

Athene Bermuda Sub-Group Financial Condition Report

For the twelve (12) month period ending December 31, 2023

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This Report contains information from the Athene Holding Ltd. annual report on Form 10-K (the "Form 10-K"), as filed with the Securities and Exchange Commission in accordance with the Securities Exchange Act of 1934, as amended. In the event that any information contained herein conflicts with the Form 10-K or any other publicly disclosed documents, such conflict is unintended, and the publicly disclosed document shall control.

1. EXECUTIVE SUMMARY

This financial condition report ("**FCR**") for Athene Annuity Re Ltd. ("**AARe**"), Athene Life Re International Ltd. ("**ALReI**"), and Athene Life Re Ltd. ("**ALRe**" and together with AARe, and ALReI, the "**Athene Bermuda Sub-Group**", "**Group**", "**we**" or "**our**", and each individually referred to as an "**Entity**") is produced in accordance with the Bermuda Insurance Act 1978, as amended (the "**Act**"), the Insurance (Group Supervision) Rules 2011 and the Insurance (Public Disclosure) Rules 2015 (collectively the "**Rules**").

This report outlines the financial condition of the Group as at December 31, 2023. The FCR, with the permission of the Bermuda Monetary Authority, contains qualitative and quantitative information of our business and performance, governance structure, risk profile, solvency valuation and capital management on a consolidated basis. Any materially distinct operational and governance procedures between each Entity have been reported separately.

2. DECLARATION

Declaration on the Financial Condition Report

We, the undersigned, declare that to the best of our knowledge and belief, the FCR fairly represents the financial condition of the Group in all material respects as at December 31, 2023.



Natasha Scotland Courcy
Chief Executive Officer
General Counsel
Secretary
Athene Annuity Re Ltd.



Fergus Daly
Chief Financial Officer
Principal Representative
Athene Annuity Re Ltd.

3. BACKGROUND INFORMATION

The Athene Bermuda Sub-Group is a leading financial services group specializing in retirement services. We conduct business primarily through the following consolidated affiliates:

- Our non-U.S. reinsurance affiliates, to which the Group's other insurance affiliates and third-party ceding companies directly and indirectly reinsure a portion of their liabilities; and
- Our U.S. reinsurance affiliates, which primarily issue retirement savings products.

Effective January 1, 2020, the Bermuda Monetary Authority was designated Sub-Group Supervisor of the Group with AARe being appointed as designated insurer effective November 17, 2022.

4. BUSINESS AND PERFORMANCE

a. Name of Insurance Group and Designated Insurer

Insurance Group: Athene Bermuda Sub-Group

Designated Insurer: Athene Annuity Re Ltd.

b. Supervisor

The Group Supervisor is:

The Iowa Insurance Division
1963 Bell Avenue, Suite 100
Des Moines, IA 50315
USA
+1 (515) 654 6600

The Sub-Group Supervisor is:

The Bermuda Monetary Authority ("BMA")
BMA House
43 Victoria Street
Hamilton HM 12
Bermuda
(441) 295-2758

c. Approved Auditor

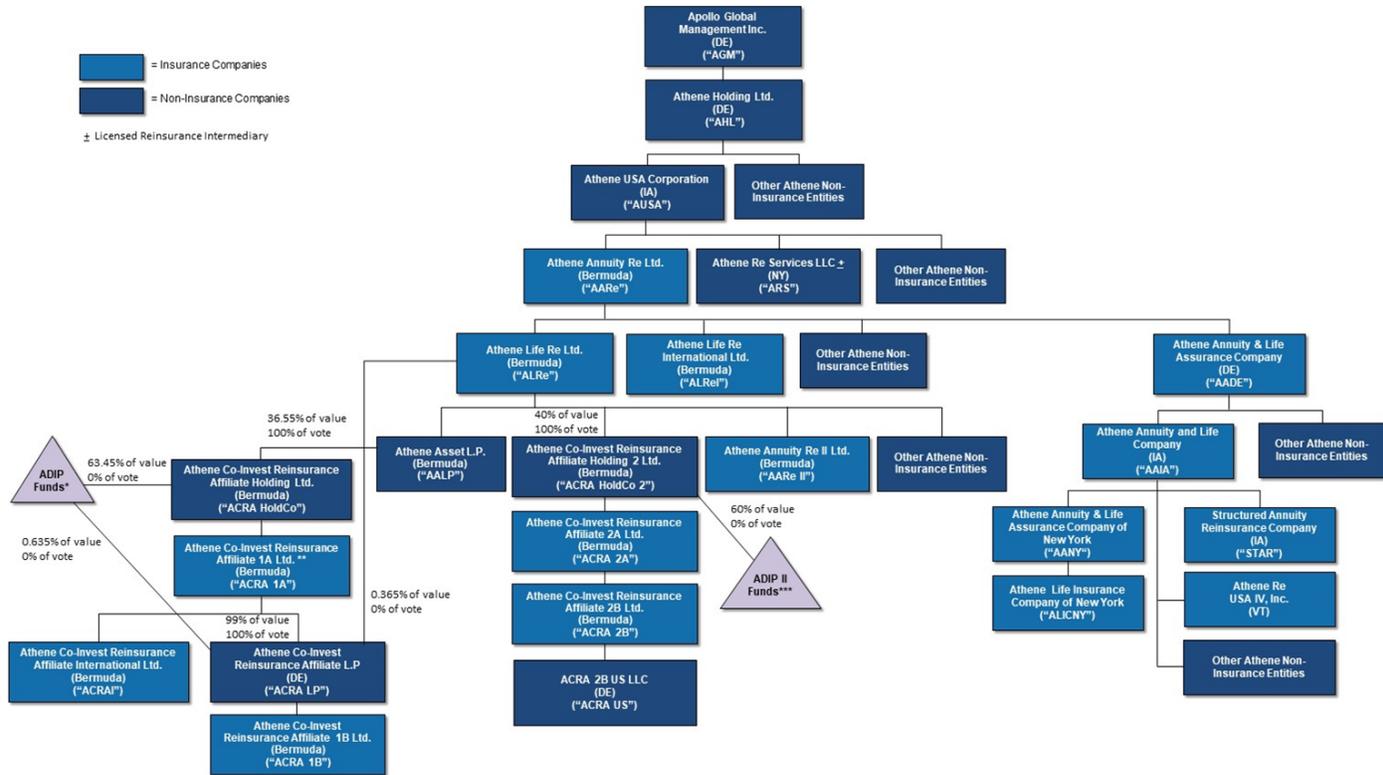
Deloitte Ltd.
Corner House
20 Parliament Street
Hamilton, HM 12
Bermuda

d. Ownership Details

As of January 1, 2022 the Group is ultimately owned by Apollo Global Management, Inc. ("AGM"), whose shares of common stock are listed on the New York Stock Exchange (symbol: APO). Prior to January 1, 2022, the Company's ultimate parent was Athene Holding Ltd. ("AHL"), a Bermuda exempted company that discontinued from Bermuda and continued as a corporation in the State of Delaware, United States of America effective as of December 31, 2023, whose preferred stock is listed on the New York Stock Exchange. A Group structure chart detailing ownership as of December 31, 2023 is illustrated in section 4(e).

e. Group Structure¹

Unless otherwise indicated, each entity listed below is owned 100% directly or indirectly by AGM.



Notes:

- * Certain funds managed by AGM referred to collectively as Apollo/Athene Dedicated Investment Program ("ADIP"), own 63.45% of the economic interests in Athene Co-Invest Reinsurance Affiliate Holding Ltd. ("ACRA HoldCo"). The shares held by ADIP are non-voting and the shares held by ALRe, through its subsidiary Athene Asset L.P., represent 100% of the voting power and 36.55% of the economic interests in ACRA HoldCo.
- ** Athene Co-Invest Reinsurance Affiliate 1A Ltd. is the direct parent of Athene Co-Invest Reinsurance Affiliate International Ltd., indirect parent of Athene Co-Invest Reinsurance Affiliate 1B Ltd. and owns 99% of the economic interest and 100% of the voting power in Athene Co-Invest Reinsurance Affiliate L.P..
- *** Certain funds managed by AGM referred to collectively as Apollo/Athene Dedicated Investment Program II, LP ("ADIP II"), own 60% of the economic interests in Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd. ("ACRA HoldCo 2"). The shares held by ADIP II are non-voting and the shares held by ALRe represent 100% of the voting power and 40% of the economic interests in ACRA HoldCo 2.

f. Insurance Business Written by Business Segment and Geographical Region

Consistent with our indirect parent company, AHL, the Group has just one reportable re/insurance business segment 'Retirement Services' and all product types are written in this segment.

The Group reinsures retirement savings products that originate in all 50 U.S. states, the District of Columbia, Japan, Singapore and the UK.

¹ As of December 31, 2023.

We market annuity products, primarily fixed rate and fixed indexed annuities. Deposits are generally not included in premium revenues on the consolidated statements of income (loss), and therefore the premiums collected as recorded in the GAAP income statement as shown below. Written premiums by the geographical location are primarily attributed to individual countries based on the jurisdiction where the risk originated from.

AARe <i>(In USD millions)</i>	Years ended December 31,	
	2023	2022
Premium	12,749	11,638
Gross Premium Written	<u>\$ 12,749</u>	<u>\$ 11,638</u>
Gross Premium Written by Geographical Region		
United States	\$ 10,535	\$ 11,638
Japan	2,214	—

ALRe <i>(In USD millions)</i>	Years ended December 31,	
	2023	2022
Premium	7,132	8,762
Gross Premium Written	<u>\$ 7,132</u>	<u>\$ 8,762</u>
Gross Premium Written by Geographical Region		
United States	\$ 7,132	\$ 8,762

ALReI did not write any premiums during the years ended December 31, 2023 and 2022.

g. **Performance of Investments, by Asset Class and Details on Material Income and Expenses Incurred for the Reporting Period**

i. **Performance of Investments by Asset Class**

AARe	Years ended December 31,			
	2023		2022	
(In USD millions)	Fair value	Net Investment Income	Fair value	Net Investment Income
Corporates	\$ 81,618	\$ 2,917	\$ 62,999	\$ 2,073
Equity Securities	998	57	1,487	56
CLO	24,475	1,773	19,572	800
RMBS	7,845	462	6,099	278
ABS	23,988	1,322	17,270	800
CMBS	6,632	372	5,282	239
U.S. government and agencies	5,518	130	2,601	64
U.S. state, municipals, and political subdivisions	1,046	49	1,004	41
Foreign governments	1,899	47	924	38
Mortgage loans, net of allowances	47,569	2,366	30,900	1,266
Cash and Cash Equivalents	14,458	610	7,849	104
Short-term investments	341	6	2,160	37
Investment Funds	16,586	1	13,168	389
Funds withheld at interest ¹	30,833	1,752	42,688	1,844
Policy Loans	334	9	347	10
Other Investments	1,389	215	1,178	174
Total investments	\$ 265,529	\$ 12,088	\$ 215,528	\$ 8,213
Investment expenses		(963)		(731)
Net investment income		\$ 11,125		\$ 7,482

¹ Net investment income on funds withheld at interest is calculated using host accretion methodology and not a look through methodology.

ALRe	Years ended December 31,			
	2023		2022	
	Fair value	Net Investment Income	Fair value	Net Investment Income
<i>(In USD millions)</i>				
Corporates	\$ 9,662	\$ 284	\$ 4,000	\$ 140
Equity Securities	81	3	545	18
CLO	2,321	185	2,170	111
RMBS	1,618	79	1,081	42
ABS	1,468	72	1,021	49
CMBS	323	41	457	10
U.S. government and agencies	993	30	982	21
State, municipals, and political subdivisions	80	3	56	2
Foreign governments	91	3	61	2
Mortgage loans, net of allowances	786	19	740	15
Cash and Cash Equivalents	4,275	124	2,423	23
Short-term investments	69	6	40	1
Investment Funds	2,380	(9)	2,482	70
Funds withheld at interest ¹	89,470	3,347	62,462	2,536
Other Investments	1,010	95	—	29
Total investments	\$ 114,627	\$ 4,282	\$ 78,520	\$ 3,069
Investment expenses		(155)		(112)
Net investment income		\$ 4,127		\$ 2,957

¹ Net investment income on funds withheld at interest is calculated using host accretion methodology and not a look through methodology.

ALReI	Years ended December 31,			
	2023		2022	
	Fair value	Net Investment Income	Fair value	Net Investment Income
<i>(In GBP millions)</i>				
Corporates	£ 459	£ 20	£ 479	£ 20
Cash and Cash Equivalents	32	(1)	79	(1)
Total investments	£ 491	£ 19	£ 558	£ 19
Investment expenses		(1)		(1)
Net investment income		£ 18		£ 18

ii. Material Income & Expenses for the Reporting Period

AARe (In USD millions)	Years ended December 31,	
	2023	2022
Revenues		
Premiums	12,749	11,638
Product charges	848	718
Net investment income	11,382	7,593
Investment related gains (losses)	2,617	(12,415)
Other revenues	588	(29)
Total revenues	28,184	7,505
Benefits and expenses		
Interest sensitive contract benefits	6,229	538
Future policy and other policy benefits	14,434	12,465
Amortization of deferred acquisition costs, deferred sales inducements and value of business acquired	688	444
Market risk benefits remeasurement (gains) losses	404	(1,657)
Policy and other operating expenses	1,544	1,212
Total benefits and expenses	23,299	13,002
Income (loss) before income taxes	4,885	(5,497)
Income tax expense (benefit)	(1,108)	(675)
Net income (loss)	5,993	(4,822)
Less: Net income (loss) attributable to noncontrolling interests	1,087	(2,106)
Net income (loss) attributable to Athene Annuity Re Ltd.'s shareholder	\$ 4,906	\$ (2,716)

ALRe (In USD millions)	Years ended December 31,	
	2023	2022
Revenues		
Premiums	7,132	8,762
Product charges	92	49
Net investment income	4,184	2,972
Investment related gains (losses)	2,533	(8,860)
Other revenues	1,229	896
Total revenues	15,170	3,819
Benefits and expenses		
Interest sensitive contract benefits	1,936	410
Future policy and other policy benefits	8,097	9,325
Amortization of deferred acquisition costs, deferred sales inducements and value of business acquired	117	15
Market risk benefits remeasurement (gains) losses	47	(66)
Policy and other operating expenses	611	384
Total benefits and expenses	10,808	10,068
Income (loss) before income taxes	4,362	(6,249)
Income tax expense (benefit)	440	(644)
Net income (loss)	3,922	(5,605)
Less: Net income (loss) attributable to (from) noncontrolling interests	1,367	(3,950)
Net income (loss) attributable to Athene Life Re Ltd.'s shareholder	\$ 2,555	\$ (1,655)

ALReI (In GBP millions)	Years ended December 31,	
	2023	2022
Revenues		
Net investment income	£ 17	£ 18
Investment related gains (losses)	(62)	267
Total revenues	(45)	285
Benefits and expenses		
Interest expense	25	22
Policy and other operating expenses	—	1
Total benefits and expenses	25	23
Net income (loss)	£ (70)	£ 262

h. Any other Material Information

Long-duration targeted improvements ("LDTI") - Effective January 1, 2023, we adopted Accounting Standards Update (ASU) 2018-12, *Financial Services - (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts*. All provisions of the update were applied using a retrospective transition approach, with a transition date of January 1, 2022, the date of AHL's merger with AGM. Our consolidated financial statements for the years ended December 31, 2023 and 2022 incorporate all targeted improvements required by the standard.

ACRA Holdco 2 - ACRA Holdco 2 was incorporated on July 27, 2022 and holds 100% of the shares in ACRA 2A. In July 2023, ALRe sold 125,000 of Class A shares to ADIP II for \$632 million for a 50% ownership in ACRA 2. In December 2023, ACRA 2 HoldCo repurchased shares from ALRe for \$452 million, resulting in ALRe's ownership percentage to decrease from 50% to 40% and ADIP II's ownership percentage to increase from 50% to 60%.

Bermuda Corporate Income Tax Act 2023 ("**Bermuda CIT**") - On December 27, 2023, the Government of Bermuda enacted the Corporate Income Tax Act of 2023. Commencing on January 1, 2025, the Bermuda CIT generally will impose a 15% corporate income tax on in-scope entities that are resident in Bermuda or have a Bermuda permanent establishment, without regard to any assurances that have been given pursuant to the Exempted Undertakings Tax Protection Act 1966. We recorded material deferred tax assets as a result of the passage of the Bermuda CIT and recognized a material impact (decrease) to our consolidated effective tax rate upon recording the deferred tax assets. The statutory capital and surplus and EBS of our Bermuda insurance companies presented herein exclude the impact of any deferred taxes that may be recorded on a statutory basis as a result of the enactment of the Bermuda CIT.

5. GOVERNANCE STRUCTURE

The Group has established a corporate governance framework designed to support its core values of transparency, accountability and integrity.

a. Board and Senior Executive

i. Board and Senior Executive Structure, role, responsibilities and segregation of responsibilities

Board and Senior Executive Structure

The business and affairs of the Group are overseen by each Entity's Board of Directors ("**Board**"). The Boards are comprised of varying combinations of executive directors, non-executive directors and AGM executives. Their roles and responsibilities are outlined in each Entity's board governance guidelines and bye-laws.

Role and Responsibilities

In addition to each Entity's respective Board, the AARe Board maintains responsibility for the management, strategic direction and long-term performance of the Group ("**Group Board**").

The Group Board is responsible for overseeing that the Group's strategy and policy are executed in accordance with both its strategic plan and the longer-term strategy established at the AHL level for AHL and its subsidiaries ("**Global Group**"). Together, the Group Board and the AHL Board of Directors (the "**AHL Board**") guide and monitor the business affairs of the Group.

Segregation of Responsibilities

Executive, Audit, Risk, Legal and Regulatory and Conflicts Committees have been constituted at the AHL level, each of which have been delegated certain responsibilities for subsidiary oversight as set forth in their respective charters.

ALRe has constituted a Reinsurance and Operations Committee ("**AROC**") comprised of Bermuda executive and senior management. AROC is responsible for reviewing and monitoring certain reinsurance transactions of each Entity per its charter. In addition, the Board of each Entity has delegated authority to AROC for addressing operational and other business matters, subject to the level of delegated authority and mandate established by the respective Board. Although certain authorities are delegated to AROC, the Global Group governance structure provides mechanisms for each Board to maintain ultimate oversight.

ALRe has also constituted a Strategic Transactions Committee consisting of members of its Board responsible for reviewing and approving specific transactions, as stated in its charter and is comprised of a combination of executive and senior management and independent board members.

Each committee has clearly defined duties, roles and responsibilities outlined in their respective charters.

ii. Remuneration Policy

The Group's remuneration policy is intended to attract, retain and motivate high-performing employees with the skills, knowledge and expertise to fulfill their allocated responsibilities, reward outstanding performance, align executive compensation elements with both short term and long term company performance, align the interests of our executives with those of our stakeholders and provide for staff to be compensated in a manner that encourages sound risk management in accordance with our core purpose and values. Our remuneration policy follows the AHL level remuneration policy.

Board members who are also officers or employees of Athene Bermuda Sub-Group, their parent, ultimate parent, subsidiaries or shareholders do not receive additional compensation for their service as a director. Any compensation paid is based on the principle that Board members should be fairly compensated for the work involved in overseeing the management of a business organization such as the Athene Bermuda Sub-Group and that such compensation should be customary, reasonable and competitive.

iii. Pension or Early Retirement Schemes for Members, Board and Senior Employees

The Group provides all employees, including executive and senior management with pension benefits through a defined contribution pension scheme, administered by a third party. We provide matching contributions consistent with the employee's level of contribution up to a pre-

determined amount. Funds are invested in investment portfolios as selected by the employee. The Group does not have an early retirement scheme nor does it provide pension benefits to its members or directors.

iv. Any material transactions with shareholder controllers, persons who exercise significant influence, the AHL Board or senior executives

Our relationship with AGM allows us to leverage the scale of its asset management platform. In addition to co-founding the Company, AGM assists us in identifying and capitalizing on acquisition opportunities that have been critical to our ability to significantly grow our business. James Belardi, the AHL Chief Executive Officer and a member of the AHL Board, is also a member of the board of directors and an executive officer of AGM, and the founder and Chief Executive Officer of Apollo Insurance Solutions Group LP ("ISG"), our investment manager and a subsidiary of AGM. Mr. Belardi also owns a profit interest in ISG and in connection with such interest receives quarterly distributions equal to 3.35% of base management fees and 4.5% of subadvisory fees, as such fees are defined in AHL's fee agreement with Apollo. Additionally, five of the eleven members of AHL's Board are employees of or consultants to AGM (including Mr. Belardi). In order to protect against potential conflicts of interest resulting from transactions into which we have entered and will continue to enter into with Apollo, AHL's bylaws require a conflicts committee comprised solely of directors who are not general partners, directors (other than independent directors of AGM), managers, officers or employees of any member of the Apollo Group². The conflicts committee reviews and approves material transactions between the Global Group and AGM, subject to certain exceptions.

For a further description of material transactions with shareholder controllers, persons who exercise significant influence, the AHL Board or senior executives, please refer to our website at: <https://ir.athene.com/Docs> for the 2023 Form 10-K - Item 13. Certain Relationships and Related Transactions, and Director Independence section.

b. Fitness and Propriety Requirements

i. Fit and Proper process in assessing the Board and Senior Executive

The Group maintains a hiring and vetting process including recruitment and interviewing requirements, to confirm fitness and propriety for the relevant role. Each Entity's Board Governance Guidelines document and outline our processes and procedures for assessing fitness and propriety of Board members, including individual qualifications and review of board composition. Director qualifications, skills and experience and the interplay of those factors with the skills, qualifications and experience of incumbent directors are the type of factors that might be considered. Qualifications and credentials are documented by résumés and due diligence (including Office of Foreign Assets Control checks). Inquiries are made as deemed necessary.

Chief and executive level officer appointments are reviewed and approved by each Entity's Boards (or its parent in accordance with the Delegation of Authority Policy).

² Apollo Group means (1) AGM and AGM's subsidiaries, including ISG, (2) any investment fund or other collective investment vehicle whose general partner or managing member is owned, directly or indirectly, by clause (1), (3) BRH Holdings GP, Ltd. and each of its shareholders, (4) any executive officer or employee of AGM or AGM's subsidiaries, and (5) any affiliate of a person described in (1)-(4) above; provided none of AHL or its subsidiaries (other than ACRA HoldCo and ACRA HoldCo's subsidiaries) will be deemed to be a member of the Apollo Group.

The Group has also adopted the Apollo/Athene Code of Business Conduct and Ethics, which all directors and senior executives are expected to comply with as part of continuing fitness and propriety.

ii. Board and Senior Executives professional qualifications, skills and expertise

AARe Board of Directors

Bogdan Ignaschenko³

Mr. Ignaschenko has served as a director since February 2024. Mr. Ignaschenko is Partner at Apollo Global Management. Prior to joining Apollo in 2011, Mr. Ignaschenko was with Credit Suisse in the Investment Banking Division from 2009 to 2011. Mr. Ignaschenko has also served on the board of directors of Freedom TopCo LLC (parent of Donlen LLC) since 2021, Grupo Aeroméxico, S.A.B. de C.V. since 2022, and Clydesdale Parent GP, LLC (parent of Flex Acquisition Holdings, Inc., parent of Novolex Holdings, LLC) since 2022. Mr. Ignaschenko previously served as a member of the board of directors of Seguradoras Unidas S.A. (n/k/a Generali Seguros, S.A.) between 2017 and 2020.

Mr. Ignaschenko graduated from the University of Pennsylvania's Wharton School of Business with a Bachelor of Science degree in economics.

Fergus Daly⁴

Mr. Daly was appointed as a director in January 2023 and has served as Chief Financial (CFO) since December 2022. Mr. Daly brings more than 30 years of financial and accounting experience in the insurance sector, including 15 years at Swiss Re, where he had a number of Executive Finance roles. He served most recently as CFO for Foresight Group, an Insurtech business, and, prior to that, was Head of Financial Planning and Analysis for Fortitude Re. He brings extensive experience leading Finance functions for multinational insurance companies in the US, UK, and Bermuda.

Mr. Daly received his Bachelor of Arts degree in economics from the University of Manchester and is a Member of the Institute of Chartered Accountants in England and Wales.

Francis Sabatini

Mr. Sabatini was appointed as a director in January 2023. Mr. Sabatini is also a director on a number of Athene US subsidiaries and serves as chair on one of its audit committees. Mr. Sabatini has 36 years of industry and advisory experience in insurance and actuarial services. He specializes in fixed, variable and indexed annuity product development, pricing and management. The long list of firms Mr. Sabatini has worked for includes Ernst & Young, Connecticut Mutual Life, and Equitable Life Assurance. He has served on numerous boards and councils including CERA Global Association and Society of Actuaries. Mr. Sabatini is a frequent speaker at industry meetings and is a published author of trade articles.

Mr. Sabatini graduated *summa cum laude* from the Pratt Institute with a B.S. in Mathematics.

³ Appointed as a director effective February 15, 2024

⁴ Resigned as a director effective February 15, 2024

Hope Taitz

Ms. Taitz has served as a director since 2018. Ms. Taitz is also a director of Athene Holding Ltd. (AHL), a number of its US subsidiaries, Athene Life Re Ltd. and Athene Annuity Re II Ltd. Ms. Taitz also serves on the audit, risk, legal and regulatory, and conflicts committees for AHL. Ms. Taitz has served as the Chief Executive Officer of ELY Capital since 2004. Now acting as an investor and advisor with expertise in media, technology and the consumer, she helps innovative enterprises grow through financial leadership and connections to established corporations. Ms. Taitz, a strong advocate of women on boards, also currently serves on the board of MidCap Finco Holdings Limited and Summit Hotel Properties, Inc. She has previously served on the boards of Apollo Residential Mortgage, Inc., Greenlight Capital Re, Ltd., Diamond International Resorts, Inc., as well as Lumen is Ltd. From 1995 to 2003, Ms. Taitz was Managing Partner of Catalyst Partners, L.P., a money management firm. From 1990 to 1992, Ms. Taitz was a Vice President at The Argosy Group (now part of the Canadian Imperial Bank of Commerce (NYSE: CM)), specializing in financial restructuring before becoming a Managing Director at Crystal Asset Management, from 1992 to 1995. From 1986 to 1990, Ms. Taitz was at Drexel Burnham Lambert, first as a mergers and acquisitions analyst and then as an associate in the leveraged buyout group.

On the not for profit side, Ms. Taitz focuses on education and is an advocate for STEM. She is a founding executive member of YRF Darca, an emeritus board member of Pencils of Promise, and a member of the undergraduate executive board of The Wharton School at the University of Pennsylvania. Ms. Taitz is a former board member of Girls Who Code. Ms. Taitz graduated with honors from the University of Pennsylvania with a Bachelor of Arts degree in economics.

Mitra Hormozi⁵

Ms. Hormozi has served as a director since March 2024. Ms. Hormozi is also a director of Athene Holding Ltd. and is the chair of its legal and regulatory committee and is a director on Athene Life Re Ltd. and a number of Athene US subsidiaries. Ms. Hormozi was Executive Vice President and General Counsel of Revlon, Inc. from April 2015 to July 2019, where she was responsible for overseeing Revlon's legal affairs worldwide. Ms. Hormozi has extensive experience in both the public and private sectors of the legal field. Prior to joining Revlon in April 2015, she was a litigation partner at two major law firms from 2011 to 2015 and served as Deputy Chief of Staff to then New York State Attorney General, Andrew Cuomo. Ms. Hormozi also served as an Assistant United States Attorney prosecuting high-profile complex racketeering cases in the Eastern District of New York. Ms. Hormozi has served on the board of directors of Apollo Global Management since 2022 serving various committees including sustainability and corporate responsibility, compensation, nominating and governance, and demand review. Ms. Hormozi has also previously served on the board of directors of Revlon.

Ms. Hormozi received a Bachelor of Arts in history from the University of Michigan and a Juris Doctor from the New York University School of Law.

⁵ Appointed as director effective March 22, 2024.

Robert Borden⁶

Robert Borden has served as a director since 2018. Mr. Borden is also a director of Athene Holding Ltd. (AHL), Athene Life Re Ltd. and Athene Annuity Re II and Ltd. is a member of the AHL risk, audit and conflicts committees. Mr. Borden currently serves as the Chief Executive Officer (CEO) and Chief Investment (CIO) of the Texas Permanent School Fund Corporation. Prior to his time with the Texas Permanent School Fund Corporation, he served as both CEO and CIO of Delegate Advisors, LLC from January 2012 through December 2018, where he was also a Founding Partner. From April 2006 to January 2012, Mr. Borden served as CEO and CIO of the South Carolina Retirement System Investment Commission (SCRSIC), which is responsible for investing and managing all assets of the South Carolina Retirement Systems. Prior to his role at SCRSIC, Mr. Borden served as the Executive Director and CIO of the Louisiana State Employees Retirement System, where he was responsible for investment management, benefits administration, finance and operations. Mr. Borden has also served as Vice Chairman and Chairman of the Fund Evaluation Committee for the Louisiana Deferred Compensation Commission and as a member of the South Carolina Deferred Compensation Committee. Prior to that, Mr. Borden served as Treasurer and Senior Manager for Financial Services at the Texas Workers' Compensation Insurance Fund after serving as Vice President of Treasury and Interest Rate Risk Manager at Franklin Federal Bancorp. Mr. Borden serves on the board of directors of Apollo Senior Floating Rate Fund, Inc. and Apollo Tactical Income Fund Inc. He also serves on the University of Texas School of Business Advisory Board.

Mr. Borden has a Bachelor of Business Administration with a major in finance from the University of Texas at Austin and received a Master of Science degree in finance from Louisiana State University. Mr. Borden holds both the Chartered Financial Analyst and Chartered Alternative Investment Analyst professional designations.

Sean Brennan

Mr. Brennan was appointed as a director in January 2020. Mr. Brennan serves as Executive Vice President of Pension Group Annuity and Flow Reinsurance for Athene Holding Ltd. (AHL) and is responsible for overseeing the strategy of our pension group annuity and flow reinsurance businesses and is responsible for expanding opportunities for development within those businesses. Prior to assuming his current role, Mr. Brennan served as Senior Vice President and Head of Pension Group Annuity at AHL. Before joining AHL, he served as Global Pensions Director for Marsh & McLennan Companies, responsible for developing and implementing its global pension strategy, and oversaw \$15 billion in global asset-liability management. Mr. Brennan also spent 14 years with Mercer holding several positions, including Partner in the Financial Strategy Group. In that role, Mr. Brennan was responsible for leading Mercer's efforts to develop its pension risk transfer capabilities and sales strategy as well as leading several large PRT transactions. In addition, Mr. Brennan provided investment strategy and risk management advice to corporate plan sponsors regarding the PRT business.

Mr. Brennan received his Bachelor of Arts in mathematics and political science from Emory University. He is a Chartered Financial Analyst (CFA) Charterholder and an Associate of the Society of Actuaries (ASA).

⁶ Resigned as a director effective March 22, 2024

ALRe Board of Directors

Alexander Humphreys⁷

Mr. Humphreys was appointed as a director in March 2024. Mr. Humphreys is a Partner at Apollo Global Management. Prior to joining Apollo in 2008, Mr. Humphreys was at Goldman Sachs in the financial institutions M&A team based in London. Mr. Humphreys serves on the board of directors of Aspen, Athora, Catalina Holdings and Miller Homes and previously served on the board of directors of Tranquilidade, Haydock Finance, Amissima and Lumileds. Mr. Humphreys serves on the Investment Committee of Apollo's Insurance Solutions Group International.

Mr. Humphreys graduated from University College London with BSc in Economics .

Bogdan Ignaschenko

Mr. Ignaschenko has served as a director since January 2023. Mr. Ignaschenko is Partner at AGM. Prior to joining Apollo in 2011, Mr. Ignaschenko was with Credit Suisse in the Investment Banking Division from 2009 to 2011. Mr. Ignaschenko has also served on the board of directors of Freedom TopCo LLC (parent of Donlen LLC) since 2021, Grupo Aeroméxico, S.A.B. de C.V. since 2022, and Clydesdale Parent GP, LLC (parent of Flex Acquisition Holdings, Inc., parent of Novolex Holdings, LLC) since 2022. Mr. Ignaschenko previously served as a member of the board of directors of Seguradoras Unidas S.A. (n/k/a Generali Seguros, S.A.) between 2017 and 2020.

Mr. Ignaschenko graduated from the University of Pennsylvania's Wharton School of Business with a Bachelor of Science degree in economics.

Bradley Molitor⁸

Mr. Molitor was appointed as a director in March 2024 having previously served as a director from 2020 to 2023. Mr. Molitor also served as Chief Financial Officer (CFO) of the Company from May 2021 to December 2022. Prior to serving as CFO, Mr. Molitor held several senior positions with Athene including leading Athene Life Re Ltd.'s actuarial team as Chief Actuary and Chief Risk Officer where he had responsibility for all actuarial functions. Before joining Athene, Mr. Molitor served as a Financial Reporting and Risk Management Actuary for Transamerica in both the US and Bermuda. Mr. Molitor has extensive experience with actuarial reserving, financial reporting, capital management, pricing, risk underwriting, reinsurance structuring and modeling.

Mr. Molitor received his Bachelor of Science degree in actuarial science from the Bradley University, is a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA).

Fergus Daly

Mr. Daly has served as a director since January 2023 and has served as Chief Financial Officer (CFO) since December 2022. Mr. Daly brings more than 30 years of financial and accounting experience in the insurance sector, including 15 years at Swiss Re, where he had a number of Executive Finance roles. He served most recently as CFO for Foresight Group, an Insurtech

⁷ Appointed as a director effective March 21, 2024

⁸ Appointed as a director effective March 21, 2024

business, and, prior to that, was Head of Financial Planning and Analysis for Fortitude Re. He brings extensive experience leading Finance functions for multinational insurance companies in the US, UK, and Bermuda.

Mr. Daly received his Bachelor of Arts degree in economics from the University of Manchester and is a Member of the Institute of Chartered Accountants in England and Wales.

Francis Sabatini⁹

Mr. Sabatini was appointed as a director in March 2024. Mr. Sabatini is also a director on Athene Annuity Re Ltd., a number of Athene US subsidiaries and serves as chair on one of its audit committees. Mr. Sabatini has 36 years of industry and advisory experience in insurance and actuarial services. He specializes in fixed, variable and indexed annuity product development, pricing and management. The long list of firms Mr. Sabatini has worked for includes Ernst & Young, Connecticut Mutual Life, and Equitable Life Assurance. He has served on numerous boards and councils including CERA Global Association and Society of Actuaries. Mr. Sabatini is a frequent speaker at industry meetings and is a published author of trade articles.

Mr. Sabatini graduated *summa cum laude* from the Pratt Institute with a B.S. in Mathematics.

Hope Taitz

Ms. Taitz has served as a director since 2011. Ms. Taitz is also a director of Athene Holding Ltd., a number of its US subsidiaries, Athene Annuity Re Ltd. and Athene Annuity Re II Ltd. Ms. Taitz also serves on the audit, risk, legal and regulatory, and conflicts committees for AHL. Ms. Taitz has served as the Chief Executive Officer of ELY Capital since 2004. Now acting as an investor and advisor with expertise in media, technology and the consumer, she helps innovative enterprises grow through financial leadership and connections to established corporations. Ms. Taitz, a strong advocate of women on boards, also currently serves on the board of MidCap Finco Holdings Limited and Summit Hotel Properties, Inc. She has previously served on the boards of Apollo Residential Mortgage, Inc., Greenlight Capital Re, Ltd., Diamond International Resorts, Inc., as well as Lumen is Ltd. From 1995 to 2003, Ms. Taitz was Managing Partner of Catalyst Partners, L.P., a money management firm. From 1990 to 1992, Ms. Taitz was a Vice President at The Argosy Group (now part of the Canadian Imperial Bank of Commerce (NYSE: CM)), specializing in financial restructuring before becoming a Managing Director at Crystal Asset Management, from 1992 to 1995. From 1986 to 1990, Ms. Taitz was at Drexel Burnham Lambert, first as a mergers and acquisitions analyst and then as an associate in the leveraged buyout group.

On the not for profit side, Ms. Taitz focuses on education and is an advocate for STEM. She is a founding executive member of YRF Darca, an emeritus board member of Pencils of Promise, and a member of the undergraduate executive board of The Wharton School at the University of Pennsylvania. Ms. Taitz is a former board member of Girls Who Code. Ms. Taitz graduated with honors from the University of Pennsylvania with a Bachelor of Arts degree in economics.

Mitra Hormozi

Ms. Hormozi has served as a director since January 2023. Ms. Hormozi is also a director of Athene Holding Ltd. and is the chair of its legal and regulatory committee and is a director on Athene

⁹ Appointed as a director effective March 21, 2024

Annuity Re Ltd. and a number of Athene US subsidiaries. Ms. Hormozi was Executive Vice President and General Counsel of Revlon, Inc. from April 2015 to July 2019, where she was responsible for overseeing Revlon's legal affairs worldwide. Ms. Hormozi has extensive experience in both the public and private sectors of the legal field. Prior to joining Revlon in April 2015, she was a litigation partner at two major law firms from 2011 to 2015 and served as Deputy Chief of Staff to then New York State Attorney General, Andrew Cuomo. Ms. Hormozi also served as an Assistant United States Attorney prosecuting high-profile complex racketeering cases in the Eastern District of New York. Ms. Hormozi has served on the board of directors of Apollo Global Management since 2022 serving various committees including sustainability and corporate responsibility, compensation, nominating and governance, and demand review. Ms. Hormozi has also previously served on the board of directors of Revlon.

Ms. Hormozi received a Bachelor of Arts in history from the University of Michigan and a Juris Doctor from the New York University School of Law.

Robert Borden¹⁰

Robert Borden has served as a director since 2018. Mr. Borden is also a director of Athene Holding Ltd. (AHL), Athene Annuity Re Ltd. and Athene Annuity Re II Ltd. and is a member of the AHL risk, audit and conflicts committees. Mr. Borden currently serves as the Chief Executive Officer (CEO) and Chief Investment Officer (CIO) of the Texas Permanent School Fund Corporation. Prior to his time with the Texas Permanent School Fund Corporation, he served as both CEO and CIO of Delegate Advisors, LLC from January 2012 through December 2018, where he was also a Founding Partner. From April 2006 to January 2012, Mr. Borden served as CEO and CIO of SCRSIC, which is responsible for investing and managing all assets of the South Carolina Retirement Systems. Prior to his role at SCRSIC, Mr. Borden served as the Executive Director and CIO of the Louisiana State Employees Retirement System, where he was responsible for investment management, benefits administration, finance and operations. Mr. Borden has also served as Vice Chairman and Chairman of the Fund Evaluation Committee for the Louisiana Deferred Compensation Commission and as a member of the South Carolina Deferred Compensation Committee. Prior to that, Mr. Borden served as Treasurer and Senior Manager for Financial Services at the Texas Workers' Compensation Insurance Fund after serving as Vice President of Treasury and Interest Rate Risk Manager at Franklin Federal Bancorp. Mr. Borden serves on the board of directors of Apollo Senior Floating Rate Fund, Inc. and Apollo Tactical Income Fund Inc. He also serves on the University of Texas School of Business Advisory Board.

Mr. Borden has a Bachelor of Business Administration with a major in finance from the University of Texas at Austin and received a Master of Science degree in finance from Louisiana State University. Mr. Borden holds both the Chartered Financial Analyst and Chartered Alternative Investment Analyst professional designations.

ALReI Board of Directors

Peggy Yang

Ms. Yang has served as a director since October 2019. Ms. Yang has been with Athene since 2013 and over that time has held a variety of roles including financial reporting, treasury and stock

¹⁰ Resigned as director effective March 21, 2024.

based compensation and has served as a leader of Athene's financial reporting function in Bermuda. Prior to joining Athene, Ms. Yang worked for KPMG Bermuda as an audit manager.

Ms. Yang received her Bachelor of Business Administration from Simon Fraser University in 2007 and has been a qualified Chartered Professional Accountant since 2009.

Sahil Khanna

Mr. Khanna has served as a director since December 2023 and has served as the Bermuda Chief Accounting Officer since September 2022. Mr. Khanna has also led the Strategic Finance function since July 2023. Mr. Khanna brings over 10 years of financial and accounting experience in the insurance sector. Mr. Khanna has been with Athene since 2016 and over that time has held a variety of finance roles including financial accounting, financial reporting, Bermuda Accounting Policy and deal due diligence for complex international transactions. Prior to joining Athene, Mr. Khanna worked at Deloitte, where he gained expertise providing risk advisory services for reinsurers in Bermuda.

Mr. Khanna received his Honours Bachelors of Mathematics/Chartered Accountancy (with Co-op) from the University of Waterloo and is a Member of the Chartered Professional Accountants of Ontario and Chartered Professional Accountants of Bermuda.

Sean Brennan

Mr. Brennan has served as a director since September 2019. Mr. Brennan serves as Executive Vice President of Pension Group Annuity and Flow Reinsurance for Athene Holding Ltd. (AHL) and is responsible for overseeing the strategy of our pension group annuity and flow reinsurance businesses and is responsible for expanding opportunities for development within those businesses. Prior to assuming his current role, Mr. Brennan served as Senior Vice President and Head of Pension Group Annuity at AHL. Before joining AHL, he served as Global Pensions Director for Marsh & McLennan Companies, responsible for developing and implementing its global pension strategy, and oversaw \$15 billion in global asset-liability management. Mr. Brennan also spent 14 years with Mercer holding several positions, including Partner in the Financial Strategy Group. In that role, Mr. Brennan was responsible for leading Mercer's efforts to develop its pension risk transfer capabilities and sales strategy as well as leading several large PRT transactions. In addition, Mr. Brennan provided investment strategy and risk management advice to corporate plan sponsors regarding the PRT business.

Mr. Brennan received his Bachelor of Arts in mathematics and political science from Emory University. He is a Chartered Financial Analyst (CFA) Charterholder and an Associate of the Society of Actuaries (ASA).

Athene Bermuda Sub-Group Senior Executives

Natasha Scotland Courcy - Chief Executive Officer, General Counsel and Secretary

Ms. Scotland Courcy serves as Chief Executive Officer and has over 20 years of experience as a corporate attorney with 17 of those being in the reinsurance industry. Ms. Scotland Courcy has been with Athene since 2012 and works with Athene's business units to manage its reinsurance transactions including acquisitions, strategic transactions, reinsurance arrangements and alternative structures. Ms. Scotland Courcy is responsible for oversight of the Bermuda office,

designing and implementing business operations and establishing policies that promote the Company's culture and vision and provides regular reports to our board of directors. Prior to joining Athene, Ms. Scotland Courcy held legal counsel positions at other international companies where, amongst other things, she managed complex internal reorganization projects, merger and acquisition deals, cat-bond transactions, and assisted in managing the legal operational requirements for global subsidiaries.

As chair of Bermuda International Life Insurers and Reinsurers (BILTIR), Ms. Scotland Courcy is a keen advocate for the Bermuda's life and annuity sector, and actively shapes BILTIR's strategic goals.

Fergus Daly - Chief Financial Officer and Principal Representative

Mr. Daly serves as Chief Financial Officer (CFO) and Principal Representative. Mr. Daly brings more than 30 years of financial and accounting experience in the insurance sector, including 15 years at Swiss Re, where he had a number of Executive Finance roles. He served most recently as CFO for Foresight Group, an Insurtech business, and, prior to that, was Head of Financial Planning and Analysis for Fortitude Re. He brings extensive experience leading Finance functions for multinational insurance companies in the US, UK, and Bermuda.

Mr. Daly received his Bachelor of Arts degree in economics from the University of Manchester and is a Member of the Institute of Chartered Accountants in England and Wales.

Bradley Molitor - President

Mr. Molitor serves as President having previously served as Chief Financial Officer (CFO) from May 2021 to December 2022. Prior to serving as CFO, Mr. Molitor held several senior positions with Athene including leading Athene Life Re Ltd.'s actuarial team as Chief Actuary and Chief Risk Officer where he had responsibility for all actuarial functions. Before joining Athene, Mr. Molitor served as a Financial Reporting and Risk Management Actuary for Transamerica in both the US and Bermuda. Mr. Molitor has extensive experience with actuarial reserving, financial reporting, capital management, pricing, risk underwriting, reinsurance structuring and modeling.

Mr. Molitor received his Bachelor of Science degree in actuarial science from the Bradley University, is a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA).

Stephanus Du Preez - Approved Actuary

Mr. Du Preez serves as Approved Actuary. Prior to serving as Approved Actuary for Athene, Mr. Du Preez held several Approved Actuary roles in Bermuda while also leading the Life Actuarial function at KPMG in Bermuda. Before moving to Bermuda, Mr. Du Preez served as a Head of Corporate Actuarial for OUTsurance in South Africa. Mr. Du Preez has over 12 years of experience with actuarial reserving, financial reporting, capital management, product design and pricing, across numerous reporting regimes.

Mr. Du Preez received his Bachelor of Science Honors degree in actuarial science from the University of Pretoria, is a Fellow of the Institute of Actuarial, and a Fellow of the Actuarial Society of South Africa.

Eric Henderson - Chief Risk Officer

Mr. Henderson serves as Chief Risk Officer. Mr. Henderson joined Athene working from its USA operations in West Des Moines in 2012 and most recently held the position of SVP, Enterprise Risk Management as the lead for ALM, operational risk, liquidity risk, and risk reporting activities. Mr. Henderson has extensive experience in the risk management field having previously held risk management and product development positions with Aviva USA, Aegon Asset Management, Lennox Re and Allianz Life.

Mr. Henderson received a Bachelor of Arts degree in mathematics and physics from Luther College and a Masters in industrial engineering from the University of Illinois. He is a Fellow of the Society of Actuaries (FSA), a Chartered Financial Analyst, a Financial Risk Manager and a Chartered Enterprise Risk Analyst (CERA).

Devin Mullan - Chief Actuary

Mr. Mullan serves as Chief Actuary and has served as the leader of its pricing function since June 2019 and has been working in a pricing capacity for Athene Life Re Ltd. since 2017. Mr. Mullan has been with Athene since 2014 and over that time has held a variety of actuarial roles including internal risk management, embedded value reporting, liability assumption review and management, pricing for reinsurance transactions and merger and acquisition deals, and deal leadership for complex international transactions. Prior to joining Athene, Mr. Mullan worked for a variety of Canadian insurance companies, holding roles focused on pricing for life insurance products, statutory reporting, and asset liability management.

Mr. Mullan received his Bachelor of Math degree from the University of Waterloo and his Bachelor of Business Administration degree from Wilfrid Laurier University. He has also been a fellow of the Society of Actuaries (FSA) since 2016.

Janine Carey - Chief Compliance Officer

Ms. Carey serves as Chief Compliance Officer and has been with Athene since 2019 and in that time has served as Senior Legal Counsel on the legal team undertaking leadership responsibilities, providing regulatory and compliance oversight of all Athene Bermuda companies and managing corporate governance related to day-to-day operations as well as reinsurance and strategic transactions. Prior to joining Athene, Ms. Carey worked at Appleby (Bermuda) Limited where she was a member of the corporate team practicing corporate and commercial law and specializing in (re)insurance transactions. While at Appleby Ms. Carey managed, among other things, various merger and acquisition deals, cat-bond/ILS transactions, longevity swap transactions, corporate finance and private equity structures and regularly provided advice on regulatory, compliance and reporting matters for (re)insurers.

Ms. Carey received her Bachelor of Arts degree in employment relations and philosophy from the University of Toronto and Bachelor of Laws degree from the University of Law and has been a qualified attorney and member of the Bermuda Bar since 2012.

Peggy Yang - VP, Head of Operations

Ms. Yang is VP, Head of Operations and has been with Athene since 2013 and over that time has held a variety of roles including financial reporting, treasury and stock based compensation and

has served as a leader of Athene's financial reporting function in Bermuda. Prior to joining Athene, Ms. Yang worked for KPMG Bermuda as an audit manager.

Ms. Yang received her Bachelor of Business Administration from Simon Fraser University in 2007 and has been a qualified Chartered Professional Accountant since 2009.

Todd Okesson - SVP, Tax

Mr. Okesson has served as SVP, Tax of Athene Annuity Re Ltd. since September 2019. Mr. Okesson is SVP, Global Head of Tax with Athene where he provides advice on a variety of tax matters including tax impacts of potential investments and M&A transactions, tax law developments, SEC reporting, corporate tax reporting and compliance, employee benefits and executive compensation, and foreign tax matters. Mr. Okesson began his career in the Chicago office of Latham & Watkins LLP, assisting clients with foreign and domestic M&A transactions, debt and equity issuances, IPOs, bankruptcies and restructurings, private equity investments and tax audits.

Mr. Okesson received his B.A. from Wheaton College and his J.D. from the University of Chicago Law School.

Scott Ducar - VP, Tax

Mr. Ducar has served as VP, Tax of Athene Annuity Re Ltd. since June 2020. Mr. Ducar is VP, Tax Controller at Athene and is responsible for internal controls related to Company's income tax processes, the financial reporting of income taxes, corporate tax compliance and advises on various tax matters related to investments and M&A transactions. Prior to joining Athene, Mr. Ducar held Tax Director positions with Aviva USA and Allianz of America, where his responsibilities included corporate income tax planning and compliance, the financial reporting of income taxes along with the development and implementation of internal controls. Mr. Ducar has more than 20 years of tax experience within the insurance industry.

Mr. Ducar received his B.A from Loras College, his M.B.A. from Western Illinois University and is a Certified Public Accountant.

Jay King - Internal Audit

Prior to joining AHL, Mr. King led Aviva's U.S. and Canadian audit function from 2011 until the acquisition of Aviva's U.S. business by Athene Holding Ltd. Previously, Mr. King was head of Genworth's global internal audit function, a position he held since 2005. From 2001 to 2005, Mr. King worked in enterprise risk management and internal audit at Capital One Financial, and prior to that, with Spark Capital, a finance consulting firm helping technology companies with venture capital funding. He began his career at PricewaterhouseCoopers.

Mr. King received his Bachelor of Business Administration in accounting from James Madison University, and a Master of Business Administration and Master of Science in information systems from the University of Maryland. He is a Certified Public Accountant and Certified Internal Auditor.

c. **Risk Management and Solvency Self-Assessment**

i. **Risk Management processes and procedures to identify, measure, manage and report on Risk Exposures**

The function of the Group's risk management framework is to identify, assess, and prioritize risks to ensure that senior management and the Board of Directors understand and can manage the Group's risk profile. The processes supporting risk management are designed to ensure that the Group's risk profile is consistent with the stated risk appetite, and that the Company maintains sufficient capital to support the corporate plan while meeting the requirements imposed by its policyholders, shareholders, and regulators. Risk management strives to enable the Company to maximize the value of the existing business platform to shareholders, preserve the ability to realize business and market opportunities under moderately stressful market conditions, and withstand the impact of substantial stress events.

The Risk Management Team structure consists of the Strategic & Emerging Risk Team, the Asset Risk Management Team, the Business & Operational Risk Team, the ALM Team, the Regulatory & Risk Analytics Team, the Risk Policy and Derivatives Risk Team, the Derivative & Structured Solutions Team, and the Risk Operations & Change Management Team. The Risk Management Team is led by AHL's Chief Risk Officer ("**CRO**"), who reports to the chair of the AHL Risk Committee. The Risk Management Team is comprised of approximately 50 dedicated, full-time employees.

Identification and prioritization of risks is key to developing effective strategies for the Group to mitigate or eliminate risks prior to being negatively impacted by them. Sources of risk include investment assets, liabilities generated from underwriting insurance risks, the structure and level of the Group's legal obligations, business risk, and operations of the Group. The process of identifying and prioritizing risks is continuous, and events, such as mergers and acquisitions, may materially change the Group's risk profile.

Management-level committees identify and prioritize the Group's non-operational risks. Qualitative and quantitative assessments of current or emerging non-operational risks are shared with senior management at committee meetings and through various risk reports. All risks are continuously monitored to ensure the Group's limits, tolerances, and mitigation strategies are consistent with the risk appetite.

Total Risk Assessment ("**TRA**") is a process primarily used by the Group to identify, assess and prioritize operational risks. The Group approaches TRA by first identifying all potential risk areas. The risk team identifies subject matter experts ("**SMEs**") in each operational area and leads an annual review of functions/processes, roles and responsibilities and an assessment of systems, infrastructure and interoperability supporting the functional area. Workshops are held with executives and key senior management to identify key risks and understand how each one is mitigated and/or managed including quantitative analysis, which focuses on the potential frequency and severity of the risk being realized.

AHL prepares an Own Risk and Solvency Self-Assessment ("**ORSA**") with certain expansions shown as Appendix 4.0 addressing each Entity's Commercial Insurer Solvency Self-Assessment ("**CISSA**") queries outlined in the Bermuda statutory return.

ii. Description of how the risk management and solvency self-assessment systems are implemented and integrated into the insurer's operations; including strategic planning and organizational and decision making process

The Athene Bermuda Sub-Group's CRO provides a report to the relevant Board which encompasses multiple risk areas including but not limited to stress testing results with a particular focus on the role of AARe and ALRe in the provision of collateral and/or capital under its reinsurance agreements and capital maintenance agreements with the Group. The Athene Bermuda Sub-Group's CRO reports to the respective Board regarding the ability of the entities and AHL to effectively manage liquidity risk, derivative activity performed for the economic benefit of the Group including activity related to modified co-insurance contracts and investment compliance reporting. The Athene Bermuda Sub-Group's CRO is an active member of various Committees whose focus is on each Entity's specific issues. These include AROC, several sub-committees and weekly/monthly meetings reviewing rate setting, product development and operational risk. The CRO is involved directly with the AHL SVP Treasurer and VP Treasury regarding capital management and liquidity management including establishment of various inter-Group lending facilities, monitoring of liquid assets both at ALRe and AHL, addressing the quantification and allocation of capital to current and new operations.

iii. Description of the relationship between the solvency self-assessment, solvency needs, and capital and risk management systems

The Global Group seeks to manage its business, capital and liquidity profile with the objective of withstanding severe adverse shocks, while maintaining a meaningful buffer above regulatory minimums and certain capital thresholds.

The solvency self-assessment tests that there is sufficient group capital (at the AHL level) available to withstand the various risks that affect AHL, individually and collectively, up to its risk appetite. Risk appetite is defined and communicated to AHL's businesses through a series of position, liquidity and scenario limits, as well as through its risk review processes. These limits are the operational expression of AHL's risk appetite, and taken together, define the capital required to execute its business plan and remain within its risk appetite. Specific risk limits are established at the Group consolidated level and reported on to the Group's Board of Directors

The Group's risk appetite is defined by its performance in the following two stress scenarios:

- 1. Moderate stress event:** Maintain targeted financial strength and ratings at its major regulated insurance subsidiaries.
- 2. Substantial stress event:** Retain investment grade financial strength and ratings at its major regulated insurance subsidiaries.

The impacts of these events are calculated and accumulated. The results are reported to each Entity's Board. Similar evaluations are carried out under the economic balance sheet ("EBS") tests specific to each Entity and reported on the various sub-committees and the Board with a particular focus on the capital impact.

The Group evaluates exposure to market risk by analyzing its portfolio's performance during simulated periods of economic stress. The Group manages business, capital and liquidity needs to withstand stress scenarios and target capital that it believes will maintain current ratings in a moderate recession scenario and will allow the Group to continue to be rated investment grade under a substantial stress event akin to the Lehman scenario in 2008. In the recession scenario, we calibrate recessionary shocks to several key risk factors (including but not limited to default rates, recoveries, credit spreads and US Treasury yields) using data from the 1991, 2001, and 2008 recessions, and estimate impacts to the various sectors in our portfolio. In the deep recession scenario, we use default probabilities from the 2008-2009 period, along with recovery and ratings migration rates, to estimate impairment impacts, and we use credit spread and interest rate movements from the 2008–2009 period to estimate mark to market changes. The Group reviews the impacts of stress test analyses quarterly with management.

iv. Description of the solvency self-assessment approval process including the level of oversight and independent verification by the Board and Senior Executives

The ORSA is the principal document utilized for solvency self-assessment. The ORSA draws heavily on: (i) strategy and planning work completed during the period; (ii) the year-end statutory valuation; (iii) AHL Risk Committee; and (iv) the AHL Investment and Asset Liability Committee. The process that underpins the ORSA is not merely a snapshot, but a continual review throughout the year by multiple parties across all disciplines including Finance, Legal, Actuarial, Risk, Asset Management, Treasury and Internal Audit. The ORSA documents management information that has previously been reviewed and approved by senior management and the AHL Board and informs Group management of any issues or concerns not already communicated.

d. Internal Controls

i. Description of the internal control system

The combined management of AHL and each Bermuda based licensed entity, including the Group, are responsible for establishing a framework for the Global Group and the Group's internal controls over financial reporting ("**ICFR**") including those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of each entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and the respective Board; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements of the Group or AHL.

AHL has adopted the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**") 2013 framework as the criteria for evaluating the effectiveness of ICFR. The COSO 2013 framework includes the following components:

- 1. Control Environment** - The set of standards, processes and structures that provide the basis for carrying out internal controls across the organization. At Athene that includes, for example, our Code of Ethics, Board Governance, Audit Committee Charter, and the Whistleblower Hotline.

2. **Risk Assessment** - A dynamic and iterative process for identifying and analyzing risks to achieve our objective, which is to ensure we have an adequate system of ICFR. The risk assessment defines the scope of our ICFR Program.
3. **Control Activities** - The actions established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of our objective are carried out. This is the largest part of our program as it includes all the processes and key controls within the various business units (e.g., Finance, Actuarial, Operations, IT, Human Resources, Legal, Internal Audit and Risk Management).
4. **Information and Communication** - These are necessary to carry out internal control responsibilities
5. **Monitoring Activities** - Ongoing evaluations to ascertain the adequacy of our ICFR and communication of deficiencies to senior management and the Board.

ii. **Compliance Function**

The compliance function oversees compliance activity and promotes and sustains a corporate culture of compliance and integrity for the Group.

Compliance develops policies, procedures and processes, maintains compliance monitoring and testing (including a plan to address any deficiencies or non-compliance that may be identified); oversees that there are processes in place for regulatory monitoring; and supports management in implementing any new rules, regulations or internal documentation, policies, procedures and controls in addition to maintaining mechanisms for staff to confidentially report concerns regarding compliance deficiencies and breaches.

The function also acts as a channel of communication to receive, review, evaluate and investigate compliance issues or direct such matters to the appropriate department for investigation and resolution.

e. **Internal Audit**

The scope of internal audit activities includes AHL and all its subsidiaries and responsibilities are outlined in the Internal Audit Charter. Internal Audit has no responsibility for other functions across the businesses and the department is staffed independently of any other function. This reporting structure and responsibility promotes independence and better compliance. The Internal Audit function encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Group's governance, risk management, and internal controls, as well as quality of performance, in carrying out assigned responsibilities, to achieve the Global Group's stated goals and objectives. Internal Audit communicates all findings to the applicable organization's management and significant findings to the AHL Audit Committee. It has unrestricted access to the respective boards, committees, management and all areas of the organization.

f. **Actuarial Function**

The Group's Chief Actuary and Approved Actuary positions, with support from the internal actuarial team, are responsible for monitoring information concerning the liabilities of the Group

and have oversight responsibilities for our underwriting processes and financial reporting including EBS and actuarial staff functions. The Approved Actuary prepares an annual report providing an opinion on the reasonableness of the calculation of the technical provisions ("TP") and its compliance with Bermuda Regulations. The requirements covering the calculation of TP are addressed through various activities and oversight committees. The Actuarial Function further contributes to the effective implementation of the risk management system, including contributing to the Company's group solvency self-assessment by identifying, measuring, and monitoring risks, asset-liability modelling, product pricing, financial reporting and business plans.

g. Outsourcing

i. Outsourcing Policy and key functions that have been outsourced

The Group maintains an outsourcing and procurement policy that outlines the vetting, suitability and contracting process for outsourced relationships and the due diligence procedures to be undertaken to monitor performance and provide oversight of such arrangements. The Group monitors its outsourcing partners and integrates their services into its operations. We believe that outsourcing certain functions allows us to focus capital and employees on core business operations. We have not outsourced the key functions of actuarial, risk management or compliance. The investment management function is managed by ISG, a subsidiary of AGM.

ii. Material Intra-group Outsourcing

The internal audit, actuarial modelling, tax and investment accounting functions are performed at the AHL level for the Global Group, including the Group.

h. Any other material information

None.

6. RISK PROFILE

a. Material Risks the Insurer is exposed to during the Reporting Period

Athene's risk self-assessment ("RSA") review and Operational Risk review process encompasses a comprehensive review of all documented and undocumented processes and procedures as they relate to Fraud, Human Resources, Outsourcing, Distribution Channels, Business Processes, Business Continuity, Information Systems and Compliance. Material risks were identified and quantified as to economic impact and probability with the identification of mitigating controls and potential future mitigating controls. Documented processes are in place ensuring that material operational risks are identified and communicated to senior management and if warranted to various other committees.

We have a risk management framework in place to identify, assess and prioritize risks, including the market and credit risks to which our investments are subject. As part of that framework, we test our investment portfolio based on various market scenarios. Under certain stressed market scenarios, unrealized losses on our investment portfolio could lead to material reductions in its carrying value. Under some extreme scenarios, total shareholders' equity could be negative for the period of time prior to any potential market recovery.

b. Risk Mitigation in the Organization

As part of the RSA review for AHL's Bermuda licensed entities, potential future mitigating controls were identified. During 2024 these areas will be reviewed again and, where applicable, additional mitigating controls will be put in place if appropriate.

Our risk management strategy is to proactively manage our exposure to risks associated with interest rate duration, credit risk and structural complexity of our invested assets. We address interest rate duration and liquidity risks by managing the duration of the liabilities we source with the assets we acquire through asset liability management ("**ALM**") modeling. We assess credit risk by modeling our liquidity and capital under a range of stress scenarios. We manage the risks related to the structural complexity of our invested assets through ISG's modeling efforts. The goal of our risk management discipline is to be able to continue to grow and achieve profitable results across various market environments. Specific Risk Limits including Risk Appetite, Cash Flow Liquidity, and Collateral Stress Liquidity are established at the Group consolidated entity level.

Results of these assessments and adherence to limits are reviewed by the AHL management-level Risk Committee ("**MRC**"), the AHL Investment and Asset Liability Committee ("**IALC**"), and the AHL board-level Risk Committee.

c. Material Risk Concentration

Certain risks are identified and are tracked to ensure material risk concentrations are identified and communicated to each Entity's senior management and the related Board as appropriate.

Market risk is the risk of incurring losses due to adverse changes in market rates and prices. Included in market risk are potential losses in value due to credit and counterparty risk, interest rate risk, currency risk, commodity price risk and equity price risk. We are primarily exposed to credit risk, interest rate risk and equity price risk.

d. Investment in assets in accordance with the Prudent Person Principles of the Code of Conduct

Most of the Group's investment assets are managed directly by ISG, a subsidiary of AGM. The remaining assets are managed by ISG in conjunction with a sub-advisory agreement between ISG and affiliates of AGM. Investment guidelines are reviewed on a regular basis and the Global Group's CRO and the Athene Bermuda Sub-Group's CRO are members of the risk group that meets frequently with ISG to discuss current developments within the various entity's portfolios. The Athene Bermuda Sub-Group's CRO designate reviews all investment compliance reports and reports on the results to the Board.

Investment guidelines are aligned to the Group's requirements for adequate liquidity and capital sufficiency, both in a base case and in times of stress, and developed to be consistent with the Group's risk appetite and limit framework.

e. Stress testing and sensitivity analysis to assess Material Risks

The Group assesses interest rate exposures, equity shocks, and changes in default rates on fixed income instruments for financial assets, liabilities and derivatives using hypothetical stress tests

and exposure analyses. Assuming all other factors are constant, if there was an immediate, parallel increase in interest rates of 100 basis points from levels as of December 31, 2023, the estimated point-in-time impact to our pre-tax consolidated statements of income would have decreased after December 31, 2023.

Assuming a 25 basis points increase in interest rates persists for a 12-month period, the estimated impact to adjusted operating income would have increased. This is driven by an increase in investment income from floating rate assets, offset by DAC, DSI and VOBA amortization and rider reserve change, all calculated without regard to future changes to assumptions. The models used to estimate the impact of a 25 basis point change in market interest rates incorporate numerous assumptions, require significant estimates, and assume an immediate change in interest rates without any discretionary management action to counteract such a change. Consequently, potential changes in our valuations indicated by these simulations will likely be different from the actual changes experienced under any given interest rate scenarios and these differences may be material. Due to actively managing our assets and liabilities, the net exposure to interest rates can vary over time. However, any such decreases in the fair value of fixed maturity securities, unless related to credit concerns of the issuer requiring recognition of an impairment, would generally be realized only if we were required to sell such securities at losses to meet liquidity needs.

Stress testing of material risks are performed and included in the Group's annual ORSA. Results of stress tests show the Group remaining within regulatory requirements and approved limits and risk appetite, and these outcomes are reviewed by the Board and senior management.

7. SOLVENCY VALUATION

a. Valuation bases, assumptions and methods to derive the value of each asset class

The Group has considered the valuation principles outlined by the BMA's "Guidance Note for Statutory Reporting Regime" for the reporting period's statutory filing. The Group's economic valuation principles are to measure assets on a fair value basis. Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. We determine fair value based on the following fair value hierarchy:

Level 1 - Unadjusted quoted prices for identical assets or liabilities in an active market.

Level 2 - Quoted prices for inactive markets or valuation techniques that require observable direct or indirect inputs for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets,
- Observable inputs other than quoted market prices, and
- Observable inputs derived principally from market data through correlation or other means.

Level 3 - Prices or valuation techniques with unobservable inputs significant to the overall fair value estimate. These valuations use critical assumptions not readily available to market participants. Level 3 valuations are based on market standard valuation methodologies, including discounted cash flows, matrix pricing or other similar techniques.

NAV - Investment funds are typically measured using NAV as a practical expedient in determining fair value and are not classified in the fair value hierarchy. Our carrying value reflects our pro rata ownership percentage as indicated by NAV in the investment fund financial statements, which we may adjust if we determine NAV is not calculated consistent with investment company fair value principles. The underlying investments of the investment funds may have significant unobservable inputs, which may include but are not limited to, comparable multiples and weighted average cost of capital rates applied in valuation models or a discounted cash flow model.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the instrument's fair value measurement.

We use a number of valuation sources to determine fair values. Valuation sources can include quoted market prices; third-party commercial pricing services; third-party brokers; industry-standard, vendor modeling software that uses market observable inputs; and other internal modeling techniques based on projected cash flows. We periodically review the assumptions and inputs of third-party commercial pricing services through internal valuation price variance reviews, comparisons to internal pricing models, back testing to recent trades, or monitoring trading volumes.

Fair Value Valuation Methods - We used the following valuation methods and assumptions to estimate fair value:

Fixed maturity securities - We obtain the fair value for most marketable securities without an active market from several commercial pricing services. These are classified as Level 2 assets. The pricing services incorporate a variety of market observable information in their valuation techniques, including benchmark yields, trading activity, credit quality, issuer spreads, bids, offers and other reference data. This category typically includes U.S. and non-U.S. corporate bonds, U.S. agency and government guaranteed securities, CLO, ABS, CMBS and RMBS.

We also have fixed maturity securities priced based on indicative broker quotes or by employing market accepted valuation models. For certain fixed maturity securities, the valuation model uses significant unobservable inputs and are included in Level 3 in our fair value hierarchy. Significant unobservable inputs used include: discount rates, issue specific credit adjustments, material non-public financial information, estimation of future earnings and cash flows, default rate assumptions, liquidity assumptions and indicative quotes from market makers. These inputs are usually considered unobservable, as not all market participants have access to this data.

We value privately placed fixed maturity securities based on the credit quality and duration of comparable marketable securities, which may be securities of another issuer with similar characteristics. In some instances, we use a matrix-based pricing model. These models consider the current level of risk-free interest rates, corporate spreads, credit quality of the issuer and cash flow characteristics of the security. We also consider additional factors such as net worth of the borrower, value of collateral, capital structure of the borrower, presence of guarantees and our evaluation of the borrower's ability to compete in its relevant market. Privately placed fixed maturity securities are classified as Level 2 or 3.

Equity securities - Fair values of publicly traded equity securities are based on quoted market prices and classified as Level 1. Other equity securities, typically private equities or equity securities not traded on an exchange, we value based on other sources, such as commercial pricing services or brokers and are classified as Level 2 or 3.

Mortgage loans - Mortgage loans for which we have elected the fair value option or those held for sale are carried at fair value. We estimate fair value on a monthly basis using discounted cash flow analysis and rates being offered for similar loans to borrowers with similar credit ratings. Loans with similar characteristics are aggregated for purposes of the calculations. The discounted cash flow model uses unobservable inputs, including estimates of discount rates and loan prepayments. Mortgage loans are classified as Level 3.

Investment funds - Certain investment funds for which we elected the fair value option are included in Level 3 and are priced based on market accepted valuation models. The valuation models use significant unobservable inputs, which include material non-public financial information, estimation of future distributable earnings and demographic assumptions. These inputs are usually considered unobservable, as not all market participants have access to this data.

Funds withheld at interest embedded derivative - We estimate the fair value of the embedded derivative based on the change in the fair value of the assets supporting the funds withheld balances under modco and funds withheld reinsurance agreements. As a result, the fair value of the embedded derivative is classified as Level 2 or 3 based on the valuation methods used for the assets held supporting the reinsurance agreements.

Derivatives - Derivative contracts can be exchange traded or over-the-counter. Exchange-traded derivatives typically fall within Level 1 of the fair value hierarchy depending on trading activity. Over-the-counter derivatives are valued using valuation models or an income approach using third-party broker valuations. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit curves, measures of volatility, prepayment rates and correlation of the inputs. We consider and incorporate counterparty credit risk in the valuation process through counterparty credit rating requirements and monitoring of overall exposure. We also evaluate and include our own nonperformance risk in valuing derivatives. The majority of our derivatives trade in liquid markets; therefore, we can verify model inputs and model selection does not involve significant management judgment. These are typically classified within Level 2 of the fair value hierarchy.

Cash and cash equivalents, including restricted cash - The carrying amount for cash equals fair value. We estimate the fair value for cash equivalents based on quoted market prices. These assets are classified as Level 1.

Liability for Investment Contracts Held at Fair Value - For liabilities for investment contracts we have elected to apply the fair value option. We used an actuarial appraisal method to measure the fair value of the investment contracts. The valuations include significant unobservable inputs associated with economic assumptions and actuarial assumptions. Liability for Investment Contracts Held at Fair Value are classified as Level 3.

Financial Instrument Held at Fair Value - We elected to apply the fair value option to account for certain financial instruments. The fair value was determined using principals consistent with the pricing of a total return swap. The valuations include significant unobservable inputs associated with economic assumptions and actuarial assumptions. Financial Instruments held at fair value are classified as Level 3.

Other Investments - Other investments include, but are not limited to, term loans collateralized by mortgages on residential and commercial real estate and other uncollateralized loans. Effective January 1, 2022, we elected the fair value option on these loans.

b. Valuation bases, assumptions and methods to derive the value of technical provisions

The Group has considered valuation principles outlined by the BMA's "Guidance Note for Statutory Reporting Regime" when determining insurance technical provisions. The Group believes that the techniques it uses in developing the insurance technical provisions are consistent with BMA guidance.

The best estimate technical provisions can be calculated using different methodologies, the primary valuation method that was used to determine the best estimate liabilities was the BMA's Scenario Based Approach ("**SBA**"). The best estimate cash flows have been discounted reflecting the projected performance of the Group's assets under the most severe interest rate stress scenario. The risk-free interest rate scenarios were supplied by the BMA. Total best estimate liabilities are \$199,996 million for AARe, \$88,544 million for ALRe and Nil for ALReI for the period ended December 31, 2023.

For certain types of the Athene Bermuda Sub-Group's business such as Funding Agreements, financial instruments with reliable market value were used to develop a market price for those liabilities. For these, technical provisions as a whole are held and is \$31,034 million for AARe, \$6,241 million for ALRe and Nil for ALReI for the period ended December 31, 2023.

In addition, the Sub-Group also holds a risk margin to reflect the uncertainty inherent in the underlying cash flows which is calculated using the cost of capital approach and a risk-free discount rate term structure. The discount rate term structures are prescribed by the BMA for each reporting period. The total risk margin held is \$1,629 million for AARe, \$1,167 million for ALRe and £26 million for ALReI for the period ended December 31, 2023.

The technical provisions for non-participating long duration contracts are established using accepted actuarial valuation methods which require us to make certain assumptions regarding expenses, mortality, and persistency at the date of issue or acquisition.

For the fixed indexed annuity business with guaranteed life withdrawal benefit and guaranteed minimum withdrawal benefit riders, the methods we use to estimate the liabilities have assumptions about policyholder behavior, which includes lapses, withdrawals and utilization of the benefit riders, mortality and market conditions affecting the account balance growth.

Projected policyholder lapse and withdrawal behavior assumptions are set in one of two ways. For certain blocks of business, this behavior is a function of our predictive analytics model which considers various observable inputs. For the remaining blocks of business, these assumptions are

set at the product level by grouping individual policies sharing similar features and guarantees and are reviewed periodically against experience. Base lapse rates consider the level of surrender charges and are dynamically adjusted based on the level of current interest rates relative to the guaranteed rates and the amount by which any rider guarantees are in a net positive position. Rider utilization assumptions consider the number and timing of policyholders electing the riders. We track and update this assumption as experience emerges. Mortality assumptions are set at the product level and generally based on standard industry tables, adjusted for historical experience and a provision for mortality improvement.

c. Description of recoverables from reinsurance contracts and other risk transfer mechanisms

The following summarizes our reinsurance recoverables from the following on a consolidated basis:

AARe <i>(In USD millions)</i>	December 31,	
	2023	2022
Global Atlantic	\$ 2,435	\$ 2,452
Protective	1,559	1,581
Brighthouse Financial	50	226
Other ¹	110	99
Reinsurance recoverable	\$ 4,154	\$ 4,358

¹ Represents all other reinsurers, with no single reinsurer having a carrying value in excess of 5% of total recoverable.

ALReI <i>(In GBP millions)</i>	December 31,	
	2022	2021
ACRAI	£ 384	£ 361
Reinsurance recoverable	£ 384	£ 361

On a consolidated basis, ALRe has no reinsurance recoverables for the years ended December 31, 2023 and 2022.

ALRe has a risk transfer mechanism with AARe II, whereby AARe II reinsures certain risks that ALRe has assumed. Regarding this agreement, the amount outstanding from ALRe to AARe II as of December 31, 2023 is \$359 million.

AARe has a risk transfer mechanism with ALRe, whereby ALRe reinsures certain risks that AARe has assumed. Regarding this agreement, the amount outstanding from AARe to ALRe as of December 31, 2023 is \$262 million.

d. Valuation bases, assumptions and methods to derive the value of other liabilities

Similar to the valuation principles for assets, the Athene Bermuda Sub-Group's liabilities follow the valuation principles outlined by the BMA's "Guidance Note for Statutory Reporting Regime" which values liabilities on a fair value basis.

8. CAPITAL MANAGEMENT

a. Eligible Capital

i. Capital Management Policy and process for capital needs, how capital is managed and material changes during the Reporting Period

The Group assesses its capital adequacy and needs in relation to its risk profile, which is assessed against the regulatory level on a periodic basis. The primary objectives of capital are:

- To safeguard its ability to continue as a going concern, so that it can continue to pay policyholder claims as they arise and to provide long-term growth;
- To provide an adequate return to the Global Group's shareholders by pricing insurance products and services commensurately with the level of risk;
- To maintain an efficient cost of capital;
- To comply with all regulatory requirements; and
- To maintain financial strength as assessed by rating agencies.

Our capital adequacy assessment tests whether there is sufficient Global Group capital available to withstand the various risks that affect the Group, individually and collectively, up to its risk appetite. Risk appetite is defined and communicated to the Group's businesses through a series of position, liquidity, and scenario limits, as well through its risk review process. The Group's risk appetite under ordinary course of events is to have each of its major regulated insurance subsidiaries maintain targeted aggregate RBC and EBS thresholds as described in the Fee and Capitalization agreement under both a moderate and substantial stress event. If the capital target is met, the Group is effectively meeting its target.

The Sub-Group operates in 14 regulatory jurisdictions and assesses capital management results under the NAIC Risk Based Capital framework and the BSCR frameworks, as applicable.

There have been no material changes in the capital management policy and process in 2023.

ii. Eligible Capital categorized by tiers in accordance with the Eligible Capital Rule

To enable the BMA to better assess the quality of the insurer's capital resources, a Class C, Class E and Group insurer is required to disclose the makeup of its capital in accordance with the '3-tiered capital system'. Highest quality capital is classified as Tier 1 Capital, lesser quality capital is classified as either Tier 2 or Tier 3 Capital.

The Act requires that Group insurers have Tier 1 Capital equal to or greater than 60% of the value of its enhanced capital requirement ("ECR") and Tier 3 Capital of not more than 15% of the aggregate of its Tier 1 Capital and Tier 2 Capital. Further, the Act requires that Class E and C insurers, as are ALRe and ALRel, have Tier 1 Capital equal to or greater than 50% of the value of its

ECR and Tier 3 Capital of not more than 17.65% of the aggregate of its Tier 1 Capital and Tier 2 Capital.

As of December 31, 2023, all of the eligible capital used by each Entity in the Sub-group to meet the minimum margin of solvency (“**MSM**”) and ECR was Tier 1 Capital. The Sub-group and each Entity within monitor its capital tiers and any encumbrances on capital when determining capital tiers, including assessing any capital restricted in trusts and funds withheld or modco arrangements.

iii. Eligible Capital categorized by tiers in accordance with the Eligible Capital Rules used to meet ECR and MSM requirements of the Act

As of December 31, 2023, all of the eligible capital used by each Entity to meet the MSM and ECR was Tier 1 Capital. Refer to the table in section 8b(i) below - *ECR and MSM requirements at the end of the Reporting Period*, for the ECR and MSM requirements for each Entity.

iv. Confirmation of Eligible Capital that is subject to transitional arrangements

Not applicable.

v. Identification of any factors affecting encumbrances on the availability and transferability of capital to meet the ECR

Not applicable.

vi. Identification of ancillary capital instruments approved by the BMA

Not applicable.

vii. Identification of differences in shareholder’s equity as stated in the Financial Statements versus the available capital and surplus

Under the Bermuda statutory framework, statutory financial statements are generally equivalent to GAAP financial statements, with the exception of prudential filters and permitted practices granted by the BMA. Our Bermuda subsidiaries have permission in the statutory financial statements to use amortized cost instead of fair value as the basis for certain investments. Additionally, our Bermuda subsidiaries use US statutory reserving principles for the calculation of insurance reserves instead of GAAP, subject to the reserves being proved adequate based on cash flow testing.

Refer to the table in section 8b(i) below - *ECR and MSM requirements at the end of the Reporting Period*.

b. Regulatory Capital Requirements

i. ECR and MSM requirements at the end of the Reporting Period

AARe:

<i>(In USD millions)</i>	Year ended December 31, 2023		
	GAAP	SFS	EBS ⁴
Actual Capital and Surplus ¹	\$ 24,005	\$ 17,773	\$ 26,960
Required Capital ²	N/A	\$ 2,951	\$ 9,448
BSCR Ratio ³	N/A	N/A	285 %

<i>(In USD millions)</i>	Year ended December 31, 2022		
	GAAP	SFS	EBS ⁴
Actual Capital and Surplus ¹	\$ 12,937	\$ 17,126	\$ 21,735
Required Capital ²	N/A	\$ 2,389	\$ 7,900
BSCR Ratio ³	N/A	N/A	275 %

ALRe:

<i>(In USD millions)</i>	Year ended December 31, 2023		
	GAAP	SFS	EBS ⁴
Actual Capital and Surplus ¹	\$ 18,205	\$ 14,474	\$ 19,882
Required Capital ²	N/A	\$ 1,924	\$ 7,695
BSCR Ratio ³	N/A	N/A	258 %

<i>(In USD millions)</i>	Year ended December 31, 2022		
	GAAP	SFS	EBS ⁴
Actual Capital and Surplus ¹	\$ 12,499	\$ 13,084	\$ 16,521
Required Capital ²	N/A	\$ 1,640	\$ 6,555
BSCR Ratio ³	N/A	N/A	252 %

ALReI:

<i>(In GBP millions)</i>	Year ended December 31, 2023		
	GAAP	SFS	EBS ⁴
Actual Capital and Surplus ¹	£ 95	£ 88	£ 74
Required Capital ²	N/A	12	12
BSCR Ratio ³	N/A	N/A	641 %

<i>(In GBP millions)</i>	Year ended December 31, 2022					
	GAAP		SFS		EBS ⁴	
Actual Capital and Surplus ¹	£	109	£	101	£	88
Required Capital ²		N/A		13		13
BSCR Ratio ³		N/A		N/A		653 %

- (1) The differences between GAAP and SFS capital and surplus are those as described in section 8(a)(vii).
- (2) Represents the MSM for the SFS and the ECR for EBS. There is not a required capital amount for the GAAP financial statements.
- (3) BSCR ratio for the current binding regulatory solvency constraint of EBS is shown.
- (4) The new capital regime became effective on 1st January 2019, and will be phased in over 10 years. BSCR ratio represents the transition ECR which is deemed to reflect the current binding solvency constraint.

ii. Identification of any non-compliance with the MSM and the ECR

The Group was compliant with the MSM and ECR requirements at the end of the reporting period.

iii. A description of the amount and circumstances surrounding the non-compliance, the remedial measures and their effectiveness

Not applicable.

iv. Where the non-compliance is not resolved, a description of the amount of the non-compliance

Not applicable.

c. Approved Internal Capital Model

Not applicable.

9. SUBSEQUENT EVENTS

On December 20, 2023, AADE and AAIA executed an Agreement and Plan of Merger pursuant to which, subject to the receipt of all regulatory approvals required in respect thereof, AADE will merge with and into AAIA, with AAIA as the surviving entity (the Merger). The consummation of the Merger will require the approval of the California Department of Insurance, the Delaware Department of Insurance, and the Iowa Insurance Division.