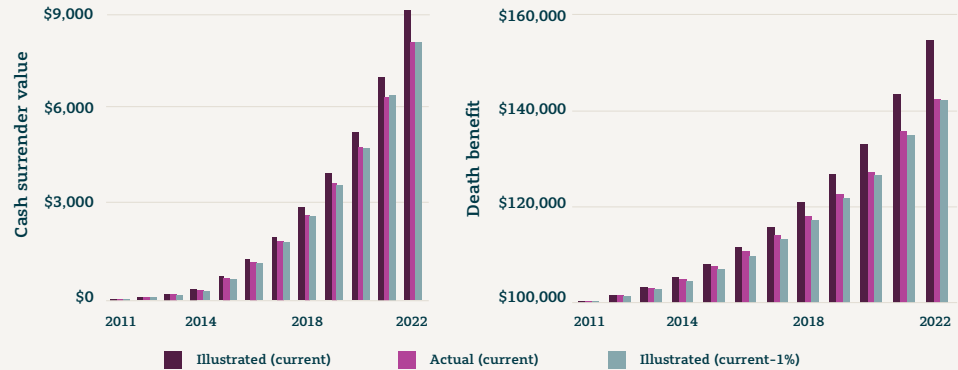
You might be wondering how Sun Life is able to help achieve strong and stable returns for participating policyholders. At a high level, it is accomplished through the combination of our prudent, long-term investment strategy, the large well-established par account, and use of smoothing techniques.

Need more proof?

Here are two examples of Sun Life Par policies showing their actual performance versus their projected values at issue. These two policies represent the general experience of Sun Life Par policyholders over this time. The graphs show how the actual total cash surrender value and total death benefit at each policy anniversary compared to what was illustrated for the Clients at issue using the current and current -1% dividend scale interest rate.

Example #1:

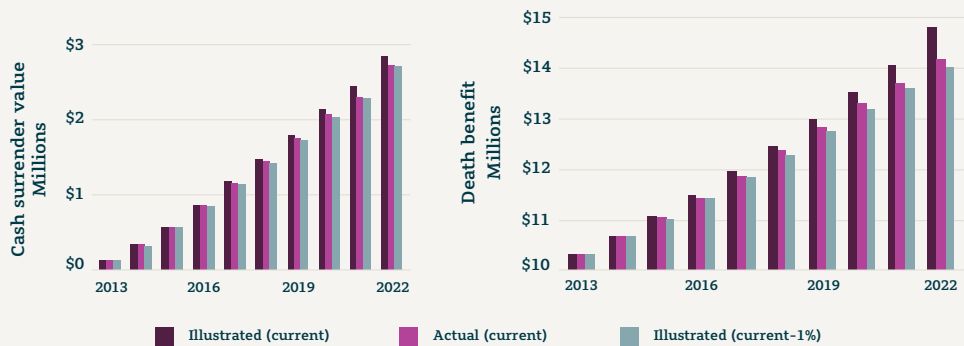
A 20-pay Sun Par Protector plan was purchased in October 2010 on a 2-year old male for \$100,000 with an annual premium of \$1,207:



The illustrated dividend scale (at current) at the time of sale was 7.4%¹

Example #2:

A life pay Sun Par Accumulator plan was purchased in June 2012 on a 40-year old male non-smoker for \$10,000,000 with an annual premium of \$242,050:



The illustrated dividend scale (at current) at the time of sale was 7.15%¹

In these examples, the actual results are only slightly lower than the anticipated results and they align or exceed the illustrated current -1% dividend scale scenario. Even though the dividend scale interest rate was reduced three times and has decreased slightly more than the current -1% scenario since 2010, the policies still performed even better than the current -1% illustration.

This is in part due to our prudent underwriting practices which have allowed for mortality gains and other experience. This positive experience is shared with our policyholders in the form of higher dividends.

At Sun Life, we put the Client at the centre of everything we do. We make sure our participating policyholders are treated fairly and receive strong and stable returns on their Sun Life participating life insurance policies.

Talk to your Sales Representative about Sun Life's participating life insurance solutions today.

Notes:

1. The dividend scale interest rate is based on the Sun Life Participating Account. It is not guaranteed and based on factors that are certain to change. The dividend scale interest rate is neither an estimate nor a guarantee of how the products will perform in the future.
2. S&P/TSX composite total returns include the reinvestment of dividends.
3. Government of Canada bond returns are nominal yields to maturity taken from Statistics Canada. Table 10-10-0122-01 Financial market statistics, December 31, 2022, Bank of Canada.

Life's brighter under the sun

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