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.***

Athene has an Enterprise Risk Management ("ERM") function to identify, measure, mitigate, manage and report on all material risks to the company, including emerging risks such as climate change. The ERM function reports on material risks to Athene's Management Risk Committee ("MRC") and Board Risk Committee ("BRC"). The MRC is responsible for developing and implementing the systems and processes designed to identify, manage and mitigate reasonably foreseeable material risks. The BRC assists the Board in overseeing, identifying and reviewing risks that could have a material impact on the company and overseeing mitigation strategies applicable to those risks.

We do not currently have any publicly stated goals on climate-related risks and opportunities. Climate related disclosure is handled at the group level, and given that the majority of Athene's climate risk is within its investment portfolio, and all Athene insurers share similar asset allocations, no explicit entity level activities are performed.

Regarding governance for climate-related risks within our asset manager, from a board oversight perspective, as part of their ongoing commitment to best-in-class ESG governance, they established a Sustainability and Corporate Responsibility Committee ("S&CR") that assists the AGM Board of Directors (the "Board") in overseeing corporate responsibility and sustainability matters, including environmental sustainability and climate change, that may affect their business, strategy, operations, performance, or reputation. The S&CR Committee has held several meetings in 2022 to review sustainability and climate strategy.

From a management oversight perspective, Apollo's chief sustainability officer is a member of the Management Committee, which is comprised of senior leaders across the Firm. ESG leaders coordinate with Investment Committees, Enterprise Risk Management, and Reputation Management functions. The ESG oversight changes made by Apollo are expected to bring even greater transparency and accountability to drive our business forward.

Apollo recently announced the launch of a comprehensive sustainable investing platform focused on financing and investing in the energy transition and decarbonization of industry. Across asset classes, Apollo targets deploying $50 billion in clean energy and climate capital over the next five years and sees the opportunity to deploy more than $100 billion by 2030. With approximately $4.5 trillion[1] annually in investments needed to achieve global net zero by 2050, Apollo aims to be a leading capital partner to companies and communities globally. Athene expects to be an investor in many of these opportunities.

---

[1] Midpoint of low-end and high-end estimated energy and infrastructure spend required to achieve net zero over the next 30 years per BloombergNEF, July 2021.

In addition to the Firm's investment targets, Apollo has committed to several efforts that will benefit Athene:

- Reduce median carbon intensity by 15% over the projected hold period for new control investments in the Firm's flagship strategy;
- Align its public reporting with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations;
- Enhance due diligence with a deeper focus on sustainability improvements and targets; and
- Continue to identify and invest in innovative companies that accelerate the energy transition and more sustainable business models.

Apollo integrates ESG, which includes climate-related risks and opportunities, into its management structure in multiple ways.

Apollo's Business and Management Committees, which are comprised of senior leaders across the Firm, oversee and make key operational and strategic decisions, including those related to ESG strategy such as establishing Firm-wide goals and ESG policies. The chief sustainability officer is a member of these committees, which typically meet on a weekly basis.

The heads of ESG for private equity and credit are responsible for designing procedures for ESG integration with respect to its applicable asset class, and in each case, in accordance with the ESG Policy.

Additionally, the ESG team focuses on climate-related regulatory and policy developments that result in new legal requirements and frameworks that may impact its strategy, business, portfolio companies of the funds they manage, and clients.

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.**[i]

- ***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 1-5years as short term, 5-10years as medium term, and 10-30years 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.***

Athene considers the potential impact from climate-related issues on our business, strategy and financial planning over short-, medium- and long-term time horizons. We consider both direct physical impacts and indirect effects that may emerge through transition risks, particularly those driven by new legal and regulatory requirements. In the short term, acute physical risks from climate change may result in increased frequency and severity of natural catastrophes. This in turn affects operational risks associated with business activities of Athene or third parties as well as business continuity risks. We manage these physical and operational risks through business continuity planning and insurance protection within investments exposed to physical risks. In the short- to medium-term, Athene's underwriting and investment activities create potential legal and regulatory risks due to increased focus on ESG-related litigation and regulatory action. In the medium- to long-term, as a company focused on the annuity and Pension Group Annuity (PGA) markets, Athene's exposure within its investment portfolio to existing efforts to transition towards low or net zero carbon economies present market and credit risks. Further, Athene's attempts to match long-duration liabilities with equally long-dated assets may present technology risks, as longer-term technological advancements that support the transition to a lower-carbon, energy-efficient economic system may have a significant impact on a wide range of companies and other organizations.

Athene's various company sites face a variety of weather and climate-related risks, some of which are dependent upon their unique geographical location. These risks include extreme heat, severe storms, tornadoes, tropical storms and hurricanes, earthquakes, snow and ice storms, flooding, drought, and wildfires.

We work diligently in protecting Athene company sites and staff from these risks. In addition to maintaining policies to protect and plan for these types of events, Athene also executes a multitude of drills and trainings to help educate employees on procedures. Athene schedules and performs annual fire and tornado drills, which include evacuation and shelter-in-place drills to help reduce risk if an event were to occur.

Athene's West Des Moines campus utilizes heated sidewalks at the main entrances and performs routine concrete work and salting on parking lots and secondary sidewalks to reduce the number of physical hazards inherently present due to Iowa's extreme winder weather. Additionally, the campus has strategically planned placement and maintenance of the native grasses and wetlands, which lessens the risk of floods. Athene's pond system also collects rainfall and releases it at a gradual rate using bio-friendly stream channels to the Raccoon River, which also help lessen the risk of flooding.

Athene's Bermuda office also has procedures and communications plans in place to mitigate hurricane-relate risk. These procedures ensure employees are at home and/or in a place of shelter well in advance of a hurricane making landfall.

Further, Athene maintains a Corporate Incident Management Plan (Business Continuity Plan) that helps ensure the business can successfully manage disaster-related events from weather and climate-related risks.

Regulators are increasingly focused on ESG issues, including climate change issues. As such, we anticipate that policymakers and regulators' climate and ESG-related expectations will continue to increase over the coming years. To better understand the scale of the political and regulatory environment in this area, Athene has a monthly meeting of senior and executive management that regularly assesses the current and pending climate and ESG related regulatory developments that may impact the company.

In addition to identifying climate risk to Athene, the company is committed to corporate and social responsibility practices to benefit our employees, customers, communities, shareholders and other stakeholders. The company's 2021 Corporate Social Responsibility Report is available on the Athene website and, among other things, highlights the company's efforts to make positive changes for the environment.

Regarding products or services Athene offers to support the transition to a low carbon economy, as Athene is focused on the retirement services market its product suite does not directly support this transition or help customers adapt to climate-related risk, apart from providing guaranteed income that protects from a wide range of financial risks, include those that would result from climate risk. Athene has considered offering ESG linked funds within its Fixed Indexed Annuities for retail investors and is considering a Green Bond Issuance for institutional investors.

Relative to P&C and mortality focused life insurance companies, Athene's liabilities are focused on accumulation and longevity, which would be less impacted by differing climate scenarios. Within its investment portfolio, our asset manager has taken steps to manage these risks as described below.

In 2021, Apollo engaged a third-party consultant to assist the Firm in conducting an internal evaluation of the market environment, regulatory landscape, and investor expectations to better understand Apollo's current climate maturity, determine its climate ambition, and develop a formal climate strategy covering the spectrum of investments of Apollo-managed funds, and Apollo as a firm itself.

The Climate Strategy Project tapped into more than 75 stakeholders from across Apollo's business, including 15 partners, and included a maturity assessment of Apollo's current activities with respect to three key stakeholder groups: clients, peers, and regulators. The effort resulted in a comprehensive set of climate strategy recommendations that reflect the business's unique culture. The plan also considered implications of the climate topic at Apollo's corporate and business segment levels, focusing on carbon emissions, and climate risk and opportunities.

Several key and tangible actions have already been put in place as a result of this broad strategic effort, including:

• Adoption of a new GHG median reduction target for new flagship private equity investments.
• The launch of Apollo's sustainable investing platform.
• Strengthening of Apollo's climate-related governance processes.
• Further consideration of climate implications in risk and reputation review bodies.
• A commitment to enhanced reporting aligned with the recommendations of TCFD.
• Efforts to enhance due diligence processes with respect to climate.

Apollo's strategy for identifying and addressing climate risks and opportunities encompasses its investment strategy and business operations.

1. Climate Risks:

Climate-related risks for the short, medium, and long term can be classified into two categories:

• **Physical risks:** risks that result directly from the changing climate; both acute risks (episodic events like flooding, tornados, and wildfires), and chronic risks (ongoing risks/longer-term shifts in climate patterns like drought, rising sea levels, and desertification)
• **Transition risks:** risks inherent in changing strategies, policies, or investments as society and industry transition to a lower-carbon economy

Physical risks can directly impact the properties, facilities, and infrastructure of Apollo and the businesses in which Apollo-managed funds invest. The indirect impact of physical risks can also affect business operations and disrupt supply chains. Developing a more complete understanding of these risks and their impacts on Apollo, investment portfolios, and specific issuances can be a key component in forecasting cash flows and creating value across asset classes and sectors.

Transition risks can adversely impact the value, performance, and viability of certain businesses, assets, and sectors in which Apollo-managed funds invest. Apollo believes identifying areas at risk and ensuring they stay ahead of, and in compliance with, market and regulatory developments will be crucial to managing their risks in the near, medium, and long term. Among the factors they monitor to manage transition risks are market, policy, and regulatory developments, including the impact of U.S. and foreign climate and ESG-related legislation and regulation, as well as risks arising from climate-related business trends.

2. Climate Opportunities:

While climate-related risks are significant, global efforts to mitigate and adapt to those risks, and the resulting market developments associated with them, offer a substantial opportunity for Apollo, and Athene as an investor, to play a leading role in the energy and carbon transition.

• **Cost Management:** Improving energy, water, and waste infrastructure, systems, and processes can help conserve resources and boost efficiency, offering cost-reduction opportunities to Apollo and Apollo-managed funds' portfolio companies. Research suggests modest spending on emission reductions can result in significant operating cost savings.

• **Market Developments:** The low-carbon transition has resulted in an increase in demand for sustainable goods, services, and practices across all sectors and asset classes. Certain industries, such as electric vehicles, have been born. Others, such as renewable energy production (e.g., hydroelectric, wind, solar), have experienced rapid growth. Even older, more carbon-intensive sectors offer opportunities to play a role in funding the transition; for example, via carbon sequestration at oil and gas facilities, or green bonds with yield tied, in part, to environmental performance. Apollo has a strong track record of investing in and lending to companies supporting the clean energy transition – not just because it's the right thing to do, but because it can be profitable. Since 2018, among other investments, Apollo-managed funds have: entered into a new venture with Johnson Controls to provide sustainability and energy-efficiency services; invested in U.S. Wind, an offshore wind developer; formed a joint venture to accelerate the growth of renewable energy royalties company Great Bay Renewables; invested in Stagecoach Royalty, a renewable energy land royalties platform; acquired a majority stake in Arlington Valley, a utility scale solar asset; acquired Tullahennel, a wind power asset in Ireland; invested in sustainable bioenergy producer AS Graanul Invest; and invested in FlexGen, an integration services and software technology provider for energy storage solutions. In addition, Apollo-managed funds have sponsored the Spartan series of special purpose acquisition vehicles, which have announced or completed combinations with Fisker, an electric vehicle company; Sunlight Financial, a residential solar financing fintech company; and Allego, a leading pan-European electric vehicle charging company.

• **Sustainable Investing Platform**: Apollo recognizes the need for rapid decarbonization to address climate change. While renewable energy and electrification are becoming more economically viable, the world now needs more efficient capital flows—an estimated $4.5 trillion is needed annually to achieve net zero globally by 2050.[2]

This presents a once-in-a-generation opportunity to drive real, positive change while meeting the return goals of investors in the funds Apollo manages. In early 2022, they announced a comprehensive sustainable investing platform focused on financing and investing in the energy transition and decarbonization of industry. Across asset classes, they target deploying $50 billion in clean energy and climate investments over the next five years. By 2030, they see the opportunity to deploy more than $100 billion toward this objective.

• **Diversified Product Offerings:** Increased investor demand for energy transition, climate capital, and other similar strategies or products, offers an attractive opportunity for Apollo to develop and launch new products to tap into these flows of capital. The capital dedicated to impact investing has grown dramatically in recent years, and Apollo expects those trends to continue. At its outset, the impact investing space was focused on debt and venture and growth equity in technology- oriented businesses as well as in emerging and developing markets. While a large portion of impact capital remains focused on these strategies, they believe the current impact opportunity set and competitive landscape present an opportune moment for Apollo's value-oriented, later-stage investment approach. Apollo believes mature businesses present the most critical need for impact-oriented capital. By virtue of their operational scale, number of employees and suppliers, wide customer and consumer bases, and by extension, the influence within the communities in which they operate, we believe mature companies' wider breadth of activity can create a larger scale of impact while enabling alpha generation. Apollo established the Impact Platform in 2020 to pursue investment opportunities aligned with impact. They continue to explore investment areas and products that reflect the evolution in investor demands and offer attractive, sustainable returns.

• **Shifting Public and Employee Preferences:** Attitudes toward the climate crisis are coalescing around a sense of urgency and need for action. Seventy-one percent of citizens across 14 countries globally think that climate change is as serious a problem as COVID-19 in the long term, and 65% think government actions must prioritize climate change in the post-COVID-19 economic recovery, including 59% and 57%, respectively, in the U.S.[3] Apollo believes that embedding sustainability broadly, and a focus on the climate crisis specifically, into its corporate strategy can result in a positive impact on business performance, strengthen and protect its brand reputation, and continue to build credibility – all factors that could have a positive financial impact in the long term. These shifting preferences apply to employees as well. Strong performance on climate metrics and an alignment of Apollo's broader corporate strategy with positive outcomes can improve staff satisfaction and its appeal to new talent. Its people are the core drivers of their success. Increased retention and ability to attract the best and brightest can save Apollo substantial costs from employee churn and onboarding, decrease operational risk associated with loss of experience and new employees, and improve its roster of talent's capacity and ability to source and execute transactions successfully.

[2] Midpoint of low-end and high-end estimated energy and infrastructure spend required to achieve net zero over the next 30 years per BloombergNEF, July 2021.

[3] Ipsos Global Advisor. *Earth Day 2020: How do Great Britain and the world view climate change and COVID-19* [PowerPoint slides]. https://www.ipsos.com/sites/default/files/ct/news/documents/2020-04/earth_day_slide_deck.pdf

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.***

Athene identifies, assess, and manages climate-related risks within its broader ERM framework. Climate Risk is considered within the existing risk taxonomy of Athene and its impact is considered for each element of that taxonomy. Particularly, climate risk's impact on underwriting risk is relatively small, given our strong focus on accumulation and longevity products across physical, transition, as well as liability risks. Likewise we have not actively taken steps to encourage policyholders to manage their potential physical and transition climate related risks.

The more material portions of Athene's risk taxonomy to be impacted are climate-related risks on its investment portfolio, primarily associated with investments across a range of diverse energy sectors. Physical risk within real estate investments is also considered, and the risk management approach applied there is to mitigate the risk with insurance requirements on all real estate assets.

Within the broader ERM framework, Climate Risk is also considered within Athene's Emerging Risk process. Part of this process is an annual bottom-up gathering of emerging risks through a Total Risk Assessment by business unit. A cross-functional Government Relations committee also addresses emerging risks including climate risks from a legal/regulatory perspective. Emerging Risks including Climate Risk are topics within Athene's Management Risk Committee.

Climate scenario analysis is contemplated as we evolve and improve the climate risk framework along with our asset manager. Since the majority of Athene's climate risk is within its investment portfolio, our asset manager's approach to climate risk management is summarized below:

1. Investment Approach

A. Integrating Climate Risk into Investment Decisions

Consideration of climate-related risks can be a key component of Apollo's ESG evaluation and diligence processes. Apollo believes that ESG solutions should be tailored to each asset, and that there is no "one-size-fits-all" solution to responsible investing; thus, Apollo seeks to apply ESG principles efficiently and in a way that makes sense in the context of each investment. Apollo also tailors consideration and integration of ESG issues to meet the specific goals and values of certain clients.

ESG is an integral part of Apollo's investment thesis. When evaluating a potential investment, Apollo investment professionals, outside counsel, and other advisors often work together during diligence to assess potential ESG issues that could impact value. The ESG evaluation generally includes identifying ESG risks, risk mitigants, and ESG opportunities. Investment analysts across asset classes frequently review potential investments for relevant ESG risks as a matter of good business practice. Apollo's collaborative approach to the investment process endeavors to ensure that the collective knowledge of the team is maximized and that a variety of perspectives are considered.

B. Due Diligence Assessment

Climate-related risks are frequently assessed and documented as part of Apollo's comprehensive due diligence processes. During diligence, Apollo endeavors to leverage the knowledge and expertise of investment professionals, outside counsel and experts, and third-party frameworks and standards to identify and assess potentially material ESG risks. Depending on the nature of a particular issue identified through deal diligence, Apollo may hire special advisors, including counsel and consultants as necessary. Outside consultants and outside counsel are typically engaged who specialize in environmental issues, health and safety, international trade controls, data security, and other specialized topics as needed. As transactions, especially private equity transactions, proceed towards closing, Apollo endeavors to shift focus to potentially material ESG-related opportunities to drive value, which can inform the nature and focus of engagement with the company post-closing by Apollo and outside advisors.

2. Climate Risk Management Practices

Apollo believes that actively managing ESG risks, including climate-related risks, and seizing ESG opportunities makes it a better investor, and better stewards of its client's capital, by positioning Apollo and Apollo-managed funds' portfolio companies for sustainable success. Apollo recognizes that ESG issues can affect both the investment risk and the performance of the companies in which Apollo-managed funds invest, and accordingly, our approaches to identify, measure, manage, and monitor ESG risks may vary depending on, inter alia, asset class, geography, investment strategy, portfolio construction, investment vehicle, or time horizon.

Apollo leverages ESG information gathered during the due diligence process to identify ESG risks and opportunities through its engagement with portfolio companies. Apollo analyzes risk through three different lenses: (i) preinvestment due diligence; (ii) post-investment monitoring of portfolio companies; and (iii) holistic portfolio-level monitoring of ESG concentration risk.

The identification of ESG risks through these lenses informs the scope of further diligence conducted. Where risks are identified, they are analyzed to determine the extent to which they can be eliminated or mitigated in order to drive value. Depending on the results, investment funds managed by Apollo may avoid investment in certain companies and industries, require a higher risk premium to compensate for additional risk, or underweight the asset class relative to others. Any identified ESG risks or considerations will be factored into the investment process. Based on Apollo's due diligence process, Apollo-managed funds may pass on potential investments due to material environmental, social, and reputational risks, including risks related to carbon emissions, labor, corporate governance, "Know Your Customer" issues, and material litigation risks. If Apollo believes an identified risk can be eliminated or mitigated, then continued compliance is expected with relevant standards as well as with applicable local laws and regulations.

Once an investment is made, material risks and opportunities are monitored concurrently with periodic reviews of the portfolio company. On a case-by-case basis, Apollo may ask relevant ESG questions on calls with management or monitor a company's public filings and news reports to stay abreast of ESG developments. Further, Apollo seeks to increase disclosure and transparency from company management on ESG issues through constructive dialogue with a portfolio company's management or board of directors.

3. Climate Risk Management Practices Within Credit

The credit investment teams, in partnership with the dedicated ESG team, integrate ESG considerations as a core component of the investment process. They believe ESG integration enables them to better incorporate ESG risks/opportunities into the fundamental investment process, encourage change in issuer behavior/disclosure, and provide robust solutions that address a range of ESG expectations. Expanding opportunities and advancing the climate and energy transition are featured as key sustainability themes within their approach to ESG credit integration and solutions.

Apollo-managed funds often act as a direct originator in the credit market, providing investment teams with the opportunity to engage on material ESG issues and potentially incorporate ESG considerations directly into deal structures. Through its ESG engagement efforts, they gather relevant ESG data to support its investment decisions. Additionally, enhanced ESG due diligence for directly originated and private credit transactions supports its global team of professionals in identifying impact and energy transition opportunities across the credit spectrum. They have also joined collaborative initiatives alongside key industry stakeholders to promote more transparent and consistent reporting of material ESG metrics.

Across nearly all of Apollo's credit strategies, investment teams, in partnership with dedicated ESG team members, integrate ESG considerations as a core component of the investment process. ESG integration enables analysts to mitigate ESG risks and identify opportunities, driving better investment decisions and outcomes from an ESG perspective. Apollo's ESG integration process incorporates a proprietary ESG scoring system that covers nearly all asset classes across the credit platform. From corporate credit to real estate, this common framework enables analysts to consider and gauge ESG risks and opportunities in a similar manner. The system was designed to be intuitive and easy to use, familiar to Apollo decision-makers, and compatible with its data technology.

Apollo further refined this approach in 2022, introducing a sector-specific and materiality-based framework for ESG Corporate Credit. The evolved framework includes approximately 60 materiality-based maps and assessment templates which analysts utilize to assign ESG Credit Risk Ratings. The forward-looking ESG Credit Risk Ratings are relative to subsector peers and incorporate well-known and globally accepted materiality frameworks like the SASB standards and UN SDGs. This sector-based framework allows climate and other environmental risks/opportunities to be assessed on a relevant and material basis with an individual E pillar score and weighted subthemes that include:

- GHG Emissions (Carbon) & Trajectory.
- Supply Chain Risk.
- Physical Climate Risk.
- Pollution (Air/Waste/Packaging).

• Water Stress.
• Raw Material Sourcing & Efficiency.
• Biodiversity & Land Use.
• Energy Management.
• Green Products & Business Opportunities.

Ratings are assigned to applicable weighted subthemes and where appropriate momentum scores can be applied to individual E, S, and G pillars, considering both qualitative and quantitative ESG factors. This sector-based approach helps to maintain fundamental oversight of relevant ESG risks as well as to identify best practices that can highlight ESG opportunities. The ESG Credit Risk Ratings assess the issuer's current ESG risk exposure as well as their future trajectory and are updated as the issuer's profile evolves.

Apollo has evolved its ESG Credit Risk Rating approach to other sectors as well, including credit real estate, allowing for a customized approach that can be utilized across the platform. Apollo is currently in the process of applying its evolved ESG Credit Risk Rating frameworks to corporate credit and real estate issuers.

Most importantly, however, they serve as a platform to engage with borrowers on material ESG issues. They aim to improve transparency around how issuers are managing those ESG risks and opportunities and find ways to encourage positive change in issuer behavior and disclosure.

Apollo's Credit team has developed a standardized and dynamic ESG credit origination due diligence memorandum to enable assessment of ESG risks and promotion of ESG opportunities in the origination process. It is intended for use in all private and/or direct lending covering corporate credit, real estate credit, and certain structured credit deals.

The ESG Credit origination due diligence memorandum includes ESG analysis of:

• Exposure to high-risk sectors or activities;
• Regulatory, litigation/compliance, and reputational risks;
• Apollo ESG Credit Risk Rating application;
• Disclosure of material ESG KPIs;
• ESG opportunities within deal structuring; and
• Collateral and exit viability.

The completed ESG credit origination due diligence memorandum is intended to be a core component of the investment committee memorandum, to the extent feasible, along with fundamental credit, financial, legal, and other analyses.

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.***

Athene is in the process of developing metrics and targets to quantify its climate risk and performance in mitigating these risks.

As an accumulation and longevity focused insurer with strong insurance requirements within its real estate portfolio, catastrophe models are not utilized at Athene.

Athene GHG emission data for 2021 is shown below:

- Scope 1: 488 MT of CO2e
- Scope 2: 7,091 MT of CO2e
- Scope 1 & 2: 7,579 MT of CO2e

Regarding GHG emission data for companies within Athene's investment portfolio, Apollo collects emissions data and data on climate-related risks from certain companies in which Apollo-managed funds invest through the Company's annual ESG Reporting Program. The ESG Reporting Program requests the following data from companies participating in the program:

- Scope 1 GHG emissions
- Scope 2 GHG emissions
- Scope 3 GHG emissions
- Whether the company has Scope 1, Scope 2, and/or Scope 3 GHG emissions reduction initiatives
- Whether the company has identified climate-related risks to its business and operations
- Whether the company has processes in place to monitor and manage climate-related risks to its business and operations
- Percent of company sites that are in areas of "high" or "extremely high" water risk according to the World Resource Institute's *Aqueduct Water Risk Atlas*

