

# Environmental, Social, and Governance



NASSAU

December 2023

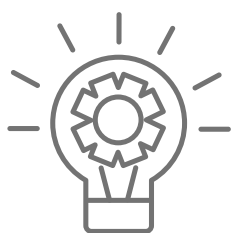
## ▶ Strategy & Commitments

# Our Commitment

Nassau recognizes that a strong [Environmental, Social, Governance \(ESG\)](#) program can deliver added value to our company, investors and customers, communities, and other stakeholders by facilitating reduction of costs, increased productivity, and optimization of our investments and assets. Our ESG strategy impacts our long-term success and positions us for stronger top-line growth by focusing our efforts on sustainability, efficiency, and credibility.

We are dedicated to serving all our stakeholders by conducting business with integrity and a risk-centric mindset while being environmentally and socially responsible. We have a long-standing commitment to the standards that form the basis of our ESG strategy and continue to innovate and incorporate them into our broader corporate actions, policies, and programs.

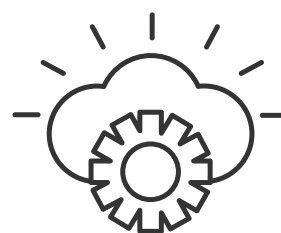
We focus on six priorities areas including:



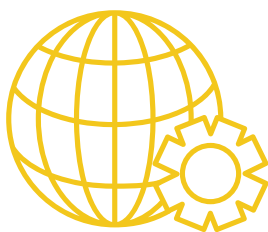
**Risk  
Management**



**Investment  
Management**



**Climate  
Change Risk**



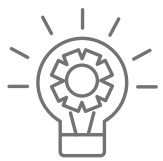
**Cybersecurity**



**Diversity, Equity,  
and Inclusion**



**Governance**



# Risk Management

At its core, insurance is about risk. Insurance companies like ours seek to optimize and balance various levels of risk and return. Managing that risk is a normal part of Nassau's course of business, and each part of our company engages in daily risk management activities.

We actively manage business practices within an established Enterprise Risk Management (ERM) framework. We adhere to our ERM risk assessment procedure that details risk governance roles while **identifying, prioritizing, measuring, and monitoring risk** throughout the organization to protect our employees, customers, and stakeholders.

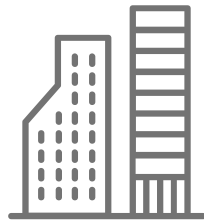
Our risk management oversight includes a focus on four key areas including:

## Financial



Integrity of  
Financial  
Reporting

## Business



Cybersecurity  
and Climate  
Change Risk

## Investment



Portfolio  
Construction

## Governance & Strategic



Corporate  
Governance and  
Human Resources



# Investment Management

We aim to prudently invest policyholder premiums and stakeholders' capital to achieve attractive risk-adjusted investment returns to meet policyholder and debtholder obligations, as well as provide an appropriate return for our equity stakeholders. Nassau evaluates material ESG factors, along with other relevant factors, as part of its overall investment management process.

We recognize that ESG factors have had, and will continue to have, the potential to be financially material to our risk profile and the performance of our investments. ESG has become a driver of new government regulation, consumer and investor behaviors, and innovation. Our investment strategy and ESG Investment Philosophy, Strategy, and Process consider these influences and the merit they bring to achieving our investment goals. Nassau tailors its ESG investment strategy to meet individual client needs when managing investments for its institutional asset management clients.

Nassau has pledged **200 million dollars\*** in renewable and clean energy investments and became a UNPRI signatory in February 2023, furthering our commitment to positive environmental change and sound investment strategies.

\* 5 year pledge (2022-2027)



# Climate Change Risk



We incorporate climate-sensitive decision-making into our risk management strategies and integrate the consideration of climate change risk at the highest levels of the organization. Nassau also proudly and purposefully adheres to the NYDFS and CID regulatory reporting and disclosure requirements.

We **support environmentally focused organizations** financially and with employee volunteers, including developing and installing a rooftop garden at the Connecticut Science Center and new hydroponic gardens in two Hartford communities. In addition to housing wildlife and reducing noise and air pollution, the hydroponic garden is also a viable source of fresh fruits and vegetables to feed our neighbors in need.

Our employee resource group, **Nassau Green Team**, comprises over two dozen employees in several Nassau offices who advocate, volunteer, and lead environmentally-focused initiatives. In 2023, the group will spearhead our pledge of Connecticut's Neighborhood Assistance Act (NAA) tax credits, providing the program's maximum (\$150,000) to three local charities completing environmental and sustainable improvements in Hartford.

Nassau owns our headquarters building, which has achieved LEED certification and Energy Star awards for our efforts to optimize energy efficiency and reduce both the heat island effect and stormwater run-off into the city's drainage systems and nearby Connecticut River.



Commemoration of our 2021-2023 investment in the Connecticut Science Center's green rooftop garden located steps from our Hartford headquarters.

\* 5 year pledge (2022-2027)





*Some members of the Nassau Green Team tour our rooftop gardens at the Nassau corporate office.*

**100+**

*company-sponsored volunteer hours completed to support environmental causes*

**600+**

*company-sponsored volunteer hours completed by employees in 2022*

**1/3**

*of employees have volunteered in one or more company-sponsored event*



## Cybersecurity

Nassau holds itself accountable for the benefit of its customers, affiliates, regulators, Board of Directors, and the general public. Maintaining the confidentiality, integrity, and availability of Nassau's systems, data, and assets is paramount to upholding the principles and tenets fundamental to our success.

Nassau recognizes that **many depend on our ability** to keep our operations safe and running smoothly. A strong and comprehensive cybersecurity program safeguards our data and systems from unauthorized access, theft, or manipulation.

We adopted the National Institute of Standards and Technology Cybersecurity Framework to effectively preserve the **confidentiality, integrity, and availability of information** with coordinated efforts throughout our information systems. We prioritize the **protection of our data** through information, application, and network security standards, tools, processes, and controls. We maintain sound business recovery measures and a robust program to educate our employees on cybersecurity.





# Diversity, Equity, and Inclusion



We **embrace the differences** that make our employees unique. We build our workforce by recruiting diverse talent from targeted resources and instilling a company culture that encourages the exchange of different ideas and dialogue. In connection with our ESG strategy, Nassau has adopted a Diversity, Equity, and Inclusion Program to drive long-term success and sustainability.

We are committed to enhancing our DEI efforts by:

- hosting a robust events calendar focused on **diversity, health, and professional development**
- assessing compensation levels across the organization and conducting annual reviews to ensure our talent is **paid competitively** and is **rewarded for strong performance**
- fostering a **culture of holistic health** through personalized 1:1 health and wellness coaching, free access to our state-of-the-art gym, and frequent employee assistance program (EAP) webinars
- providing tuition assistance to employees pursuing advanced degrees
- encouraging employees to uplift their community by allowing **40 hours per year** of paid time to volunteer with non-profit organizations that are meaningful to them



## Our DEI Commitment Statement:

Nassau aspires to foster a welcoming community of employees from diverse backgrounds and with unique perspectives. We believe that diversity, equity, and inclusion should remain central to our daily work experience and understand that we all play a role in making DEI a part of everything we do. We recognize that recruitment, retention, and support of a diverse working environment are fundamental to achieving our organizational and professional goals, driving a strong culture of entrepreneurship, and enhancing our innovative efforts. The collective sum of our unique capabilities, life experiences, self-expression, perspectives, and knowledge enriches our workplace and community and enhances our legacy.



# Corporate Governance

We are committed to adhering to all applicable legal and regulatory requirements, and the **highest professional** and **ethical standards** are embedded in our corporate values. We serve our clients, colleagues, stakeholders, and communities by conducting business with integrity and transparency, and we voluntarily and proactively provide access to our reporting and financial statements.

In 2022 we established an **ESG Committee** to monitor, report, and expand on Nassau's corporate social responsibility initiatives and ensure alignment with our long-term goals.

In addition, our employees:

- have access to our CEO and other C-Suite leadership
- receive frequent company-wide written communications from our CEO
- attend quarterly "All Hands Meetings" led by our CEO and C-Suite leadership
- acknowledge our Code of Conduct and Business Ethics annually
- have easy access to our digital Employee Handbook
- can call a confidential hotline to report violations and grievances



*Some members and supporters of the **Women of Nassau**, an employee resource group whose mission is to foster and support the professional development, growth, and advancement of women working at Nassau through events, coaching, mentoring, and candid dialogue on gender and diversity in the workplace.*

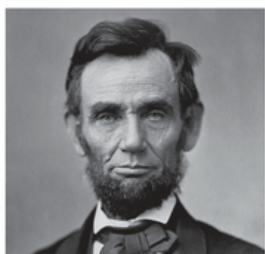
## About Nassau:

Nassau Financial Group was founded in 2015 and carries a legacy from 1851. Our business covers insurance, asset management and reinsurance.

Nassau is always working harder to be your carrier of choice. We build creative products that can help protect people's savings, deliver guaranteed income, and help pay for health care costs in retirement.

“WORKING  
HARDER TO BE  
YOUR CARRIER  
*choice*,”

We seek to keep things simple and will have your back in the years to come. We have been doing this a long time - **170 years** - but we remain humble enough to always try to improve.



### Our Rich History

We insured Abraham Lincoln and paid the claim to his survivors.



105%  
Solvency  
Ratio<sup>1</sup>



500+  
Employees

### Nassau Financial Group



\$23.3 B  
Assets Under  
Management<sup>2</sup>



170+  
Year  
Legacy



\$1.5 B  
Total Adjusted  
Capital<sup>2</sup>



386,000  
Policies and  
Contracts<sup>2</sup>

Headquartered in  
**Hartford, Connecticut**

"The Insurance Capital of  
the World"

1. For Nassau Life and Annuity Company as of 9/30/2023. The solvency ratio equals total statutory assets divided by statutory liabilities. This ratio is subject to change and is not a guarantee of a company's financial strength. For more complete information, including financial information for other Nassau Financial Group subsidiaries, please visit [nfg.com](http://nfg.com).

2. As of 9/30/2023



**Trustpilot**  
**Excellent Rating**  
**Average 4.9 / 5.0 Stars**  
**Nearly 4,200 reviews**



**NASSAU**

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