



2021 Environmental, Social and Governance Report



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OUR PURPOSE

*Helping the working world thrive
throughout life's moments™*



A note from Rick McKenney

Our purpose of helping others has never been clearer or more important.

The global pandemic has highlighted the essential value of employee benefits, particularly in these uncertain times. In fact, over the last two years we paid significantly more benefits, including over \$500 million in COVID-related life insurance, support that families count on. Yet while the pandemic has cast its shadow, a stabilized employment market and rebounding economy are helping our society recover every day.

As a workplace benefits leader, 178,000 employers rely on us to provide financial protection benefits and support to their employees at time of need. Our focus at Unum has always been on serving others, an approach that is reflected in our commitment to environmental, social and governance principles. Creating a culture of sustainability and accountability is the right thing to do and is integral to our business plans. For the past two years, we've been named a World's Most Ethical Company by Ethisphere, a recognition that demonstrates our ongoing commitment to integrity.

Guided by our Code of Conduct, our 10,300 employees do the right thing for our company, our customers and each other. The evolving external landscape puts a heightened focus on climate change, employee engagement, cybersecurity and privacy, and responsible investment. But it also presents opportunities as we modernize our offerings and delivery to respond to changes in demographics, emerging health issues, and customer expectations while also ensuring that our portfolio is inclusive and accessible.

We also recognize the importance of giving back and the impact our business has on our local communities. We're strengthening partnerships to promote equitable access to education, address food insecurity and promote social justice – donating more than \$12 million to help the most vulnerable in our communities. We also focus on creating a culture of strong employee engagement, and we have taken great strides to ensure our entire workforce feels like they belong, are supported in their physical, emotional, and financial wellbeing, and can grow their careers.

From an environmental standpoint, we depend on ecosystems that support healthy people and businesses. We have made meaningful strides to reduce our carbon footprint and emissions, worked to better understand the impact of climate change on our business, and formalized our integration of ESG-factors within our investment portfolio.

Thanks to the resilience, passion and energy of our employees, we're creating a more sustainable, inclusive and responsive company.

A handwritten signature in blue ink that reads "Rick".

Rick McKenney

President and CEO, Unum Group



About Unum

A BUSINESS FOR GOOD

We help millions of people gain access to essential disability, life, accident, critical illness, dental and vision benefits through the workplace. Employers of all sizes depend on us for the comprehensive benefits solutions they need to attract and support the people who keep their businesses growing. And, their employees know they can count on us to be there during some of life's most challenging times.

As a Fortune 500 company, we provide the solutions our customers need with simplicity, empathy and expertise. The range of our solutions includes affordable financial protection, enrollment services, claims support, absence management and vocational rehabilitation services.

OUR CORE OPERATIONS

Unum US

A market leader in group and individual disability benefits in the U.S., one of the largest providers of group life and voluntary workplace benefits, and a growing dental and vision carrier.

Colonial Life

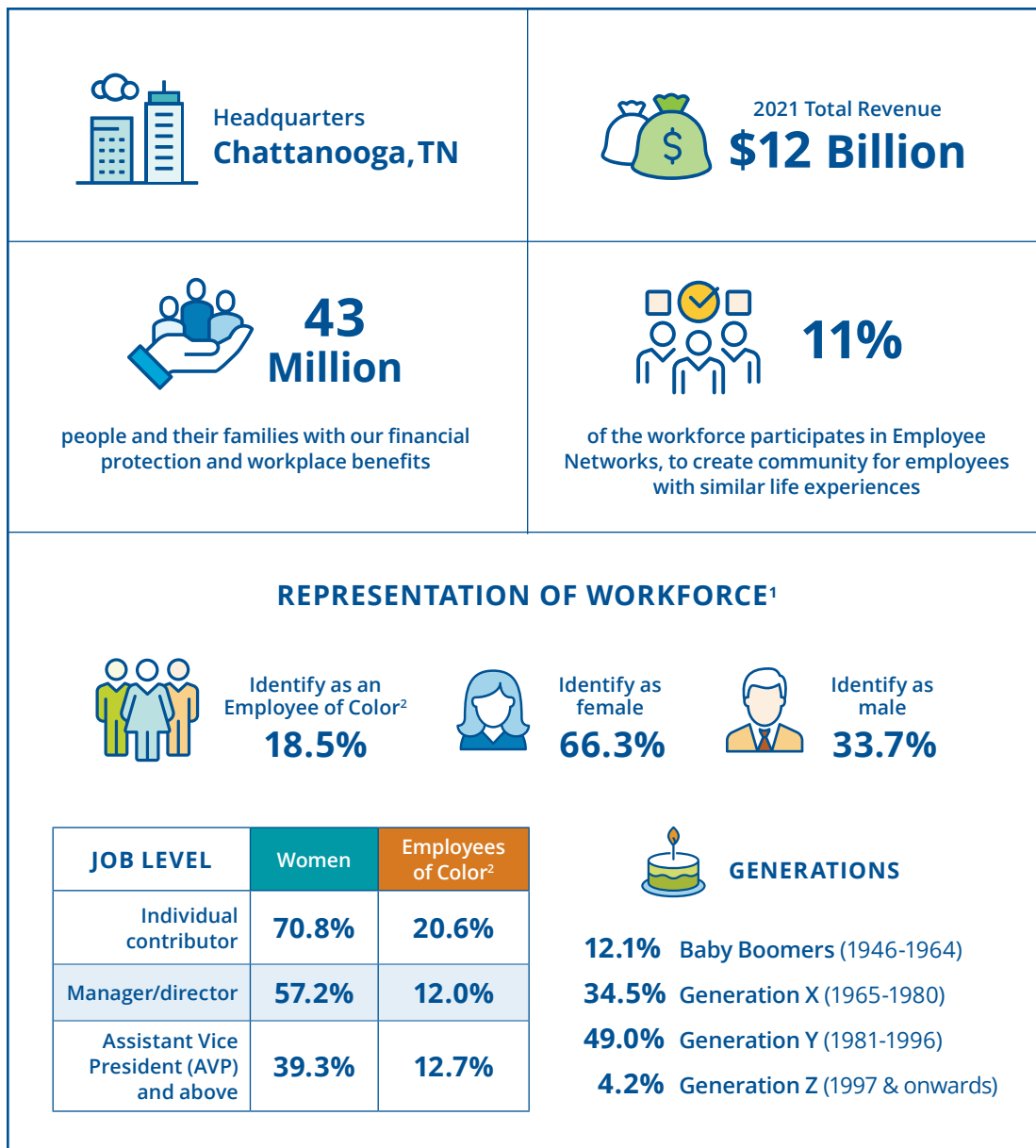
A leading provider of voluntary worksite benefits, including disability, life, accident, critical illness, cancer, hospitalization, dental and vision coverage in the U.S.

Unum International

Comprised of our European businesses, Unum International is a leading provider of group income protection and critical illness, life and dental coverages in the U.K. and group and individual life insurance in Poland.

Company overview

For nearly 175 years, we've been there for the businesses we help protect and the lives we touch every day. That's not just our profession — it's our purpose.



1. Unum Poland is not included. 2. In the U.K., the terminology is "Ethnically Diverse."



Our values

We are 10,300 strong, helping millions of people gain access to essential benefits through the workplace. And, we provide employers of all sizes with the comprehensive benefits solutions they need to attract and support the people who keep their businesses growing. Our “We are Unum” values guide the work that we do every day.

WE ASK OUR EMPLOYEES TO BRING TO WORK:

- A passion for achieving results
- An unwavering customer focus
- An appetite for smart risk
- A willingness to own it
- An appreciation for differences
- A caring spirit

AND IN RETURN, WE MAKE SURE THAT OUR EMPLOYEES GET:

- A company that challenges them to be their best
- Work that does real good for real people
- Rewards that drive performance
- A culture of integrity
- A collaborative work environment
- The chance to give back



Corporate strategy

As a leading provider of workplace benefits, we appreciate that the marketplace is changing on a transformational scale and at an accelerated pace. We must be diligent to listen to our customers and understand both current and future needs.

Our strategy is based on market and customer needs, and our execution ensures the enterprise is maximizing time, effort and spend across a balanced portfolio of opportunities.

THREE STRATEGIC PILLARS ENCOMPASS OUR CORPORATE PORTFOLIO:



Maintain strong performance across our leading businesses



Expand and accelerate growth in adjacent markets



Refine our business mix focused on capital allocation



UNUM STRATEGIC GOALS

- Be a leader of the employee benefits market with best-in-class customer service
- Operate efficiently to reinvest in growth
- Be an employer of choice with highly engaged employees
- Make ESG an integral part of our strategy



Our sustainability strategy

Our sustainability strategic framework is designed to support our corporate strategy and is closely linked to our purpose and our values. It helps us understand risks and opportunities, while driving long-term success for all of our stakeholders.

Our sustainability strategic framework has three focus areas:



RESPONSIBLE INVESTMENTS

As an insurance company, we recognize that one of our greatest opportunities to influence the world around us is through our investment portfolio. Making responsible investments, with consideration for environmental, social and governance factors, is key to our long-term strategy.



INCLUSIVE PRODUCTS AND SERVICES

We seek to ensure that the financial security provided by our products and services contributes to more inclusive communities, both for our employees and our customers.



REDUCE ENVIRONMENTAL IMPACT

Not only does Unum have an impact on the environment, but environmental issues, such as climate change, have an effect on Unum. We are continually aiming to reduce our environmental impact and to ready ourselves for potential environmental issues that may impact Unum.

SUSTAINABILITY GOVERNANCE



As part of their oversight of the company’s strategic direction and risk management, members of the Board of Directors regularly discuss sustainability efforts and issues. The Governance Committee is responsible for monitoring the effectiveness of the sustainability program, including strategy and key initiatives, and meets quarterly to review and consider ESG matters and progress. As appropriate, the Governance Committee provides guidance to the full Board, other committees, and management concerning ESG risks and opportunities.

Given that all committees of the Board have a role in ESG oversight, the charters of the other Board committees were amended in 2021 to clarify their responsibility for discussing and reviewing ESG matters consistent with their charter responsibilities. This includes ESG-related oversight of investments, climate change risk, inclusion and diversity, corporate culture, and employee engagement.

Our Sustainability Steering Council is composed of cross-departmental executive leaders, including business operation leaders, and is responsible for recommending strategy and initiatives. Our Sustainability Working Council includes representatives of our finance, risk, investments, people and communications, real estate and law departments. The Council serves to help develop our strategic sustainability focus and initiatives.



Risk management

As an insurer, a key element of our business is risk management, which is essential to our ability to meet our commitments while maintaining and growing our businesses.

We employ a risk management model under which risk-based decisions are made daily on a local level. To achieve long-term success, we believe risk management must be the responsibility of all employees. The individual and collective decisions of our employees play a key role in the successful management of our overall risk profile. We strive for a culture of accountability that supports our risk management framework and regulatory compliance. We believe these values allow our employees to feel comfortable identifying issues as well as taking ownership for addressing potential problems and directing solutions.

OUR ENTERPRISE RISK MANAGEMENT FRAMEWORK STRIVES TO:

- Identify, assess, monitor, prioritize and report on our risk positions and exposures, including notable events;
- Assess material risks, including how they affect us, how individual risks interrelate, and how management addresses these risks;
- Practice strong risk management, including diversification across and within business units, and systematic limit monitoring;
- Identify emerging risks and analyze how material future risks might affect our company;
- Fulfill regulatory, rating agency and governance objectives; and
- Maintain our risk appetite policy and report against its tolerance and limits.

Adhering to these objectives better positions us to fulfill our corporate mission, maximize stakeholder value and meet commitments to our policyholders.

RISK MANAGEMENT OVERSIGHT

Our governance structure is a multi-layered approach that fully supports our Enterprise Risk Management (ERM) framework and establishes a strong “tone at the top” behavior. This behavior is demonstrated through the participation of senior leaders on the Executive Risk Management Committee, which provides leadership and oversight of the overall risk profile, aiming for a balance between growth objectives, risk and capital.

The company’s Chief Risk Officer, who is a member of the Executive Risk Management Committee, has primary responsibility for Unum’s ERM framework and is supported by management committees of our business segments.

In addition, our Board has an active role, as a whole and through its committees, in overseeing the management of our risks. The Board is responsible for the oversight of strategic risk and regularly reviews information regarding our capital, liquidity, and operations, as well as the risks associated with each. Our Risk and Finance Committee assists the Board with oversight of investments, capital, financing plans and activities, and our risk management activities.

Through our framework, we have established a culture that supports candid discussion and risk reporting while empowering our employees to take ownership for risk management.



2021 ACTIONS

Over the course of the past year, we took action to highlight and emphasize how ESG risks are approached.

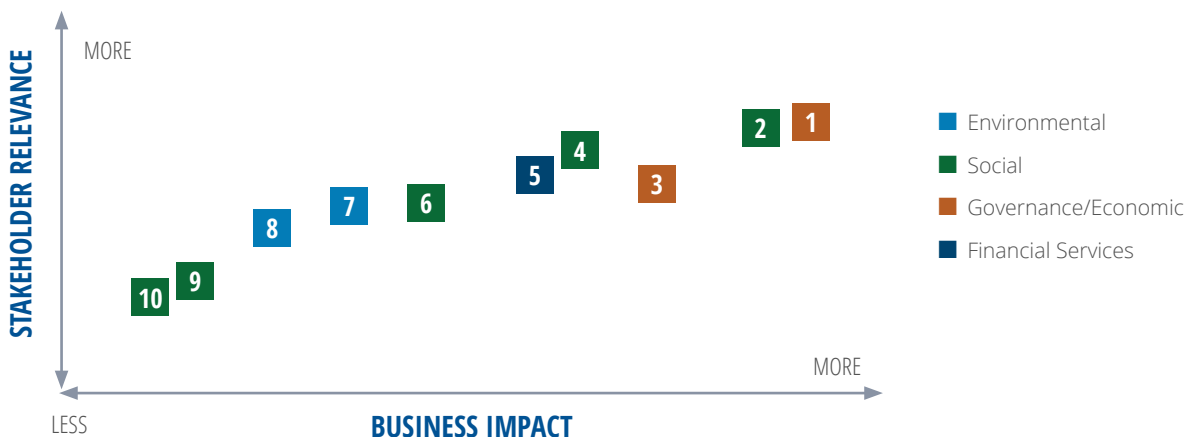
- ✓ During the process to update our risk appetite statement, we addressed climate change and other ESG-related risks.
- ✓ We assessed the risk of increased regulatory focus on ESG issues, including the role of fiduciaries and standards for ESG disclosures and policies, as part of our internal risk and solvency assessment.
- ✓ We introduced an emerging risk survey of senior leaders to gather input of potential future risks as part of our risk management reporting to the Enterprise Risk Management Committee and Board of Directors. Climate change and ESG implementation risks are currently identified as emerging risks for Unum Group.
- ✓ We reviewed outcomes from our Task Force on Climate-Related Financial Disclosures (TCFD) assessment on a quarterly basis with our Enterprise Risk Management Committee.



Assessment and engagement

As part of our focus on ESG issues, Unum conducts extensive stakeholder engagements annually. We seek feedback from employees, customers, investors and our communities. We also conduct sustainability-related materiality assessments.

In 2021, we refreshed our sustainability-related materiality assessment. Unum UK also carried out an independent assessment to engage local U.K. stakeholders. The results of our materiality assessments are one of the inputs into our corporate sustainability strategic framework and guide our external disclosures.



We also reviewed our materiality assessment results in the context of the United Nations Sustainable Development Goals (SDGs). The SDGs aim to end poverty, protect the planet and ensure prosperity. You can learn more about the [SDGs online](#).

		UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS
1	Cybersecurity & Privacy page 28	Protecting cybersystems and networks from theft, damage and disruption and ensuring security particularly as it relates to managing customer and employee data and privacy
2	Employee Attraction, Retention & Development pages 35, 38-40	Providing a great place to work for employees through professional development opportunities, safe and healthy workspaces, fair compensation, benefits, recognition and engagement
3	Governance, Compliance & Ethics pages 17, 19-22	Ensuring ethical and transparent conduct by Unum and its employees, including anti-corruption, policy compliance and transparency, fair sales practices, and fair competition
4	Inclusion & Diversity pages 36-37	Promoting a culture of diversity, inclusion and equal opportunity at all levels of the organization
5	Product Social Impact pages 26-27	Assessing the environmental and social impacts of our products (e.g., contributing to equality) and consideration of the environmental and social trends that impact our products (e.g., changing demographics)
6	Communities pages 32-34	Enabling community engagement and development to create positive impact within communities
7	GHG Emissions pages 47-48, 54-56	Measuring and reducing direct emissions, emissions from purchased power, and emissions where Unum has some influence (e.g., air travel, employee commuting and emissions from investments)
8	Facility Environmental Management pages 47-50, 54-56	Increasing energy efficiency, waste diversion and water efficiency in all of Unum's operations
9	Human Rights pages 29, 32-34	Ensuring all operations, business relationships and investments are subject to consideration of human rights
10	Socially Responsible Supply Chains page 30	Ensuring ethical, fair and responsible sourcing across Unum's suppliers

Awards

We have received several awards that showcase our dedication to excellence, including:



ETHISPHERE
World's Most Ethical Companies



HUMAN RIGHTS CAMPAIGN FOUNDATION
A Best Place to Work for LGBTQ Equality



FORBES
America's Best Employers for Diversity



FORBES
America's Best Employers for Women



NATIONAL ORGANIZATION ON DISABILITY
Leading Disability Employer



BLOOMBERG
Gender-Equality Index



FORBES
The Best Employers for New Grads



FORBES
America's Best-In-State Employers



NATIONAL ASSOCIATION FOR FEMALE EXECUTIVES
Top Companies for Executive Women



POINTS OF LIGHT
The Civic 50



DISABILITY:IN
Best Place to Work for Disability Inclusion



GREAT PLACE TO WORK
Certified

GOVERNANCE



Our leadership

It takes strong leadership to build and maintain a company for nearly 175 years. We're proud of our long record of protecting people, helping businesses, as well as our leadership that makes this all possible.

Board of Directors

The Board of Directors is elected by shareholders to oversee their interests in the long-term health and overall success of our businesses and financial strength. In carrying out this responsibility, the Board understands that Unum's policyholders, employees, business partners and communities are essential to its success. The Board has implemented a corporate governance framework that contributes to Unum conducting its business in a manner consistent with legal compliance and ethical conduct. The Board has five standing committees, Audit, Risk and Finance, Governance, Human Capital, and Regulatory Compliance, each comprised solely of independent directors.

The Board believes a critical component of its effectiveness in serving the long-term interests of shareholders is to ensure its membership remains diverse, possessing a variety of backgrounds, experiences and skill sets from which to draw. With that in mind, the Governance Committee reviews the composition of the Board to ensure an appropriate balance is represented. This is an ongoing, year-round process.

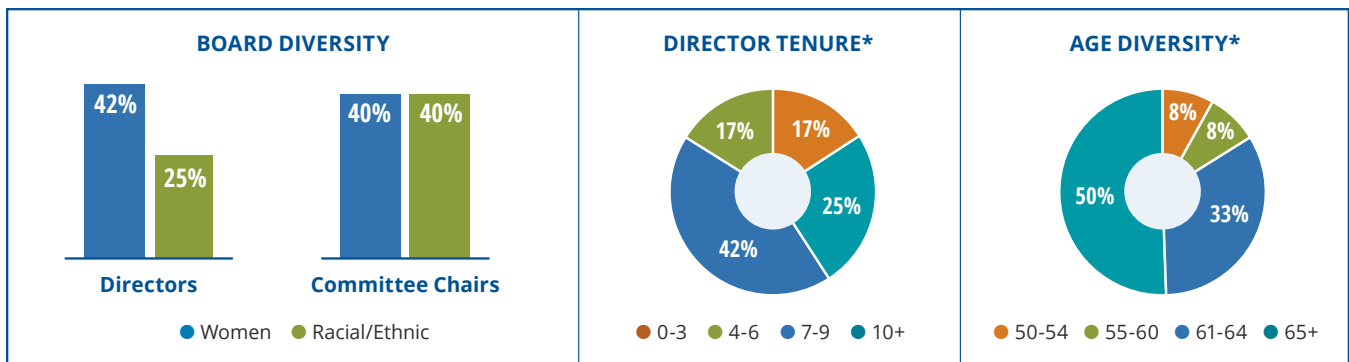
Board Tenure

Directors with varied tenure contribute to a range of perspectives and allow us to transition knowledge and experience from longer-serving members to those newer to the Board. We have a mix of new and long-standing directors, with an average tenure of 7.7 years as of the 2022 Annual Meeting.

Board Diversity

Our Board is comprised of members with a range of backgrounds and experience. More than half are women or represent a minority group.

Diverse representation on the Board, including in positions of leadership, serves to improve dialogue, decision-making, and culture in the boardroom. Our Governance Committee focuses on advancing continued diversity on the Board during refreshment activities by requiring that candidate pools include diverse individuals, including women, who meet the recruitment criteria.



*Tenure and age calculated as of the 2022 Annual Meeting. Tenure rounded to the nearest year calculated from date of first election.

Learn more about our Board and review all of our committee charters on our [website](#).



Business resiliency

Unum has a formal business resiliency program that regularly plans and prepares responses to unexpected events and simulated disruptions.

The resiliency program covers business continuity, disaster recovery and incident response.

Four key principles guide the return to normal business operations after an unexpected event or disruption:

- Ensure employee health, safety and wellbeing;
- Remain in legal and regulatory compliance;
- Serve our customers; and
- Protect the company brand and reputation through mitigation of operational and financial impacts.

Unum takes steps to minimize the potential impacts from a business disruption. We also work to minimize potential impacts from loss of technology, including cyber events, to ensure critical business systems are seamlessly available to support our customers. Through routine exercises, we validate our resiliency with a focus on continuous improvement.



Compliance and ethics

We are committed to identifying, mitigating and managing compliance risk in a manner that is aligned to business strategy and ensures our ethical standards are upheld. Our corporate compliance programs are designed to employ best practices and to ensure that we conduct our business with the highest standards of integrity.

LEADERSHIP STRUCTURE

Our culture of integrity has strong C-Suite and Board engagement and support. The Regulatory Compliance Committee of the Board oversees the compliance program and regularly receives reports from the Chief Compliance and Ethics Officer, and the Audit Committee oversees the hotline for accounting and auditing matters. Trends are communicated to the Board on a quarterly basis.

Our management-level Compliance Risk Committee is part of the risk management framework and assists in the oversight and mitigation of compliance, regulatory and legal matters that pose potential risks to the company.

Our Global Ethics Committee is comprised of the Chief Compliance and Ethics Officer, Assistant Vice President, Enterprise Compliance (responsible for oversight and management of the Ethics Program) and representatives from our regional business units outside of the U.S. (i.e. U.K., Poland and Ireland), Internal Audit, Employee Relations, Risk Management, Employment Law and any others deemed appropriate by the Committee.

PROGRAM OVERSIGHT

We take a comprehensive approach to resolving all concerns reported, thoroughly investigating all reports and taking appropriate action.

Following investigations, we review policies, trainings or communications, or lack thereof, in order to address issues and update existing resources or add new ones.

To ensure our program is operating effectively while meeting regulatory and stakeholder expectations, we completed a Compliance Program Assessment in late 2020. We are committed to performing an independent assessment every three years.

A culture of integrity

Unum’s culture of integrity is guided by our [Code of Conduct](#), a roadmap of nine principles for always doing the right thing for our company, customers, colleagues and our world.

Our Code of Conduct guides employees on how to abide by Unum’s principles to address ethical issues that may arise.

- *Make choices that reflect our values and protect our good name;*
- *Speak up and report issues or concerns;*
- *Be honest, fair and trustworthy in all that you do;*
- *Treat others with respect;*
- *Keep private information confidential;*
- *Avoid conflicts of interest — real or perceived;*
- *Respect company property;*
- *Maintain a safe and healthy workplace; and*
- *Be responsible in your communications.*

We are proud that our unwavering commitment to business integrity has earned us a spot on The Ethisphere's list of World's Most Ethical Companies in 2021 and again in 2022.



Our Code of Conduct is reviewed annually by the ethics office, overseen by the Chief Compliance and Ethics Officer. Our in-depth review in 2021 ensured the Code reflects the current environment and evolving industry standards. Key updates include:

- *We are Unum values*
- New section for our commitment to ESG and changes to align to our Inclusion and Diversity language
- Enhanced learning aids and scenarios based on real trends and questions
- Heightened focus on managers with additional responsibilities and tips for how to support their employees

PUTTING OUR CULTURE TO WORK

At Unum, ethics and doing the right thing is a big part of our culture. All employees are required to complete annual training on our [Code of Conduct](#) which includes topics such as conflicts of interest; anti-harassment; inclusion and diversity; privacy and information security; and financial crimes and fraud awareness. In addition, we produce regular Code of Conduct awareness campaigns and highlight the Code as part of our Annual Compliance and Ethics Week, which incorporates senior leadership communications, integrity statements from key leaders, contests, prizes and employee engagement on multiple internal platforms. Our Speak Up and Tone at the Top videos, which are part of our integrity toolkit, feature our business leaders candidly discussing the importance of integrity and always doing the right thing. We also provide ethical decision trees and FAQs available to all employees. All third-party contractors are required to complete certain modules of our compliance training upon starting their engagement with our company, and then on an annual basis.



We offer employees a number of programs that support them in areas of conduct associated with the Code of Conduct. These programs include:

SPECIALIZED RESOURCES AND SUPPORT FOR MANAGERS

Managers are on the front line of our efforts to foster a culture of integrity. We support them with specialized tools such as our Leading with Integrity handbook and toolkit. We also provide manager culture training on how to lead by example, encourage employees to speak up and raise concerns without fear of retaliation, identify and address concerns that may surface, and appropriately escalate ethical or compliance concerns.

ANTI-RETALIATION PROGRAM

We have an anti-retaliation policy that states if an employee raises a good faith concern or cooperates in the investigation of such a concern, the employee will not be at risk of losing their job or suffering any form of retribution as a result. Six months after an ethics matter has been closed, we reconnect with each reporter to verify that no retaliation has taken place.

WHISTLEBLOWER PROGRAM (24x7 HOTLINE)

We encourage employees to speak up because it's the best way to foster trust in our culture. We offer employees multiple channels to report ethical concerns, including an ethics hotline that allows reports to be made anonymously.

- We have a 24x7 hotline (telephone and web-based) that's managed by an industry-leading vendor and allows for anonymous reporting. Employees can find information about the hotline on our intranet, within our Code of Conduct, in our employee newsletters and on our Internet site. The ethics office also advises on the hotline during manager training sessions.
- In addition to the hotline, employees can communicate ethical concerns to their manager, any member of management, the ethics office, directly to the Chief Compliance and Ethics Officer or general counsel, or to individuals on the People and Communications team.

FINANCIAL CRIMES COMPLIANCE PROGRAM

Unum has a dedicated global financial crimes program designed to ensure its compliance with applicable laws and regulations related to money laundering, bribery, corruption and sanctions violations. This program includes appropriate policies, internal monitoring to detect suspicious activities, and mandatory financial crimes compliance training for all employees. Unum does not tolerate any payments or transfer of benefits to third parties made for the purpose of obtaining a business advantage or persuading a third party to make a decision they would not otherwise make. Our U.S. anti-fraud policy also addresses bribery and corruption as it may relate to our third parties.

CONFLICTS OF INTEREST PROGRAM

Our conflicts of interest program complements our financial crimes program, our [Code of Conduct](#) and our culture of integrity. Our global conflicts of interest policy includes behavior guidance for various types of conflicts of interest and links to topic-specific policies and resources. In addition to real-time reporting expectations, employees are required to complete an annual training module about conflicts of interest (both real and perceived) and sign an annual affirmation.

PROACTIVE QUALITY ASSURANCE

Our goal is to do more proactively to verify compliance with our Code of Conduct. For example, we conduct regular reviews of internal controls and work to identify gaps or issues that could create risk. In addition, our Quality Audit Center of Excellence audits our operational areas to evaluate adherence to policies and procedures and monitor compliance with applicable laws and regulations.

REGULATORY COMPLIANCE

We have developed and implemented a robust internal system designed to help us ensure compliance with applicable local, state and national laws and regulations. This system helps us accurately represent our product and service offerings to customers.



Our investments

Our investment philosophy is to deliver consistent long-term returns while keeping risks at appropriate levels so we can deliver on our promises to policyholders and stakeholders. We strive to be responsible stewards of our assets within a framework of strong governance and transparency while also having a positive impact in our communities.

The integration of ESG factors is important to meeting this objective. Therefore, we have incorporated ESG considerations into our investment policies. The Risk & Finance Committee of our Board of Directors and our internal Investment Committee are responsible for overseeing the implementation and maintenance of all of our investment policies.

Integration of ESG principles into our responsible investment practices is led by our ESG Investments Team, which is comprised of the Chief Investment Officer and other senior investment professionals.

THE RESPONSIBILITIES OF THE ESG INVESTMENT TEAM INCLUDE:

- **Ensure incorporation** of ESG factors into investment process
- **Remain abreast of developing regulatory** ESG initiatives and provide guidance to internal stakeholders regarding strategic implications.
- **Monitor developing** ESG market trends and internal ESG investment activity.
- **Facilitate integration** within the overall corporate sustainability framework.
- **Enhance communication** with other stakeholders. Routinely partner with Risk Management, Government Affairs, Investor Relations, Legal, Audit, Accounting, Underwriting, etc. to assist with and ensure ESG integration into the overall corporate strategy.

INVESTMENT POLICY OVERVIEW

We believe the consideration of ESG factors into our investment analysis and underwriting is essential to identifying risks and opportunities, which benefits all our stakeholders. We integrate ESG factors into our investment decision-making, which is documented in our formal investment research process.

Our research professionals consider all relevant factors, including risks due to climate change such as physical and transition risk, that contribute to informed investment decisions. Our analysts use a variety of data and information to identify material ESG factors and assign internal ESG ratings to the securities in which we invest. In the past year, we formalized this analysis into our research process to ensure consideration was applied to securities and asset classes within our scope.

These scores are a key part of our investment risk management process. They are reviewed biannually and updated dynamically to reflect new information. Our ESG risk scores work in tandem with our credit underwriting process to inform our investment decisions. We leverage our existing credit scoring system to allow for the input and tracking of our internal ESG Risk Score. We added parameters and procedures to our investment research process document to provide analysts with a framework for scoring the securities in their coverage universe.

This covers approximately 95% of assets under management including our U.S. investment grade and high-yield corporates, U.K. investments, municipal and sovereign bonds, private placements and mortgage-backed securities.



As ESG analysis continues to evolve, we continue to enhance the integration and impact of these factors into our investment process.

Engagement is an important element of Unum's investment approach given our belief that ESG factors can have a material impact to investment fundamentals and returns over the short, medium and long term. It is important to leverage our engagement opportunities to advance broader sustainability interests and our bondholder interests. Our investment professionals engage with our investee companies through multiple touchpoints, including meetings with company management teams or discussions with external stakeholders such as credit rating agencies. We use engagement as our primary tool for influencing investment outcomes and seek to utilize our influence to advocate for sustainability.

COLLABORATING WITH OTHER INVESTORS IS ALSO AN IMPORTANT ENGAGEMENT TACTIC

We are a member of a number of industry groups and associations in order to share best practices on topics such as ESG.

PRI SIGNATORY

In 2021, we became a signatory to the [UN Principles for Responsible Investment](#). We are committed to incorporating ESG issues into our investment analysis, our decision-making, and our investment policies and guidelines.

GREEN, SOCIAL AND SUSTAINABILITY BONDS AND RENEWABLE ENERGY INVESTMENTS

We invest in green, social, sustainable and sustainability-linked ("ESG bonds") and renewable energy projects when they meet our underwriting criteria. We have invested over \$700 million in ESG bonds and renewable energy projects. Sustainability investments are a growing asset class, and we will continue to invest in these securities to have a positive impact, provided they continue to meet our criteria and objectives.

Responsible products

We help millions of people gain affordable access to disability, life, accident, critical illness, dental and vision benefits through the workplace — benefits that help them protect their families, their finances and their futures. We are focused on understanding and anticipating the evolution of the workforce and to ensure that the financial protection we provide aligns with emerging needs.

RESPONDING TO EMERGING RISKS AND TRENDS

We offer a full array of benefits solutions, including benefits communication, enrollment services and claims support. And our award-winning absence management and vocational rehabilitation services help ease the disruption to businesses and employees by enabling them to return to full capacity as soon as they're able.

AGING POPULATION AND DEMOGRAPHIC CHANGES

Unum has structured several different maximum periods of payment schedules to assist employers in complying with the Age Discrimination in Employment Act and provide meaningful benefits for individuals who become disabled at older ages. We have duration schedules that extend between the ages of 67 and 75 to provide employers with optimal choices to meet the needs of their specific workforce.

Our standard long-term disability offerings allow access to our Employee Assistance Program services and can be utilized to assist employees with financial and estate planning. Optional features include:

- Disability Plus, which provides additional income for disabilities resulting in the loss of activities of daily living or cognitive impairment; and
- Retirement Income Protection which provides extra monthly benefits for employers to deposit into the retirement accounts of participating employees.

Coverage under our Group Life products is based on active employment and these products are age-agnostic. As the retirement age continues to climb and people are working longer, aging employees would continue to be covered if they remain in active employment.

EMERGING HEALTH ISSUES

Unum's short-term and long-term disability offerings include a Rehabilitation and Return to Work Program that provides vocational assistance and additional payments to participants. Our vocational consultants evaluate the need for adaptive equipment or job accommodations to allow an employee to return to or remain at work. In addition, services may include education and retraining expenses for a new occupation if an employee's disability impacts their employment options.

Our Supplemental Health Products offer a "Be Well" benefit to each insured, which can be redeemed each year, throughout the life of the coverage. This benefit provides a valuable annual incentive to get important tests, screenings, exams and well-child visits completed. This coverage promotes individualized healthy living habits and preventative care measures.

URBANIZATION TRENDS

Trends toward urbanization are often associated with increased spread of infectious or contagious diseases, as experienced with COVID-19, as well as an increased cost of living. We incorporated product language to be inclusive of the ever-changing list of potential diagnoses covered. Additionally, our products allow for ultimate flexibility in benefit selection and level to be included in a plan. This allows employers to align with other urbanization trends from a cost of living perspective. Dual plan designs is an option available for all employers but can be especially important to employers supporting employees in various locations.

Accessibility for services within our product offerings increase as urbanization spreads. Products like our Employee Assistance Program have more counselors available to support individuals within urban areas compared to rural populations. Our ability to provide return-to-work services or products to individuals living in urban areas is more expedient because of greater access to services.

HEALTH IMPACTS OF ENVIRONMENTAL CHANGES

Environmental changes can have several adverse impacts on our customers causing additional accidents, hospitalizations, diagnoses of critical illnesses or mental health issues. Each of our products are designed to lessen the financial impact or economic loss from these events occurring through a robust schedule of benefits and covered conditions. The modularity and dual-choice options available within our products give the employer the ability to design a plan that fits any environmental concerns they may have.

Employee Assistance Program services include access to Disruptive Event Management where counseling resources can be deployed to help employees impacted by natural disasters.

ACCESSIBILITY

Worksite Modification is a standard feature in our long-term disability (LTD) products and is designed to assist disabled employees to return or remain at work. This feature reimburses a portion of an employer's cost to implement worksite modification. Our standard short-term disability and LTD products provide rehabilitation and return to work services.

CUSTOMER EXPERIENCE

At Unum we hold ourselves to the highest standards of excellence in customer satisfaction and set ambitious performance targets to emphasize our customer-centric mindset. We monitor overall satisfaction through our customer relationship surveys conducted once a quarter. Additionally, we measure satisfaction at key touchpoints, surveying customers within days of their interaction with Unum. Unum decision-making leaders and operational teams throughout the company pay keen attention to reviewing and understanding the results of these customer experience surveys, and the insights gleaned are a cornerstone in our process of developing the continuous improvement activities that will allow us to best serve customer needs. We utilize a robust feedback process to broadly assess product-market fit across our portfolio. We rely on frequent touch points with our sales representatives and agents, brokers, clients and customers to capture their insights and perspective about our products. We use these insights to inform future enhancements and improvements. We've also recently created a framework to incorporate inclusion and diversity feedback in our product development process to ensure our products provide meaningful and relevant benefits to our diverse client and customer base.

Cybersecurity and privacy

Protecting the information customers entrust to us is one of our key responsibilities. Through our cybersecurity program, we constantly watch for threats to our systems and make real-time adjustments to our defenses to protect customer data and minimize service disruptions.

GOVERNANCE

Unum's governance includes a Chief Information Security Officer and a Chief Privacy Officer who establish and oversee policies and procedures to protect the security and privacy of the data we hold. Our Information Technology Security team reports regularly to the Risk & Finance Committee of the Board. Unum's Regulatory Compliance Committee of the Board receives quarterly updates about privacy compliance. We reinforce this commitment with several key policies, including Internet and Offline Privacy Notice and Policy, Gramm Leach Bliley Privacy Notice and HIPAA Compliance.

Use of Customer Data

Any use of customer data is within legal parameters. Our notices are available on unum.com/privacy and unum.co.UK/privacy-notice.

Policies and Risk Management

Our comprehensive information security program is based on international regulatory requirements and industry best practices. It consists of policies, standards and guidelines and is available to all our employees.

Information and Data Protection

Unum's integrated information security and privacy approach is designed to detect and timely address any relevant issues.

Network Security

Networks are managed and controlled to protect information within our environment. We take a multi-layered approach to data security throughout our computing environment, which limits access to sensitive systems and data.

Access Management

Identity and access management assigns users only the minimum privileges necessary to complete required tasks. Access is reviewed routinely and modified as needed.

Change Management

Unum uses automated processes to help ensure any changes to our computing environment are authorized, tested and approved before implementation.

Ongoing Effectiveness

We perform evaluations internally and through leading consulting firms to test our business processes, applications and technical controls, and overall maturity.

Employee Awareness

Our employees and contractors are required to regularly complete information security and privacy awareness training covering topics contained within our information security policies as well as common threats such as social engineering and phishing.

Regulatory Information

Unum is highly regulated by a variety of state, federal and international entities, and subject by law to periodic examinations by state and federal insurance regulators in those jurisdictions where business is conducted.

Threat Intelligence

We engage other businesses, the data intelligence community and industry organizations to share information about cyber threats.

Training

We have a comprehensive privacy and security training program that is overseen by Corporate Compliance.

To learn more about how we protect our customers' privacy, visit our [Privacy webpage](#).



Public advocacy

We build strong government partnerships that create innovative solutions to make sure financial protection remains widely accessible and affordable.

We strive to create positive change every day for our customers and communities by raising public awareness for financial protection benefits.

Many employees still lack access to affordable financial protection benefits that help them face the unexpected challenges of illness or injury. Every dollar spent offering these benefits significantly reduces the need for government-funded support and the burden on taxpayers.

We partner with policymakers as well as public and private institutions to find ways to help more people gain access to this critical protection. At the same time, we have a responsibility for transparency and political accountability. That's why we're proud that our commitment to disclose public donations and lobbying expenditures has made Unum a trendsetter company in the 2021 CPA-Zicklin Index of Corporate Political Disclosure and Accountability. The positions disclosed in our policy statement form the basis of all political spending decisions.

In the U.K., Unum is an authoritative voice on workplace health and wellbeing. We regularly engage with policymakers to raise awareness of our products and the role they play in supporting employees to remain in or return to work. Unum continues to advocate for reform of Statutory Sick Pay to give British workers better protection in the event of ill health. Unum has also led industry efforts to educate employers about the benefits of investing in employee wellbeing.



Read more about our approach to [Public Policy here.](#)



Responsible purchasing and sourcing

Our Supplier Code of Conduct establishes company standards that include ethical business practices and regulatory compliance.

Suppliers must adhere to this Code of Conduct while conducting business with, or on behalf of, Unum. We make every effort to include minority-owned and operated companies in each competitive solicitation and track our overall spend with diverse suppliers. To become the most inclusive, diverse and welcoming company in the area of employee benefits and beyond, we seek to work with suppliers who retain and develop highly qualified, diverse and dedicated individuals at all levels of their organization.



SOCIAL

Community giving and employee contributions

We help build strong and sustainable communities by partnering with organizations that give individuals and families — no matter their race, demographic or socioeconomic status — what they need to thrive.

WE DELIVER ON THIS PURPOSE THROUGH A DYNAMIC PROGRAM PORTFOLIO:

SOCIAL JUSTICE FUND

We work to create stronger, more equitable communities by supporting organizations working to end racism, discrimination and bias.

Since launching the fund in the summer of 2020, we've contributed more than \$700,000 to programs focused on systemic and policy change, training, economic justice and civic engagement.

HEALTHIER COMMUNITIES

We strive to support those who are disproportionately at risk to adverse health outcomes by funding innovative and action-oriented health and wellbeing programs.

- We've committed \$3 million over the next three years to support this work including a partnership with the Yellow Tulip Project to “smash the stigma” around mental illness.
- The Hygiene Bank is a U.K. grassroots, people-powered charity and social movement, grounded in community. With a passion that stems from the injustice that people may be unable to fully participate in society due to hygiene poverty, Unum U.K. supports the charity by giving hygiene, personal care and household cleaning products to those living in poverty across the U.K. This is accomplished through product donations collected in our offices, grant funding to local projects in Basingstoke and Dorking, and employee volunteering to support the distribution of products within their community.

EQUITABLE PATHWAYS

We are committed to providing equitable opportunities for socioeconomically disadvantaged students to thrive through partnerships with local schools and youth-serving organizations.

- One example of this support is a partnership with Chattanooga State Community College to expand their free tutoring program. Evidence shows students who take advantage of tutoring experience higher grades and improved graduation rates.
- In the U.K., we provide scholarships to students from underrepresented or disadvantaged backgrounds wishing to attend Birkbeck University in London to support them with their study costs.

READY RESPONSE

We are committed to supporting our local communities and employees when disaster strikes. This includes funding for programs and services that focus on disaster preparedness and response.

In 2021, we launched the Unum Employee Care Fund to provide grants to employees impacted by disasters.

A CARING SPIRIT

Educating, engaging and equipping our employees to help maximize their positive impact on our communities is something we take seriously.

This year, we created the CEO Community Award – A Caring Spirit which is designed to honor employees who make a positive societal impact and who demonstrate a caring spirit through their time, actions and talents to a charity.



CASE STUDIES

SOCIAL JUSTICE GRANT IMPROVES LOCAL NEIGHBORHOOD

Charleston Promise Neighborhood received a Social Justice Fund grant to assist in their mission to lift the “Neck” neighborhood. It is one of the most impoverished, yet high-potential, areas in South Carolina and home to vulnerable African American families.

To accomplish this, Charleston Promise Neighborhood works to ensure that their neighborhood is a place where residents are engaged in their community and every child is on track to succeed. Their primary goals are focused on health and wellness, family, parent and community engagement.

Charleston Promise Neighborhood is committed to ensuring racial equity in all programs and initiatives. They work with schools, community-based nonprofit organizations and residents, in addition to helping to lead regional and national conversations for equity through partnerships with the private sector and others in philanthropy. All of the work is done for equitable outcomes and social justice for those who have been underrepresented, underserved and marginalized.

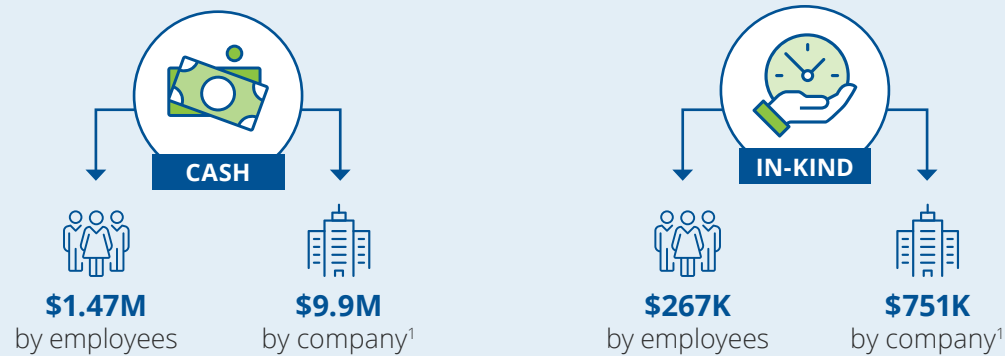
A FOCUS ON MENTAL HEALTH AWARENESS

During Mental Illness Awareness Week, employees across our footprint came together to plant Unum Hope Gardens. These Hope Gardens are in partnership with the Yellow Tulip Project and are intended to bring a community together to collectively “smash the stigma” surrounding mental illness.

We’ve also partnered with with the Yellow Tulip Project to help them grow their organization and develop their network of youth ambassadors. This organization is dedicated to speaking up and dismantling the stigma around mental health. By empowering youth with leadership positions in the non-profit, they help inspire productive conversations about how to combat the rising rates of suicide.

2021 TOTAL MONETARY CONTRIBUTIONS

\$12.39 million



(1) Includes Unum Poland.

In-kind gifts were limited in 2020-2021 due to COVID-19 restrictions. Monetization of in-kind employee and company contributions are calculated using independent external benchmarks. Full-time employees have an annual matching gifts cap of \$10,000 (U.S.) and £5,000 (U.K.).



26,300

HOURS VOLUNTEERED

We encourage employee engagement in community outreach by providing time off for volunteer activities and matching employee giving to qualified organizations.

NEW CARING SPIRIT CEO AWARD

The CEO Community Award – A Caring Spirit is the highest level of recognition an employee can receive at Unum for their commitment to the community. Take a look at some of our 2021 winners:



VICKI COWELL

Technical Specialist, Broker Services (U.K.)

Winner for her work with Hygiene Bank and Basingstoke Mencap.



PIOTR DANIELEWICZ

Senior Life Protection Advisor, Olsztyn Branch (Poland)

Winner for his work with the Olsztyn Children’s Hospital and Meals on Wheels.



RENÉE DANIELS

Project Manager II, Marketing (Portland)

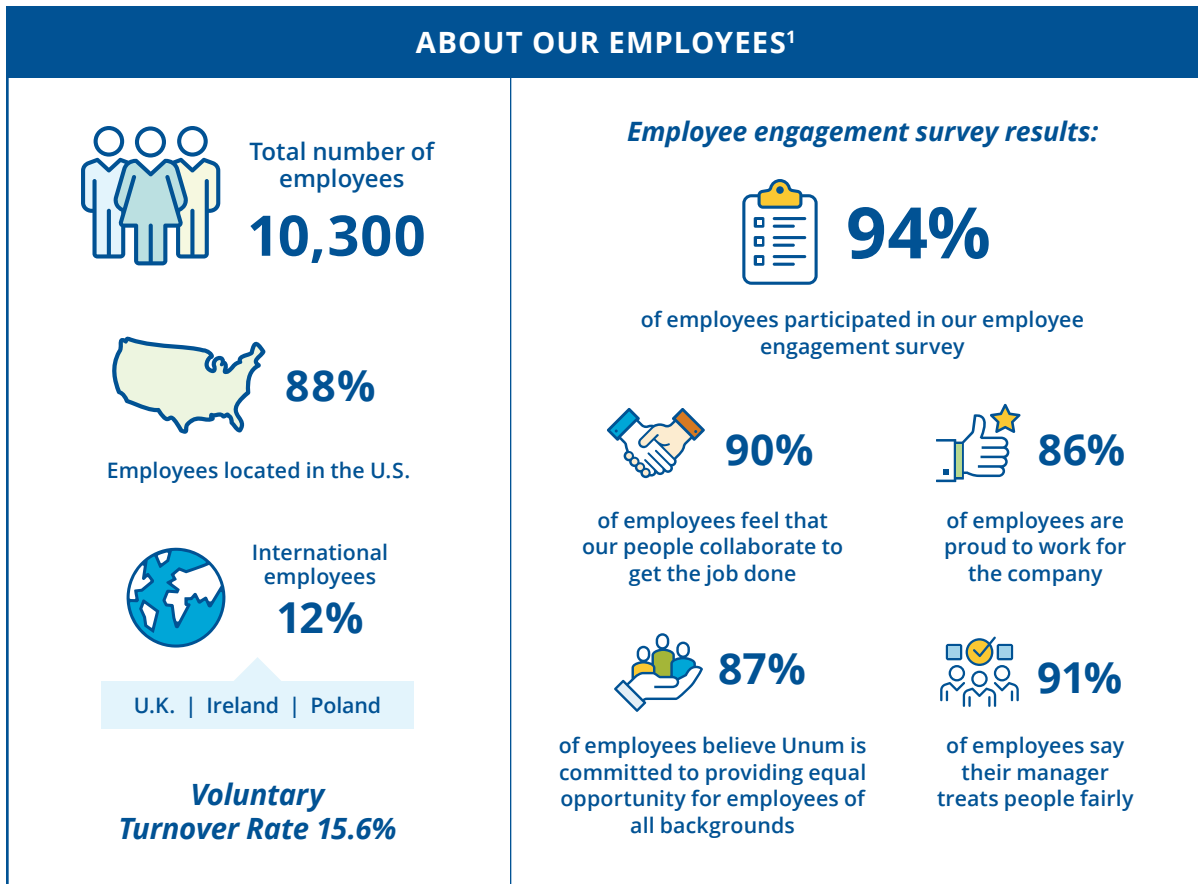
Winner for her work with the MaineHealth vaccine clinic.

Employee engagement

The wellbeing of our employees is one of our top priorities and starts with a dynamic and welcoming workplace that embraces diversity, fosters collaboration and encourages employees to bring their best ideas to work every day.

In 2021, we continued to place a heightened emphasis on communicating with and engaging our employees. We listened to what our employees had to say through weekly CEO-led virtual meetings, annual and pulse employee engagement surveys, our ethics

hotline and other connections that reinforce a positive culture where everyone can thrive. Our annual employee engagement surveys continue to see an increase in participation with 94% participation in 2021.



(1) As of December 31, 2021.



Inclusion and diversity

At Unum, Inclusion and Diversity is not just an initiative. Appreciating our differences is a core part of who we are. We strive to create a culture of belonging where employees can see themselves in every aspect of our business.

Each employee's unique perspective, experience and background equips us to better serve our customers and be successful as an organization. This diversity of thought fosters innovation, and innovation is critical to our ability to deliver on our enterprise goals. To harness our diversity of thought, we need a workforce that is representative of the communities and people we serve.



Ensuring that every employee feels like they belong is a business imperative. Diverse ideas and views help us effectively deliver for our customers.

- Rick McKenney, CEO



As part of our efforts to become the most inclusive workforce in the industry, we joined the [Paradigm for Parity Coalition](#), a group of businesses dedicated to achieving gender parity in leadership by 2030.

In 2021, the Inclusion & Diversity team adjusted its strategy and infrastructure, which includes Employee Networks and Business Networks, to further drive our collective responsibility for inclusion and diversity. The work is centered around three pillars — Equitable Culture, Representative Workforce and Inclusive Teams. The inclusion and diversity strategy leverages the support and engagement of the entire organization, recognizing the value of our collective efforts.

EMPLOYEE NETWORKS

Our Employee Networks are designed to advance belonging and uniqueness across the company. Employee Networks create community for employees with similar life experiences, support new employees, identify opportunities for community engagement and celebrate inclusion and diversity moments throughout the year. Employee Networks play a critical role in advising company decision-making on inclusion and diversity strategy and issues, including identifying solutions to workforce engagement barriers.

Our four Employee Networks are:

bePROUD (LGBTQ+ Employee Network)

Encourages members of the LGBTQ+ community to bePROUD of their sexual orientation and gender identity.

enABLE (Disability Employee Network)

enABLEs the organization to be more inclusive of people with disabilities.

UNITEd (Multicultural Employee Network)

UNITEs employees of all cultures through shared experiences.

upLIFT (Gender Equity Employee Network)

upLIFTs all genders through shared experiences.

BUSINESS NETWORKS

Our Business Networks act both as liaisons to our businesses and ensure enterprise-wide initiatives are successfully implemented. Business Networks engage employees beyond the Employee Networks and help create shared accountability, a key characteristic of our inclusion and diversity Infrastructure.



Global wellbeing

Unum’s wellbeing strategy positions us as an employment destination where diverse and highly skilled people want to work, contribute and grow their careers.

WE ACHIEVE THIS THROUGH:

- Providing employees with the choice and financial flexibility to select the benefits that are most important to meeting their needs
- Granting access to relevant information and decision tools delivered through an integrated and streamlined digital experience
- Delivering programs and services that encourage and support financial, emotional and physical wellbeing, as well as work/life balance
- Offering competitive pay and recognition programs that reward high performance and encourage employee engagement
- Targeting investments that drive the greatest returns, while aligning with business and financial goals
- Creating programs and services designed and delivered through the lens of equity and fairness

We continue to refine our wellbeing portfolio by integrating key learnings and insights from recent Future of Work analysis, Wellbeing and Employee Preference Surveys and Inclusion and Diversity assessments.

Pay equity

Unum has a rigorous pay governance process to ensure that employees are paid fairly and appropriately based on their skills, knowledge and experience in alignment with our pay philosophy. We have a robust oversight process led by our compensation team, which includes a formal annual pay equity review of all roles across the enterprise. We take pride in the fact that we can assure employees that they are being paid equitably relative to their peers with comparable roles and responsibilities.

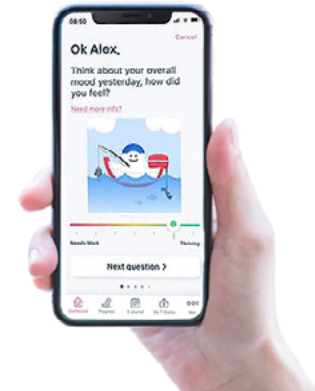
FLEXIBLE WORK ARRANGEMENTS

As of 2021, most roles have the flexibility to work a hybrid schedule. We listened to employees through focus groups, surveys and our live discussions with senior leaders. Our flex work policy maximizes the benefits of the office, such as networking, learning and problem-solving, while offering employees the flexibility to decide where to effectively work each day based on work and life obligations. In addition, it ensures we continue to grow, change and thrive as an enterprise by helping to support a diverse workforce with a focus on employee wellbeing.

PHYSICAL AND EMOTIONAL WELLBEING

Better health can make a big difference in how we feel, both at work and at home. The programs and benefits available to support our health are as varied as we are. We know the importance of wellness in all its forms. Here are some examples of our offerings.

- Unum Behavioral Health digital solution offers a holistic approach to supporting employee mental health and wellbeing at work with a specific focus on anxiety, depression, stress and burnout
- Mental health hub that simplifies the access to available resources for employees, including rapid access to care and virtual behavioral health visits
- Mental Health First Aider program that provides training to employees so they can direct their coworkers to support and resources that are available online, by phone, or at an employee's location
- New suite of family care services and emergency back-up care options that provides U.S. employees access to up to 10 days per calendar year of temporary center-based childcare or in-home child, adult or elder care when their regular care is unavailable
- Paid parental leave for six weeks and \$25,000 per employee in fertility benefits or adoption assistance for U.S. employees
- Mothers' rooms and lactation support programs available at all main campuses and field offices
- Telehealth program via Teladoc, available 24x7
- Virtual fitness classes and fitness centers in all main offices that are available to employees for free, when employees use the gym at least eight times per month
- Diet and nutrition support via registered dietitian nutritionists at our major campuses
- Tobacco-free campuses and tobacco cessation programs
- Subsidized healthy foods at cafeterias in our home offices by discounting our "BeWell" entrees and salads at a significant savings



Our U.K. offices recently introduced T-Cup, designed to capture real-time, always on metrics to pinpoint the changing wellbeing needs of our employee population.

- **Check Up:** This company-wide program runs once a month. It takes 60 seconds to complete and uses a series of personal reflection-based questions to identify how individuals and teams are scoring in terms of happiness, health and success. Employees can also access online video content and downloadable resources.
- **WellCup App:** This helps employees reflect on a daily basis, obtain a personal report and access tailored wellbeing resources. This option also provides access to buddy support on a mobile device.

FINANCIAL WELLBEING

Our employees' financial wellbeing is important to us. No matter the financial stage or status, we help bring everything into focus so our employees can thrive.

We offer a variety of benefits, including:

- Brightside financial, a free service that offers financial consulting and helps employees access support and resources to improve their financial health. Eligible employee dependents can also take advantage of this benefit.
- No-cost financial planning tools and resources, such as online platforms that bring together financial information for easy viewing, planning and guidance.
- Nudge combines financial education with personalized, timely and unbiased prompts to help U.K. employees manage their money and support their financial wellbeing. At the end of each quarter, we review our 'Nudgenomics' which identifies key focus areas for our employees. In the last year this has helped shape Nudge masterclass webinars on topics such as budgeting.
- Retirement savings plan with a company match of 5.0%, and an additional annual defined contribution of 4.5%.
- Contributions to 529 plans for employees' children
- Student debt relief program
- Employee-paid and voluntary financial protection benefits

- **Employee Stock Purchase plan:**

United States: Gives U.S. employees the opportunity to purchase Unum Group stock at a 10% discount on the closing stock price at the end of the purchase period.

United Kingdom: Our Save as You Earn plan enables employees to save money over a three-year period and, at the end of this period, have the opportunity to purchase shares based on a 10% discount from the stock price at the beginning of the three-year period, or have their money returned.

Ireland and Poland: We offer a pool of shares from which the company can make grants of shares to high-performing employees.



Retirement savings plan with a company match of up to 5.0%, and an additional annual defined contribution of 4.5%.



Learning and development

Learning and Development takes a strategic, proactive approach to understand and build the skills of the future.

Skill building is the primary learning and development focus at Unum and occurs every day in multiple ways:

- **Operational training** focused on helping employees develop the skills they need to be proficient in their roles.
- **Employee, manager and leadership programs** focused to develop the skills necessary to succeed in current roles and grow for the future. The curriculum is built on the identified skills needed by Unum. This includes access to a robust library of learning resources, curated to specific essential skills, including content offerings through our partnership with LinkedIn Learning.
- **Targeted development programs** to position employees to build the skills needed to drive business growth and achieve career success through the Coursera® Learning Platform and Northeastern University Roux Institute partnership.
- **Tuition reimbursement** to support ongoing skill development needs through formal degree programs. This year, we included certifications to give our employees in the Digital Transformation Organization even more opportunities to develop their knowledge and skills.



PERFORMANCE PROCESS

Based on frequent delivery of quality feedback, our Performance Experience process encourages managers to coach employees on a quarterly basis. Both managers and employees are encouraged to discuss career development during their discussions.

EXAMPLES OF OUR COMMITMENT TO THE GROWTH AND DEVELOPMENT OF OUR EMPLOYEES:

EMPLOYEE DEVELOPMENT

In 2021, we launched a Career Hub that uses artificial intelligence to provide personalized recommendations to help employees grow in their roles, prepare them for next career step, or find and apply for a new position.

Key features include:

- Mentoring recommendations
- Access to curated learning content based on employee skills and areas identified by employees of where they want to grow
- Access to explore short-term projects (gigs) that allow employees to expand on existing skills, develop new ones, and gain practical experience
- Internal job recommendations based on skills, experience and career aspirations
- Skills match analysis that show employees where skills match internal job opportunities and learning content to bridge any gaps

We deliver career workshops for employees to help them understand their drivers and make deliberate development choices to grow toward their aspirations. There are options for in-person, face-to-face and virtual workshops to cater to all in a hybrid working environment.

MANAGER DEVELOPMENT

We have a robust manager development approach to ensure people leaders are well-positioned to coach and develop employees.

Key components of this approach include:

- Targeted manager onboarding and a robust 8-week new manager program, focused on developing and applying core “Leadership Essentials” skillsets, including creating an inclusive environment and building trust.
- Peer mentoring opportunities for managers to allow a psychologically safe environment for managers to practice difficult conversations and further refine their coaching skills.

To help prioritize wellbeing, lead by example and inspire teams to achieve their personal goals, Unum U.K. offered managers resilience-based training. These two-part sessions were delivered by Thriving. The first focused on equipping managers with the skills needed to look after their wellbeing so they can thrive no matter what’s going on around them. The second part concentrated on how to create a more open and supportive culture for their employees.



EQUITY IN LEADERSHIP PROGRAM

A six-month leadership program focused to increase representation of employees of color in leadership roles.

LEADERSHIP DEVELOPMENT

Professional Development Program

A multi-year rotational program for early career employees looking to gain broad leadership experience across business areas.

Actuarial Development Program

A rotational multi-year program that helps actuarial students attain the Fellow of the Society of Actuaries designation.

Accounting and Finance Development Program

A rotational program for our accounting and finance talent pipeline.

Officer Development and Coaching

Officers at Unum have access to various development opportunities, including executive coaching engagements for some and opportunities for career growth and development for all. We provide employees and managers with a variety of training and development programs tailored to their specific roles.

Accelerated Leadership Program

A enterprise-wide program for high potential individual contributors who aspire to management and leadership roles at Unum. The program was, for the first time, completely virtual in 2021 and utilized technology to make it a rewarding experience for all candidates.



Health and safety

We provide employees the knowledge, skills and work environment to prevent work-related injuries and illnesses through the partnership of Corporate Safety, Health and Wellbeing, and our Leave and Disability team. This partnership promotes employee health, emotional wellbeing and productivity, both at work and outside of work, which optimizes services to Unum customers.

COMMITTED TO EMPLOYEE EMOTIONAL WELLBEING

- **Educational campaigns** using multiple channels for mental health, suicide and domestic violence awareness
- **Awareness and reporting** mechanisms to engage trained resources when there is a concern of self-harm, domestic violence or other wellbeing concerns
- **Mental Health First-Aid program** providing a trained peer support network
- **Employee Assistance Program** that includes six free specialty counseling sessions annually
- **Free, on-site licensed professional counseling** available in home office locations, centered around short-term solutions
- **Telehealth** benefit that includes virtual behavioral health sessions

EMPLOYEE TRAINING

Due to the prevalent risk of upper extremity soft tissue injuries in a computerized work environment, we have an established ergonomics program that focuses on minimizing this risk through prevention and early intervention.



PREVENTION

- Evaluation of ergonomic design of furniture and equipment prior to selection, including use of sit-stand workstations and flexible work environments to remain agile.
- Computer technology and software design incorporates best practices to minimize exposure to repetitive use injuries.
- Identification and mitigation of any identified ergonomic or work-process deficiencies.



EDUCATION

- Custom eLearning for new employees about ergonomics principles, including proper workstation setup and ergonomic behaviors.
- Internal social media campaigns focused on ergonomic principles and best practices in the office and at home, including a series about ergonomics for kids during the pandemic for remote learning.
- Annual refresher program for all employees with a 93% completion rate covering ergonomics concepts and early reporting.



INTERVENTION

- Adaptive equipment for employees with specific needs or requests.
- Assessment of workstation ergonomics and work-processes through a self-assessment tool or an in-person assessment, including identifying cause and treatment options.
- Job modification in compliance with medical restrictions and limitations.



We use a variety of channels to provide timely information to employees throughout the year, including internal social media and live webinars. Topics include emergency preparedness, evacuations, domestic violence and mental health awareness.

QUANTITATIVE DATA

Our annual corporate Total Case Incident Rate and Days Away, Restricted or Transferred Rate are 35% and 20% respectively below the Bureau of Labor Statistics rate for our industry classification.



ENVIRONMENTAL



Environmental impact

REDUCING OUR CARBON FOOTPRINT

In 2020, work from home and travel restriction policies were put in place to help slow the spread of COVID-19, and we have continued to have impacts from these policies in 2021. To reduce energy use, we made changes to all of our building automation system set-points and schedules. These efforts, shown along with the travel restrictions, caused a reduction of over 20% in Scope 1 and 2 carbon equivalent emissions in 2021.



Replacing overhead light fixtures on the top level of one of our parking garages with LED fixtures and replacing loading dock light fixtures with LEDs.



Upgraded our dining facilities by changing our large equipment to gas, making lighting upgrades and renovating some office spaces for leasing.



In the U.K., we partnered with Ecologi, a U.K.-based environmental organization, to allow our employees to offset their emissions by planting trees and funding global climate projects. In 2021, our employees planted 6,865 trees.

EMISSIONS (MT CO₂e) DATA FROM PAST 4 YEARS

	2018			2019			2020			2021		
	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total
Scope 1	7,526	193	7,719	6,493	193	6,686	4,925	411	5,336	7,170	851	8,022
Scope 2 Location-based approach	21,379	1,043	22,422	19,299	1,043	20,342	16,043	889	16,932	8,700	670	9,370
Scope 2 Market-based approach	21,379	1,043	22,422	19,299	1,043	20,342	16,043	1,239	17,282	9,294	1,685	10,979
Scope 3	33,832	-	33,832	33,490	-	33,490	10,177	198	10,375	8,925	194	9,119
TOTAL Location-based approach	62,737	1,235	63,972	59,282	1,235	60,518	31,145	1,497	32,642	24,795	1,716	26,510

Every year we strive to improve our green gas emissions calculations. In 2021, we examined how we calculate employee commuting and were able to improve this calculation with more specific data. We have restated our 2020 data to use this improved calculation method to show comparable figures.

■ Revised 2020 Commuting calculation methodology based on percent occupied

Every year, we aim to reduce our Scope 1 and 2 emissions by 3% compared to the previous year. In 2021, we reduced our Scope 1 and 2 emissions by over 21%. This was achieved through energy conservation measures, such as adjustments to building automation systems and upgrades to lighting, changes in occupancies of buildings, and continuation of work-from-home and travel restriction policies.

Carbon emission have also changed due to changes in property use. We have consolidated Unum employees, and begun leasing out extra space in our office buildings.

[Learn more about our approach to reducing our climate impact within our CDP reporting.](#)

Reducing our waste and water impact

REDUCING OUR WASTE

Our centralized waste and recycling stations make it easy for our employees to reduce waste and recycle properly. In addition, we security shred and recycle records and information that is no longer required to be retained. In 2021, this amounted to 1,592 tons of paper recycled.

	2018			2019			2020			2021		
	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total
Waste produced and not recycled (metric tons)	1,288	232	1,520	1,420	232	1,652	1,033	142	1,175	908	89	997
Waste recycled (metric tons)	592	–	592	522	–	522	384	139	523	2,911	99	3,010

REDUCING OUR WATER IMPACT

In 2020, work from home and travel restriction policies were put in place due to COVID-19. As a result, water use decreased by –12% from 2020 to 2021.

	2018			2019			2020			2021		
	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total
Total water use (kgal)	51,932	5,411	57,343	51,817	5,411	57,228	33,359	5,411	38,770	31,999	2,132	34,131



100% of paper used in our large-scale print operations, which encompasses 95.2% of our overall printing, is certified to Sustainable Forestry Initiative (SFI) standards.

PAPER REDUCTION FROM MAILINGS

To meet the demands of our customers and reduce our environmental impact, we enabled more self-service and paperless options for our employees.

In late 2017, we began transitioning our large-scale printing to an external vendor. Throughout this transition, we took the opportunity to evaluate all of our print jobs, and reduce when possible. We also enabled more self-service and paperless options to meet the demands of customers, and reduce our environmental impact. Since 2019, we have reduced our paper usage by 30%, and by 9.7% since last year. This reduction is driven by differences in sales, and by our initiatives to help drive digital adoption.



30%

Reduction in paper usage since 2019

	2019	2020	2021
Total impressions	132M	103M	93M
Total reduction from previous year	—	22%	9.7%

ABOUT THIS REPORT



Environmental, Social and Governance Report

We use our ESG report to share how we measure and manage the impact our company has on our customers, communities and the environment. It also highlights how we're creating a workplace where each employee is valued and respected.

This report includes data collected from January 1 to December 31, 2021. Some data has been rounded. Monetary figures are in U.S. dollars unless otherwise noted. For information concerning the current calendar year, please refer to the company's latest quarterly reports and other filings with the Securities and Exchange Commission (SEC). These documents are available online at investors.unum.com.

Information in this report has been reviewed by the Governance Committee of the Unum Group Board of Directors and reflects the company's operations and facilities in the U.S., U.K., Poland and Ireland for which Unum holds the majority financial stake.

For more information regarding the contents of this report, contact Unum's Corporate Communications department at corpcomm@unum.com.

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FORWARD-LOOKING STATEMENTS

Certain information in this report constitutes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those not based on historical information, but rather relate to our future operations, strategies, financial results, or other developments and speak only as of the date made. You can find many of these statements by looking for words such as “will,” “may,” “should,” “could,” “believes,” “expects,” “anticipates,” “estimates,” “plans,” “assumes,” “intends,” “projects,” “goals,” “objectives,” or similar expressions in this report or in documents incorporated herein. Forward-looking statements are not guarantees of future results and are subject to numerous assumptions, risks and uncertainties, many of which are beyond our control. The following factors, in addition to other factors mentioned from time to time, may cause actual results to differ materially from those contemplated by the forward-looking statements: (1) the impact of COVID-19 on our business, financial position, results of operations, liquidity and capital resources, and overall business operations; (2) sustained periods of low interest rates; (3) fluctuation in insurance reserve liabilities and claim payments due to changes in claim incidence, recovery rates, mortality and morbidity rates, and policy benefit offsets due to, among other factors, the rate of unemployment and consumer confidence, the emergence of new diseases, epidemics, or pandemics, new trends and developments in medical treatments, the effectiveness of our claims operational processes, and changes in government programs; (4) unfavorable economic or business conditions, both domestic and foreign, that may result in decreases in sales, premiums, or persistency, as well as unfavorable claims activity; (5) changes in, or interpretations or enforcement of, laws and regulations; (6) our ability to hire and retain qualified employees; (7) a cyber attack or other security breach that could result in the unauthorized acquisition of confidential data; (8) the failure of our business recovery and incident management processes to resume our business operations in the event of a natural catastrophe, cyber attack or other event; (9) investment results, including, but not limited to, changes in interest rates, defaults, changes in credit spreads, impairments and the lack of appropriate investments in the market which can be acquired to match our liabilities; (10) increased competition from other insurers and financial services companies due to industry consolidation, new entrants to our markets or other factors; (11) changes in our financial strength and credit ratings; (12) our ability to develop digital capabilities or execute on our technology systems upgrades or replacements; (13) actual experience in the broad array of our products that deviates from our assumptions used in pricing, underwriting and reserving; (14) availability of reinsurance in the market and the ability of our reinsurers to meet their obligations to us; (15) ability to generate sufficient internal liquidity and/or obtain external financing; (16) damage to our reputation due to, among other factors, regulatory investigations, legal proceedings, external events and/or inadequate or failed internal controls and procedures; (17) recoverability and/or realization of the carrying value of our intangible assets, long-lived assets, and deferred tax assets; (18) effectiveness of our risk management program; (19) contingencies and the level and results of litigation; (20) ineffectiveness of our derivatives hedging programs due to changes in the economic environment, counterparty risk, ratings downgrades, capital market volatility, changes in interest rates and/or regulation; and (21) fluctuation in foreign currency exchange rates; (22) our ability to meet environmental, social, and governance standards and expectations of investors, regulators, customers, and other stakeholders.

For further discussion of risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see Part 1, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021. The forward-looking statements in this report are being made as of the date of this report, and we expressly disclaim any obligation to update or revise any forward-looking statement contained in this report, even if made available on our website or otherwise.

Greenhouse gas emission statement of assurance

INTRODUCTION AND OBJECTIVES OF WORK

Apex Companies, LLC (Apex) has been engaged by Unum Group (Unum) to provide limited assurance of its greenhouse gas (GHG) emissions data, water use, and waste data (Subject Matter). This assurance statement applies to the Subject Matter included within the scope of work described below.

The Subject Matter are the sole responsibility of the management of Unum. Apex's sole responsibility was to provide independent assurance on the accuracy of the Subject Matter.

SCOPE OF WORK

The scope of our work was limited to assurance over the GHG emissions, water use, and waste data for the period January 1, 2021 to December 31, 2021.

REPORTING BOUNDARIES

The following are the boundaries used by Unum for reporting sustainability data:

- Operational Control
- Worldwide

TYPES OF GHGs

CO₂, CH₄, N₂O, HFCs

GHG EMISSIONS STATEMENT

- **Scope 1:** 8,022 Metric Tons of CO₂ equivalent
- **Scope 2 (Location-Based):** 9,370 Metric Tons of CO₂ equivalent
- **Scope 2 (Market-Based):** 10,979 Metric Tons of CO₂ equivalent
- **Scope 3 – Fuel and Energy-Related Activities (United Kingdom Transmission and Distribution Losses only):** 19.5 Metric Tons of CO₂ equivalent
- **Scope 3 – Business Travel:** 1,770 Metric Tons of CO₂ equivalent
- **Scope 3 – Employee Commuting:** 2,397 Metric Tons of CO₂ equivalent
- **Scope 3 – Downstream Leased Assets:** 4,933 Metric Tons of CO₂ equivalent

WATER USE

Total Water Use: 34,131 thousand gallons

WASTE GENERATED

Total Waste Generated: 4,008 Metric Tons

Data and information supporting GHG emissions, water use, and waste data were historical in nature and in some cases estimated.

CRITERIA AGAINST WHICH VERIFICATION WAS CONDUCTED

- World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
- WRI/WBCSD Corporate Value Chain Accounting Standard
- Unum's 2021 Inventory Management Plan

LEVEL OF ASSURANCE AND QUALIFICATIONS

- Limited
- This verification used a materiality threshold of $\pm 5\%$ for aggregate errors in sampled data for each of the above indicators.

LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period.

This limited assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

RESPONSIBILITIES

This preparation and presentation of the Subject Matter are the sole responsibility of the management of Unum.

Apex's responsibilities were to:

- Obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Report our conclusions to the stakeholders of Unum.

ASSESSMENT STANDARDS

- ISO 14064-3 Second edition 2019-04: Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements
- We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ± 5 -percent was set for the assurance process.

SUMMARY OF WORK PERFORMED

As part of our independent verification, our work included:

- Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
- Conducting interviews with relevant personnel of Unum’s consultant;
- Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
- Reviewing documentary evidence provided by Unum’s consultant;
- Agreeing a selection of the Subject Matter to the corresponding source documentation;
- Reviewing Unum’s and Unum’s consultant’s systems for quantitative data aggregation and analysis.

CONCLUSION

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects; and
- It is our opinion that Unum has established appropriate systems for the collection, aggregation and analysis of quantitative data.

STATEMENT OF INDEPENDENCE, INTEGRITY AND COMPETENCE

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Unum, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex’s standard methodology for the verification of greenhouse gas emissions data.

ATTESTATION

CODY LORENTSON
Lead Verifier
Project Manager
Apex Companies, LLC
Lakewood, Colorado

TREVOR DONAGHU
Technical Reviewer
Sustainability Program Manager
Apex Companies, LLC
Pleasant Hill, California

March 11, 2022

SASB Index

Disclosures are influenced by Sustainability Accounting Standards Board’s Insurance Sustainability Accounting Standard (SASB). This report covers the 2021 calendar year results and includes data collected from January 1, 2021 to December 31, 2021.

For information concerning the current calendar year, please refer to our latest quarterly reports and other filings with the SEC. These documents are available online at investors.unum.com.

TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

SASB Accounting Metric	Code	Response
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	FN-IN-270a.1	Unum discloses all material legal proceedings in accordance with the Securities and Exchange Commission (SEC) requirements. Please see the Commitments and Contingent Liabilities footnotes in Unum’s Form 10-K for the year-ended December 31, 2021.
Complaints-to-claims ratio	FN-IN-270a.2	Unum does not disclose this.
Customer retention rate	FN-IN-270a.3	Unum does not disclose this.
Description of approach to informing customers about products	FN-IN-270a.4	We offer group, individual, voluntary, and dental and vision products as well as provide certain fee-based services. These products and services, which can be sold stand-alone or combined with other coverages, help employers of all sizes attract and retain a stronger workforce while protecting the incomes and livelihood of their employees. We believe employer-sponsored benefits are the most effective way to provide workers with access to information and options to protect their financial stability. Working people and their families, particularly those at lower and middle incomes, are perhaps the most vulnerable in today’s economy yet are often overlooked by many providers of financial services and products. For many of these people, employer-sponsored benefits are the primary defense against the potentially catastrophic result of death, illness or injury.

INCORPORATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT

SASB Accounting Metric	Code	Response
Total invested assets, by industry and asset class	FN-IN-410a.1	<p>Unum discloses information about total invested assets within the company's 10-K.</p> <p>For information on stock and bond investments, see Part II, Item 8, Note 3 in the 10-K (page 145).</p> <p>At December 31, 2021, our open derivatives were primarily foreign exchange interest rate swaps, which are used to hedge the currency risk of certain foreign currency-denominated fixed maturity securities owned for portfolio diversification. Under these swap agreements, we agree to pay, at specified intervals, fixed rate foreign currency denominated principal and interest payments in exchange for fixed rate payments in the functional currency of the operating segment. The total fair value of these derivative instruments at December 31, 2021 was \$4.5 million.</p> <p>For information on mortgage loans on real estate, see Part II, Item 8, Note 3 in the 10-K (page 150).</p> <p>Our real estate balance as of December 31, 2021 is \$119.5 million, or 0.23% of total invested assets, thus it is deemed immaterial. See Part II, Item 7, MD&A, Investments in the 10-K (page 41-42).</p> <p>For information on our exposure to industries by monetary amount, see Part II, Item 7, MD&A, Investments in the 10-K (page 41-42).</p> <p>For information on our exposure by credit quality, see Part II, Item 8, Note 3 in the 10-K (page 145).</p>
Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	Please refer to pages 10, 23-25 of this report.
Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	This topic is not relevant for Unum.

POLICIES DESIGNED TO INCENTIVIZE RESPONSIBLE BEHAVIOR

SASB Accounting Metric	Code	Response
Discussion of products and/or product features that incentivize health, safety and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	<p>See pages 47-50 for information on Unum’s work to reduce emissions from an operational perspective.</p> <p>Unum’s core products offer financial safety, through disability, accident, critical illness, dental and vision insurance. Unum also offers several products and services that are designed to incentivize health and safety, such as:</p> <p>Work-life Balance Employee Assistance Program Unum’s work-life balance Employee Assistance Program can help employees prepare for the unpredictable — and keep small struggles from turning into major issues.¹ With this program, employees can receive guidance and support for issues that take their attention away from business. And that means they can be more productive, both at work and at home.</p> <p>Emergency travel assistance Even the most thorough itinerary can’t prevent lost medication, accidents or sudden illnesses. Help your employees prepare — with Unum’s worldwide emergency travel assistance.² This service is available 24x7 to employees when they travel 100 or more miles away from home, whether for work or pleasure.</p> <p>HRBenefitsAnswersNow® and BenefitsAnswersNow™ Plan administrators and managers have a responsibility to stay current on employment laws and insurance guidelines. HRBenefitsAnswersNow and BenefitsAnswersNow³ puts all the answers in one place. These two online libraries contain HR compliance and benefits information.</p> <p>Coverage of routine examinations and preventive testing Annual benefit for routine examinations or other preventive testing encourages responsible health management. This is only available in select states.</p> <p>Return to Work and Stay at Work Programs Unum’s Vocational Rehabilitation Consultants (VRC) and Certified Disability Management Specialist (CDMS) helps clients determine eligibility for a Rehabilitation and Return to Work Assistance program. These personalized services include activities such as resume preparation and job development. Unum’s VRCs and CDMSs can also help develop an individualized return-to-work plan that may include coordinating services with employers or exploring adaptive equipment and job accommodations. Unum also offers occupational exploration services, to help individuals get back to a productive lifestyle, in a career that matches up with capabilities.</p> <p>Paid Leave benefit Our Paid Leave benefit is offered in select states and provides wage replacement when individuals need to stop working for items such as child bonding, care for a loved one and one’s own health issues.</p> <p><small>1 The Work-life balance employee assistance program, provided by LifeWorks, is available with select Unum insurance offerings. Terms and availability of service are subject to change. Service provider does not provide legal advice; please consult your attorney for guidance. Services are not valid after coverage terminates.</small></p> <p><small>2 Worldwide emergency travel assistance services, provided by Assist America, Inc., are available with select Unum insurance offerings. Terms and availability of service are subject to change and prior notification requirements. Services are not valid after coverage terminates.</small></p> <p><small>3 HRAnswersNow and BenefitAnswersNow, provided by CCH, are available with select Unum insurance offerings. Terms and availability of service are subject to change. Service provider does not provide legal advice; please consult your attorney for guidance. Services are not valid after coverage terminates.</small></p>

ENVIRONMENTAL RISK EXPOSURE

SASB Accounting Metric	Code	Response
Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	This topic is not relevant for Unum.
Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	FN-IN-450a.2	This topic is not relevant for Unum.
Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	Unum identifies and assesses the financial impact and probability of risks, including climate change, natural disasters, epidemics and related risks. We consider these risks as part of our economic capital calculation, and we utilize stress testing and scenario analysis for risk management and to shape our business, financial and strategic planning activities. These are key components of our risk appetite framework and play an important role in monitoring, assessing, managing and mitigating our primary risk exposures. We also incorporate environmental risks into our group underwriting process by setting concentration thresholds related to several factors, including natural disaster risks. Learn about our approach to assessing our climate-related financial risks in our TCFD-aligned disclosure on pages 65-72 .

SYSTEMIC RISK MANAGEMENT

SASB Accounting Metric	Code	Response
Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1	For information, please refer to Unum's 10-K, including Risk Factors contained in Item 1A; "Critical Accounting Estimates" and the discussion of investments in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Item 7; "Quantitative and Qualitative Disclosures About Market Risk" in Item 7A; and Notes 1, 2, 3, and 4 of the "Notes to Consolidated Financial Statements" contained in Item 8 for information on our investments and derivative financial instruments.
Total fair value of securities lending collateral assets	FN-IN-550a.2	For information, see Part II, Item 8, Note 3 in the 10-K (page 145).
Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	Our products have minimal disintermediation risk and we generally hold excess capital at our holding company to meet unexpected events or liquidity needs. We have minimal exposure to systemic non-insurance activities, such as repo or securities lending. We had no repurchase agreements outstanding as of December 31, 2021, we held \$94.8 million of cash collateral from securities lending agreements, and we had \$198.6 million of off-balance sheet securities lending agreements which were collateralized by securities that we were neither permitted to sell nor control. Generally, our reinvestment guidelines are very conservative, primarily the 7-day gap restriction, which limits the size of our securities lending program.

ACTIVITY METRIC

SASB Accounting Metric	Code	Response
Number of policies inforce, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	Through businesses in the U.S., U.K. and Poland, Unum Group protects more than 43 million people and their families with our financial protection and workplace benefits.

Global Reporting Initiatives (GRI) Index

This report has been prepared in accordance with the GRI standards: Core option.

GENERAL DISCLOSURES		RESPONSE
Organizational profile		
102-1	Name of the organization	Unum Group
102-2	Activities, brands, products and services	See the "About Unum" section on page 5 of this report.
102-3	Location of headquarters	1 Fountain Square, Chattanooga, TN U.S. 37402
102-4	Location of operations	Unum has over 130 office locations across four countries.
102-5	Ownership and legal form	Unum is publicly listed on the NYSE as UNM.
102-7	Scale of the organization	Unum has over 10,000 employees. Business highlights can be found on page 1-22 of the 2021 10K report.
102-8	Information on employees and other workers	See the "Employee engagement" section on page 35 of this report.
102-9	Supply chain	N/A
102-10	Significant changes to the organization and its supply chain	There have been no significant changes during the reporting period.
102-11	Precautionary Principle or approach	Unum has a comprehensive approach to managing risks, but has not formally adopted the Precautionary Principle. See "Risk management" section on page 11-12 of this report.
102-12	External initiatives	See the "Community giving and employee contributions" section on pages 32-34 of this report.
102-13	Membership of associations	See our Public Policy Website .
Strategy		
102-14	Statement from senior decision-maker	See the "CEO letter" on page 4 of this report.
Ethics and integrity		
102-16	Values, principles, standards and norms of behavior	See the "Compliance and ethics" and "A culture of integrity" sections on pages 19-22 of this report.
102-17	Mechanisms for advice and concerns about ethics	See the "Whistleblower program" section on page 21 of this report.
Governance		
102-18	Governance structure	See the "Our leadership" section on page 17 of this report.
Stakeholder Engagement		
102-40	List of stakeholder groups	See the "Assessment and engagement" section on page 13-14 of this report.
102-41	Collective bargaining agreements	Unum does not report about collective bargaining because we consider the terms (i.e., wages) to be confidential.
102-42	Identifying and selecting stakeholders	Our recent materiality assessment drew feedback from internal and external stakeholders, including investors, clients, employees and non-governmental organizations.
102-43	Approach to stakeholder engagement	See the "Assessment and engagement" section on page 13-14 of this report.

DISCLOSURE		RESPONSE
Reporting practice		
102-44	Key topics and concerns raised	See the "Assessment and engagement" section on page 13-14 of this report.
102-45	Entities included in the consolidated financial statements	See Unum's Form 10-K filing.
102-46	Defining report content and topic boundaries	See the "Assessment and engagement" section on page 13-14 of this report.
102-47	List of material topics	See the "Assessment and engagement" section on page 13-14 of this report.
102-48	Restatements of information	Unum has not restated any information.
102-49	Changes in reporting	There were no significant changes in scope or boundary during the reporting period.
102-50	Reporting period	This report covers 2021 calendar year results and includes data collected from January 1, 2021 to December 31, 2021.
102-51	Date of most recent report	Our last report was published in 2020.
102-52	Reporting cycle	We report on our sustainability progress annually.
102-53	Contact point for questions regarding the report	To contact Unum in relation to our sustainability efforts or this GRI Index, email us at corpcomm@unum.com .
102-54	Claims of reporting in accordance with the GRI Standards	Unum is reporting in accordance with the GRI Standards: Core option.
102-55	GRI content index	See the "GRI Index" section on page 60-64 of this report.
102-56	External assurance	See the "Statement of Assurance" section on page 54-56 of this report.

GRI Standard Disclosures		RESPONSE
Economic standards		
Material topic: Governance, compliance and ethics		
103-1	Explanation of the material topic and its boundary	See the "Our leadership" section on page 17 of this report.
103-2	The management approach and its components	See the "Our leadership" section on page 17 of this report.
103-3	Evaluation of the management approach	See the "Our leadership" section on page 17 of this report.
Environmental Standards		
Material topic: Facility environmental management		
103-1	Explanation of the material topic and its boundary	See the "Environmental impact" section on pages 47-50 of this report.
103-2	The management approach and its components	See the "Environmental impact" section on pages 47-50 of this report.
103-3	Evaluation of the management approach	See the "Environmental impact" section on pages 47-50 of this report.
303-3	Water withdrawal	See the "Environmental impact" section on pages 47-50 of this report.

DISCLOSURE

RESPONSE

Environmental Standards

Material topic: GHG emissions

103-1	Explanation of the material topic and its boundary	See the "Reducing our carbon footprint" section on page 47-48 of this report.
103-2	The management approach and its components	See the "Reducing our carbon footprint" section on page 47-48 of this report.
103-3	Evaluation of the management approach	See the "Reducing our carbon footprint" section on page 47-48 of this report.
305-1	Direct (Scope 1) GHG emissions	See the "Reducing our carbon footprint" section on page 47-48 of this report.
305-2	Energy indirect (Scope 2) GHG emissions	See the "Reducing our carbon footprint" section on page 47-48 of this report.
305-3	Other indirect (Scope 3) GHG emissions	See the "Reducing our carbon footprint" section on page 47-48 of this report.
305-4	GHG emissions intensity	See the "Reducing our carbon footprint" section on page 47-48 of this report.
305-5	Reduction of GHG emissions	See the "Reducing our carbon footprint" section on page 47-48 of this report.

Social Standards

Material topic: Employee attraction, retention and development

103-1	Explanation of the material topic and its boundary	See the "Employee engagement" section on page 35 of this report.
103-2	The management approach and its components	See the "Employee engagement" section on page 35 of this report.
103-3	Evaluation of the management approach	See the "Employee engagement" section on page 35 of this report.

Material topic: Inclusion and diversity

103-1	Explanation of the material topic and its boundary	See the "Inclusion and diversity" section on pages 36-37 of this report.
103-2	The management approach and its components	See the "Inclusion and diversity" section on pages 36-37 of this report.
103-3	Evaluation of the management approach	See the "Inclusion and diversity" section on pages 36-37 of this report.
405-1	Diversity of governance bodies and employees	See the "Our leadership" and "Employee engagement" sections on pages 17 and 35 of this report.

Material topic: Communities

103-1	Explanation of the material topic and its boundary	See the "Community giving and employee contributions" section on pages 32-34 of this report.
103-2	The management approach and its components	See the "Community giving and employee contributions" section on pages 32-34 of this report.
103-3	Evaluation of the management approach	See the "Community giving and employee contributions" section on pages 32-34 of this report.

Material topic: Socially responsible supply chains

103-1	Explanation of the material topic and its boundary	See the "Responsible purchasing and sourcing" section on page 30 of this report.
103-2	The management approach and its components	See the "Responsible purchasing and sourcing" section on page 30 of this report.
103-3	Evaluation of the management approach	See the "Responsible purchasing and sourcing" section on page 30 of this report.

DISCLOSURE

RESPONSE

Material topic: Cybersecurity & privacy

103-1	Explanation of the material topic and its boundary	See the “Community giving and employee contributions” section on pages 32-34 of this report.
103-2	The management approach and its components	See the “Community giving and employee contributions” section on pages 32-34 of this report.
103-3	Evaluation of the management approach	See the “Community giving and employee contributions” section on pages 32-34 of this report.

Social Standards

Material topic: Product social impact

103-1	Explanation of the material topic and its boundary	See the “A business for good” section on page 5 of this report and the “Responsible Products” section on pages 26-27 of this report.
103-2	The management approach and its components	See the “A business for good” section on page 5 of this report and the “Responsible Products” section on pages 26-27 of this report.
103-3	Evaluation of the management approach	See the “A business for good” section on page 5 of this report and the “Responsible Products” section on pages 26-27 of this report.

Material topic: Human rights

103-1	Explanation of the material topic and its boundary	See the “Compliance and ethics” and “A culture of integrity” sections on pages 19-22 of this report.
103-2	The management approach and its components	See the “Compliance and ethics” and “A culture of integrity” sections on pages 19-22 of this report.
103-3	Evaluation of the management approach	See the “Compliance and ethics” and “A culture of integrity” sections on pages 19-22 of this report.

Task Force on Climate-Related Financial Disclosures

To ensure our business actions accurately reflect our climate-related risks, Unum recently completed a Task Force on Climate-Related Financial Disclosures (TCFD) analysis in partnership with an external firm.

This assessment and scenario analysis provided a meaningful view of our current inclusion of climate-related opportunities and risks and will serve as inputs to our planning going forward. The assessment confirms our determination that risks related to climate change are not material to Unum today, as we believe we can effectively manage the impacts of these risks as they materialize over time. We have addressed several short-term disclosure gaps identified in the assessment within our ESG report and in this climate change section.

EXPLANATION OF TCFD ASSESSMENT

The TCFD is the leading global framework for assessing climate risk and will help Unum quantify risks and opportunities of climate change within various warming scenarios. The TCFD is referenced and largely aligns with requirements from the U.K. Prudential Regulatory Authority. The recommendations of the TCFD represent these four thematic areas that represent core operational elements, including: (1) governance, (2) risk management, (3) strategy and (4) metrics and targets.

The approach:

Unum has completed the TCFD assessment in partnership with an external firm which included the following:

- Review of current TCFD gaps with comparison to leading insurance industry practices and TCFD guidelines.
- Comparison of UK PRA expectations against TCFD recommendations.
- Qualitative risk assessment across all of Unum’s business functions with insights into largest drivers of impacts including magnitude.
- Quantitative scenario analysis of the transition risk in Unum’s investment portfolio modeling the climate change impacts at < 2°C and > 2°C scenarios across multiple time horizons.
- Quantitative scenario analysis of Unum’s underwriting practices modeling the climate change impacts under < 2°C and > 2°C scenarios across multiple time horizons.

OUR CORE OPERATIONAL ELEMENTS



governance



risk management



strategy



metrics and targets



GOVERNANCE

Our [sustainability governance](#) is highlighted in the ESG report.

The executive risk management committee is responsible for overseeing our enterprise-wide risk management (ERM) program. The chief risk officer, who is a member of the executive risk management committee, has primary responsibility for our ERM program and is supported by management committees and other governing bodies.

Senior management who sit on the ERM committee, are updated quarterly on all current and emerging risks including climate change. A sustainability working council of leaders across key functions and business areas throughout the enterprise was established to recommend and oversee sustainability issues, including climate change. As climate-related risks materialize, “risk owners” are identified and charged with providing the relevant committees with regular updates about changes to the inherent risk level and the status of mitigating initiatives.

Additionally, the Board is updated quarterly about all current and emerging risks including climate change. As part of their oversight of the company’s strategic direction and risk management, Board members monitor progress of Unum’s ESG strategies and initiatives. Discussions with senior management focus on the rapidly changing landscape, opportunities for leadership, and execution against strategic goals and priorities. The Board and committees are regularly engaged on issues related to corporate social responsibility, public policy, inclusion and diversity, corporate culture, and climate change.

Each of these groups work to develop and review the company’s ESG strategy, review important environmental, social and governance topics on a quarterly basis and help guide the strategic sustainability focus and initiatives.



RISK MANAGEMENT

Effectively taking and managing risks is essential to the success of our company. To facilitate this effort, we have a formal ERM program with a framework comprising the following key components:

Risk appetite

Unum maintains a risk appetite policy which not only describes the risks we are willing to take, but also defines the amount of enterprise risk exposure we deem acceptable in pursuit of our goals. It highlights boundaries, tolerances and limits within which the Unum Group is to operate. The policy forms the foundation upon which the Unum Group’s Enterprise Risk Management (ERM) program is based. The policy summarizes the most significant risk categories, the

- **Risk appetite**
- **Risk-aware culture and governance**
- **Risk identification and prioritization**
- **Risk modeling and controls**
- **Risk reporting and communication**

risk strategy and the principles embedded in the risk management strategy. Climate risk is determined to be within our risk appetite and not currently a principle risk to Unum over our planning horizons. However, management and the Board recognizes the importance of responsibly managing climate-related risks to both shareholders and the future of Unum and its operating businesses.

Risk-aware culture and governance

We employ a risk management model under which risk-based decisions are made daily on a local level. To achieve long-term success, risk management must be the responsibility of all employees. The individual and collective decisions of our employees play a key role in successfully managing our overall risk profile. Our culture is reinforced by our system of risk governance. Unum developed a Corporate Sustainability Steering Council and Working Council to advise and develop strategic initiatives and implement key initiatives under our ESG strategic framework. The Board Governance Committee oversees Unum's strategy, reputation and activities concerning corporate sustainability. It regularly reviews and discusses ESG developments, including the advancement of Unum's ESG program and key initiatives. We have increased ESG disclosures and used a materiality assessment and international frameworks to guide these disclosures.

In addition, our Board has an active role, as a whole and through its committees, in overseeing management of our risks, including climate change.

Risk identification and prioritization

Risk identification and prioritization is an ongoing process, whereby we identify and assess our risk positions and exposures, including notable risk events. ERM and other second-line bodies rely on the collective observation, acumen and diligence of the entire enterprise to identify new and emerging risks related to climate change. Knowing our potential risks allows us to monitor and manage their possible effects by adjusting our strategies as appropriate.

In addition, Unum seeks additional inputs and perspectives from various outside parties like trade groups, consultants, business periodicals and networks. The risks identified through these channels are generally introduced in risk committees

The Board is responsible for the oversight of strategic risk and regularly reviews information regarding our capital, liquidity and operations, as well as the risks associated with each. The risk and finance committee of the Board is responsible for oversight of our risk management process, including financial risk, operational risk and any other risk not specifically assigned to another board committee. The Finance Committee also oversees risks arising under our business resiliency programs, including disaster recovery and business continuity risks. The Regulatory Compliance Committee of the board is responsible for oversight of risks related to regulatory, compliance, policy and legal matters, both current and emerging, and whether of a local, state, federal or international nature. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports about such risks in addition to the risk information it receives directly.

to leverage the subject matter expertise in assessing the potential impacts of identified risk to Unum's operations. As part of our climate risk identification process, we engaged with a consultant to complete a formal TCFD assessment.

Climate risks can manifest themselves in different ways and in different combinations depending on how climate change scenarios materialize.

For example, a warming scenario of <math><2^{\circ}\text{C}</math>, which is aligned with the Paris Agreement track for net zero carbon emissions by 2070, would potentially result in transitional climate risks for Unum over the next 20 years:

TCFD RISK	RISK MANIFESTATION	TIME HORIZON	POTENTIAL IMPACT TO UNUM
Change in customer behavior	Customer preferences shift toward sustainable products/companies, and demand for Unum products reduces if climate strategy is not adequately integrated into business processes.	10 years	Increase in lapses and reduction in premiums leads to reduced profitability.
Contraction of market demand	Loss of group business in impacted sectors, e.g. oil and gas; decline in value of fossil fuel-based investments.	20-30 years	Loss of group business; Increased volatility/potential for losses in investment portfolio.

By contrast, a warming scenario of >math>2^{\circ}\text{C}</math>, which incorporates today's policy intentions and targets that have already been announced, would potentially result in physical climate risks for Unum over the next 20 years:

TCFD RISK	RISK MANIFESTATION	TIME HORIZON	POTENTIAL IMPACT TO UNUM
Extreme weather events	Extreme events lead to increasing mortality/incidence rates and impacts to reinsurance market; decrease in real estate values and economic instability.	10-20 years	Assumptions used in pricing/valuation are incorrect and cause a deficiency in reserves, earnings and capital impacts; unable to rely on reinsurers to pay claims as expected; investment portfolio experiences volatility, interest rates depressed.
Extreme variability in weather patterns	Higher rain, wind and flooding, and extreme hot and cold temperature events lead to increasing mortality/incidence rates.	30 years	Assumptions used in pricing/valuation are incorrect and cause a deficiency in reserves, earnings and capital impacts.
Rising mean temperatures	Rising temperatures cause increasing heat-related deaths and vector-borne diseases, increasing the likelihood and severity of pandemics.	30 years	Assumptions used in pricing/valuation are incorrect and cause a deficiency in reserves, earnings and capital impacts.
Decreased air quality	Decreasing air quality causes diminishing health outcomes.	30 years	Assumptions used in pricing/valuation are incorrect and cause a deficiency in reserves, earnings and capital impacts.

Once a portfolio of relevant risks has been established, "risk owners" are identified. These can be Risk Committee members with first-line knowledge of a specific risk, charged with identifying inherent risk levels, mitigating activities and risk indicators,

and providing the committees with regular updates about changes to the inherent risk level and the status of mitigating initiatives. Through these regular reports, the second-line can monitor residual risk levels and ensure appropriate management of the risks.

Risk modeling and controls

Unum recognizes the long-term inherent risks of climate change, but we believe we have the ability to manage these risks such that the residual risk is immaterial over our planning horizons and currently not a significant risk to our corporate strategy or our solvency.

For transition risk related to climate change, we believe our disciplined approach to providing financial protection products at the workplace puts us in a position of strength. In contrast to many multi-line peer companies, we do not offer retirement savings, traditional medical benefits, or property and casualty insurance. Our corporate strategy is focused on providing group, individual and voluntary benefits, either as stand-alone products or combined with other coverages, that create comprehensive benefits solutions for employers. We have market leadership positions in the product lines we offer and believe this combination of focused expertise and experience is a competitive advantage forming the foundation of our approach to risk management. The products and services we provide have never been more important to employers, employees and their families, especially given the emergence of the COVID-19 pandemic. Our strategy remains centered on growing our core businesses through investing and transforming our operations and technology to anticipate and respond to the changing needs of our customers, expanding into new adjacent markets through meaningful partnerships and effective deployment of our capital across our portfolio.

For physical climate-related risks, certain geographies and demographics are more likely to be affected by extreme weather and temperature variability. Our business is well-diversified by geography, industry exposures and case size, and we continue to analyze and employ strategies that we believe will help us navigate the current environment. Our business is concentrated in group contracts, which can be repriced based on experience, and the group business is centered around the working

age population, which significantly reduces the vulnerability of our block of business to climate change impacts. Furthermore, many of our products have offsetting mortality and morbidity impacts from climate change that further diminish the impact to Unum. For example, rising mean temperatures can lead to an increase in vector-borne diseases, increasing the likelihood and severity of pandemics. This would lead to unfavorable life and short-term disability claims, while long-term care, long-term disability and individual disability insurance are likely to see favorable claims behavior.

At the core of our climate risk management strategies is our prudent underwriting with effective risk selection, pricing discipline, sound reserving practices and high-quality claims management. We manage concentration risk so that individual exposures will not threaten our solvency. We monitor our concentration exposures against internally established limits, and we make conscious efforts to diversify our earnings sources to reduce potential volatility. We have underwriting guidelines to restrict writing high levels of coverage on any individual which has limits on the volume of coverage we will write on an employer/group. We also have various reinsurance treaties that cap our exposure. These agreements include capping individual exposure on life and accidental death and disability coverage along with maintaining a catastrophic reinsurance program that protects the surplus from a major natural or man-made disaster. In addition, we can leverage our existing economic models and scenario testing to help us better understand our business and related exposures to climate change, monitor our risk limit and tolerance levels, contribute to preemptive and contingent action planning, and influence our strategic choices and decision-making.

We use a 1-in-20 stress to simulate an extreme but plausible event to get a better understanding of the potential volatility in distributable earnings we could experience over our planning horizon.

An infectious disease pandemic is part of our annual scenario process. The analysis for this scenario incorporates all the impacts from short- and long-term claim behavior, sales and premium impacts, and the general economic slowdown both under our historical assumptions and new assumptions developed specifically during the COVID-19 pandemic.

To assess concentration of risk and keep our exposure within our risk appetite, Unum developed underwriting and pricing protocols to review any policy that could potentially lead to a large loss event and track in-force cases.

We manage our asset and liability cash flow match and our asset and liability duration match to manage interest rate risk. Asset and liability portfolio modeling is updated on a quarterly basis and is used as part of the overall interest rate risk management strategy. The majority of our liabilities related to insurance contracts are not interest rate sensitive, and we therefore have minimal exposure to policy withdrawal risk.

Our ability to reprice many of our products significantly reduces interest rate and incidence risk related to climate change. Group products, such as Long-Term Disability and Group Life, can be repriced after the expiration of rate guarantee periods. These rate guarantee periods are typically three years or less, allowing reflection of higher incidence rates in future pricing, if needed. Pricing rates on new sales are updated annually, reflecting updated assumptions on interest rates and other insurance risk, and our management teams have regular meetings about both renewal and new business pricing. Individual voluntary benefits products other than life insurance are offered on a guaranteed renewable basis which allows us to reprice in-force policies, subject to regulatory approval. Group voluntary benefits products are offered primarily on an optionally renewable basis which allows us to reprice or terminate in-force policies.

We have formal investment policies and guidelines that include overall quality and diversification objectives and establish limits by asset class, investment rating and single issuer. Our investment policies and guidelines require integration of ESG factors into our credit risk assessment making ESG a key part of our investment decision-making process.

Our investment research analysts use a variety of ESG data to assign an ESG Risk rating to substantially all the securities in our portfolio on at least a semi-annual basis. Climate risk assessment is intrinsic to the environmental pillar, and analysts consider both physical and transition risk in relation to climate change.

Annually, we apply a stress test to our asset portfolio using historical default rates and downgrade patterns similar to what occurred during the 2008-2010 recession. Doing so not only ensures that we can withstand a credit shock but tracks evolving credit quality of the portfolio over time, including the impacts of climate change.

While ERM monitors potential disruptions to our business operations from climate change, such as rising temperatures and health crises, our business continuity, facilities and crisis management teams prepare for such eventualities. Our business continuity and crisis management programs prepare and respond to climate-related incidents that may impact our services and operations. We implement site-specific risk mitigation and action plans, and have local crisis management teams to manage incidents at each of our offices.

Risk reporting and communication

ERM reports are a standard part of our quarterly senior management and Board meetings. The reports summarize our existing and emerging risk exposures, as well as report against the tolerances and limits defined by our risk appetite policy. Climate change is currently identified as an emerging risk and opportunity in our quarterly risk reporting. Within this report, we monitor the increasing pressure on Unum to disclose climate-related information and confirm levels of integration of climate change into business processes. Furthermore, we monitor shifting customer preferences and demand for Unum products. As climate change contributes to increased spread of infectious or contagious diseases and increases demand for our products, Unum is responding by including additional diagnoses covered in our

products, allowing for modularity in benefits selection and plan design across various geographies, and continuing to build our support around return-to-work services and overall employee wellbeing. In addition, while climate change introduces a risk of higher lapse rates in industries most impacted, it also presents an opportunity for Unum to expand into new sectors (e.g. renewable energy) that may see more value in the products that we offer.

Annually, we file our Own Risk and Solvency Assessment summary report with the applicable insurance regulators for our U.S. insurance subsidiaries. We will continue to consider the emergence and potential impacts of climate change in our ORSA.



STRATEGY

Our sustainability strategic framework is designed to support our corporate strategy and is closely linked to our purpose and our values. Our framework contains three focus areas: responsible investments, inclusive products and practices, and reducing environmental impact.

As part of understanding the potential impacts of climate change on our business, we conducted a qualitative risk assessment across all of our business functions. Using International Energy Agency (IEA) scenarios, we also modeled transition risks within Unum's investment portfolio and climate change impacts to Unum's underwriting practices in <2 degree C and > 2 degree C scenarios across multiple time horizons.

The underwriting scenario supports our belief that we can effectively manage the impacts of

climate risks, both transitional and physical, as they materialize over time. We analyzed the sensitivities of our key insurance risk factors, e.g. morbidity, mortality, persistency and longevity of policyholders, to climate change impacts under different warming scenarios across multiple time horizons. Our ability to reprice group contracts is a significant mitigant against climate change-related risks. Furthermore, our business is diversified across geographies and we perform regular concentration risk studies to limit the impacts from hurricanes, wildfires, extreme heat and flooding. Our exposure to higher risk industries is relatively limited and we have the ability to replace any lost business with new sectors that are likely to emerge. While climate change could potentially lead to unfavorable life and short-term claims under certain scenarios due to increased mortality and incidence, in these scenarios the impacts would not

be universally adverse across our diverse product portfolio, and under other scenarios some claims experience may be favorable based on changing customer behavior and technological advances.

The quantitative analysis for underwriting scenarios supports our perspective about financial impacts ranging from negative to positive depending on the scenario, with significant ability within our business to mitigate and manage emerging impacts. We evaluated the long-term impacts of certain broad climate-related scenarios on our inforce business over a 30-year time horizon, capturing the impacts to each material product with long-term risk exposure. Certain products like Group Life and Disability were excluded from this analysis given our ability to react and manage the exposure and pricing of the business. For the quantitative analysis, we modeled each scenario's financial impact relative to baseline expected cash flows for claims incidences and recoveries, mortality and lapses. Additionally, we evaluated the impacts of scenarios related to operating expenses relative to our

baseline expenses, and the impact of interest rate scenarios to the extent that we have investment risk underlying products in our portfolio. We considered the renewability features for the contracts underlying each product segment, and determined the extent to which future rate increases might be a further mitigant to emerging financial pressures from adverse impacts by product.

The quantitative scenario analysis for investments supports our decision to integrate climate change analysis into our overall ESG risk assessment process to help us better understand and monitor the changing landscape.

We have identified the Energy and Utilities sectors as having more risk associated with climate change. We believe our portfolio is well-positioned. We will continue to monitor climate risk exposure. There are a few sectors that have emerged which may present investment opportunities. We continue to evaluate the risks and merits of these investment opportunities seeking to maximize the benefits to our customers and all stakeholders.



METRICS AND TARGETS

Our primary focus for climate-related targets is reducing our carbon footprint. This is an area that we are currently monitoring and will continue to explore. We track our [carbon footprint](#) with the target of a three percent reduction from the prior year.

Other environmental metrics and reports are shown in the ESG report including:

- Disposition and waste reduction
- Water use
- GHG Emission statement of assurance including Scope 1 and 2 emissions

We invest in renewable energy and green bonds and actively monitor climate change factors so that our disclosures are consistent with industry standards. Analyzing the impact of climate change to our portfolio is embedded into our investment research process and included in our [ESG factors](#).

We continue to evaluate the need for additional disclosures and targets in accordance with regulatory requirements, stakeholder expectations and sound business practices.



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