



## Operating Guidelines for Subsidiary Board Meeting Practices

Sun Life Asia

<b>APPROVAL</b>	
<b>Approved By:</b>	SLF Asia Policy Approval Committee
<b>Approval Date:</b>	January 21, 2020
<b>Effective Date:</b>	March 15, 2011
<b>Operating Guideline Sponsor:</b>	SLF Asia General Counsel
<b>Responsible Person/Contact:</b>	SLF Asia General Counsel
<b>VERSION CONTROL</b>	
<b>Last Review Date:</b>	January 16, 2020

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### Change History

Date	Reason for Change	Author
10 July 2012	Annual review to amend the following clauses with brief details listed. <ul style="list-style-type: none"> <li>• Update Clause 3.1 (i.e. management reports and presentations to comply with timelines stated in 3.4).</li> <li>• Update Clause 3.4 to include ARM invitees (i.e. General Counsel, SLF Asia and Senior Compliance Officer, SLF Asia) to the Agenda Review Meeting (ARM).</li> <li>• Clause 3.9 (i.e. to insert wording to provide a list of action items to be provided to the board directors for information, and also to the General Counsel, SLF Asia and the Senior Compliance Officer, SLF Asia).</li> </ul> Submitted and approved by SLF Asia Policy Approval Committee ("Asia PAC") meeting on 10 July 2012.	General Counsel, SLF Asia / Company Secretary, Regional Office
12 Dec 2013	Annual re view and update	General Counsel, SLF Asia / Company Secretary, Regional Office
12 Oct 2016	Annual review and update with brief details on the amended clauses listed below. <ul style="list-style-type: none"> <li>• Update Clause 1.0 (i.e., include the Vietnam subsidiary).</li> <li>• Update Clause 3.4 (i.e., remove the Asia General Counsel and Asia Chief Compliance Officer from the list of ARM invitees; allow the ARM Participants to send comments by email; and give the Corporate Secretary ability to implement shorter timelines).</li> <li>• Update Clause 3.5 (i.e., allow the Board or Board Committee the ability to modify agenda template).</li> <li>• Update Clause 3.6 (i.e., allow the CEO of the business unit to change the formats of management reports and presentations).</li> <li>• Update Clause 3.7 (i.e., allow shorter periods for distribution of the materials, and encourage the distribution of electronic copies).</li> <li>• Update Clause 3.8 (i.e., changes to the seating plan will be made known to the Chairman prior to the meeting).</li> <li>• Update Clause 3.9 (i.e., remove the Asia General Counsel and Asia Chief Compliance Officer as recipients of the meeting action items list).</li> <li>• Update Clause 3.10 (i.e., allow the Compliance Officer to conduct the Director Performance Assessment, where required by local regulations).</li> <li>• Update Clause 3.11 (i.e., require the Corporate Secretary to furnish the Asia General Counsel and Asia Chief Compliance Officer with copies of the approved meeting minutes within 5 working days from approval).</li> <li>• Add a new Clause 3.12 (i.e., the OG shall be interpreted in accordance with local law and regulations, and shall be translated into the official language of the BU as needed).</li> </ul> Submitted and approved by the Asia PAC during its meeting on 12 October 2016.	General Counsel, SLF Asia / Company Secretary, Regional Office



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25 Oct 2017	Under Section 3.4, to enable the non-local management director to delegate the task under this section to another non-local management Sun Life executive	
15 Jan 2020	<ul style="list-style-type: none"> <li>• Updated Section 2.0 to include SLF Asia Service Centres and SLF International Hub in scope of this Operating Guideline.</li> <li>• Added Section 3.1.3 to ensure that SLF Asia President is aware of any proposed directorship appointment(s) in Asia, and to clarify the definition of Corporate representative(s) in Asia.</li> <li>• Added Section 3.1.4 to ensure compensation of Independent Directors according to Section 2.2.5 of the Responsible Person Assessments and Subsidiary Governance Policy extends to Subsidiaries in Asia.</li> <li>• Added 3.1.5 to ensure that SLF Asia President is aware of any proposed Subsidiary incorporation in Asia.</li> <li>• Updated Section 3.11 to require the Company Secretary to furnish copies of the approved meeting minutes as requested by General Counsel, SLF Asia or Chief Compliance Officer, SLF Asia.</li> </ul>	General Counsel, SLF Asia

## 1.0 INTRODUCTION AND PURPOSE

This Operating Guideline sets out certain guidelines and expectations relating to the practices to be adopted by Sun Life Financial Inc. (“SLF”) Subsidiaries in Asia for the conduct of Shareholder, Board of Directors, or Board Committee Meetings (“Meetings”). References herein to “Board of Directors” or “Board” when applied to Indonesia shall mean “Board of Commissioners”, and to Vietnam, shall mean “Members’ Council”.

## 2.0 SCOPE AND APPLICATION

This Operating Guideline shall apply as applicable to all SLF Asia Service Centres, SLF International Hubs, and SLF Subsidiaries in Asia from time to time (also known as “Business Units”) where such Subsidiaries conduct Meetings. The guidelines do not apply to the SLF joint venture entities in Asia provided that where circumstances permit Management will encourage the adoption of comparable practices provided in this Operating Guideline by joint ventures in which Sun Life has management control. This Operating Guideline refers to and is subordinate to the provisions of the Responsible Person Assessments and Subsidiary Governance Policy.

## 3.0 OPERATING GUIDELINE

### 3.1 Responsible Persons, Appointments to Subsidiaries and Other Boards, Addition of Subsidiaries

3.1.1 The corporate secretary for each subsidiary (“Company Secretary”) shall be responsible for ensuring that these guidelines are implemented.



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- 3.1.2 While primary responsibility lies with the Company Secretary, Management and other presenters must also observe these guidelines and ensure that their reports are submitted within the timelines stated in 3.4. The reports shall follow the basic format prescribed by 3.6 and that the content of their presentations are appropriate for their audience.
- 3.1.3 In respect of the approval process under section 2.2.3 of the Responsible Person Assessments and Subsidiary Governance Policy, the Company Secretary must submit their request to the delegate assigned by the General Counsel, SLF Asia to inform SLF Asia's President of such proposed appointment, and to make a request for approval according to section 2.2.3 of the Responsible Person Assessments and Subsidiary Governance Policy. For clarification, "Corporate representative" or "representatives of the Corporation" referred to under section 2.2.3 of the Responsible Person Assessments and Subsidiary Governance Policy means Sun Life employee(s).
- 3.1.4 For ensuring that any Non-Management Director of any Subsidiary in Asia is appropriately compensated in his or her capacity as chair and/or director of the Subsidiary, General Counsel, SLF Asia or his/her delegate may seek guidance from the Corporate Secretary with respect to applicable policies or protocols including compensation.
- 3.1.5 In respect of the incorporation of a new Subsidiary under section 2.2.11 of the Responsible Person Assessments and Subsidiary Governance Policy, the General Counsel of the Business Group, Business Unit, or Subsidiary must submit their request to the delegate assigned by the General Counsel, SLF Asia to inform SLF Asia's President of such proposed incorporation, and to make a request for approval to the Chief Legal Officer according to section 2.2.11 of the Responsible Person Assessments and Subsidiary Governance Policy.

### 3.2 Setting Meeting Dates

Dates for regular meetings of the Board and Board Committees, as well as the annual meetings of the shareholders, shall be set 2 years in advance and confirmed at the last meeting of the Board for the current year. (For example, the 2022 meeting dates shall be set within 2020 and confirmed during the last Board meeting for 2020.)

After confirmation, the Company Secretary shall circulate the schedule to members of Management and their administrative assistants. Changes to the Board and Board Committee meeting schedule may only be made with the consent of the relevant Board or Committee.

Regular Board and Board Committee meetings for a subsidiary shall be scheduled and take place on the same day. Where related entities in a country have common Directors, reasonable efforts shall be made to schedule such meetings to minimize the travel of the Directors.



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#### 3.3 Forward Agenda

A draft forward agenda with inputs from Management for the immediately succeeding year shall be distributed to the Board and Board Committees during the last regular meeting of the current year. At such meeting, the Board and Board Committees shall confirm the forward agenda for the following year and may make any further changes as they may consider to be appropriate from time to time. The Company Secretary will ensure that the matters on the Forward Agenda are incorporated in each ensuing board and board committee meeting as appropriate.

The Company Secretary shall use a forward agenda template as referred in Appendix B but subject to the right of the applicable Board or Board Committee to approve a modified template in accordance with their needs.

#### 3.4 Agenda Review Meeting and Timelines

An Agenda Review Meeting (“ARM”) shall be convened by the Company Secretary prior to each Board and Board Committee meeting and attended by the following persons :

##### **ARM Participants :**

- (a) Company Secretary;
- (b) the Chief Executive Officer (“CEO”);
- (c) one (1) Management director who is not a representative of Local Management or where there is no such non Local Management director, then any other director (as designated by the CEO), provided that the non Local Management director may, in the exercise of his/her sound discretion, delegate the performance of the tasks under this section to any other non Local Management Sun Life executive.

In case of absence or incapacity, an ARM Participant may send written comments on the ARM materials to the Company Secretary.

##### **ARM Invitees :**

ARM Participants may invite other persons (e.g. those responsible for preparing the ARM materials) as ARM Invitees to attend the ARM.

The purpose of the ARM is to review the Board or Board Committee agendas, as well as the meeting materials and/or management presentations, prior to the Board or Committee meeting.

Subject to any other timelines prescribed by local regulation or a subsidiary’s other governance documents, the following timelines are to be followed as a general guide to facilitate the convention of the ARM and the Board or Board Committee meetings:

- the Company Secretary shall circulate a draft agenda for each meeting to the ARM Participants and Management at least thirty (30) calendar days prior to the meeting date in



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order to apprise them of their participation therein and solicit additional items for Board approval and/or review in the meeting.

- At least fourteen (14) calendar days prior to a Meeting or such other date as the Company Secretary may from time to time advise, Management presenters shall provide comments on the final agenda and submit their draft presentations to the Company Secretary by twelve o' clock noon on the next day, who will distribute the same to the ARM Participants within the same day.
- The ARM shall be conducted in person or by teleconference at a time set by the Company Secretary no less than ten (10) calendar days before the Meeting unless waived by the ARM Participants. The Company Secretary shall communicate the comments on and required revisions to the draft presentations which were made during the ARM to the Management presenters affected.
- Management presenters required to revise their presentations shall submit printed or electronic copies of the revised and final documents to the Company Secretary, in such number as the Company Secretary may require taking into consideration the number of directors and invitees to the Board and Board Committee meetings, no later than twelve o' clock noon eight (8) calendar days prior to the meeting.
- Should any of the submission dates above fall on a weekend or a holiday, the weekday immediately preceding such weekend or holiday shall be the submission date.

The Company Secretary may, as a matter of practicality, implement shorter timelines with the written consent of the ARM Participants.

There shall be no additional agenda items, meeting materials or amendments to draft meeting materials accepted for ARM review purposes after the abovementioned submission deadlines without the consent of the ARM Participants. Written requests for such consent shall be prepared by the presenter and submitted to the ARM Participants with a copy to the Company Secretary prior to the date of ARM for their consideration. If the majority of the ARM Participants provide their consent to the Company Secretary, the Company Secretary can then accept the additional meeting materials.

### 3.5 Agenda

Following the ARM, the Company Secretary shall finalize the agenda using the format consistent with the Appendix C but subject to the right of the applicable Board or Board Committee to approve a modified template in accordance with their needs.

### 3.6 Management Report Format

Management reports and presentations shall follow the formats attached in Appendix D. Such formats may be changed from time to time with the consent of the CEO of the Business Unit.



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#### 3.7 (a) Board Material Binder

Board reports and presentations shall be printed on both the front and dorsal sides of the paper and gathered in ring binders. Separators shall be inserted for each material or group of materials falling under a separate agenda item. On each separator, there shall be tabs indicating the number and title of the agenda item to which the material or group of materials correspond.

If there is a group of materials for one agenda item, each material belonging to such group must be marked with the words “Doc Sequence No. \_\_\_\_” at the upper right hand corner of its first page and where there are multiple documents pertaining to a single agenda item, such documents shall be separated by a coloured page.

Draft resolutions shall be printed on blue paper in order to alert the Board and Board Committees that there is something to be approved or ratified. There shall only be one color for all resolutions at each meeting.

The entire board material binder shall be dispatched by the Company Secretary at least seven (7) calendar days prior to the meeting unless otherwise stipulated by local regulation (or the subsidiary’s constitutional documents).

#### (b) Electronic Format of Board Materials

The board or board committee will be encouraged to receive the Board materials in electronic format, in which case, the formats of the management reports and presentations as described in (a) above shall be followed. Electronic copies may be stored in the Business Unit’s corporate secretarial database (as applicable), with the Company Secretary granting access to such persons as may be approved by the General Counsel of the Business Unit.

#### 3.8 Seating Arrangement

Any changes to the seating plan shall be provided to the Chair ahead of the meeting. Name cards shall likewise be placed in order to easily identify all persons present at the meeting and to direct invitees to their seats.

The Company Secretary shall sit beside the Chair.

#### 3.9 Meeting Action Items List

During each meeting, the Company Secretary shall make a list of matters arising from the meeting which have to be reported to the Board or Board Committee either at its next meeting or sooner.

The Company Secretary shall send the meeting action items list to the persons concerned with a copy to the relevant board of directors for information as soon as possible, but in no case later than fourteen (14) working days from the date of the meeting.



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The meeting action items list shall be in a form consistent with the template in Appendix E.

#### **3.10 Director Performance Assessment**

Where the Charter provides for a performance assessment, the Company Secretary shall circulate a form of Board Effectiveness Questionnaire for the Board to approve and to be completed by each director annually. The Company Secretary (or the Compliance Officer, as may be required by local regulations) shall compile and report on the responses to the Board.

#### **3.11 Minutes Recording**

In the event that the Chair and CEO consent to the recording of the meetings such recording shall be used exclusively to facilitate the minutes taking by the Company Secretary. Upon acceptance of the minutes by the Board, the recording tapes will be destroyed unless prohibited by law. The recordings are to remain securely stored by the Company Secretary and shall not be shared with any other persons without the consent of the CEO and the Chairperson.

The Company Secretary shall as requested, furnish the General Counsel, SLF Asia and the Chief Compliance Officer, SLF Asia with copies of the approved board or board committee meeting minutes.

#### **3.12 Compliance with Local Law**

This Operating Guideline shall be interpreted in accordance with local law and regulations, and where required, shall be translated into the official language of the Business Unit concerned.

### **4.0 REFERENCES**

Responsible Person Assessments and Subsidiary Governance Policy

### **5.0 APPENDICES**

The Appendices to this Operating Guideline may be revised from time to time with the consent of the Vice President and General Counsel, SLF Asia.

Appendix A: Modification History  
Appendix B: Forward Agenda Template  
Appendix C: Agenda Template  
Appendix D: Management Report Format  
Appendix E: Meeting Action Items List





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### **APPENDIX A** **MODIFICATION HISTORY**

Approved by SLF Asia Policy Approval Committee: March 15, 2011

Annual Review: July 10, 2012

Amendment(s) Approved: At SLF Asia Policy Approval Committee on July 10, 2012

Annual Review: December 12, 2013

Annual Review : October 12, 2016

Amendment(s) Approved: At SLF Asia Policy Approval Committee on October 12, 2016

Amendment(s) Approved via circulation : October 25, 2017

Amendment(s) Approved: at SLF Asia Policy Approval Committee on January 21, 2020



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### APPENDIX B FORWARD AGENDA TEMPLATE

(COMPLETE ENTITY NAME)

SUMMARY OF FORWARD AGENDA FOR 2009  
[BOARD OF DIRECTORS/COMMITTEE NAME]

Relevant Quarters	Q4 '08	Q1 '09	Q2 '09	Q3 '09
Meeting Date	6Apr09	1Jul09	2Sep09	2Dec09
<i>PRINCIPAL BUSINESS ITEMS</i>				
<i>REGULAR ITEMS</i>				
<i>ANNUAL ITEMS</i>				

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### **APPENDIX C**

### **AGENDA TEMPLATE**

SUN LIFE (COMPLETE ENTITY NAME)

AGENDA FOR THE REGULAR MEETING OF THE BOARD OF DIRECTORS

Date :  
 Duration :  
 Place :

	BUSINESS	RESPONSIBLE PARTY	ACTION REQUIRED	APPENDIX
1	Call to Order	Chairman		
2	Notice and Quorum			
<i>Special Business</i>				
3				
<i>General Business</i>				
5	To approve the Audit Committee Charter			
6	To present Q1 Compliance Report			
7	To present Q1 Litigation Report			
8	Any Other Business			
9	Glossary			

**Distribution List**

Directors

, Chairman

Attendees

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### APPENDIX D MANAGEMENT REPORT FORMAT

#### A. Memo

[Sun Life Financial logo]

Presenter Name (bolded)

Tel:

Presenter Title

### **Memo to Board of Directors (or Name of Committee)**

Date: Date of memo – unbolded

Re: **Report Title (bolded) -example - Update on SLF US**

Font: Giovanni EF Book

Titles: font size 12 bolded, format spacing single before and 6 pt after – example -

#### Overview

Body text: font size 11, single spaced, paragraphs aligned left, bullets not indented, bulleted sentences begin with capitals – example below.

Management is seeking the approval of the Board of Directors to enter into an agreement with XYZ Company that will:

- Increase the capacity of ABC Business Unit to grow by x% per annum.
- Reduce the expenses of SLF US by y% per month.

Page numbers: centered at bottom of page beginning on page 2 – no footers, like www.sunlife.com

#### B. PowerPoint Presentation

Cover page:

**Title of Presentation**

**Board/Committee Name**

**Date of Meeting**

Name of Presenter  
Title

Body:

**Heading (Times New Roman 28) black text**

•(Minimum font size 24) – black text

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### APPENDIX E

#### MEETING ACTION ITEMS LIST

**SUN LIFE (COMPLETE NAME OF ENTITY)**

*(For Board Meeting to be held on [Date])*

Summary of Outstanding Action Items From the Meeting Held on [Date]

Item No.	Item	Responsibility	Remarks
1	To revisit and to report the findings on the impact on the dividend rate under the low interest rate environment at the next meeting	Actuarial/Finance	