

An investment option with SunUniversalLife II

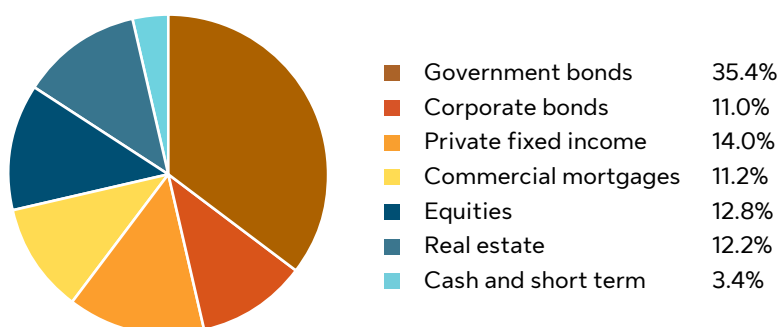
Illustrating the Sun Life Diversified Account

Understand the strength and stability of the SLDA

The Sun Life Diversified Account (SLDA) is an investment option only available with SunUniversalLife II. It invests in a variety of assets. This helps to reduce volatility within the universal life portfolio while contributing to more stable, long-term returns.

The SLDA gives Clients an opportunity to invest in certain assets they would not otherwise be able to access. An example of this is our private fixed income portfolio. This account earns an interest rate based on the average smoothed yield of a variety of investments.

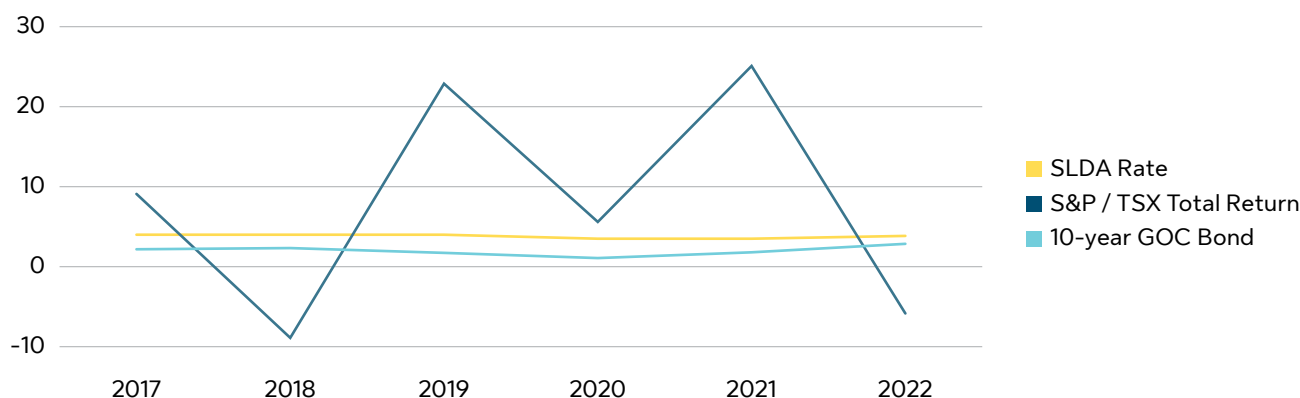
December 31, 2022 asset mix



SLDA Rate History

We credit policies with the prevailing SLDA interest rate daily. Sun Life guarantees that the interest rate credited to the policy for the SLDA will never be negative. The interest rate is subject to change at any time. However, we have only changed the credited rate twice since its inception in 2017. The following graph demonstrates the SLDA credited rate's stability. Here is a comparison to the returns on Government of Canada (GOC) 10-year bonds and the S&P/TSX index.*

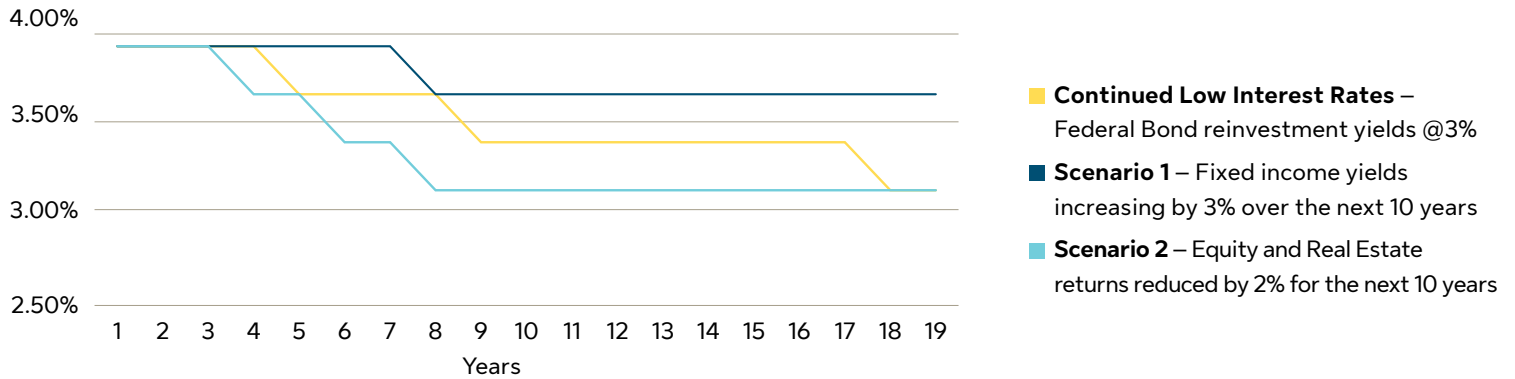
Asset returns as of December 31, 2022



What market conditions could cause the SLDA rate to drop?

The SLDA offers Clients the investment philosophy and design of a participating account. We offer this along with the flexibility and transparency of universal life insurance. The SLDA is structured in a similar manner to the Sun Life Par Account. It is also managed by the same group of investment professionals. It behaves and reacts to market impacts in a similar way because we use smoothing to set the interest rate. We amortize gains and losses on assets in the portfolio over time.

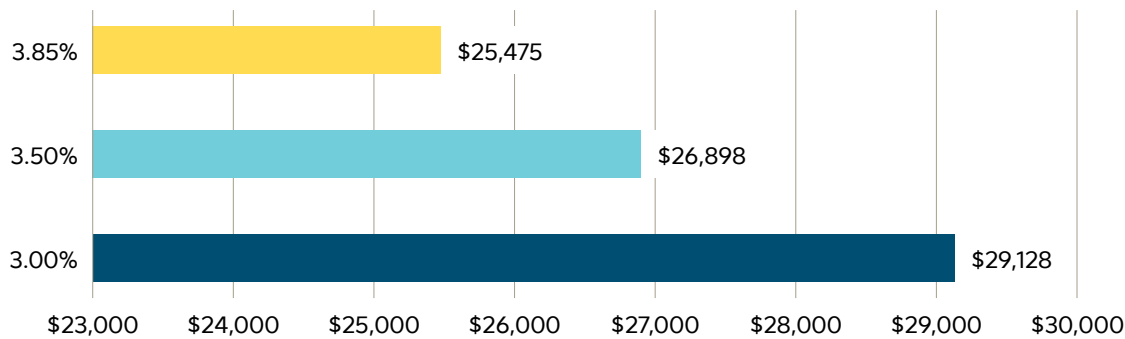
SLDA Fund - Credited rate scenarios



Understand the effect of realistic alternate SLDA interest rates

Illustrating SLDA rate assumptions lower than the current credited rate will help Clients understand how changes in the rate can affect their policy values. Illustrating at 3% is not meant to represent a worst-case scenario but illustrating at 0% may show values that are unrealistically low. It is impossible to predict market conditions and their effect on the SLDA rate. An illustration is not predictive. We regularly review the SLDA interest rate for suitability.

Payments required for 10 years based on alternate SLDA credited rates



Based on male non-smoker, age 50, SunUniversalLife II, \$1,000,000 level death benefit, YRT85, required deposits for 10 years

***Notes**

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.
S&P/TSX composite total returns include the reinvestment of dividends.

We help. You grow.

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