



Task Force on Climate-Related Financial Disclosures (TCFD) Report

August 2021



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Task Force on Climate-Related Financial Disclosures Report

This report is a summary of Symetra Financial Corporation's and its subsidiaries' (collectively, "Symetra's" or "The Company's") efforts toward implementing the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). We believe that assessing climate risk may provide valuable insight into our overall strategy and ensure that our business actions accurately reflect our climate-related risks.

Symetra is in the early stages of implementing TCFD recommendations and understands that it is a long-term process that will evolve over time. Our current priority is to embed climate considerations into our business strategy as we evolve our Corporate Social Responsibility (CSR) program. We will gradually expand our understanding of climate risks and opportunities and make progress toward adopting the recommendations of the TCFD. This is Symetra's first TCFD report which outlines

our approach, actions, and priorities.

About the TCFD Assessment

The TCFD is a global framework for assessing climate risk and focuses exclusively on climate-related factors. The voluntary disclosure recommendations of the TCFD are separated into four pillars, representing the following core operational elements: governance, strategy, risk management, and metrics and targets. These four pillars include eleven supporting recommended disclosures, the most significant of which calls for assessing Symetra's resilience to different climate scenarios.



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¹See <https://www.fsb-tcfd.org/recommendations/> for overview and summary of TCFD disclosure recommendations

GOVERNANCE

a) Board oversight of climate-related risks and opportunities

Symetra's Board oversees the implementation of key policies, practices, an effective risk culture, and an internal control framework across the enterprise. The Finance Committee of the Board of Directors has oversight responsibility of Symetra's investment strategies and, together, with the Audit Committee, enterprise risk management. The Nominating and Governance Committee develops, recommends, and periodically reviews corporate governance guidelines applicable to Symetra and oversees corporate governance matters. The Board convenes quarterly and is regularly engaged on issues related to emerging risks, corporate social responsibility, regulatory and public policy, diversity, equity and inclusion, and corporate culture. Discussions with senior management, including the Chief of Strategy and Chief Risk Officer (CRO), focus on the changing business environment, opportunities and challenges, and execution against strategic goals and priorities. In addition, annually the CRO presents to the Board for review management's assessment of key enterprise risks and management's strategy to address each risk. As with the identification of other emerging risks, climate-related risk will be incorporated more prominently into these existing governance processes as Symetra continues maturing in this space.

b) Management's role in assessing and managing climate-related risks and opportunities

Symetra's Enterprise Risk Committee (ERC), chaired by the CRO, is responsible for overseeing and prioritizing Symetra's key risks and enterprise risk management (ERM) program. The ERC monitors risk developments, including climate-related issues, through regular updates from the CRO regarding risk appetite, reinsurance, catastrophic risk, and other material issues. The ERC includes all members of the senior leadership team, including the Chief of Strategy and Chief Financial Officer as well as other business unit and enterprise officers. The ERC convenes quarterly to assess various risks and opportunities faced by the company and there has been a recent increase in engagement with senior leaders and the Board on issues related to climate change. The CRO has primary responsibility for Symetra's ERM program and is supported by management committees. Symetra has a dedicated ERM team tasked with successfully executing on the CRO's priorities, which includes the beginning stages of Symetra's inclusion of climate-related risk into our existing framework.

Symetra is monitoring guidance related to Board and Management oversight and will develop plans as that guidance unfolds.





a) Identified climate-related risks and opportunities over the short, medium, and long-term

Symetra has identified climate change as an environmental and economic issue that will have a growing impact on communities, businesses, and the economy over the next several decades. We will work to better understand the potential implications of climate change to our customers, our business, and broader society.

As part of our 2021 Own Risk Solvency Assessment (ORSA), we will identify risk factors related to transition risks such as reputational impacts and increased potential for climate-related litigation, as well as key physical risks such as climate-driven mortality trends and health impacts. In addition, we will consider opportunities such as new product solutions to help our customers protect themselves against climate-related risks.

b) Impact of climate-related risks on businesses, strategy, and financial planning

We believe considering and incorporating climate risks and opportunities into our business strategy aligns with our company values and vision to make a positive contribution to the communities that we serve. Symetra Financial Corporation's subsidiary, Symetra Investment Management Company (SIM) regularly considers the potential impacts of climate change in evaluating new and existing investments such as corporate bonds and commercial mortgages. Considerations for corporate exposure

include changes in consumer preferences, liability, regulatory requirements, and corporate actions and strategy relating to climate change. For commercial mortgages, considerations include changes in flood and storm risk and mitigation strategies, availability and cost of insurance, and impact on potential for further development. Over the last year, SIM has developed and approved a formal Environmental, Social and Governance (ESG) Investment Policy which formalizes Symetra's dedication to including ESG considerations into our investment decision making. SIM also engaged MSCI to provide detailed ESG ratings and reports for many issuers in the corporate bond market.

c) Resilience to different climate-related scenarios

Symetra does not currently view climate change in isolation as a material short-term risk to our business. We address potential impacts of climate change as part of our risk model, which draws on risk-based capital concepts. In the model, risks are classified into four main categories: Investment risks; Pricing risks, both expected and catastrophic; Interest rate risk, including asset/liability duration matching exposures; Other business risks, including business continuity, data security, and other operational risks. The potential impact of climate change, such as natural disasters, is currently addressed by reviewing geographic concentration in our investment and pricing risk assessments.

RISK MANAGEMENT

a) Processes for identifying and assessing climate-related risks and b) Processes for managing climate-related risks

Risk management processes reside in different parts of the organizational structure based on subject matter expertise. Risk identification, assessment, and prioritization is a continuous process of identifying risk exposures, including material risk events, and is a shared responsibility. The dedicated ERM team, together with business units, management committees, and second-line functional risk management areas, rely on collective observation, collaboration, and insight in identifying new and emerging risks including those related to climate change. Additional inputs are received from industry groups, consultants, and networks. Symetra's CRO leads our ERM function and chairs the ERC. The Board is informed of risks identified through this collective process.

In addition, the ERM team is in the early stages of incorporating climate-related risk into the existing risk assessment process and this initial assessment will be included in the 2021 ORSA summary report. Overall, Symetra's approach to identifying, managing and mitigating enterprise risks such as climate-related risks, includes developing and implementing formal policies and procedures, and conducting ongoing analysis.

c) Integration of processes related to identifying, assessing, and managing climate-related risks into overall risk management

Symetra's process for identifying climate change risks and opportunities has been most concentrated to date in our investment management strategy, support of low carbon emissions through our remote work program, and business continuity planning. SIM identifies and mitigates credit risk through policies and procedures that establish the framework for identifying, measuring, and monitoring this risk.

Symetra has been and will continue facilitating tabletop business continuity exercises related to potential climate-related business disruptions. The exercises are being conducted with key business processes as well as the Symetra Crisis Management Team.

Climate-related risk identification is integrated into a multidisciplinary, company-wide risk identification, assessment, and management process through Symetra's governance structure and committees. Prominent climate-related risks, such as geographic mortality and investment concentration, have been identified and evaluated, and we will continue expanding our assessment as the process matures.



METRICS & TARGETS

a) Metrics used to assess climate-related risks and opportunities b) Greenhouse gas emissions and related risks and c) Targets used to manage risks and opportunities and performance against targets

Symetra is in the early stages of evaluating its low carbon footprint. We continuously evaluate our operations and explore ways to reduce or mitigate emissions in our operations and actively promote and/or subsidize alternative forms of transportation, including carpools and vanpools.

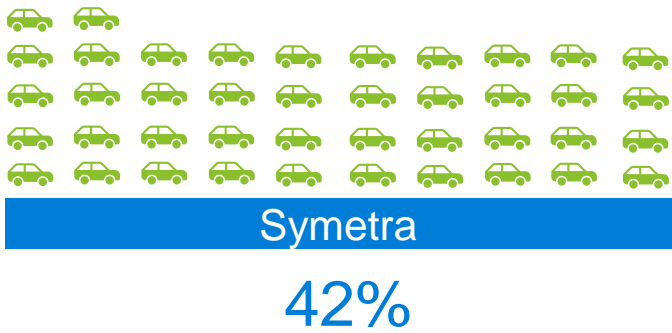
Symetra’s carbon footprint is reduced by minimizing corporate travel, hosting virtual events, and significantly lowering commuting rates through employees’ use of buses, commuter trains, bicycling, or walking. We educate our employees on our commute programs during the initial employment interview and as part of the new hire orientation process. In 2019, Symetra launched a new carpooling program called Scoop that further reduced the number of cars our employees use for their daily commute. Our 2019 commute trip reduction survey showed a 41.5% drive alone rate for all employees. Our one-way Vehicle Miles Traveled rate was 7.3 miles, which was a 19.3% reduction from our 2007

baseline. The results are an estimated annual reduction of 3,000 lbs. of CO2 emissions per employee using an alternative to driving alone.

In early 2020 we finalized our flex work program, giving employees the option to work up to 3 days per week from home, reducing our carbon footprint. Roughly 45% of our population took advantage of this program. In March 2020, nearly 100% of our company’s workforce had transitioned to remote work as a result of the pandemic and are not required to come back to the office in 2021. In addition, we have expanded our full-time remote work policy and have offered the majority of our employees the option to choose full-time remote work permanently.

As Symetra transitions to a remote work model, we will continue to assess our carbon footprint and evaluate the need for additional disclosures and targets in accordance with regulatory requirements, stakeholder expectations, and sound business practices. We are evaluating climate-risk priorities as part of our Corporate Social Responsibility program launched in 2020.

2019 Drive-Alone Rates



¹Data gathered from 2019 U.S. census data (www.data.census.gov)