

# The Sun Life dividend scale is changing on April 1, 2021

Every year, we assess the Sun Life dividend scale as part of our par governance and our commitment to Clients. As a result, we are making a change. Our dividend scale interest rate has been 6.25% since 2017. We're lowering it from 6.25% to 6.00% effective April 1, 2021. This decision is in response to continued low interest rates. Although the dividend scale for most policies is decreasing due to lower interest rates, improvements in mortality experience mean that some policies will experience a smaller decrease.

This proactive move is a step towards continued long-term stability for our participating policyholders. It helps ensure Clients continue to benefit from our investment strategy and the strength of our par account over the coming years.

The dividend scale interest rate isn't the return that a Client can expect from their policy. The rate reflects the investment experience of the par account and is only part of a Client's dividend. Other factors that may impact dividends include mortality, expenses, taxes and lapses. The dividend scale is sensitive to the performance of these factors.

The Board of Directors of Sun Life Assurance Company of Canada made this decision based on the recommendation of Sun Life's Appointed Actuary. The recommendation is also in accordance with Sun Life's [Dividend Policy](#).

The 2021 Sun Life dividend scale isn't necessarily an indicator of future performance. We recommend you continue to show Clients illustrations using the current -1% and -2% dividend scale interest rates.

In-force illustrations will be available starting on April 1, 2021. For participating policies sold prior to 2010, you can run an in-force illustration to see the projected impact to Clients' policies. Learn how in this [step-by-step guide](#). For participating policies sold in 2010 or later, you can request an in-force illustration by logging into the [Advisor site](#) and accessing the Request centre.

Thank you for helping Canadians achieve lifetime financial security and live healthier lives.

## Want to know more?

You can find the Q&A [here](#), which will help answer many of your questions and you can learn how Sun Life's [participating life insurance products](#) can help Clients achieve their goals.

Contact the [Sales Desk](#) for any additional questions.

<sup>1</sup>All dividends declared from Sun Life sources: Annual Report; 2009 - Sun Life Assurance Company of Canada, Annual Report; 2017 - Sun Life Assurance Company of Canada, Information for voting policyholders booklet.

2009

\$701,000,000<sup>1</sup>

In the face of the global financial crisis dubbed "The Great Recession", Sun Life remained among the world's strongest insurance companies and continued building its businesses. We paid policy owner dividends of over \$500 million every year since the stock market crash in late 2008.

2017

\$799,000,000<sup>1</sup>

By the end of 2017, Sun Life had over 1.2 million par policy owners, and issued dividends for the year totaling \$799 million. During the year, Sun Life also paid \$3.8 billion in death and disability benefits, demonstrating that we meet our obligations to par policy owners.

2021

We continue to focus on benefiting Clients through our management philosophy, long-term growth and stability.



 **Sun Life**  
We help. You grow.