

2024 NAIC Climate Risk Disclosure Survey

Responses to TCFD-Aligned Questions

INTRODUCTION

New Era Life Group provides life and health insurance products in multiple states with its base operations in Houston, Texas. Insurance carriers that operate under this group are as follows:

- New Era Life Insurance Company (NAIC 78743)
- New Era Life Insurance Company of the Midwest (NAIC 69698)
- Philadelphia American Life Insurance Company (NAIC 67784)
- Life of America Insurance Company (NAIC 81132)

These insurance companies will be collectively referred to as “Company” herein this report. Company is privately managed and operates with a support staff of less than 400 employees. It recognizes that climate change is increasingly becoming a matter of importance to federal and state entities.

This report outlines and specifies Company’s approach to evaluating and mitigating climate change risks through the recommendations provided from the Task Force on Climate-related Financial Disclosures (the “TCFD”). Statements that describe future plans, objectives, estimates, or goals are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ from those expressed or implied in this report.

GOVERNANCE

Disclose the insurer’s governance around climate-related risks and opportunities.

While Company does not have a formal governance plan, as climate change is not a significant factor in health and life insurance related claims and business. Decision making roles will consist of a combination of the Board of Directors and the executive officers as particular climate-related matters arise.

Executive decisions aimed at reducing emissions, such as the following:

- The home office (including servers) is in a LEED Silver Accredited building.
- Company has encouraged paperless claims and other processes.
- Remote work for approved employees has allowed offices to remain open during severe weather conditions.

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.

The Company does not specifically consider the impact of climate change in its investment portfolio. Company does not actively influence its policyholders to reduce losses caused by

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climate change, as climate change is not a significant factor in health and life insurance related claims and business.

It does, however, recognize the potential impacts of climate change on office operations given the location of its home office and has implemented an emergency plan that includes contingencies for catastrophic weather events.

RISK MANAGEMENT

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

Company does not currently have a process for identifying climate change risk and assessing the degree that would affect its policy forms and underwriting, as it is not a significant factor in its business.

The primary impact of climate-related risks that would impact the Company's insurance operations involves the increase of severe weather incidents (such as hurricanes, tornadoes, and blizzards). The Company monitors and considers the impact of weather-related events in its disaster recovery and business continuity plans. As part of this business plan, primary administrative systems and servers are housed with a third party "hardened data center."

METRICS AND TARGETS

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

Company moved its home office in 2010 to a LEED Silver Certified building and has moved primary computer systems, servers, and data collections to an energy efficient system. Company has also implemented remote working capabilities in the event severe weather may affect the home office. These actions have allowed the reduction of energy and emissions in the administrative and IT operations within the Company. In fact, during the Texas Freeze in 2021, Company was able to remain open and viable while much of the state suffered severe weather-related closures.