CLIMATE RISK SURVEY DISCLOSURE SURVEY REPORTING YEAR 2023

Reliance Standard Life Insurance Company (NAIC# 3098 -68381)

First Reliance Standard Insurance Company (NAIC # 3098 - 71005)

Standard Security Life Insurance Company of New York (NAIC # 3098-69078)

Filing Date: August 31, 2024

1. GOVERNANCE

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

Various initiatives related to climate action are reported to the Board of Directors of Tokio Marine Holdings (TMHD), the ultimate parent company of Reliance Standard Life Insurance Company, First Reliance Standard Life Insurance Company and Standard Security Life Insurance Company of New York (the Reliance Companies), after the execution level discussion at the Sustainability Committee and Management Meeting. In TMHD's governance structure, each relevant execution body promotes initiatives under the supervision of TMHD's Board of Directors. Key related bodies and their roles are as follows.

A Division Dedicated to Promoting Sustainability

TMHD has put in place the Sustainability Division of the Corporate Planning Department, dedicated to the advancement of the Tokio Marine Group's (the Group) sustainability efforts including climate change countermeasures. The Sustainability Division identifies major challenges, develops and implements group-wide related strategies, and supports regular monitoring of sustainability efforts.

Group Chief Sustainability Officer (CSUO)

TMHD established the new position of CSUO in April 2021 to further accelerate the promotion of sustainability strategy across the entire Group Companies (GCs) including climate change countermeasures. The CSUO, a Director, oversees the promotion and permeation of TMHD's sustainability strategy, presents related policies to its Board of Directors and the Management Meeting for discussion and takes the role of reporting the progress to these bodies. The CSUO is responsible for its sustainability strategy and for addressing sustainability issues facing the entire Group with regular reporting to TMHD's Group CEO.

Sustainability Committee

TMHD also established the Sustainability Committee in April 2021, chaired by the CSUO and comprised of members including the CEO and other C-suites. The Sustainability Committee has the primary mandate to establish sustainability strategies and develop target measurement for the entire Group to weight the risk and return of global sustainability initiatives.

Reliance Companies' Environmental, Social and Governance ("ESG") Committee

The Reliance Companies have an ESG Committee, chaired by the Chief Underwriting Officer of Reliance Standard Life (RSL) and comprised of members from RSL's Human Resources, Legal & Compliance, Marketing and Communications, Finance, Risk Management and Sales departments. The ESG Committee has the primary mandate to undertake and execute ESG initiatives supporting the Reliance Companies' mission and strategic plan in continuance of our ESG Strategy.

The ESG Committee will from time to time produce reports and share climate-related risk and opportunities in the pursuit of the Reliance Companies' ESG long-term goals, shared at the RSL Enterprise Risk Management Committee ("ERMC"), which encompasses all of senior executive management of the Reliance Companies.

Board of Directors

TMHD's Board of Directors recognizes responding to climate change as a material management issue and assumes the role of supervising Tokio Marine Holdings' entire sustainability promotion scheme. The Board is charged with discussion of Group sustainability policies including climate change countermeasures as well as the evaluation and determination of mid-term and single-year plans. In monitoring the implementation status of sustainability initiatives, it receives reports from the Sustainability Committee every quarter in principle and provides instructions as necessary. In addition, the Board of Directors holds deliberation on corporate strategy on the themes of the management environment and management issues, including climate action. Membership includes outside directors and Audit/Supervisory Board members to fully utilize the knowledge available from outside of TMHD.

At the Reliance Companies' level, their intermediate parent company, Delphi Financial Group (Delphi), has designated its Board of Directors as the body responsible for overseeing climate risks at its subsidiaries, including the Reliance Companies. Delphi has also designated a member of its senior management; i.e., its Senior Vice President and Chief Risk Officer, as responsible for management of climate risks.

Compensation System for Directors and Executive Officers

In fiscal 2022, TM HD started incorporating non-financial indicators concerning the tasks on climate action and other key issues in our sustainability strategy into the performance-linked compensation for Directors and Executive Officers. TMHD uses the progress of each task toward our vision as an indicator, and after performing the first assessment of compensation amounts at the Sustainability Committee, holds a deliberation and gives a final decision at the Compensation Committee.

Organizational Structure for Promoting Sustainability

The TMHD Sustainability Division, CSUO, and Sustainability Committee are responsible for the promotion of

Group-wide initiatives and coordination with other subcommittees and task forces, which have dotted line connections for support and input. Under this structure, TMHD aims to simultaneously achieve two goals:

- Specifically enhance the Group's social value by solving social issues through its business activities and contributing to a sustainable society; and
- Enhancing its economic value by achieving medium- to long-term growth for the Group through such initiatives.

The Group will realize medium- to long-term growth while promoting a shared understanding of the aims and context of its mid- to long-term sustainability strategy throughout the Group and strengthen its initiatives to solve issues relating to a sustainable earth and society. Please see page 11 of the 2022 Annual Sustainability Report for a graphic of the Organizational Structure for Promoting Sustainability which includes (1) Role of the Sustainability Committee as well as the (2) Roles of other organizations.

2. STRATEGY

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 1-5years 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.

RESPONSE TO STRATEGY

In responding to climate change, which poses a global social issue critical to human history and important for the Group, the Group promotes initiatives toward achieving carbon neutrality by 2050 in keeping with the promise of the Sustainable Development Goals (SDGs). As an insurance business operator (insurance products and services), institutional investor and asset manager, the Group provides support both in terms of mitigating and adapting to climate change and helps customers and investment and financing recipients solve their respective issues. Efforts include providing insurance products and services to support the transition to a decarbonized society, such as those promoting the more widespread use of renewable energy; providing insurance to cover damages caused by natural disasters; services that will lead to prevention or reduction of damages; and undertaking sustainable investment and financing.

As a global company, the Group intends to contribute to the mitigation and adaptation to climate change and seek growth together with our stakeholders. Social contribution activities are also key to climate action. As examples of such activities, the Group plants mangroves and engages in research and educational activities to increase society's resilience, thereby contributing to climate action as a good corporate citizen in local communities.

Recognition of Risks

The Group specifies climate change risk events by reflecting changes in the external and business environment caused by the emergence of climate change, and identifies and assesses the impact on the Group. Climate-related risks include risks related to the physical impacts of climate change (physical risks) and risks related to the transition to a decarbonized society (transition risks).

Please see page 56 of the 2022 Annual Sustainability Report for a graphic depicting examples of Physical risks and Transition risks for each risk category in the TCFD recommendations, as well as examples of risks from the Group's business activities.

The Reliance Companies, as part of the Tokio Marine group, have a wide array of key ESG partners who we have engaged to enhance our understanding of ESG risks and frameworks.

Under consideration of our ESG Committee we believe that reducing our companies' environmental impact and increasing climate awareness and education are desirable outcomes and that ensuring ethical operations under principled and responsible leadership will lead to attracting and retaining team members who will meaningfully contribute to the companies' achieving their short- and long-term goals. The Reliance Companies are in the process of reporting benchmark data to inform where there could be opportunities. While these plans have not yet been made public, we will seek to be in a position to do so in the near future.

Policies Concerning Insurance Underwriting as well as Investment and Financing The Group's basic policy on climate change is to support the de-carbonization of customers and local communities through insurance products and services as well as investments and financing while basing our activities on constructive dialogue with stakeholders. For investment and financing fields that could cause significant negative impacts on the environment or society, the Group individually set up a policy on each transaction.

At the end of September 2020, TMHD published its thoughts on climate change in "Tokio Marine: Our Climate Strategy," which was revised at the end of September 2021 and the end of September 2022. In the statement, TMHD commits itself to supporting the Group's clients and investees in the transition to a decarbonized society.

Insurance Underwriting

The Group will not provide new insurance underwriting capacities to coal-fired power generation projects or thermal coal mining projects, regardless of whether they are newly constructed or not.
Exceptions may be granted for projects with innovative technologies and approaches, such as CCS/CCUS [note1] and mixed combustion, after careful consideration, aiming to achieve the goals of the Paris Agreement.

Since September 2022, the Group also strengthens its commitment by protecting the environment and supporting the transition to a decarbonized society by no longer providing new insurance underwriting capacities to oil and gas company extraction projects [note 2] in the Arctic Circle (all areas north of latitude 66°33, including the Arctic National Wildlife Refuge (ANWR)) and oil sands mining.

note 1 : Carbon dioxide Capture and Storage, Carbon dioxide Capture, Utilization and Storage
note 2 : Exemptions for projects with decarbonization plans that are aligned with the Paris Agreement

Investment and Financing

With respect to investment and financing, the Group will not provide new financing for coal-fired power generation projects or thermal coal mining projects. As with the Group's insurance underwriting policy, exceptions may be granted for projects with innovative technologies and approaches, such as CCS/CCUS and mixed combustion, after careful consideration, aiming to achieve the goals of the Paris Agreement.

In aligning with our insurance underwriting policy, Tokio Marine Group is also no longer providing new financing for oil and gas extraction projects in the Arctic Circle (all areas north of latitude 66°33, including the ANWR) and oil sands mining and are stepping up our efforts to support the protection of the natural environment and transition to a decarbonized society.

Tokio Marine Holdings, Inc. TCFD Report2023 p22

The RSL ESG Committee, in furtherance of its ESG activities, including responding to climate change, will assess the Reliance Companies' Scope 1 and Scope 2 Green House Gas ("GHG") emissions. Our first climate impact report on GHG was issued in 2024 on 2022 data. .

The Reliance Companies' climate-related risk and opportunities over the short, medium and long-term can be summarized as follows:

- Short term (2023-2028): Focus on solidifying the mandate of the ESG Committee and set out the 2023 objectives to deliver on for Tokio Marine. Develop a reporting framework to measure the Reliance Companies' GHG emissions and define their carbon credit strategy (if determined to be necessary).
- Medium term (2028-2038): Position the Reliance Companies to be designated as carbon neutral. Read the final Climate Risk Guidance (which to a great extent remains subject to interpretation). Possibly develop TCFD. Understand the various climate risk guidance/regulation that will become full in-effect.
- Long Term (2038 and beyond): To be determined

The Reliance Companies will continue to analyze and determine the climate-related actions to implement in our business operations, strategy and financial plans. The ESG committee will produce, as part of its existence, climate strategies for executive management to consider and where appropriate implement.

In describing our resilience to climate-related scenarios, a 2-degree Celsius warming scenario would likely increase the intensity of seasonal heat and humidity and may change the Reliance Companies' strategy. Global warming may lead to susceptibility to the growth of higher rates of human deaths and injuries, generally in the geographic area of the United States. This in turn could lead to higher levels of losses in the companies' Group Life line of business ("GL") with more heat related deaths for working populations. Similarly, higher levels of injuries could lead to increases in claims in the companies' Long-term and Short-term disability lines of business. Since this scenario has not materialized to date, we may consider this with an increase in mortality assumptions and model this as a possible scenario. In addition, a higher level of GL losses due to global warming could cause us to alter our reinsurance strategy to transfer higher levels of risk as necessary.

3. **RISK MANAGEMENT**

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

TMHD conducts enterprise risk management (ERM), which includes the management of climate risks. Through the ERM cycle, TMHD comprehensively identifies and assesses risks, using both qualitative and quantitative approaches (please see page 63 of the 2022 Annual Sustainability Report).

In the insurance business, which pursues profit through risk-taking, risk assessment is the foundation of the Group’s business. TMHD has been working for many years to assess material risks (including those due to natural disasters) both quantitatively and qualitatively. Specific initiatives as part of the ERM Governance Initiatives can be found on page 190 of the 2022 Annual Sustainability Report .

(1) Qualitative Risk Management

TMHD identifies all forms of risk exhaustively, including natural disasters such as major storms and newly emerging risks due to environmental changes. TMHD defines risks that will have an extremely large impact on the Group's financial soundness and business continuity as "material risks."
TMHD includes the risk of major windstorms and floods in the "material risks" category, which could become more frequent and severe due to the effects of climate change. TMHD also formulates control measures prior to risk emergence and response measures for after risks occur.

(2) Quantitative Risk Management

For material risks, through measuring risk amounts and implementing stress tests as part of the TMHD's quantitative risk management, TMHD is able to perform a multifaceted review of the adequacy of capital relative to the risks held for the purpose of maintaining ratings and preventing bankruptcy.

TMHD calculates risk amounts posed by natural disasters using a risk model (for Japan, a risk model developed in-house based on engineering theory and the latest knowledge of natural disasters, and for overseas, models provided by outside vendors). TMHD independently analyzes past tropical cyclones (typhoons in Japan and hurricanes in the United States), torrential rains, and other changing trends and incorporate this data as necessary in order to properly assess current weather phenomena.

Furthermore, within material risks, TMHD conducts stress tests based on scenarios in which extreme economic losses are expected and scenarios where multiple material risks occur at the same time. As for risks involving major wind and flood disasters, for example, TMHD assumes these scenarios to be on a much larger scale than the major typhoons that hit the Greater Tokyo Area in 2018 and 2019 causing extensive damages. TMHD updates scenarios continuously while taking into account stress tests released by regulatory authorities of every country, the latest knowledge (including that of climate change), and recent case studies.

Appropriately Control Risk through Risk Diversification and Reinsurance, etc.

Natural disasters are inevitable in Japan, the Group's home market. For that reason, TMHD has sought to control risk capital by geographic, business, and product risk diversification through M&A overseas.
In addition, reinsurance, as a hedge against risk, is also an effective way to protect the Group's capital and stabilize profits. The Group utilizes reinsurance to prepare for natural disasters (capital events) that occur once every few centuries, and TMHD determines earnings coverage from the standpoint of economic rationality and take necessary measures.

Acquisition of Knowledge (e.g., Industry-Academia Collaboration)

TMHD is deepening collaboration with both inside and outside experts to acquire knowledge about risks. Tokio Marine Research Institute collaborates with The University of Tokyo, Nagoya University, and Kyoto University, among others, to carry out impact analysis based on the possibility for increased insurance losses associated with natural disasters that are becoming more severe in nature.

Moreover, Tokio Marine dR and a team of experts in natural disasters working in Atlanta, the United States, are leading efforts to upgrade natural disaster risk management across the entire Group, including various evaluations of natural disaster risk models.

Tokio Marine Holdings, Inc. TCFD Report2023 p24, 25

Reliance Companies

In addition to the risk management activities conducted at the TMHD level, as described above, the Reliance Companies have established an ESG Committee, which will from time to time produce reports and share climate-related risk and opportunities in the pursuit of the Reliance Companies' ESG long-term goals, which it will report to the RSL Enterprise Risk Management Committee.

The Reliance Companies' intermediate parent, Delphi Financial Group (Delphi), has designated its Board of Directors as the body responsible for overseeing climate risks at its subsidiaries, including the Reliance Companies. Delphi has also designated a member of its senior management; i.e., its Senior Vice President and Chief Risk Officer, as responsible for management of climate risks, with whom information reported at the Reliance Companies' level will be shared and who will, in turn, report such information to Delphi's Board.

Delphi has incorporated climate risk into its risk management policy in addition to its investment guidelines (which govern the investments of the Reliance Companies), and has initiated a plan to manage climate risks through existing enterprise risk management functions, including risk assessment, compliance, internal control, internal audit, and actuarial functions.

4. Metrics and Targets

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.

RESPONSE TO METRICS AND TARGETS

Metrics and Targets for Fiscal 2050

Reduction of GHG emissions: TMHD seeks to achieve carbon neutrality of GHG (CO**2**) by 2050 for our own operations (including insurance customers and investment and financing recipients)[*1,*2].

TMHD has defined its new targets for net promotion score and measures against climate change, which is one of TMHD's sustainability priority areas and one of the key issues over the medium to long term. New targets can be found in a graphic on page 14 in the 2022 Annual Sustainability Report.

Metrics and Targets for Fiscal 2030

Reduction of GHG emissions: Reducing GHG emissions (CO**2**) for operations from Tokio Marine Group by 60% (vs 2015)[*3]

Renewable electricity use:

Using 100% of renewable electricity at Tokio Marine Group's major business facilities

*1 Medium-term targets still under consideration

*2 Scope 3, Category 15, based on the GHG Protocol standards

*3 Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)

Scope 3 includes categories of importance to the Group for which numerical values can be obtained.

GHG Emissions

Emissions Associated with the Group's Business Activities and Achieving Carbon Neutrality

Each Tokio Marine Group company is working to reduce the environmental impact associated with its business activities, and at the same time, aims to achieve carbon neutrality on a global basis, in which the amount of GHG fixed and reduced through mangrove planting and the use of natural energy exceeds GHG (CO_2) emissions from business activities.

Achieving Carbon Neutrality in Fiscal 2021

Reduction of GHG (CO2) emissions from Tokio Marine Group operations[*1]: 83,483 tons (32% reduction vs 2015)

- **(Scope 1: 13,022 tons; Scope 2: 47,435 tons; Scope 3[*2]:**

23,026 tons) Amount of GHG(CO2) Fixed and Reduced: 130,003 tons

Tokio Marine Group is working to reduce the environmental impact of the overall Group (domestic and overseas) and become carbon neutral by 1) conserving energy and using energy more efficiently, 2) planting mangroves to absorb and fix CO2, 3) using natural energy (such as by procuring green electricity) and 4) amortizing carbon credits. As a result of these efforts, in fiscal 2021 we achieved carbon neutrality for the ninth consecutive year (since fiscal 2013) thanks to absorption and fixation effects of mangrove planting and the use of carbon credits outperforming the CO2 emissions generated by the Group's overall business activities. The value of ecosystem services generated through the Mangrove Planting Project over the past 20 years (from April 1999 to the end of March 2019) has reached approximately 118.5 billion yen. We expect the value to climb to 391.2 billion yen by the end of fiscal 2038[*3]. As of March 31, 2023, we have planted a total area of 12,261 hectares of mangrove forest.

*1 Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)

*2 Amount of paper used, etc. (Categories 1, 3, 5 and 6)

*3 Survey contracted out to Mitsubishi Research Institute, Inc. and evaluated following internationally recognized methodologies

SEE https://www.tokiomarinehd.com/en/sustainability/

PDF was too large for attachment