

NEWS RELEASE

Sun Life Global Investments to acquire Excel Funds Management Inc. and Excel Investment Counsel Inc.

***Strategic move will expand Sun Life Global Investments' line-up of
emerging markets funds***

Excel Funds to become part of Sun Life Financial family

TORONTO, ON (September 7, 2017) – Sun Life Global Investments (Canada) Inc. and Excel Funds Management Inc. announced today that they have entered into an agreement whereby Sun Life Global Investments will purchase all of the outstanding shares of both Excel Funds Management Inc. and Excel Investment Counsel Inc. (collectively, “Excel Funds”).

Excel Funds is an award-winning investment manager specializing in emerging markets funds with approximately \$700 million in assets under management. The acquisition will help accelerate the growth of Sun Life Global Investments through new emerging markets offerings and add Excel's exchange-traded funds to its capabilities. It also aligns with Sun Life Financial's broader strategy to expand its wealth management business in Canada.

“Since launching in 2010, Sun Life Global Investments has experienced tremendous growth with over \$18 billion in assets under management; we actively look for opportunities to expand the range of innovative solutions we offer to our Clients,” said Rick Headrick, President, Sun Life Global Investments. “Acquiring Excel Funds is a great fit for us, bringing a complementary product line-up that uses a sub-advisor business model similar to our own.”

Added Sadiq S. Adatia, Chief Investment Officer, Sun Life Global Investments, “We believe that emerging markets, such as India, represent an important growth opportunity for investors and are excited to soon be able to offer quality, actively managed funds in categories where active management tends to outperform the passive alternative.”

“Becoming part of Sun Life Global Investments is a natural evolution for Excel Funds which will now be part of a much larger global fund family,” said Bhim D. Asdhir, President and Chief Executive Officer of Excel Funds. “We are a pioneer in emerging markets investing in Canada and providing Canadian investors with innovative investment solutions using some of the best asset managers from around the world.”

Following completion of the transaction, Mr. Asdhir will join the Sun Life Global Investments leadership team. He will be a member of the integration planning committee and continue as the senior relationship manager for the funds' sub-advisors and brokers.

“I am excited to be a part of Sun Life Financial. Excel Funds is proud of its contribution to the Canadian mutual fund industry over the past 20 years and would like to thank our investors, advisors, partners and employees for making Excel Funds the success it is today,” said Mr. Asdhir. “I'm looking forward to the next phase of growing these funds under the Sun Life Financial banner.”

Mr. Headrick added, “We're impressed with how Bhim and his team have built Excel Funds and their investment track record. We are committed to working together to ensure a smooth integration process and continued exceptional service for our Clients and the advisors who do business with us.”

Financial and other terms of the transaction will not be disclosed. The transaction is expected to close by the end of the fourth quarter of 2017, subject to the satisfaction of certain conditions, including the receipt

of regulatory and Excel Funds' unitholder and shareholder approvals. An Information Circular will be mailed to Excel Funds' unitholders in the near future.

RBC Capital Markets acted as exclusive financial advisor to Excel Funds Management Inc. Borden Ladner Gervais LLP acted as legal advisor. McCarthy Tétrault LLP acted as legal advisor to Sun Life Financial.

Forward-Looking Statements

From time to time, Sun Life Financial Inc. (the "Company") and its relevant subsidiaries and joint ventures make written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements of ours contained in this news release include statements that are predictive in nature or that depend upon or refer to future events or conditions, and statements that include words such as "aim", "anticipate", "assumption", "believe", "could", "estimate", "expect", "goal", "initiatives", "intend", "may", "objective", "outlook", "plan", "project", "seek", "should", "strategy", "strive", "target", "will" and similar expressions. Forward-looking statements include the information concerning our possible or assumed future results of operations. These statements represent our current expectations, estimates and projections regarding future events and are not historical facts. Forward-looking statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. Future results and shareholder value may differ materially from those expressed in these forward-looking statements due to, among other factors, the matters set out in the Company's management's discussion and analysis for the year ended December 31, 2016 under the heading "Forward-looking Statements" and in the risk factors set out in the Company's annual information form for the year ended December 31, 2016 under the heading "Risk Factors" and other factors detailed in the Company's annual and interim financial statements and any other filings with Canadian and U.S. securities regulators, which are available for review at www.sedar.com and www.sec.gov, respectively.

The Company does not undertake any obligation to update or revise its forward-looking statements to reflect events or circumstances after the date of this news release or to reflect the occurrence of unanticipated events, except as required by law.

About Sun Life Global Investments (Canada) Inc.

Sun Life Global Investments is a subsidiary of Sun Life Financial Inc. It offers Canadians a diverse lineup of mutual funds and innovative portfolio solutions, empowering them to pursue their financial goals at every life stage. We bring together the strength of one of Canada's most trusted names in financial services with some of the best asset managers from around the world to deliver a truly global investment platform. Sun Life Global Investments manages more than \$18 billion on behalf of institutional and retail investors from coast to coast and is a member of the Sun Life Financial group of companies. For more information, visit www.sunlifeglobalinvestments.com or connect with us on Twitter @SLGI_Canada.

About Sun Life Financial

Sun Life Financial is a leading international financial services organization providing a diverse range of insurance, wealth and asset management solutions to individuals and corporate Clients. Sun Life Financial has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda. As of June 30, 2017, Sun Life Financial had total assets under management of \$944 billion. For more information please visit www.sunlife.com.

Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under the ticker symbol SLF.

About Excel Funds Management Inc.

Founded in 1998, Excel Funds Management Inc. is a multiple award-winning investment manager. Excel Funds offers actively-managed core and specialty investment solutions to retail investors, including access to the largest suite of emerging markets investments in Canada. Excel Funds' strategic alignment with active, on-the-ground sub-advisors who work in collaboration with its in-house managers, enhances the depth and breadth of its portfolio management team. Leveraging a global network of over 700 portfolio managers and 200 research analysts, Excel Funds' team has firsthand knowledge of the markets in which they invest. For more information, please visit www.excelfunds.com.

Note to Editors: All figures in Canadian dollars. Assets under management figures at June 30, 2017.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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