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.

A. RGA's Board (the "Board") and executive leadership recognize that healthy communities, sustainable operations, an inclusive and diverse workforce, and responsible investment practices are important for the creation of long-term value and business success for our company and stakeholders. The Board works closely with executive leadership to provide guidance on our sustainability strategy, initiatives, and execution. As a whole and through each standing committee, the Board and Executive Committee collectively provide active oversight of RGA's sustainability strategy, which includes climate-related risks and opportunities.

The Board has an active and ongoing role in overseeing the management of corporate risks, both as a whole and at the committee and subgroup levels. Of note, approximately 75% of our Board has knowledge of and experience with sustainability issues, trends, disclosures, and practices. The scope of the Board's oversight includes climate-related risks and opportunities for RGA's own operations, investments, and insurance underwriting activities and considers both 1) climate change's impact on RGA and 2) RGA's impact on climate change. Oversight mechanisms for managing climate-related issues include reviewing and guiding annual budgets, overseeing and guiding employee incentives, and reviewing and guiding strategy.

The Board's Investment Committee has oversight responsibilities of RGA's investment strategies, activities, policies, performance, and risk management. The Executive Vice President, Chief Investment Officer (CIO) leads RGA's Investment team, directing the company's investment policy and strategy and managing the global asset portfolio. Our ESG philosophy, process, and governance is led by the Senior Vice President, Head of Global Credit, Strategic Lead — ESG Investments, who reports to the CIO and is responsible for all fixed income credit assets in the portfolio.

RGA's ESG investment targets for 2022 – 2026 include the following:

Carbon intensity	Achieve a 20% reduction in carbon intensity of the public corporate bond portfolio by the end of 2026

	and develop methodology to measure carbon intensity for private corporate assets
Responsible investments	Increase green and social investments that align with targeted SDGs
Eliminate exposure in tobacco investment	Eliminate investments in tobacco
Climate risk assessment	Create a system for climate risk assessment for investments in the U.K. in 2022 and global analysis in 2023
Investee engagement	Proactively engage with investees deemed as material ESG risks

B. In early 2022, RGA established an ESG Steering Committee to develop, champion, and advise on our overall ESG strategy, policies, and initiatives, including climate initiatives. The committee is composed of more than a dozen leaders from all major functions and geographies who are well positioned to integrate and oversee sustainable business practices across our global operations.

Primary oversight of enterprise risk sits with RGA's Risk Management Steering Committee (RMSC), which oversees ERM program and policies — climate risk is embedded in our ERM framework as a cross-cutting risk. The RMSC, made up of leaders within the company, provides oversight and advises the Global Chief Risk Officer on the company's global ERM framework, activities, and issues. The RMSC is also accountable for RGA's strategic risk exposures, including climate, the external environment, and regulatory risk. The RMSC regularly updates the Risk Committee of the Board with reports, including qualitative and quantitative assessments describing key risk exposures. RGA has four other management-level risk committees, in addition to the RMSC, all of which consider climate risk within their responsibilities.

RGA's Climate Scenario Analysis Working Group oversees our climate scenario analysis-related efforts in partnership with RGA's global risk team and cross-functional subject matter experts. This group includes members of our risk, investments, and medical teams.

RGA's Vice President of Corporate Social Responsibility and Sustainability works in coordination with the aforementioned groups and is responsible for the day-to-day monitoring and management of selected climate-related issues. Other management-level positions with climate-related responsibilities include:

- Chief Risk Officer
- Senior Vice President, Chief Innovation Officer & Content Officer
- Vice President, Corporate Social Responsibility and Sustainability
- Head of Global Sustainability Risk
- Senior Vice President, Global Head of Credit — Strategic Lead ESG
- Vice President, Head of Credit EMEA
- Investments Portfolio Managers
- Sustainability Working Group

Together with the Board, these groups and individuals manage and oversee RGA's climate-related risks, opportunities, and strategy.

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.*

2. RGA's holistic approach considers physical and transition risks and their interactions at different time horizons in the short, medium, and long term. It considers both sides of the balance sheet, as well as interactions across business functions and decision feedback loops, to assess the potential relevance and significance of risks and inform future actions to address them.

   An increase in global average temperatures can cause changes in weather patterns — resulting in more severe and more frequent natural disasters such as forest fires, hurricanes, tornadoes, floods, and storm surges — and may impact disease incidence and severity, food and water supplies, and the general health and wellbeing of impacted populations. These climate change trends are expected to continue in the future and may impact nearly all sectors of the economy to varying degrees.

   Since we are a global life and health reinsurer, the key risk on the liability side of our balance sheet is mortality, and our key mortality markets are the U.S., Canada, and the U.K. We regularly assess the impact that physical and transition risks might have on our key mortality markets over both the short and long term, based on the latest academic research. Over the short term to medium term, the impact of physical risk on mortality in the U.S., Canada, and the U.K. is expected to be minimal under the four climate scenarios we evaluated because the physical impacts manifest gradually. Over the long term, climate-related impacts on mortality are highly uncertain due to various tradeoffs outlined in more detail in the scenario analysis section.

   The impact of physical risks on RGA's morbidity business is more complex over all time horizons. Current scientific reviews acknowledge the consequences of physical risks for population health. However, the morbidity impacts associated with extreme heat are relatively less pronounced compared to mortality impacts.

A. RGA assesses climate-related risks and their impacts over three time horizons: short, medium, and long term. Time horizons associated with climate-related risks and opportunities align with the expected completion of the Paris Agreement's 2050 energy transition and are defined as follows:

- Short term (1 to 5 years)
- Medium term (6 to 10 years)
- Long term (10+ years)

RGA recognizes that the physical risks for assets, as well as their related impact on mortality and morbidity, are most likely to be experienced in a time frame beyond that of the Paris Agreement's 2050 energy transition ambition. RGA accounts for the changing risk drivers and impacts across these horizons in its analysis to inform a comprehensive forecast of climate-related risks and opportunities.

B. Climate impacts and initiatives are incorporated into many aspects of our forward-looking business strategy, as demonstrated through our targets, commitments, products, and investments. Products RGA is exploring options to develop new sustainability and climate change-linked products to continue our tradition of making an impact through our products and partnerships (as highlighted above and in our Innovation for Insurance Access section). Operations RGA has set targets to reduce our environmental impact. These targets have been incorporated into our larger business strategy and financial planning. Specifically, we have incorporated funding for GHG management measures and offset purchases into our annual budgets. Investments In addition to economic and financial considerations, we evaluate and incorporate ESG criteria, including climate considerations, when making investment decisions.

<u>Incorporation of ESG Factors</u>. ESG factors are an integral part of our research, analysis, and ongoing monitoring of our corporate bond investments. We believe that good governance practices and a commitment to corporate responsibility by bond issuers can enhance investment opportunities and positively impact long-term investment performance. RGA also believes that long-term sustainability concerns impact both investors and society and thus should be considered when making investment decisions. Incorporating ESG factors is crucial to understanding a company's long-term viability, profit potential, and return on investment, and these factors are key components of RGA's investment research and decision-making.

<u>Portfolio Credit Ratings</u>. Our overall top-down and bottom-up analysis suggests that across credit markets and geographies, the significant long-term climate transition risks are not yet fully reflected in the expected dispersion of credit spreads between leaders and laggards across sectors. In contrast, however, credit rating agencies have already updated their methodologies to incorporate these emerging risks of stranded assets and increased climate-adjusted probabilities of default in their rating analyses. As prudent long-term investors, we are starting to tilt the portfolio toward climate transition leaders and those companies showing the greatest improvement, and reducing our exposure to transition laggards and those that are not making progress in this area. This mitigates the downside risk of a negative repricing of climate transition laggards. Additionally, this mitigates any associated credit rating downgrade risk and longer-term increased probability of default if business models do not adapt to a new lower carbon-intensive operating environment.

<u>Carbon Intensity</u>. As set out in the Responsible Investment Approach section, we have adopted a target to reduce the carbon intensity of the public corporate bond portfolio by 20% between 2022 and 2026, aligned

with RGA's enterprise-wide strategy cycle. To measure decarbonization within our portfolio, we assess the weighted average carbon intensity (WACI)19 where data is available. We are working to establish methodologies to estimate the parts of the portfolio where we do not have verifiable data, such as sovereign bonds and private corporate assets.

Investee Risk Assessment. We evaluate the emission footprints of our investee companies, but also the forward-looking assessment of how the companies' management is acknowledging and mitigating that transition risk. For the forward-looking assessment, our main tool is the Carbon Risk Ratings provided by Sustainalytics, the ESG rating agency and climate data vendor we have partnered with. We also assess a company's existing climate risk reduction policies and decarbonization targets, its emissions track record and future trajectory, and any active changes to the business model and capital reallocated to the climate transition.

Monitoring and Actions. Companies in high-carbon sectors with "High" or "Severe" Sustainalytics Carbon Risk Ratings — the climate transition laggards — are subject to additional monitoring of progress and investment analysis. We utilize the Sustainalytics Material Risk Engagement platform to engage with some of our investee companies that have a "High" or "Severe" ESG Risk Rating, including those where we see a lack of progress on transition and emission reduction targets. If we observe a deterioration in Carbon Risk Ratings over time and a reversal of emission trajectories and signs that management is not responsive to the broader collective engagement via our third-party vendor, we have portfolio management actions prepared to address these risks. Actions include suspending future investments in these companies, reducing our exposure, or fully divesting the position and continuing to pivot toward companies that have demonstrated a commitment to meet emissions reduction targets and manage their carbon footprints more proactively.

C. RGA is committed to the continuity of services as part of who we are and the value we offer our clients. Our global business continuity and operational resilience program enables our leaders to understand our exposure to disruptions in advance and take steps to mitigate their likelihood and impact. Our global policy, frameworks, training, and tools empower leaders to limit disruptions to within impact tolerances. Through our ERM function, we review and update our business continuity plans and preparedness protocols at least annually, gaining input from internal and third-party specialists.

Impact Uncertainty. RGA continues to research the long-term health effects of climate change. Our commitment to research in this space enables us to anticipate climate impacts and adapt accordingly. Life and health reinsurance is a long-term business, and impact assessments are still in the early stages of assessing and understanding risks. Impacts on RGA's assets are expected to be conditioned by transition risks, which are more likely to materialize more rapidly than extreme physical impacts from climate change. These impacts are uncertain, as the speed of change, success of policy and programmatic implementation, and economic and large-scale health events could negatively affect RGA's core insurance business.

Climate Stress Testing. To understand the impact of those risks on our balance sheet, it is necessary to perform a comprehensive stress testing exercise to model the impacts of climate change on our business under different temperature pathways using our climate scenario analysis.

RGA's Climate Scenario Analysis Working Group, in partnership with RGA's Global Risk team, laid the foundations and framework for our 2023 enterprise-wide climate scenario analysis and stress-testing capabilities, focusing on the time-related impacts of physical risks and transition risks on both sides of the balance sheet.

The 2023 climate stress test analyzed the impact of different climate change scenarios on both the asset and liability sides of the balance sheet. It included qualitative analysis of all asset classes and encompassed both transitional and physical risk. The methodology adopted was consistent with the guidance given by the European Insurance and Occupational Pensions Authority (EIOPA).

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.

A. RGA's ERM objective is to consistently identify, assess, mitigate, monitor, and communicate all material risks facing the organization in order to effectively manage all risks, increasing protection of RGA's clients, shareholders, employees, and other stakeholders. Climate risk is embedded in this framework as a cross-cutting risk. In line with the TCFD recommendations, RGA differentiates between (1) physical risks and (2) transition risks associated with climate change.20 Our ERM framework provides a platform to assess the risk/return profiles throughout the organization, thereby enabling enhanced decision-making. RGA's Risk Management Steering Committee (RMSC), made up of leaders within the company, provides oversight and advises the Global Chief Risk Officer on the company's global ERM framework, activities, and issues. The RMSC is also accountable for RGA's strategic risk exposures, including the external environment and regulatory risk.

RGA's ERM Framework

1. Risk Culture. Risk management is an integral part of our culture and is embedded in our business processes in accordance with our risk philosophy. As the cornerstone of the ERM framework, a culture of prudent risk management reinforced by senior management plays a predominant role in the effective management of risks.

2. Risk Appetite Statement. Effective January 1, 2024, a new Risk Appetite and Tolerance Framework that reflects the Company's strategy and key aspects of its business replaces the Risk Appetite Statement. The new framework defines the Company's willingness and capacity to take on risk, considers the skills, resources, and technology required to manage risk exposures in the context of risk appetite, and is inclusive of tolerance for loss or negative events that can be reasonably quantified. This framework also defines company-wide risk appetite and tolerance statements, details risk tolerance metrics and provides guidance in relation to risk tolerance utilization monitoring, breaches, and actions. The risk appetite and tolerance statements are is supported by more granular risk limits.

3. Risk Limits. Risk limits establish the maximum amount of defined risk that RGA is willing to assume to remain within the company's overall risk appetite. These risks have been identified as relevant to manage the overall risk profile of RGA while allowing the achievement of strategic objectives.

4. Risk Assessment Process. RGA uses qualitative and quantitative methods to assess key risks through a portfolio approach that analyzes established and emerging risks in conjunction with other risks.

5. Business-Specific Limits and Controls. These provide additional safeguards against undesired risk exposures and are embedded in business processes. Examples include maximum retention limits, pricing and underwriting reviews, per-issuer limits, concentration limits, and standard treaty language.

6. Risk Incidents and Findings Management. Reporting of risk incidents and findings drives transparency about risk events and vulnerabilities within the organization, ensures that appropriate mitigation occurs, and enables RGA to improve processes and learn from mistakes.

7. Risk Escalation Process. An effective risk escalation process is an integral part of prudent risk management because it enables rapid threat identification and response. An internal escalation process is in place, and all action plans, risk limit breaches, temporary waivers, and exceptions are reported to the Risk Committee regularly.

Risk Identification RGA's

Emerging Risks Framework identifies and prioritizes actions related to new and/or evolving risks. Given our global footprint and the long-term nature of our business, climate change risks are regularly identified as top emerging risks. A global emerging risks survey is conducted annually to understand and prioritize emerging climate trends, issues, and challenges. We execute this review at the executive level with considerations for legal entities and segment-specific trends.

Risk Assessment

The new Risk Appetite and Tolerance Framework and expanded risk assessment ratings and guidelines result in enhanced reporting capabilities, which are presented to the Risk Management Steering Committee as well as the Risk Committee of the Board. This is an outcome of our efforts to further link our company strategy to sustainability and educate our lead risk owners and employees in identifying, assessing, managing, and reporting risks, including emerging risks.

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.

A. RGA's climate-related metrics and targets are built into the companywide strategy. RGA has made efforts to measure and reduce our Scope 1 and 2 greenhouse gas (GHG) emissions, including a target for net-zero operational emissions by the end of 2026.

Core Metrics

We utilize the following core metrics to measure the potential financial impact of climate-related risks and opportunities on our business and to measure the progress versus our sustainability and climate-related targets. We believe these are valuable in supporting our climate-related governance, strategy, and risk management, despite some of their limitations. They include a limited scope of coverage, data availability, and extended time horizons, as well as the uncertainty associated with some of the underlying assumptions. We utilize external data sources and providers as well as internal analysis to produce the climate metrics.

The Core Metrics include:

- Operational Carbon Emissions;
- Carbon Intensity of Investments;
- Investment in Sustainable Assets;
- Carbon Risk Rating;
- ESG Rating; and
- Physical Risk Data.

B. RGA has continued to measure our Scope 1, Scope 2, and select Scope 3 GHG emissions and now has calculations for 2019-2023 as outlined below:

	2019	2020	2021	2022	2023
Scope 1 Total ($mtCO_2e$)	656	571	590	603	271
Scope 2 Location-Based Total ($mtCO_2e$)	7,163	7,770	7,684	7,829	7,819
Scope 2 Market-Based Total ($mtCO_2e$)	—	—	—	—	7,908
Scope 1 & 2 Location-Based Total ($mtCO_2e$)	7,819	8,341	8,274	8,432	8,090
Scope 1 & 2 Market-Based Total ($mtCO_2e$)	—	—	—	—	8,179
Scope 3: Category 6, Business Travel — Air Travel Only ($mtCO_2e$)	7,621	1,561	273	4,297	8,554
Location-Based Scope 1 & 2 Intensity per Employee ($mtCO_2e$/FTE)	2.5	2.3	2.4	2.2	2.1
Market-Based Scope 1 & 2 Intensity per Employee ($mtCO_2e$/FTE)	—	—	—	—	2.1

To collect data and calculate emissions, we used The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and the Department for Environment Food and Rural Affairs (DEFRA) Environmental Reporting Guidelines. We also use Environmental Protection Agency emission factors for locations within the U.S. and International Energy Agency emission factors for facilities outside of the U.S. We leverage the Association of Issuing Bodies residual mix, market-based emission factors for facilities in member countries as well as DEFRA emission factors for sources such as purchased steam.

RGA does not anticipate any material risks associated with our Scope 1 and 2 emissions or our Scope 3 emissions associated with air travel. As we continue to expand our Scope 3 calculations, we anticipate gaining a clearer picture of possible risks associated with our value chain. While we do not have a complete assessment of our emissions associated with Scope 3: Category 15 — Investments, the information disclosed above provides insight into how we are evaluating associated emissions.