

Climate-Related Financial Disclosures

Aetna Life Insurance Company, Canadian Branch

Pursuant to OSFI Guideline B-15: Climate Risk Management

Reporting Entity: Aetna Life Insurance Company, Canadian Branch (“ALIC” or “the Branch”)

Home Jurisdiction / Parent: Aetna Life Insurance Company, incorporated in the State of Connecticut, United States; a subsidiary of CVS Health Corporation

OSFI Category: Foreign Insurance Branch

Lines of Business Written in Canada: Life insurance

Fiscal Year-End: December 31, 2025

Reporting Period: Fiscal year ended December 31, 2025

Date of Publication: June 27, 2026

This disclosure is made pursuant to the Office of the Superintendent of Financial Institutions (OSFI) Guideline B-15: Climate Risk Management (March 2025 version). It covers the climate-related financial information relevant to the Branch’s Canadian operations only, for the fiscal year ended December 31, 2025. As a small foreign insurance branch, the Branch’s Canadian activity is limited, and its disclosures are proportionate to that scale, consistent with Principle 5 (§26) of Guideline B-15.

CVS Health Corporation, the ultimate parent of Aetna Life Insurance Company, publishes enterprise-level climate disclosures in its annual Impact Report. Where relevant, this disclosure draws on information from that parent-level reporting and supplements it with branch-specific information for the Branch’s Canadian operations.

1. Governance

1a. Governance Body Oversight

As a foreign insurance branch, the Branch operates under the oversight of its parent company, Aetna Life Insurance Company (the “Parent”), and ultimate parent company CVS Health Corporation (“CVS Health”). Primary governance responsibility for climate-related risks and opportunities across the enterprise rests at the CVS Health Board of Directors level. The Board’s Nominating and Corporate Governance Committee is formally charged with oversight of CVS Health’s impact strategy and performance, including on climate change. Committee responsibilities include reviewing climate reporting and risks, monitoring progress against climate-related goals, and ensuring that strategies have necessary controls to manage climate-related risks and opportunities. In 2025, climate-related issues were discussed at two Committee meetings (March and November). The Audit Committee has oversight of enterprise risks, including climate-related topics and occurrences such as extreme weather events, and receives semi-annual reporting on the results of the enterprise risk assessment.

At the Branch, Branch management bears responsibility for ensuring that the Parent’s risk frameworks, including those addressing climate-related risks, are applied to Canadian operations in a manner

consistent with OSFI expectations. Climate risk is considered as part of the Branch's annual Own Risk and Solvency Assessment (ORSA) process, which draws on methodology and expertise provided by the Parent. Given the Branch's limited scale of operations in Canada, a dedicated branch-level climate committee is not required. Climate considerations are not currently factored into branch-level employee remuneration.

1b. Management's Role

Branch management is the primary body responsible for monitoring and managing climate-related risks within the Canadian branch. Branch management is supported by CVS Health's Chief Sustainability Officer (CSO), who oversees the enterprise climate and sustainability strategy. The CSO provides semi-annual updates to the Nominating and Governance Committee of the CVS Health Board and works with an enterprise-wide Steering Committee to embed sustainability practices across the business, including monitoring progress against climate-related corporate targets.

Operationally, climate risk is managed through the Branch's integration into the Parent's enterprise risk management (ERM) framework. The ERM function oversees a semi-annual risk assessment process that identifies and reports on material risks, including those related to climate. Results are documented in the Branch's annual ORSA, which is reviewed by Branch management and submitted to OSFI. Material changes in the Branch's risk profile are escalated to the Parent's senior management as appropriate.

2. Strategy

2a. Climate-Related Risks and Opportunities Identified

For the purposes of this disclosure, the Branch uses the following time horizons consistent with its Parent's enterprise framework: short term (within the next five years, including a near-term horizon of the current period through the next three years); medium term (five to ten years); and long term (ten to twenty years).

Physical risks are risks arising from more frequent or severe weather events (acute risks) or long-term shifts in climate conditions (chronic risks). Given that the Branch's Canadian portfolio consists of life insurance with a small book of in-force business, direct exposure to physical climate risks is assessed as immaterial. Life insurance is not directly tied to physical assets or property damage, and the Branch's book does not create meaningful concentration in geographies or sectors particularly vulnerable to physical climate impacts. This assessment applies across all time horizons.

Transition risks are risks arising from policy changes, technological shifts, or evolving market expectations as economies adjust to a lower-carbon future. The Branch's ORSA concluded that the Branch does not have direct climate risk exposures. Any climate-related risk would arise from downstream impacts on prevailing capital market conditions, which are assessed in the adverse economic scenarios used in the FCT and ORSA process. These risks are currently assessed as low across all time horizons, given the nature and volume of the Branch's Canadian business.

The Branch has not identified material climate-related opportunities specific to its current Canadian operations, given the limited scale of activity. Should the Branch materially expand its Canadian business, opportunities such as increased demand for climate-conscious insurance products or

reputational benefits from transparent disclosure may become relevant and will be assessed at that time.

2b(i). Effects on Business Model, Strategy, and Financial Position

The identified climate risks do not currently have a material effect on the Branch's Canadian business model or strategy. The Branch's Canadian operations consist of a small book of life insurance business, and the Branch relies on its Parent for underwriting support, risk management, and many operational functions, with certain functions fulfilled by service providers in Canada. No significant changes to strategy or resource allocation are planned in response to climate risk at the branch level at this time.

At the enterprise level, CVS Health's strategy and financial planning have been influenced by climate-related risks and opportunities across operations, supply chain, and products and services. CVS Health has invested in monitoring systems for extreme climate events, improved business continuity planning in response to severe weather, and incorporated sustainable building operations and energy efficiency initiatives into its capital expenditure programme. These enterprise-level efforts provide the broader framework within which the Branch operates and contribute to the Branch's overall risk resilience.

Given the limited scale of the Branch's Canadian operations, climate-related risks are not expected to have a material effect on the Branch's financial position, performance, or cash flows in the near to medium term. The Branch will continue to monitor its risk profile and reassess this position if the volume or nature of its Canadian business changes materially.

3. Risk Management

3a. Identifying, Assessing, Prioritizing, and Monitoring Climate Risks

At the CVS Health enterprise level, climate related physical risks (such as extreme weather events including flooding, wildfires, and extreme heat) and transition risks (such as technology, market, legal, and reputational risks, as well as current and emerging regulation) are included in the company-wide risk identification and assessment process. Risks identified through this process are assessed qualitatively and quantitatively using a standardized risk matrix (impact × likelihood), with internal subject matter experts reviewing assignments of impact and likelihood for reasonableness, followed by senior management review.

The Branch identifies and assesses climate related risks through its annual FCT and ORSA process, conducted in alignment with the Parent's enterprise risk framework.

This framework is applied consistently to all identified risks, including those related to climate. Monitoring and prioritization of risks is conducted on a semi-annual basis at the enterprise level and on an annual basis as part of the Branch's ORSA cycle, with interim escalation to the Parent if material changes in risk profile are observed.

The Branch's ORSA concluded that the Branch does not have direct climate risk exposures, and that any climate-related risk would be due to downstream impacts on prevailing capital market conditions, assessed within the adverse economic scenarios.

3b. Identifying Climate-Related Opportunities

Climate-related opportunities are considered as part of the broader strategic review conducted through the ORSA process. At the CVS Health enterprise level, climate scenario analysis has been used since 2023 to assess the impact of physical and transition risks and opportunities on the business, strategy, and financial position; this analysis is reviewed and refreshed annually.

At the branch level, no material opportunities specific to Canadian operations have been identified at this time, consistent with the limited scale and nature of current Canadian activity.

3c. Integration with Overall Risk Management

Climate risk is integrated into the Branch's overall risk governance framework as a recognized risk category within the ORSA process. The Branch's risk management approach follows the Parent's ERM framework, adapted to reflect the regulatory requirements and operating context. At the CVS Health enterprise level, identified climate-related risks are assessed and mapped in a likelihood and impact matrix alongside other business risks, maintained in a Risk Register accessible to senior management and reviewed semi-annually by the ERM function with the Audit Committee.

Climate risk is not currently listed as a standalone risk category in a formal risk appetite statement at the Branch level, given the Branch's limited size and activity. It is, however, considered within the broader risk identification and management processes described above. Should the Branch's Canadian operating model change such that climate risks are more pertinent, climate risk integration to a more formal risk appetite framework will be revisited.

4. Metrics and Targets

4a. Climate-Related Metrics

Given the Branch's limited Canadian business, the primary metric used to assess climate-related risk exposure is the volume and nature of in-force business in Canada, including the number of policies, the lines of business written, and the geographic distribution of assumed risk. This metric provides a straightforward indicator of the Branch's potential exposure to both physical and transition climate risks and supports the qualitative risk assessment conducted as part of the ORSA process. The ORSA concluded that climate risks are minimal given the Branch's limited in-force book.

More granular metrics (such as premium concentration in weather-sensitive sectors or exposure by geographic risk zone) are not currently tracked at the branch level, as the Branch's Canadian portfolio is too limited to make such analysis meaningful. These metrics will be considered if the Branch's Canadian activity grows within lines of business with material exposure to climate risks.

4b(i). Scope 1 and Scope 2 GHG Emissions

Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources owned or controlled by the Branch. Scope 2 emissions are indirect GHG emissions from the consumption of purchased electricity, heat, steam, or cooling.

The Branch has a small number of employees based in Canada, who work from third-party office facilities. The Branch does not own or lease any premises in Canada, and the majority of its operational functions are performed from the Parent's offices in the United States or are fulfilled by service

providers in Canada. Accordingly, attributable Scope 1 and Scope 2 GHG emissions (both market-based and location-based) are nil for the fiscal year ended December 31, 2025. No allocation of emissions from Parent or third-party operations has been made, as no portion of those operations is material or directly attributable to the Branch's Canadian activities.

Canadian Branch GHG Emissions Metrics
2025 GHG Scope 1 emissions (metric tons CO ₂ e): 0
2025 GHG Scope 2 emissions (location-based) (metric tons CO ₂ e): 0

The GHG Protocol Corporate Accounting and Reporting Standard has been used as the reference methodology. The boundary applied is operational control. At the CVS Health enterprise level, GHG emissions are calculated in accordance with the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council for Sustainable Development, as well as the Climate Registry's General Reporting Protocol, using an operational control consolidation approach. No data limitations are identified in relation to this branch-level disclosure.

4c. Climate-Related Targets

The Branch has not set formal climate-related targets specific to its Canadian operations. This reflects the Branch's limited scale of Canadian activity and the fact that its Scope 1 and Scope 2 GHG emissions are nil.

At the CVS Health enterprise level, the Parent has set a Science Based Targets initiative (SBTi)-validated net-zero target to reduce absolute Scope 1, 2, and 3 emissions by 47% by 2030 and 90% by 2050 (from a 2019 baseline), and to source 50% of energy from renewable sources by 2040. In 2025, CVS Health achieved a 43% reduction in Scope 1 and 2 GHG emissions from the 2019 baseline, and 33% of energy utilized was from renewable sources.

Elements Not Yet Applicable

The following Annex 2-2 elements are not yet required for this institution's category and have therefore been omitted from this disclosure:

Strategy b)(ii) — Climate Transition Plan: Implementation date is TBD. This element will be addressed when OSFI establishes the applicable implementation date.

Strategy c) — Resilience of Strategy / Scenario Analysis: Implementation date is TBD. This element will be addressed when OSFI establishes the applicable implementation date.

Metrics b)(ii) — Scope 3, Financed, and Insurance-Associated GHG Emissions: Implementation date is fiscal year 2028, consistent with the February 20, 2025 OSFI update aligning with CSSB standards.