Sun Life Singapore

Sun Life

2025 Non-Participating Fund Update for Future – S and SunBrilliance Whole Life policyholders

Dear Valued Client

Thank you for choosing us as your preferred partner to ensure a lasting legacy for your loved ones.

Future - S and SunBrilliance Whole Life are non-participating whole life insurance products which offer lifetime protection and non-guaranteed benefits, paid in the form of Annual Additions and a Final Addition. We are pleased to share this annual update detailing the performance of the Future - S and SunBrilliance Whole Life Non-Participating Fund for 2025 and the outlook based on the latest actuarial investigation of policy liabilities. This update is intended to provide you with information that is relevant to the determination of your non-guaranteed additions.

Summary of Outlook on Additions

Key factors	Impact on Additions
Investment	Positive
Mortality and Mortality Improvement	Neutral
Persistency and Surrender	Neutral
Other factors	Neutral

Investment

2025 Investment Performance

SunBrilliance Whole Life, launched in June 2024, is backed by assets that are managed in conjunction with assets supporting Future-S. The historical investment rates of return (after deducting investment expenses) of the assets backing Future – S and SunBrilliance Whole Life, which is part of the Non-participating Fund, are shown below:

	2023	2024	2025	Average over the last 3 years	Average over the last 5 years[2]
Investment Returns[1]	7.15%	9.66%	12.43%	9.73%	4.42%

The Future-S and SunBrilliance Whole Life investment portfolio performed well in 2025, supported by both our fixed income and equity investments.

2025 Market Review

The 2025 calendar year was one of heightened uncertainty, with concerns over geopolitical conflicts, world trade and the general macroeconomic environment pervasive throughout those 12 months. These issues continue to persist now, with inflation, employment, tariffs and global security still top of mind. But we have also witnessed signs of remarkable resilience in 2025.

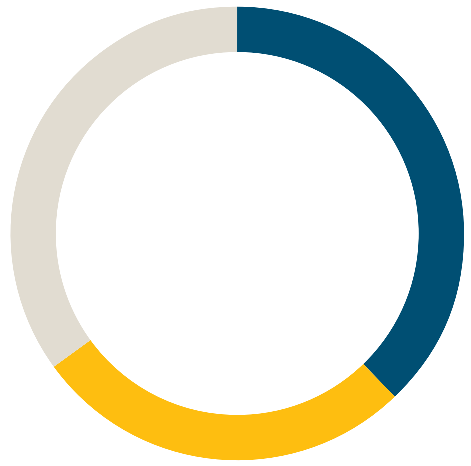
At the macro level, many major central banks adopted a more dovish approach toward rates in response to inflation and growth indicators. Credit spreads remained tight in the United States, due in part to sound fundamentals. Yet, yields remained high, driven by supply–demand dynamics in the markets.

Public corporate spreads saw continued compression, hovering near all-time lows. Meanwhile, private credit spreads offered attractive liquidity and complexity premiums while still providing attractive all-in borrowing costs, supporting borrower deferred refinancing activity, capital investment and acquisition financings among high quality issuers. Equity markets rebounded after a steep sell-off in early April and generally trended higher over the course of 2025, despite ongoing geopolitical tensions.

[1] The Future – S and SunBrilliance Whole Life asset portfolio was established in July 2021 and the rate shown is the annualized investment rate of return.
[2] The average over the last 5 years reflects 4.5 years of experience from the establishment of the portfolio through the end of 2025.

Asset Mix

The market value of assets allocated to Future - S and SunBrilliance Whole Life was US$243 million as at 31st December, 2025. The investment strategy is managed with your long-term wealth protection and accumulation needs in mind. The assets supporting the investment strategy consist of a diversified range of fixed income and non-fixed income assets.



Overall Future – S and SunBrilliance Whole Life allocation, as of Dec 2025

- Public Fixed Income 38%
- Private Fixed Income 27%
- Equity Securities 35%
- Cash & Equivalent 0%

Market Outlook for 2026

Much remains unclear as we head deeper into 2026. As in past years, unpredictable geopolitical events could significantly change the investment landscape.

At the start of 2026, markets expect the US Federal Reserve ("Fed") to cut rates twice this year and then stall. While the Fed wants to cut rates to a level that is more consistent with sustaining long-term growth, stubborn inflation complicates any rush to get there. Inflation is running hot while job creation cools. With both moving in opposite directions, the Fed is conflicted – helping one may potentially exacerbate the other.

As we approach the end of Q2 2026, Investors currently expect the Fed to remain sidelined over the next year amid persistently above-target inflation. The U.S. dollar is likely to continue to drift lower as interest rate differentials narrow with the rest of the world.

The outlook for global fixed income remains broadly constructive, but macro volatility, policy divergence, and geopolitical complexity reinforce the need for a global approach. Meanwhile global equity markets presented a complex yet promising landscape, with regional and sectoral dynamics shaping performance. While equities outlook remains favourable, supported by expanding earnings growth and resilient macroeconomic fundamentals, the ongoing Middle East conflict presents a challenge that is difficult to assess due to uncertainties regarding its duration.

Impact on Additions

The investment return is typically the most significant determinant of additions performance. Smoothing is used to reduce the volatility of policy values and helps deliver more stable returns. The historical investment returns include fluctuations in the value of assets from market movements. These fluctuations do not affect the long-term returns of assets if they are held to maturity and therefore are not expected to materially affect your additions.

Our fixed income investments continued to provide stable returns. While there was a small increase in the weighted book yield, the overall yield of the portfolio remained steady, supported by careful management of our assets.

Equity markets performed well over 2024–2025 and exceeded expectations. Our investments are diversified across different regions and markets, which helped support strong overall performance. To provide more stable benefits, equity returns are smoothed over time to reduce short-term fluctuations.

Overall, the impact of investment performance on your additions was positive.

We will continue to maintain the illustrated investment rate of return at 5.00% for both existing and new policies. This rate is for illustration purposes only and does not directly determine the benefits you will receive.

Mortality and Mortality Improvement

We have updated our mortality and mortality improvement assumptions; the changes are not material and do not affect the benefits arising from expected mortality claims.

Persistency and Surrender

We have not changed our expected outlook on persistency, so there has been no impact on your benefits related to persistency or surrender claim expectations.

Other factors

There were no changes in our outlook of other factors that affected your benefits.

Additions Updates

Future – S and SunBrilliance Whole Life are non-participating adjustable policies. As an adjustable policy, there are non-guaranteed benefits that can only be affected by certain factors. These factors include, but are not limited to, investment returns, claims, persistency, reinsurance, and taxes. Our Appointed Actuary will recommend any changes to non-guaranteed additions based on these factors. Any recommendations are reviewed by our internal Adjustable Governance Committee.

The Board of Directors of Sun Life ("the Board") establishes criteria[1] for changes to all adjustable contracts of the Company. Sun Life regularly reviews the additions to ensure compliance with all relevant Singapore and Canadian regulations, guidelines, standards of practice, and the Company's established criteria, as approved by the Board.

The Appointed Actuary of our head office reports annually to the Board as to whether the changes made to adjustable products in the preceding twelve months are fair and in compliance with these criteria. The additions management process seeks to achieve reasonable equity among classes and generations of policies, to the extent practicable.

Historical claims experience and volatility of claims cannot be used to determine the additions, however changes in the expected outlook of these factors can affect your additions. Our outlook on these factors may be affected by our experience, and therefore this update includes details on the experience of the non-participating fund and how this experience may affect our outlook.

Expense experience, except for investment expense, cannot be used to determine your additions. Similarly, outlook on future expenses cannot be used to determine your additions. Therefore, this update does not refer to expense experience, expense outlook or any allocation of expenses to the non-participating fund.

An annual statement will be sent to you on your next policy anniversary date. Please refer to the annual statement for details on additions credited to your policy, if any.

A full Policy Illustration is available upon request. If you would like to see an updated Policy Illustration, please reach out to your Representative.

[1] You can find more information on our website at: www.sunlife.com/sl/sg/en/product-solutions/adjustable-contracts-policy/

Sun Life investment strategy – with you in mind

Our investment strategy is managed with Clients' long-term wealth protection and accumulation needs in mind. The investment strategy is reviewed periodically and controls are in place to meet the investment targets by type of assets, credit quality of the assets and risk tolerance limits. So that we can fulfil our core purpose of providing lifetime financial security and fair returns to you as our valued Client.

Important Information

This policy is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy is automatic, and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact us or visit the Life Insurance Association, Singapore or SDIC websites (www.lia.org.sg) or (www.sdic.org.sg)

Sun Life is not liable for any loss, damages or expenses that may be incurred from sole reliance upon the contents of this document. Please refer to the relevant insurance policy contract and related documents, as necessary, and contact your Financial Advisor Representative at the first instance if you have any questions.

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Sun Life Assurance Company of Canada Singapore Branch
50 Raffles Place, #26-04 Singapore Land Tower, Singapore 048623
Tel: +65 6223 1102 | Website: www.sunlife.com.sg