NAIC CLIMATE RISK DISCLOSURE SURVEY
TCFD-ALIGNED QUESTIONS
UPDATED 2022

GOVERNANCE

1. *Disclose the insurer's governance around climate-related risks and opportunities.*

In disclosing the insurer's governance around climate-related risks and opportunities insurers should consider including the following:

- Identify and include any publicly stated goals on climate-related risks and opportunities.
- Describe where climate-related disclosure is handled within the insurer's structure, e.g., at a group level, entity level, or a combination. If handled at the group level, describe what activities are undertaken at the company level.

A. Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities.

In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:

- Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.

B. Describe management's role in assessing and managing climate-related risks and opportunities.

RESPONSE TO GOVERNANCE

The Company has no publicly stated goals on climate-related risks and opportunities. The Company has an Enterprise Risk Management process that is overseen by its Risk Oversight Committee and an Investment Committee that reviews investment practices. While climate change is not specifically referenced in either the Risk Oversight Policy or the Investment Policy, the risks associated with climate change are considered in the Company's operations and investment processes. The oversight of these risks and activities are included in the practice of those committees.

The board, board committees (including Executive committee, Audit committee, Risk Oversight Committee, and Investment committee), management and employees all focus on risk evaluation and its impact on the Company. The Company's actuarial department constantly evaluates mortality risk from multiple sources and sets product pricing based on those factors. The Company's Investment Department constantly monitors investment, real estate portfolio, and loan portfolio risks.

The Company bases its risk management and investment management decisions on actual insurance underwriting, claims and related experience, and qualified investment counsel, respectively. This data is incorporated into the Company's risk management framework which is designed to reasonably mitigate relevant risks affecting the organization. The company's key business risks are communicated to and evaluated by its senior leadership. Planning occurs regularly, and if risks increase, appropriate action is taken.

STRATEGY

2. *Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy, and financial planning where such information is material.*

In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy and financial planning, insurers should consider including the following:

- Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency. *
- Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations. *

A. Describe the climate-related risks and opportunities the insurer has identified over the short, medium, and long term.

In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and longer term, insurers should consider including the following:

- Define short, medium, and long-term, if different than 1-5 years as short term, 5-10 years as medium term, and 10-30 years as long term.

B. Describe the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning.

In describing the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning, insurers should consider including the following:

- Discuss if and how the insurer provides products or services to support the transition to a low carbon economy or helps customers adapt to climate-related risk.
- Discuss if and how the insurer makes investments to support the transition to a low carbon economy.

C. Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.

RESPONSE TO STRATEGY

The Company's home office is located in Kansas City, Missouri. As such, environmental risks are primarily limited to tornados, heat waves, and cold/freezing rain. We have backup facilities in other locations in the country, and remote working capabilities. Systems and procedures are in place to maintain business functions as part of our disaster recovery program.

As a life insurance company, we are not particularly vulnerable to the impacts of climate change. The lines of business we offer are not directly affected by risks related to climate change in the same way that a property and casualty insurer might be.

Climate change does not have a significant short-term impact on our coverages, which are largely life and annuities. We acknowledge that it may have an impact on the economy generally, which may impact investments, interest rates, and other factors. Our policyholder base is widely diversified and is not subject to geographical concentrations that might be affected by climate change. Therefore, climate change is unlikely to directly impact our products or services, and we do not consider our Company to be exposed to significant physical risks.

The Company, however, recognizes the possibility of both sudden and sustained climate-related events that could affect business operations and long-term mortality trends. The Company has identified certain risks related to climate change that could impact the Company. These include potential mortality changes that could impact the Company's life insurance and annuity products. Climate change could also impact certain investments including real estate holdings and the commercial loan portfolio held by the Company.

The Company has considered the impact of climate change on its investment portfolio, particularly with respect to its commercial lending portfolio and to its owned real estate. The Company also continually analyzes all risks associated with its traditional investment portfolio, and the direct and indirect impact of climate change is an explicit consideration in many situations. Our investment guidelines are designated to diversify the Company's holdings. The Company has not altered its investment strategy in response to these considerations because it believes its investment strategy includes processes that consider the risks associated with its investments.

The buildings infrastructure has had several energy conservation programs implemented and updated, where and when appropriate, including improved heating, cooling, lighting, and the introduction of newer technologies. Since the mid 90's, the Company estimates to have reduced the $CO2$ emissions by approximately 2,400 metric tons.

The Company believes that its key constituencies are aware of the general risks associated with climate change. In addition, the Company identifies in its communications to shareholders the risks associated with state, federal and local environmental laws and regulations.

The Company is not aware of any conclusive data suggesting that our lines of business (life and annuities) will be impacted due to climate change in a manner which won't be reflected in our normal business trends.

RISK MANAGEMENT

3. *Disclose how the insurer identifies, assesses, and manages climate-related risks.*

In disclosing how the insurer identifies, assesses, and manages climate-related risks, insurers should consider including the following:

- Describe how the insurer considers the impact of climate related risks on its underwriting portfolio, and how the company is managing its underwriting exposure with respect to physical, transition and liability risk. *
- Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate related risks, if applicable. *
- Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered. *

A. Describe the insurers' processes for identifying and assessing climate-related risks.

In describing the insurers' processes for identifying and assessing climate-related risks, insurers should consider including the following:

- Discuss whether the process includes an assessment of financial implications and how frequently the process is completed. *

B. Describe the insurer's processes for managing climate-related risks.

C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management.

In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management, insurers should consider including the following:

- Discuss whether climate-related risks are addressed through the insurer's general enterprise-risk management process or a separate process and how frequently the process is completed.
- Discuss the climate scenarios utilized by the insurer to analyze its underwriting risks, including which risk factors the scenarios consider, what types of scenarios are used, and what timeframes are considered.
- Discuss the climate scenarios utilized by the insurer to analyze risks on its investments, including which risk factors are utilized, what types of scenarios are used, and what timeframes are considered.

RESPONSE TO RISK MANAGEMENT

The Company primarily sells life and annuity contracts, with a few limited health benefit (dental, disability, vision) products. Any potential impact that climate change would have on the mortality or morbidity of the Company's policyholders would be a secondary effect and would be long-term in nature. As such, climate change risks would be implicitly considered along with changes in a number of other factors in the Company's normal pricing and underwriting processes.

The Company has considered the impact of climate change on its investment portfolio, particularly with respect to its commercial lending portfolio and to its owned real estate. The company also continually analyzes all risks associated with its traditional investment portfolio, and the direct and indirect impact of climate change is an explicit consideration in many situations.

METRICS AND TARGETS

4. *Disclose the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material.*

In disclosing the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material, insurers should consider including the following:

• Discuss how the insurer uses catastrophe modeling to manage the climate-related risks to your business. Please specify for which climate-related risks the insurer uses catastrophe models to assess, if any.

A. Disclose the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process.

In disclosing the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process, insurers should consider including the following:

• In describing the metrics used by the insurer to assess and monitor climate risks, consider the amount of exposure to business lines, sectors, and geographies vulnerable to climate-related physical risks [answer in absolute amounts and percentages if possible], alignment with climate scenarios, [1 in 100 years probable maximum loss, Climate VaR, carbon intensity], and the amount of financed or underwritten carbon emissions.

B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.

* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

RESPONSE TO METRICSS AND TARGETS

In general, we are not significantly exposed to direct climate change-based risks. Our risk management program takes into account potential risks based on publicly available information, which is updated regularly by our actuarial teams. Senior leadership continuously monitors these risks.

The Company has not explicitly incorporated risks associated with climate change into financial or any other modeling. The Company is a member of American Council of Life Insurers which tracks the issue of climate change and provides general information to its membership. We also utilized the National Association of Insurance Commissioner Climate and Resiliency Task Force as a resource. They are tasked with examining the impact of climate change on the availability and affordability of insurance products.