

Response to Governance

Nassau Financial Group's ("Nassau") Chief Risk Officer owns climate change risk, which was incorporated into Nassau's managed risk register in 2021. Climate risk is assessed and reported to the Board on a quarterly basis at the both the holding company and group levels through Nassau's risk reporting process. Nassau's General Counsel and Chief Operating Officer is both the Executive Sponsor as well as the designated Board representative for climate risk.

In 2022, Nassau established an Environmental, Social, and Governance ("ESG") Committee to monitor, report and expand on Nassau's corporate social responsibility initiatives and ensure alignment with long-term goals. The Committee's membership includes the Chief Risk Officer, Chief Investment Officer, Chief People Officer, Vice President/Deputy General Counsel, Head of Internal Audit and other participants including representatives of Nassau's employee led "Green Team". Specific areas of focus include Enterprise Risk Management ("ERM"), Climate Change Risk, investment management, cybersecurity, Diversity Equity & Inclusion ("DEI") and corporate governance.

Response to Strategy

Nassau recognizes that a strong ESG program can deliver added value to our company, investors and customers, communities, and other stakeholders by facilitating cost reduction, increased productivity, and optimization of our investments and assets. Part of our ESG Strategy includes a long-standing commitment to the environment as we continue to innovate and incorporate climate change risk into our broader corporate actions, policies, and programs. Our ESG strategy impacts our long-term success and positions us for more robust top-line growth by focusing our efforts on sustainability, efficiency, and credibility. These efforts span our roles as a business and employer, an investor, a building owner, and a corporate citizen in our communities.

Approximately 50 percent of Nassau's community donation dollars support environmentally focused organizations and initiatives. Nassau supports environmentally focused organizations both financially and with employee volunteers. This includes contributions to improve the energy efficiency of several community partners, including the Bushnell Park Carousel, Golden Gate National Parks, Hands on Hartford, Holcomb Farms, Levo International, and Make-A-Wish Connecticut. The capital improvements contribute to the organization's sustainability and efficiency while positively impacting the environment.

In addition, Nassau employees are encouraged to take an active role in our environmental stewardship by adhering to a hybrid work schedule, leveraging our pre-tax commuter benefits programs, and participating in the "Nassau Green Team". This Employee Resource Group comprises more than two dozen employees who advocate, volunteer and lead environmentally focused initiatives and educational opportunities on behalf of the company. Nassau also supports and encourages employees to be more energy conscious by providing ten electric car charging stations in our building parking garages.

Nassau incorporates climate-sensitive decision-making into our risk management strategies and considers climate change risk at the highest levels of the organization. Nassau's initiatives are featured extensively on Nassau's internal and external websites and other social media forums to raise awareness of environmental issues and to inspire other constituencies to advocate for the environment and act where they can. The company has committed a five-year (2022-2027) pledge of \$200 million to the renewable and clean energy sectors.

Our Corporate Services Team drives our corporate sustainability program by prioritizing energy efficiency and waste reduction in our Nassau-owned headquarters building in Hartford, Conn., especially when replacing or upgrading any part of the building's infrastructure. Daily monitoring of all systems and regular recalibration of controls keeps these systems running at peak, efficient performance at our building. Examples include:

- Replacing standard outside dampers with thermally rated dampers,
- Replacing traditional lighting with low-energy consuming LED flat panel light fixtures that reduce energy consumption by 60% as well as the volume of recycling materials,
- Reducing individual water filters with an enhanced building water filtration system, and
- Upgrading paper towel dispensers throughout the building to reduce paper towel waste by 30 percent (1,200 lbs. per year) and eliminate purchase and disposal of 900 D cell batteries per year.

Nassau also invested in and continues to oversee the care of the building's innovative rooftop garden. The garden reduces the heat island effect and stormwater runoff into the city's drainage systems and the nearby Connecticut River. It is a natural habitat for wildlife and reduces noise and air pollution in the heart of our capital city. Nassau is developing plans to expand the rooftop gardens to additional areas on its Hartford property. In addition to its headquarters building, Nassau is a tenant in several locations across the U.S. and uses many of the same standards and equipment to maximize energy efficiency and waste reduction in these offices.

Nassau's insurance segment consists of life, annuity, and supplemental health products. Nassau does not sell or administer any products that would support a transition to a low carbon economy.

Nassau's asset management segment aims to prudently invest policyholder premiums and stakeholders' capital to achieve attractive risk-adjusted investment returns to meet policyholder and debtholder obligations, as well as provide an appropriate return for our equity stakeholders.

Nassau evaluates material climate risk factors, along with other ESG related factors, as part of its overall investment management process. Nassau tailors its ESG investment strategy to meet individual client needs when managing investments for its institutional asset management clients. Climate change is an important environmental factor in Nassau's investment reviews. Nassau considers both the physical adverse effects of environmental hazards (such as drought and storms) as well as the consequences of regulatory policies or initiatives related to climate change (such as carbon emission regulations). ESG factors, including climate change, which are material to a specific investment are addressed at the Investment Committee Meeting as well as documented in the risk section of the analysis. To the extent a given credit has a rating by any of the major rating agencies, we monitor ESG scores assigned by many agencies. Over time, analysts will also assign their own ESG score in addition to an internal Nassau credit rating. Climate change risk is particularly important when evaluating investments in the energy, metals, and mining (coal), utility, automotive, aerospace, travel, banking and insurance, sovereign, municipal, and real estate sectors.

In 2023, Nassau became a UN PRI signatory furthering our commitment to positive environmental change and sound investment strategies. Nassau completed voluntary reporting to UN PRI in 2023 and 2024.

Due to the nature of Nassau's products and the composition of Nassau's investment portfolio, we have determined that there is a minimal impact on strategy, including a 2 degree Celsius or lower scenario.

Response to Risk Management

Nassau actively manages business practices within an established Enterprise Risk Management (ERM) framework. We adhere to our ERM risk assessment procedure that details risk governance roles while identifying, prioritizing, measuring, and monitoring risk throughout the organization to protect our employees, customers, and stakeholders. Our risk management oversight includes a focus on four key areas including, but not limited to financial, business, investment & markets, and governance & strategic risks.

Each year, Nassau performs a top down inherent risk assessment of risks, including climate change risk, while considering the impact of climate-sensitive decisions on investment strategy, liquidity, reputational,

operational risk, and overall financial risk impacting Nassau's growth strategy and/or investment returns. Since Nassau policyholders are dispersed across the U.S, the geographic diversification materially mitigates environmental risk exposure on our insurance product's underwriting process. Climate change risk is included as an investments & markets risk and is incorporated into Nassau's quarterly risk assessment process and is reported to senior management and the Board on a quarterly basis.

With an increased focus on climate related risks, Nassau has assessed Climate Change risk as moderate. While Nassau continues to monitor and assess risks quarterly, necessary mitigation action will be identified through our management risk assessment process.

Response to Metrics and Targets

Nassau primarily uses qualitative metrics to assess climate related risks. While specific targets are not currently used, benchmarking information from third party investment managers, including but not limited to carbon intensity, physical and transition risks, are reviewed and considered on a quarterly basis.