

## **SUN LIFE MALAYSIA REVEALS SURVEY FINDINGS ON LARGE HEALTH AND CRITICAL ILLNESS PROTECTION GAP AMONG FAMILY BUSINESS OWNERS IN MALAYSIA**

*Small and Medium Enterprises (SMEs) Unprepared for Business Disruptions as only 61% had Employee Health and Accident Insurance while only 51% had Key Man Insurance*

**Kuala Lumpur, Malaysia – September 1, 2020** - Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad (collectively Sun Life Malaysia), a life insurance and Family Takaful provider respectively, announced the Malaysian findings from Sun Life's "*Future of Family Businesses in Asia*" survey, which revealed that the COVID-19 pandemic is likely to weaken the competitiveness of younger businesses as they are less prepared for unexpected business challenges and disruptions.

With the insights from more than 250 family business owners in Malaysia, the survey detected a large health and critical illness protection gap as only 61% had health and accident insurance for its employees while 51% had key man insurance for the company. This clearly indicated the lack of planning especially for family businesses that often rely on a small bench of key decision makers to run the firm, where the health and well-being of these leaders are integral to the health of the business. Almost all surveyed business owners in Malaysia (97%) reported that if they, or their key people, suffered an incapacitating illness, it would have a serious impact on their business.

With the Recovery Movement Control Order (RMCO) extended to the end of this year, these findings from the survey highlighted the vital steps, that close to one million Small and Medium Enterprises (SMEs) across the country, need to take to weather the current storm and ensure their recovery while adapting to the new business landscape.

Commenting on the findings and current plight facing SMEs, Raymond Lew, CEO and President/Country Head of Sun Life Malaysia said, "The economic uncertainties have created numerous challenges such as declining sales and embracing new standard operating procedures for SMEs that further complicates the health and protection planning during this period. In line with our business purpose of empowering people to achieve lifetime financial security and live healthier lives, we strongly encourage SME owners to look into the various financial solutions available to offset their risks, and protect and strengthen their business continuity processes for long term sustainability."

Conducted across 6 Asian markets that Sun Life operates in December 2019, the survey also found that a concerning 19% of local businesses had not started any form of succession planning while a further 14% found the process to be too complicated. This is further exacerbated by 34% of Malaysian businesses indicating they would not look to external advice to effectively execute their business continuity plans.

Commenting on the above and also sharing how businesses can overcome the challenges posed by the current economic and health situation, Raymond said, “With plenty of uncertainties ahead as COVID-19 continues to loom large, there is a substantial possibility for massive fluctuations in terms of business management, personnel or profit that can take a significant toll to these SMEs. While the first priority for business owners is steering their businesses safely through the pandemic, we strongly encourage them not to lose sight of their longer-term plans and to take a holistic view of the range of financial solutions available to offset their risks and protect and strengthen their business and succession plans for generations to come.”

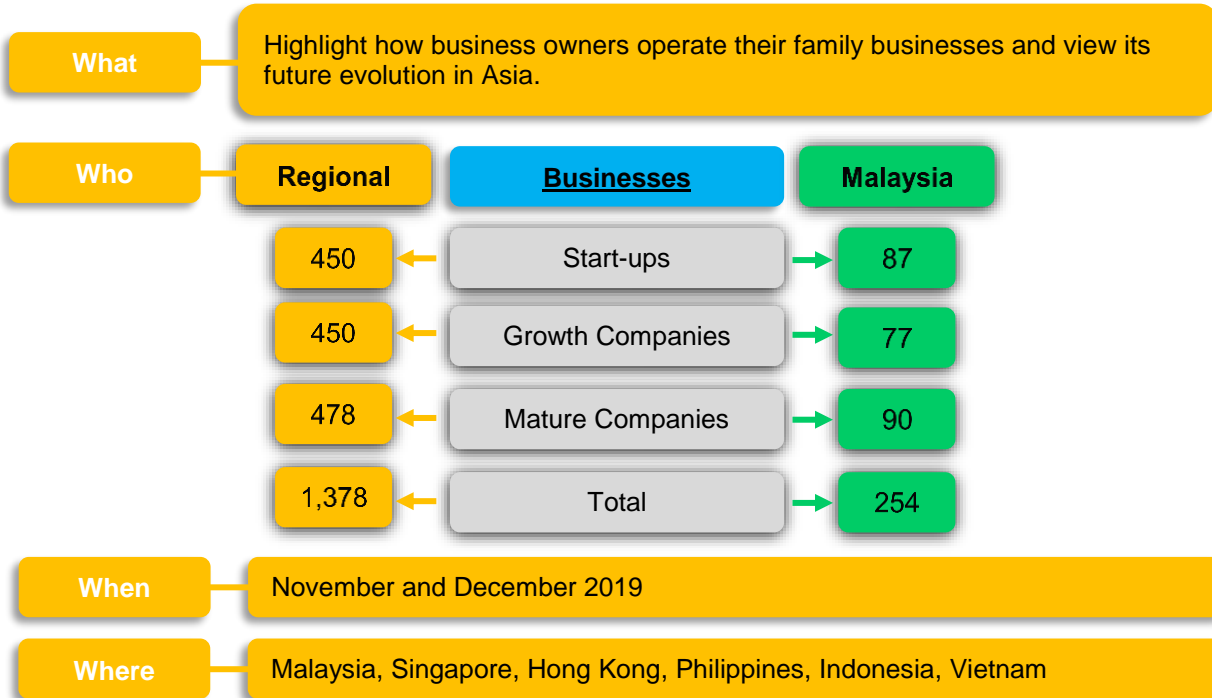
“Besides that, the other important aspect is on closing the health protection gap. As an integral component in ensuring the continuity of the company, the health of key individuals is of paramount importance for businesses to bounce back quicker and be more secured in the event something untoward happens. The COVID-19 pandemic has created serious challenges for businesses and taking the right steps early with an insurance plan can go a long way in building a baseline of resilience against similar unexpected challenges,” added Raymond.

To learn more about Sun Life Malaysia, please visit <https://www.sunlifemalaysia.com/> and also follow Sun Life Malaysia’s social media channels, Facebook at [www.facebook.com/sunlifemalaysia](http://www.facebook.com/sunlifemalaysia) and Instagram at [www.instagram.com/sunlifemalaysia\\_my](http://www.instagram.com/sunlifemalaysia_my) for the latest updates.

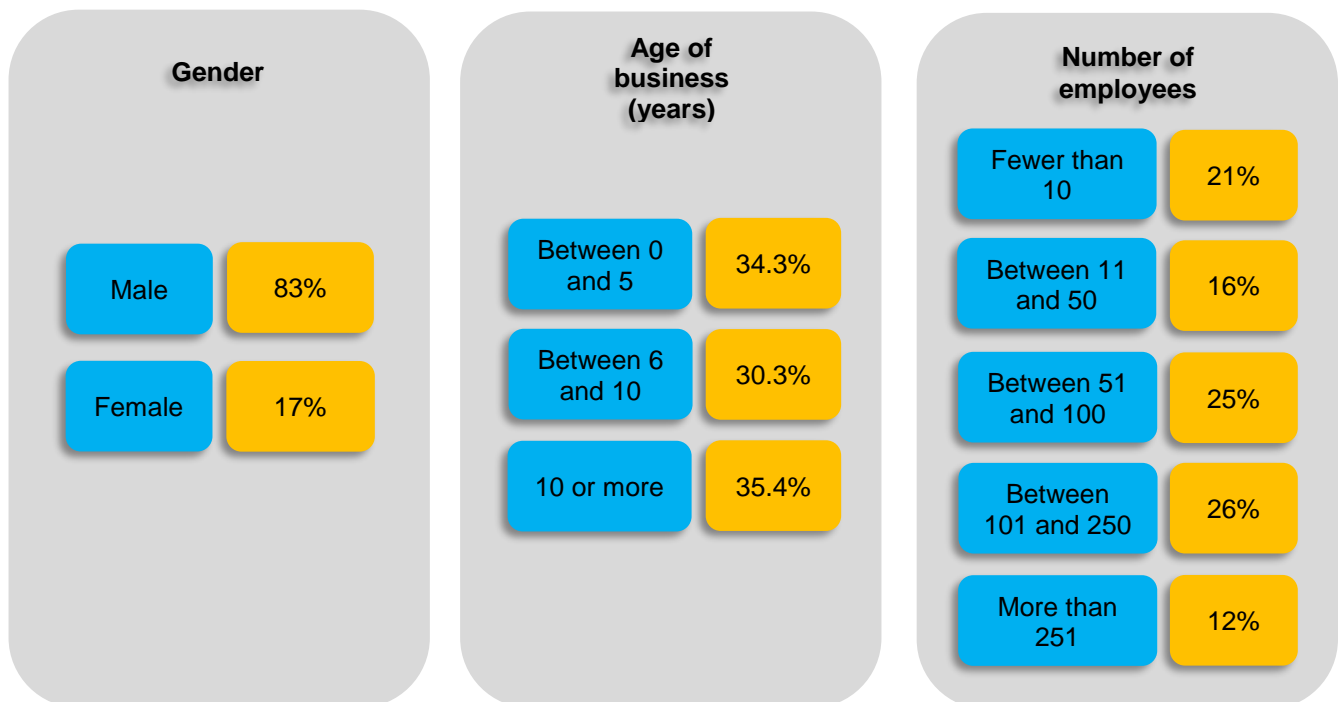
# Appendix

## Future of Family Businesses in Asia

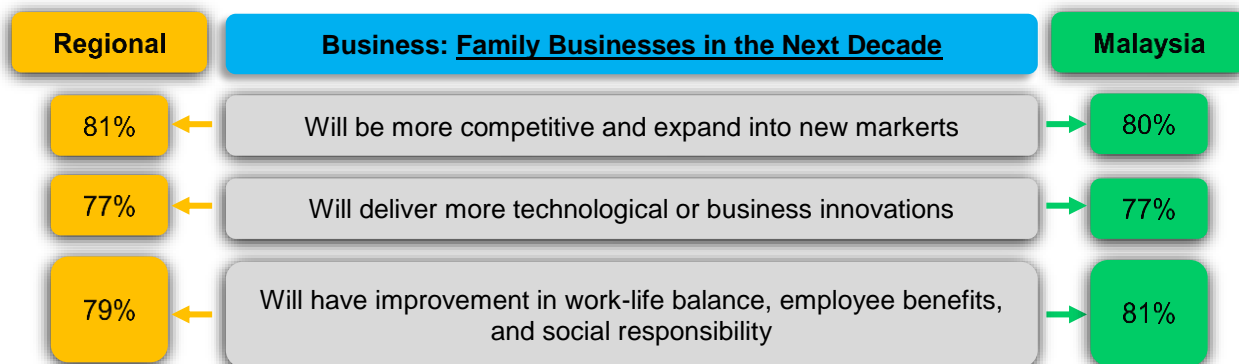
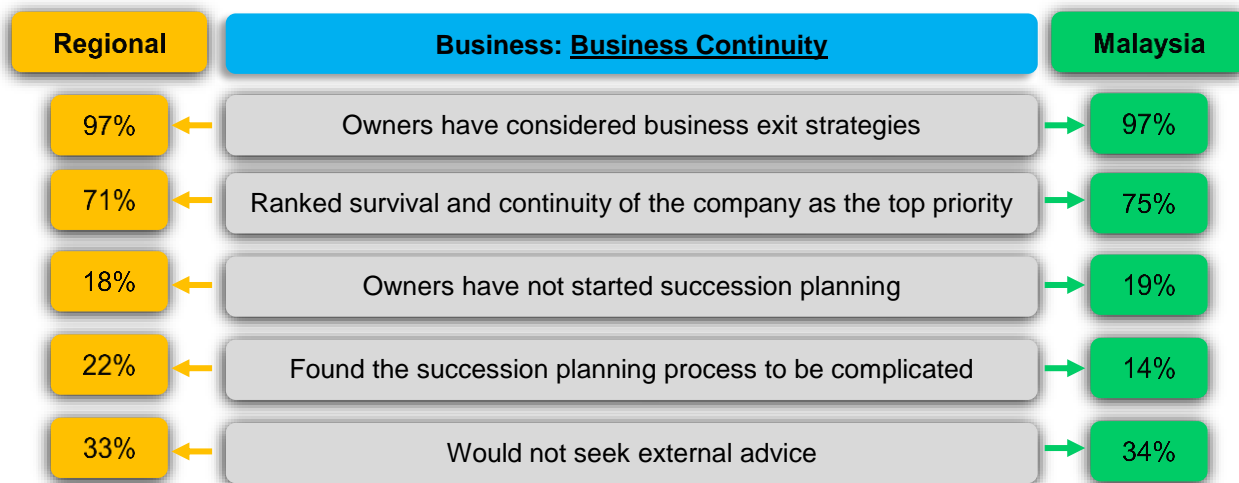
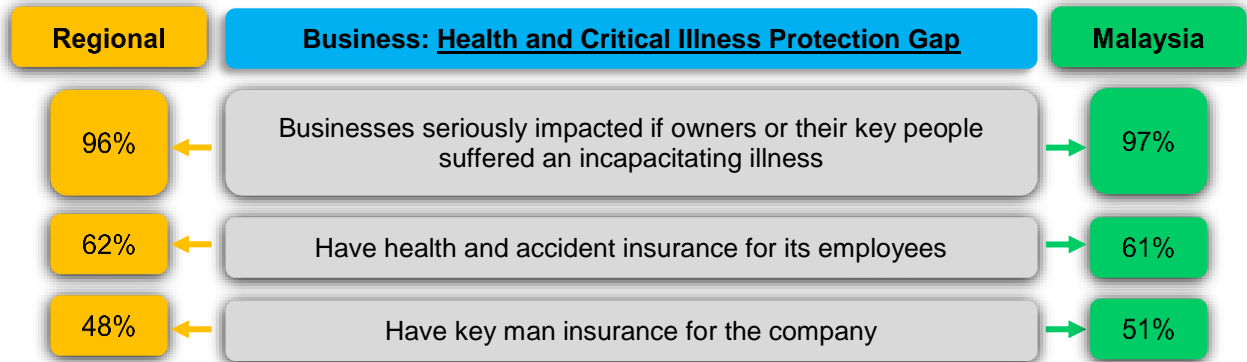
### Overview



### Profile (Malaysia)



## Key Highlights



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## About Sun Life Malaysia

Sun Life Malaysia (Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad) is a joint venture by Sun Life Assurance Company of Canada and Khazanah Nasional Berhad.

As a life insurance and Family Takaful provider, Sun Life Malaysia offers a comprehensive range of products and services to Malaysians across the country and is focused on helping Clients achieve lifetime financial security and live healthier lives. Sun Life Malaysia distributes its products through a range of distribution channels including bancassurance and bancatakaful, agency force, direct marketing and telemarketing, corporate and government business and e-distribution.

Sun Life Assurance Company of Canada is a principal operating life insurance subsidiary of Sun Life Financial Inc., a leading international financial services organisation providing insurance, wealth and asset management solutions to individual and corporate Clients. Sun Life 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, 2020, Sun Life had total assets under management (AUM) of \$1,122 billion. For more information, please visit [www.sunlife.com](http://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.

For more information, please visit [www.sunlifemalaysia.com](http://www.sunlifemalaysia.com).

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