



2022

Environmental, Social
and Governance Report

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A Message From Our President and CEO

At The Standard, we help people achieve financial well-being and peace of mind.

Our company was founded in 1906 in Portland, Oregon, with a focus on local service and giving back to the community. We've certainly grown since then, with millions of customers across the country and employees working in almost every state, but we are still guided by this commitment to our customers and our communities.

Honoring that commitment requires financial strength, operational stability, expertise and integrity along with ensuring our actions contribute to a sustainable future.

In this report, you'll learn about some of The Standard's environmental, social and governance activities in 2022 that helped ensure we can always be there for those who rely on us. The report highlights how we support a healthier environment, stronger communities, an inclusive culture and a governance approach aligned with our strong, shared values.

I'm especially pleased with the work we did last year to inventory our greenhouse gas emissions. With this data, we can better understand how our sustainability efforts reduce our carbon footprint. This aligns with our work supporting the United Nations sustainable development goals on climate change.

In addition, you'll learn more about our renewed focus on two other SDGs:

- Sustainable Cities and Communities
- Good Health and Well-Being

Another achievement I'm particularly proud of is our 2022 recognition as a Best Place to Work for Disability Inclusion by the American Association of People with Disabilities and our 100% score on the Disability Equality Index. Helping people who have experienced a disabling event is a core part of our business. Focusing on an inclusive workplace ensures we have the experience and empathy to make a real difference for our customers.

We're excited and energized by this work because it reflects who we are as a company. At The Standard, we strive to take care of our customers and each other, our communities and the environment we all share. We are driven to make a difference.

I'm glad you are taking the time to learn more about how we give back.



A handwritten signature in black ink, which appears to read "Dan McMillan". The signature is fluid and cursive.

Dan McMillan
President and CEO

About This Report

The Environmental, Social and Governance Report spotlights our efforts to ensure the long-term sustainability of the company as well as measure and manage our company's investment in our customers, communities and environment. It also highlights how we create a workplace culture in which each employee is valued and respected.

This report includes relevant information from The Standard about finances, activities, data, statistics and awards related to governance, workplace culture, philanthropy and environmental sustainability for 2022. Some data has been rounded to the nearest decimal.

For questions about this report, contact communityrelations@standard.com.

About StanCorp Financial Group, Inc. and The Standard

A leading provider of financial products and services for employers and individuals, StanCorp Financial Group, Inc., is marketed as The Standard through its subsidiaries:

- Standard Insurance Company
- The Standard Life Insurance Company of New York
- Standard Retirement Services
- StanCorp Mortgage Investors
- StanCorp Investment Advisers
- StanCorp Real Estate
- StanCorp Equities

The Standard offers a range of products and services including:

- Group and individual disability insurance
- Group life and accidental death and dismemberment insurance
- Group dental and group vision insurance
- Voluntary group accident, critical illness and hospital indemnity insurance
- Absence management and paid family leave services
- Retirement plans products and services
- Individual annuities
- Origination and servicing of fixed-rate commercial mortgage loans
- Investment advice

StanCorp Financial Group is a subsidiary of Meiji Yasuda Life Insurance Company, a mutual insurer based in Tokyo, Japan.

Purpose

In business since 1906, The Standard is a family of companies dedicated to helping customers achieve financial well-being and peace of mind.

Headquarters

Portland, Oregon

Demographics

3,585 employees

- 59.2% are female
- 24.9% identify as racially or ethnically diverse
- 7.6% identify as disabled
- 1.2% identify as a military veteran

People leaders

- 49.7% are female
- 13.5% identify as racially or ethnically diverse
- 5.2% identify as disabled
- 1.6% identify as a military veteran

Financial

- \$4.18 billion in annual revenue
- \$59.8 billion in assets under management and administration (as of Dec. 31, 2022)

Governance

Director tenure — average of 6.3 years

Among our seven independent board directors and 13 directors in total:

- 23% are female
- 46% identify as racially or ethnically diverse

Customers

More than 8 million nationwide

Social Focus



Investing in Our Employees

At The Standard, our employees focus their expertise and compassion on personally connecting with and supporting our customers, which translates into a culture of caring and respect. It's a genuinely collaborative atmosphere where employees are inspired to do their best every day.

Sustaining and strengthening this culture is an important aspect of our continued success. The company encourages and supports employees in their efforts to build and enhance their skills, develop fulfilling careers and deliver positive results for our customers, company and communities. Our average employee tenure is 10 years across the company and 16 years for our leadership team. That's well above industry and national benchmarks and a testament to our strong culture.

Talent Attraction, Retention and Development

We believe that people make a difference, especially when they act with integrity and determination. This belief allows us to work as a team to put people first and deliver outstanding customer service. We've created an environment where people are empowered to make good choices.

The Standard is committed to supporting a remote workforce. While we're based in Portland, Oregon, employees in many of our roles can work from anywhere in the U.S. In fact, 77.5% of the 533 new employees The Standard hired in 2022 work in states other than Oregon.

Our company relies on a strong learning culture, with every employee given access to formal and informal educational offerings. We encourage and offer support for everyone to bring curiosity and creativity to all aspects of their work — focusing on continuous improvement of our products and services, work processes and the ways we engage with our communities.

Total Rewards

At The Standard, our people are critical to our success. We are committed to providing a total rewards package that attracts, retains and continuously motivates our employees to be their best. Recognizing that the right work environment to encourage employee engagement and performance varies, we adopted a flexible workplace model. With this approach, the majority of roles are eligible for either fully remote or hybrid work.

Our compensation strategy is performance-driven, providing market-competitive pay plus incentives for all employees and above-market pay and incentives for high performers. We also regularly conduct pay equity assessments to ensure we offer fair and competitive compensation. This approach inspires our people to reach their potential and ultimately drives our company's success.

As a leading provider of group insurance solutions and financial services, we help our clients establish benefit options that attract and retain good employees, and we've taken our own advice in selecting benefits for our employees.

The Standard offers a competitive benefits package to support employee wellness at work as well as away from the job. Benefits and perks include:

Health and Wellness

- Comprehensive medical coverage through PPO and consumer-directed health plans (including an annual employer health savings account contribution)
- Dental and vision insurance
- Enhanced mental health support services
- Short-term and long-term disability insurance, life insurance and supplemental insurance products (Accident, Critical Illness and Hospital Indemnity)
- Expert second medical opinion service

Financial and More

- Annual incentive bonus plans linked to company and individual performance
- 401(k) matching contribution up to 5% of earnings — no vesting required and additional 4% company contribution regardless of employee contribution level
- Home office equipment setup and additional equipment allowance
- Financial wellness support through LifeCents
- Tuition assistance program

Time Away

- Generous PTO accrual
- Company-paid holidays (11 annually)
- Annual wellness days

Parental Benefits

- Dependent care assistance
- Paid parental leave
- Adoption and surrogacy assistance (up to \$5,000)
- Subsidized backup child care

Community Engagement

- Paid volunteer hours and hosted volunteer opportunities
- Company match (two-for-one) on employee contributions to nonprofits and schools
- Employee resource groups

Another key element of employee benefits is The Standard Recognition Program, which supports our performance-driven culture with broader and more frequent recognition across the company for achievements in key performance areas. Through the program, employees at all levels can award points to recognize colleagues and team members for key behaviors and results as well as continuous improvement efforts and other achievements that embody the company's values. Employees can redeem their accumulated award points for merchandise and experiences. The company also recognizes and rewards milestone service anniversaries and outstanding employee volunteer service in our communities.

The Standard's Commitment to DEI

Taking a holistic, people-centered approach is how we do business at The Standard. It's part of our culture and affects every decision we make — including how we support diversity, equity and inclusion. Our commitment to DEI is essential to how we serve our customers, strengthen our communities and attract and keep the best employees.

Our Customer Focus

A critical aspect of our business is working to meet the diverse needs of our customers including the employees of employers who purchase our group products and services. Accessibility is a key part of that focus. It encompasses multi-language support for customers who contact our call center. It involves making communications accessible by complying with Web Content Accessibility Guidelines, or WCAG, 2.0. Doing so yields materials that allow customers to find, understand and use information the first time they encounter it.

We continue to focus on inclusive product development. This allows more customers to easily access our benefits. Our best-in-class Workplace PossibilitiesSM program relies on a whole-person approach to employee disability, meeting people where they are. It also has a proven track record in return-to-work and stay-at-work support.

Employees on short-term disability can use our Health Advocate service, which provides a personal advocate to help navigate the health care system. When it comes

to how we handle claims, we're improving our model for social determinants of health as part of our commitment to identify and address health inequities among our customers.

All these efforts are helping us achieve our goal of being there for our customers when they need us.

Our Employee Focus

At The Standard, we continue making progress on DEI in our workplace. We strive to maintain a welcoming environment where everyone can bring their authentic selves to work, making it easier for our employees to be there for those who rely on our products and services.

In 2022, we launched the Compass Mentoring Program to connect employees from underrepresented groups with senior leaders. These senior leaders provide feedback, development planning and mentoring to help drive career growth. Based on positive feedback, the program will be expanded in 2023.

We've updated our HR record system to give candidates and employees a more inclusive experience. These changes include nonbinary gender identification and personal pronoun options. We also continue to invest in our employee resource groups, which connect with members regarding career, culture and community.

Our DEI Achievements

Our people-centered approach led to external recognition for our DEI efforts. For six consecutive years, we've received a perfect score of 100 on the Human Rights Campaign Foundation's Corporate Equality Index. This acknowledges our commitment to corporate policies and practices related to workplace equity for LGBTQ+ people. In 2022, we scored 100% on the Disability Equality Index and our company was listed as a Best Place to Work for Disability Inclusion.

Dan McMillan, president and CEO of The Standard, is one of 2,400 CEOs who signed the CEO Action for Diversity and Inclusion initiative. Dan has pledged to cultivate open dialogue, provide training, share best practices and engage our board of directors in our DEI work.

Our Vision

DEI goes hand in hand with our people-centered focus. We're seeing it positively transform our business, industry and workplace. The Standard is committed to building a better future for all our customers, communities and employees. To get there, we'll continue to work toward greater DEI in all aspects of our business.

Diversity, Equity and Inclusion Steering Committee

The Standard's Diversity, Equity and Inclusion Steering Committee, composed of senior leaders from across the company, was established in 2015. The committee ensures diversity and inclusion activities are aligned with The Standard's overall business strategy and

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Black Insurance Industry Collective



BLACK INSURANCE INDUSTRY COLLECTIVE

The Standard is a founding sponsor of the Black Insurance Industry Collective, the first industry-fueled effort solely dedicated to the development of Black professionals.

"Whether you are a recent college graduate exploring career opportunities in the insurance industry or a mid-level professional seeking opportunities to lead, great careers rarely happen by accident," said Dickson Kamasale, senior director of IT Finance at The Standard. "For Black professionals, having access to supportive industry networks, mentoring opportunities and training is critical."

In 2019, the percentage of Black Americans in the insurance workforce was about 12.4%. A group of racially diverse insurance industry leaders gathered in 2020 to address the challenge and the result was the creation of BIIC.

BIIC aims to accelerate the advancement of Black professionals with the goal of increasing representation of Black leaders in mid-level to executive roles in the insurance industry. BIIC offers:

- A tailored leadership development program for emerging leaders
- Sponsorship and mentoring opportunities
- Educational webinars such as "Black Authenticity at Work" and "An Overview of Career Opportunities in Insurance"
- A four-day Executive Leadership Program designed specifically for Black professionals in the industry

This sponsorship is part of The Standard's multiyear commitment to increase representation and advancement of Black professionals in the insurance industry.

Morgan State University Actuarial Scholarship Program



Courtesy of Morgan State University

Actuarial science — using mathematical and statistical methods to assess risk — is a cornerstone of our company’s success and an in-demand skillset across industries. Historically, there have been barriers to diversity in the discipline, including lack of awareness about career options among traditionally underrepresented groups as well as financial barriers for professional exam materials and credentialing fees for those who choose this career track.

As part of a larger effort to foster diversity in the actuarial community, employees in the Actuarial Community of Practice at The Standard proposed creating an actuarial scholarship at a Historically Black College or University to enhance access to the profession and simultaneously raise awareness about The Standard as a future employer.

The ACoP contacted Morgan State University in Baltimore, Maryland. MSU is the only HBCU offering a Bachelor of Science in actuarial science and a Bachelor of Science in mathematics with a minor in actuarial science.

Together, The Standard and MSU developed a program to support underserved students with financial need and to provide a renewable four-year scholarship for those pursuing a career as an actuary. In addition to financial support, the scholarship program includes a paid internship opportunity at The Standard, allowing participants to earn money working part-time during the school year or over the summer.

“The Morgan State scholarship is a significant next step in our DEI journey,” said Sally Manafi, vice president, corporate actuary and chief risk officer at The Standard. “It reinforces our shared commitment to diversity, sends a clear message about our company values, supports our recruiting efforts and helps energize and strengthen our actuarial community.”

helps standardize HR and talent acquisition practices that accelerate efforts to meet our diversity goals. The committee also creates strategic accountability for results, offers governance and oversight on diversity efforts and promotes companywide communication on progress.

Employee Resource Groups

The Standard's employee resource groups, each with an executive sponsor and funding, engage members and the broader company through three pillars:

- **Career** — How are we helping members enhance their careers? How can we be a talent engine for the company?
- **Culture** — How are we creating connection and a sense of belonging? How are we contributing to everyone feeling welcome at The Standard?
- **Community** — How are we connecting and getting involved with the communities where we live and work?

Each ERG brings together people who want to make a difference in specific areas that benefit our company and our community.

Celebrating Racial and Ethnic Diversity, or CRED

Mission: Honoring the diverse heritage and cultural backgrounds of the employee community at The Standard.

2022 membership: 269

Human Rights Campaign Foundation's Corporate Equality Index

For the sixth consecutive year, The Standard received a score of 100 on the Human Rights Campaign Foundation's 2022 Corporate Equality Index, the nation's foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.

The results of the 2022 CEI showcase how U.S.-based companies are not only promoting LGBTQ+ friendly workplace policies in the U.S., but also for the 57% of CEI-rated companies with global operations who are helping advance LGBTQ+ inclusion in workplaces abroad. The Standard's efforts in satisfying all the CEI's criteria earned a 100% ranking and designation as one of the Best Places to Work in 2022.

The CEI rates companies on detailed criteria falling under four central pillars:

- Nondiscrimination policies across business entities
- Equitable benefits for LGBTQ+ workers and their families
- Supporting an inclusive culture
- Corporate social responsibility



Green Team

Mission: Promoting business practices and employee actions that further efforts to create a sustainable future for our company, our communities and our environment.

2022 membership: 92

Money\$mart

Mission: Inspiring employees of The Standard to meet their financial goals.

2022 membership: 424

Parents Working Together

Mission: Valuing people collaborating, sharing parenting resources and celebrating family milestones.

2022 membership: 232

Partners in Mind

Mission: Supporting healthy minds and well-being through awareness, education and building community.

2022 membership: 105

The Standard Employees Recognizing Veterans, or SERV

Mission: Supporting veteran employees and their family members.

2022 membership: 60

StandOUT

Mission: Cultivating LGBTQ+ inclusion at The Standard and in the community.

2022 membership: 146

Women's Career Network

Mission: Offering members opportunities to foster personal and professional growth through networking events, educational seminars and community volunteer opportunities.

2022 membership: 353

ERGs Making a Difference — Spotlight on Programming

Mental health awareness

Partners in Mind collaborated with CRED, Parents Working Together, SERV, StandOUT and Women's Career Network to host two discussion sessions about the impact of the pandemic on daily life. As part of a series about mental health, the discussion provided a space for employees from diverse populations including people of color, working parents, individuals with mental health concerns, veterans, LGBTQ+ individuals, women and people with disabilities to share their individual experiences.

SERV and Partners in Mind hosted a Fitness Challenge for mental health, which encouraged employees to exercise regularly for improved emotional and mental wellness.

Partners in Mind also sponsored a walk for employees of The Standard to support mental health awareness benefiting the National Alliance on Mental Illness.

Virtual book drive

CRED, Parents Working Together and StandOUT partnered in 2022 to host a fundraising drive to

promote diverse representation in children's literature. The effort raised more than \$16,000 for SMART Reading, a statewide literacy nonprofit. SMART Reading's "A Story Like Mine" initiative aims to fill children's homes and lives with beautiful, engaging books to help them develop literacy skills they need to succeed in school. Studies confirm that children and families engage more with books when they can see themselves reflected in the pages they read and when they have access to books in their home language. As a result of these efforts, SMART Reading purchased more than 650 inclusive book bundles.

Pride Month

StandOUT partnered with the Green Team and Partners in Mind to celebrate Pride Month with a series of events.

StandOUT and the Green Team led a volunteer cleanup of downtown Portland just ahead of the Portland Pride Parade.

Partners in Mind co-sponsored a two-part discussion in June about the emotional effects of proposed legislation in some states restricting LGBTQ+ people, targeting their freedom of expression, the safety of transgender students and access to health for gender dysphoria. This ended with a national online celebration for employees and in-person participation in the Portland Pride Parade.

United Nations Sustainable Development Goals

The Standard believes that businesses have a critical role to play to help achieve the United Nations Sustainable Development Goals, which frame broad societal objectives for the world's most pressing social, environmental and economic challenges. We have identified three SDGs that offer the greatest opportunity to make a difference given their relevance to our business.



The SDGs are a call for action by all countries to promote prosperity while protecting the planet. They recognize that ending poverty must go hand in hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities while tackling climate change.

Communities

The company that would become The Standard was founded in 1906 based on two radical ideas for the time: provide local services for customers and contribute to the well-being of the community. Our company has grown considerably since those early days, but our dual focus — delivering exceptional customer service and bettering the places where we live and work — continues to guide us today.

At The Standard, our business purpose is to help people achieve financial well-being and peace of mind. Our company exists to help people, with our employees as the backbone of that culture of caring. Whether through volunteerism, serving on a nonprofit or civic board or giving generously through the Employee Giving Campaign, employees at The Standard are at the center of everything we do to support our communities.

Giving and Other Key Data Points

2022 Total Giving

- \$7.2 million

2022 Employee Giving Campaign

- \$5.5 million donated, including two-for-one company match
- 1,600 employees participated
- 2,168 nonprofit organizations and schools supported

2022 Employee Engagement

- 47 senior leaders served on nonprofit and civic boards
- 15 grants awarded through Dollar for Doers program for employees providing exceptional nonprofit service

The Standard has been deepening and expanding relationships with several BIPOC-led organizations focused on racial equality, economic empowerment, housing and diverse storytelling. We are committed to using our corporate philanthropy in partnership with these populations to uplift their communities.

Historically, organizations led by and focused on people of color receive less than 8% of all philanthropic giving in the United States, despite the increasingly diverse population across the country. In 2021, The Standard and The Standard Charitable Foundation increased funding for these organizations to 21% of our overall giving total.

Community Partner Spotlight — Native American Youth and Family Center



Courtesy of Carleton Hart Architecture PC

A more than 50-year-old apartment complex in Portland, Oregon, will get a new lease on life thanks in part to support from The Standard. Tistil Village, a redevelopment project by the Native American Youth and Family Center, received a \$750,000 affordable housing subsidy from The Standard and the Federal Home Loan Bank of Des Moines toward the reconstruction project.

Built in the 1970s, Tistil Village's existing 34 units will be demolished to construct a new three-story, 63,000 square-foot project with 57 affordable units targeted to serve Native American families including

those experiencing homelessness. The \$29 million reconstruction is in the Portsmouth neighborhood of North Portland. The project was developed by Native housing leaders who envisioned thriving Native community members living in housing they can be proud of and that will heal their community. Native American art will be prominently featured and outdoor spaces include a play area, seating, community gardens and a plaza. Other amenities include easy bus access, grocery stores, health clinics, parks and a community center within walking distance.

Groundbreaking is anticipated for spring 2023.

Supplier Diversity

The Standard is committed to offering meaningful opportunities for diverse vendors to compete for business through our supplier diversity program. We recognize that buying products and services from businesses that reflect the demographics of our markets contributes to the sustainability of communities as well as our company.

The Standard is a proud member of several certifying organizations: the National LGBT Chamber of Commerce, National Minority Supplier Development Council and Women's Business Enterprise National Council.

Diverse Supplier Spotlight

Grady Britton — a woman-owned, values-based full-service marketing agency in Portland, Oregon — has been putting thoughtful, informed advertising, PR, digital, media and planning capabilities to work for The Standard for nearly five years. Grady Britton's purpose is to find the truth inside a brand and share that story with the world. Amy Malagamba, assistant vice president of Marketing at The Standard, commented on the supplier's relationship with our company: "Grady Britton is a true partner, helping us share engaging stories about our brand, our products and our people. We value their insights and creative solutions as well as their passion."

Corporate Giving

Corporate giving at The Standard is focused on four areas: healthy communities, disability and empowerment, cultural development, and education and advancement.

Healthy Communities

Strong, vibrant communities are a critical source of security for all residents. We fund organizations that provide support, training and rehabilitation to individuals and families facing significant challenges. We also fund programs that help individuals and families develop capabilities to increase self-sufficiency.



Partnership spotlight: As a large, private employer with an outsized presence in Portland, The Standard continues to seek opportunities to help revitalize downtown and bring residents together in meaningful ways. The company was a proud sponsor of the Portland Parks Foundation's PASEO, a three-day festival in July. PASEO filled the city's Director Park and South Park Blocks with music, dance, spoken word and other creative performances along with yoga and healthful family activities. It also brought together diverse cultural nonprofits from around the city.



Courtesy of FACT Oregon

Disability and Empowerment

Disability insurance is one of The Standard's core products, helping people overcome hardships and empowering them to succeed. The Standard supports organizations that help people with disabilities thrive independently and overcome barriers to social and economic success. We also support programs that provide relief during transitions to independent living.

Partnership spotlight: Studies indicate that youth with disabilities are far less likely to engage in physical activity or organized sports than their non-disabled peers. The Standard partnered with FACT Oregon, a statewide organization that empowers families experiencing disability in their pursuit of a whole life by expanding awareness, growing community and equipping individuals to participate in the All Ability Tri4Youth. The Tri4Youth series of events helps families and disabled youth build a practice of fitness into their daily lives and increase access to community-based sports and recreation. In 2022, All Ability Tri4Youth events included a virtual fitness challenge and an in-person bike-run.

Cultural Development

Arts and cultural organizations play a major role in vibrant communities. The Standard supports organizations that offer multicultural art programs and provide enhanced access for the community including underserved members. Specifically, we fund and encourage programs that build audiences and promote the arts through education, interactive media and artistic excellence.

Partnership spotlight: The Standard is a long-time supporter of Literary Arts, a community-based organization with a mission to engage readers, support writers and inspire the next generation with great literature. Support from The Standard funded an in-person visit and reading by writer Brit Bennett, author of *New York Times* bestselling novels "The Mothers" and "The Vanishing Half." Bennett's visit was part of the Literary Arts Portland Arts & Lectures series.



Courtesy of Literary Arts

Education and Advancement

The future health and well-being of our communities is in the hands of children who are the workers, innovators, leaders and artists of tomorrow. We fund organizations that foster strategic learning initiatives to better prepare children for success. We emphasize programs that strengthen the quality of education, including early childhood learning and workforce development.

Partnership spotlight: Junior Achievement is a worldwide organization giving young people the knowledge and skills they need to reach their full potential. In 2022, support from The Standard benefited JA Finance Park, the organization’s flagship financial literacy program that provides students in middle school and high school with critical skills related to budgeting, investing, insurance and purchasing a home. The program blends teacher-led curriculum with a culminating simulation day.



Courtesy of Junior Achievement of Oregon & SW Washington

The Standard Charitable Foundation

In 2006, The Standard celebrated its 100th anniversary. To mark the occasion — and properly honor our rich legacy of corporate philanthropy — we launched The Standard Charitable Foundation. The mission of the foundation is to make a positive difference in the communities we serve by supporting community development, education and disability organizations. The foundation places special emphasis on helping individuals and families who have experienced a major disability or the loss of a loved one.

Over the past 17 years, The Standard Charitable Foundation has granted more than \$2.2 million to nonprofit organizations that are making a difference in our communities.

In 2022, The Standard Charitable Foundation funded these four organizations with grants totaling \$150,000:

- **De La Salle North Catholic High School — campus expansion**

De La Salle North Catholic High School serves a racially diverse community of capable and motivated college-bound students primarily from north and northeast Portland who would not otherwise have access to reliable college preparatory education.

- **Micro Enterprise Services of Oregon — coaching, marketing and education for minority- and women-owned small businesses**

The mission of MESO is to elevate and empower historically excluded and under-resourced entrepreneurs with tailored business assistance and flexible capital to build family wealth through small business ownership.

- **Portland State University Foundation — professorship in analytics**

PSU Foundation works to advance Portland State University through relationships, community connections and philanthropy.

- **Youth Villages — LifeSet program offering specialized transitional services for foster youth**

Youth Villages is one of the country’s largest and most innovative providers of children’s emotional, mental and behavioral health services.

Employee Giving

Maximizing the talent, generosity and commitment of employees.

Employee Giving Campaign

The Employee Giving Campaign — a signature event at The Standard — encourages employees to give to the causes they care about most. The Standard offers a dollar-for-dollar match of employee contributions — up to \$5,000 — to any eligible nonprofit or school. In 2022, our parent company, Meiji Yasuda Life Insurance Company, offered a second match.

Even with the continuing challenges presented by the pandemic, employees and retirees of The Standard raised \$5.6 million for 2,200 schools and nonprofit organizations during the 2022 EGC.

Top donation recipients from the 2022 EGC:

1. Trillium Family Services — \$205,000
2. Oregon Food Bank — \$142,000
3. Oregon Humane Society — \$60,000
4. Lines for Life — \$58,000
5. National Alliance on Mental Illness — \$51,000

Denim Impact Fund

To celebrate our centennial anniversary, the company gave a gift to our communities — the Jeans Days program. This unique program allowed employees to donate \$100 in exchange for wearing jeans on Fridays. The money was pooled, matched by the company during the EGC and then given to nonprofit partners selected each year.

Denim Impact Fund Partner Uses Donations to Prioritize Student Safety



One of nation's most effective youth development nonprofits, Self Enhancement, Inc., completed a critical building security upgrade thanks to more than \$315,000 in Denim Impact Fund donations. Located in north Portland, SEI is Oregon's largest Black-led nonprofit serving the Black community, dedicated to guiding underserved youth to realize their full potential.

SEI unveiled a newly renovated, state-of-the-art lobby entrance area at the Center for Self Enhancement, Inc. Now known as the Atrium, the clear glass enclosure allows SEI staff to see guests

as they approach. A built-in, two-way speaker system enables communication from the front desk to visitors seeking access to SEI. A keycard entry system ensures that only credentialed students and staff can access the main doors at the center. In addition, video surveillance adds another layer of protection to combat growing safety concerns at schools and youth-care programs across America.

SEI received more than \$315,000 as a Denim Impact Fund partner during the 2020 Employee Giving Campaign.

At a time when office dress codes across the industry were a little more prescribed, it was a big hit and during the past 16 years the program raised more than \$5 million for partner organizations.

EGC organizers announced a new program in 2021 — the Denim Impact Fund — which preserves the best of the old program while updating it to better meet the moment. Participants donate \$100 to fund nonprofit partners and receive a special T-shirt as well as join a community of others who want to make a “DIF-ference.” Of course, participants can still wear jeans when they’re in the office. During the 2022 EGC, we raised more than \$358,000 for these Denim Impact Fund partners focused on youth behavioral health and crisis intervention:

- Trillium Family Services — \$205,000
- Lines for Life — \$58,000
- National Alliance on Mental Illness — \$51,000
- Lighthouse Youth and Family Services — \$19,000
- Mental Health Association of Westchester — \$13,000
- Humankind — \$13,000

Volunteerism

The Standard provides employees with annual paid time off to volunteer. Many employees use those hours to support community partners including schools, hunger relief organizations, literacy programs and many other worthy groups. The company also celebrates volunteerism by providing Dollars for Doers grants and

a quarterly volunteer award for exceptional employee volunteer service.



Volunteer Expo

For 15 years, The Standard has hosted the Volunteer Expo — an event celebrating the spirit of community by connecting employees and members of the public with local nonprofits seeking volunteers. Over its lifetime, the Volunteer Expo has connected thousands of participants with hundreds of nonprofits.

In 2022, the Volunteer Expo was held in person for the first time since 2020. The Virtual Volunteer Expo website — standard.com/volunteer — features more than 100 nonprofit organizations and is available year-round to help connect employees and members of the public with volunteer opportunities where they can share their skills and passion.



Board Service

The Standard expects officers of the company to serve on at least one civic, school or nonprofit board, and provides training opportunities for all employees interested in developing the expertise needed to be a successful board member. In 2022, many employees took advantage of our annual board training and nearly 50 of our senior leaders served on one or more nonprofit or civic boards.

Investments and Tax Credit Investment Programs

The investments for our nearly \$60 billion portfolio represent an important part of our footprint. It's also an opportunity for our actions to be guided by our values.

ESG Bonds

In recent years, ESG bonds have become a small but growing component of our investment strategy. ESG bonds offer many of the same benefits as traditional bonds, with additional ESG objectives to use investment dollars for to make a positive difference.

During 2022, The Standard purchased ESG bonds with a book value of about \$188 million. Although our ESG bond holdings represent a small portion of our overall bond portfolio, ESG bonds are part of how we meet the obligations and promises we make to our customers and achieve ESG objectives.

ESG bonds investments held by The Standard support a myriad of projects including low-cost, long-term financing for commercial and residential property owners to fund energy efficiency, water conservation and renewable energy projects including solar.

Targeted Tax Credit Programs

Through targeted tax credit investment programs, The Standard invests in projects across the country that reinforce the company's strong commitment to reducing inequalities and fostering healthier communities. The company is guided in this work by a philosophy of forming strong local and community

relationships, collaborating with affiliates and partnering with nonprofits and community organizations.

The Standard commits capital to investments in low-income communities that need housing and related infrastructure investment. The company invests in four types of projects:

- Low-income housing tax credit, or LIHTC, projects — Subsidizes the acquisition, construction and rehabilitation of affordable rental housing for low- and moderate-income tenants.
- New market tax credit, or NMTC, projects — Uses tax credits to make investments in distressed communities.
- Historical tax rehabilitation credit, or HTRC, projects — Investments to convert designated historical structures into useable housing, generally in areas where housing is in short supply.
- Opportunity zone, or OZ, projects — Investments in an economically distressed area as determined by federal and state agencies. OZ projects can embrace a broad spectrum of businesses intended to spur employment and economic development.

The centerpiece of our strategy was sourcing the LIHTC and NMTC investments in designated OZs where possible to maximize our contributions and impact.

The Standard has been investing and building this portfolio for more than two decades. In total, we have contributed approximately \$695 million to these projects, with more than \$76.8 million contributed between 2021 and 2022 alone. These projects promote important public policy goals designated by lawmakers primarily focused on the creation and preservation of affordable housing and enhancement of economic opportunities in low-income communities across the nation.

New Market Investments

The Standard's investments in New Market Tax Credit projects are directly channeled into low-income areas, resulting in profound benefits to the entire community. The Standard contributed funds directly into Community Development Entities, which are special-purpose entities expressly authorized to invest in qualifying projects as determined by supervising federal and state government agencies. We committed capital of approximately \$20 million to five specific projects spanning from 2020 to 2025:

- **Corning, California** — Develop two desperately needed medical buildings, a community center and an administration building for the Paskenta Band of Nomlaki Indians.
- **Longview, Texas** — Expand a facility that manufactures air conditioning and heating equipment in a severely distressed low-income area, leading to significant job creation at a livable wage (\$45,000 per year plus benefits) for low-income workers.

Opportunity Zone Investment — Crenshaw Lofts Project



Courtesy of SoLa Impact

The Standard and developer SoLa Impact are partnering on the construction of a \$75 million, 95-unit apartment building south of Los Angeles in the Crenshaw Corridor, an economically distressed area as determined by supervising federal and state government agencies. The Standard invested \$11 million in the multistory, multifamily, multiuse

building known as Crenshaw Lofts. A significant portion of the units will be set aside for low-income tenants who will have access to workforce training, job placement, financial literacy and educational opportunities. Construction began in December 2022.

- **Anchorage, Alaska** — Construct and operate broadband capacity, providing internet access to 23,800 Eskimo residents in 36 of the most remote communities in the U.S.
- **Orlando, Florida** — Support the financing and expansion of ongoing operations at Vestagen Protective Technologies, which manufactures Active Barrier Apparel (protective apparel) as a replacement to regular everyday hospital apparel. (Along with other benefits, the apparel repels splatter of dangerous fluids.) The manufacturing expansion is located in a severely distressed economic tract and will provide needed protective wear for the medical community and first responders.
- **Waianae, Hawaii** — Construct a federally qualified health care center in the Nanakuli Commercial Center designed to meet the needs of a primarily native Hawaiian community, including an expansion of general health care and specialized care for women along with diabetic, pediatric and behavioral health services.

Environmental Focus



Championing Sustainability

The Standard has a legacy of sustainability and an environmental focus. One of the most visible elements of this commitment began nearly 25 years ago when a group of employees shared their vision for the future of sustainability at the company. They participated in a discussion course offered by the Northwest Earth Institute and soon formed The Standard's first employee resource group, the Green Team, to deliver on a shared vision of supporting environmental protection efforts at work and in our communities.

The Standard continues prioritizing and strengthening initiatives that protect the environment and combat climate change, recognizing that the health and security of our customers and employees as well as our business success are linked to the health of the planet.

Sustainability at Work

Ensuring we leave our company, our communities and our planet better than when we found them guides the commitment of the Green Team, company leaders and all employees in sustainable business practices that reduce our environmental footprint.

Energy

During 2022, The Standard purchased 11,076,988 kilowatt hours of renewable clean wind energy to power our home office buildings in Portland and at our nearby campus in Hillsboro, Oregon. Computers, monitors and printers are set to sleep after inactivity, and linear lighting in offices uses motion-sensor technology and high-efficiency LED bulbs.

Trash and Recycling Centralization Project Reduces Waste



Trash is a big problem for the planet, especially plastic trash. Discarded plastics are piling up and threatening ecosystems. Worse, microplastics — the tiny, toxic particles of degrading plastics — have been found almost everywhere.

Thanks to the tireless advocacy of the Green Team employee resource group, in collaboration with the company's Facilities team, The Standard's trash and recycling centralization project resulted in less plastic, fewer garbage cans and cost savings.

One of the biggest wins for the project was the removal of more than 1,000 individual trash cans in

The Standard's home offices in favor of centralized trash and recycling stations located on each floor.

The goal was to greatly reduce the amount of plastic waste generated by individual cans. A typical office floor contains more than 100 individual garbage cans. Previously, cleaning crews inspected every garbage can on every floor each weeknight. If crews found so much as one piece of trash — a tissue, a coffee cup, a napkin — they removed the plastic liner, threw it into the trash and added a new liner. That alone created a lot of unnecessary plastic waste.

Under the new program implemented in 2022, employees deposit trash and recycled items (glass, plastics, cans and newspapers) in centralized bins. The stations are near printers and copy machines on every office floor. The project greatly reduces the amount of plastics and other recyclables improperly discarded, eliminates unnecessary waste, encourages employees to move and interact with others more often during the day and saves the company money by allowing cleaning crews to focus on higher-value custodial tasks.

Housed in a building that meets several LEED standards, the company's data center sources 38% of the required electricity from renewable resources. It also incorporates features that make it significantly more energy efficient than traditional data centers including LED lighting, motion sensors and energy-efficient cooling technology.

Active Transportation

Throughout 2022, most employees of The Standard continued to work from home. Prior to the pandemic, 60% of The Standard's Oregon workforce walked, biked, carpoled or took public transit to work. Subsidies and reimbursement were offered to employees who use public transit or carpool to work. Electric vehicle charging stations are available in our home office parking garages. Sheltered and secure bike parking is available at many offices, along with locker room and shower facilities to make bike commuting even easier.

Water

Restrooms use low-flow, automatic sensor faucets and locker room facilities use low-flow shower heads. Most landscaping at the home office consists of native and drought-tolerant plants.

Climate

We recognize our company has an associated carbon footprint through daily business operations and we continually work to assess, reduce and mitigate these emissions while simultaneously reducing costs and improving operational efficiencies.

Printer Consolidation — Reducing Expense and Paper Usage



Centralized printers and using paper with 100% recycled content are the default on all floors in home office buildings, replacing deskside printers and decreasing both electricity usage and the total volume of unnecessary printing. Print volumes have decreased over the past several years, driven initially by digitization of work processes followed by an even sharper decline as most employees moved to working remotely. As a result, The Standard consolidated and significantly reduced the number of printers in our fleet, which in turn will reduce operating expenses and continue to reduce paper usage across the company. Additionally, some floors where there has been little to no print activity will be entirely printer-free.

Travel

Commuting and business travel, which both increased during 2022 as the pandemic eased, have traditionally been large components of The Standard's carbon footprint. For staff commuting prior to the pandemic, the organization made significant strides to reduce the amount of single-occupancy vehicle trips. Nearly 60% of The Standard's Oregon employees walked, biked, carpoled or took transit as their primary commute method.

Business travel for all purposes, which resumed in spring 2022, also represents a large portion of annual carbon emissions. The Standard continues to use audio and video telecommunications services — including Microsoft Teams and Zoom — to communicate effectively with stakeholders, customers and vendor partners where appropriate. We remain focused on further reducing unnecessary air and road travel.

Buildings

Company-owned facilities were upgraded to include measures that reduce electrical, heating and cooling demands.

The Standard Plaza in downtown Portland is Energy Star rated by the Environmental Protection Agency. Its high-energy efficiency reduces annual electricity consumption by nearly 500,000 kilowatt hours. In 2009, two of our Oregon headquarters facilities were awarded LEED Gold status.

As described in the Energy section, our company data center is also significantly more energy efficient than traditional data centers.

Climate Change

Climate change remains a serious challenge for the world, and our company and employees play a role in addressing it. We recognize our company has an associated carbon footprint through daily business operations and we continually work to assess, reduce and mitigate these emissions while simultaneously reducing costs and improving operational efficiencies. Our largest direct impact is the energy used to power our facilities.

In 2022, The Standard retained Deloitte to undertake a greenhouse gas, or GHG, inventory. With 2021 designated as a baseline year, The Standard did a calculation of scope 1 and 2 emissions. Scope 1 are direct greenhouse emissions that occur from sources that are controlled or owned by the company. Scope 2 are indirect emissions associated with the purchase of electricity, steam, heat or cooling. Our greenhouse emissions are calculated in line with the standard GHG reporting protocol.

The Standard remains committed to reducing its carbon footprint and our efforts over the past decade are making a difference. The company's 2021 location-based emissions are 50% lower than the first study measuring emissions conducted in 2008. We attribute the decline to two key factors including renewable energy certificates and enhanced energy efficiency efforts in company-owned real estate.

Greenhouse Gas Emissions (2021 base year)*

Scope 1 direct emissions

1,403.8

(metric tons CO₂e)

Scope 2 emissions (market-based)

1,908.6

(metric tons CO₂e)

Total Scope 1 and 2 emissions

3,312.4

(metric tons CO₂e)

Emissions including RECs** per FTE

1.02

(metric tons CO₂e per person)

Greenhouse Gas Emissions by Source (2021)

Scope 1

86%

Stationary combustion

14%

Fugitive emissions

Scope 2 (market-based)

99.6%

Purchased electricity

0.4%

Purchased steam

* U.S. operations

**Renewable Energy Certificates

Key GHG Emissions Takeaways

- 2021 location-based emissions are 50% lower than in 2008
- Emissions are tied primarily to company-owned facilities and energy sources
- Further reductions are anticipated through sustainable energy sources and reduced consumption

Enterprise Risk Management: Focused on Climate Change

Through a focused enterprise risk management program, The Standard identified current and anticipated risks that climate change poses to our company. As our core products are life and disability insurance, The Standard is not directly exposed to the potential physical effects of climate change in the same way as, for example, a property and casualty insurer. However, we do business across the United States and there are many indirect risks associated with climate change including:

- Increased mortality
- Increased morbidity
- Pressure on the businesses of our customer base
- Property damage or property value degradation due to severe weather
- Regulatory, litigation, competitiveness and reputational risks to the investments we purchase
- General operations risks — scarce energy, IT systems failures, workforce planning and business continuity

The Standard employs a process for identifying risks related to climate change and assessing the degree to which climate change could affect our business, including financial implications. The company incorporates the study of economic, demographic and environmental trends — all of which may be affected by climate change — in its regular enterprise risk

management activities. These activities include pricing and underwriting group insurance cases, diversifying and monitoring the investment and commercial mortgage portfolio, testing reserve adequacy and improving the efficiency and sustainability of business operations.

Meiji Yasuda Group Sustainability Policy

Meiji Yasuda Life Insurance Company, the parent organization of The Standard, adopted a group sustainability policy centered on our shared goals for stewardship and corporate citizenship. The policy specifically expresses our commitment to a sustainable society through efforts to strengthen local communities, support diverse and respectful workplaces, combat climate change and conduct business ethically.

Governance Focus



At The Standard, sound governance is the foundation for our shared values and responsible business practices to support a sustainable future for our company, customers, employees and communities.

Responsible Investing

Our investment philosophy ensures we meet the obligations and promises we make to our customers in alignment with statutory investment requirements. The primary objectives for our investment portfolio are to meet the asset/liability management needs of the company and to generate optimal risk-adjusted returns over time. Maintaining a long-term perspective is core to our overall investment philosophy. Risk management, both in terms of bottom-up credit risk and top-down portfolio risk, is paramount for yield maximization over time.

As a buy-and-hold investor with a long-term perspective, we strive to look beyond quarterly results to incorporate secular trends and company-specific risks that may materialize over an extended period. As such, The Standard incorporates the analysis of environmental, social and governance factors into our holistic credit underwriting and portfolio management practices. By their nature, such factors generally represent longer-term risks and opportunities that fit well within our investment strategy.

The Standard uses outside investment managers for specific portions of the portfolio when it's too difficult or costly to build the expertise on our own. We use three managers who are each a signatory of the

Principles for Responsible Investment supported by the United Nations. These managers have agreed to certain principles for reporting and assessing ESG factors and incorporating them into the investment processes.

Business Conduct Guide

The Standard is well known for integrity and high ethical standards. Integrity is ingrained in our company culture, and our reputation is the result of the daily decisions employees make regarding how they do their jobs and interact with colleagues, customers and members of the public.

Good judgment, honesty and sound business ethics are the basic principles that inform every employee's conduct, from new employees to the chief executive officer. These principles require us to avoid conflicts of interest between our work and personal interests, comply with all laws and regulations that govern our business, and be honest and fair in all our work activities and relationships.

Our Business Conduct Guide is our ethical roadmap. All employees are required to complete an annual training module as a reminder of the legal and ethical standards that govern and influence all our business activities.

Since it's the nature of business for things to not always be clearly defined, there's a limit to specific scenarios any business conduct guide can cover. That's why we provide ongoing and comprehensive training modules to ensure we never waver in our commitment to ethical decision-making. Our Business Conduct Guide is

designed to empower each employee to make the right decision whatever the circumstance. We encourage employees to use their own ethical barometer and direct them to resources and leaders who can assist when ambiguities occur.

For senior executives and the board of directors, our expectations are even greater. These guidelines are outlined in a separate Code of Business Conduct and Ethics maintained by our corporate secretary.

Ultimately, we're each responsible for our own conduct in alignment with our strong company values.

Information Security and Customer Privacy

As a company built on trust, The Standard is dedicated to protecting the confidential information of our customers, partners and employees. In the normal course of providing and administering services for our clients, we obtain, create and maintain a substantial amount of personally identifiable information.

Framework

Our information security management system is International Organization for Standardization 27001:2013 certified. We adhere to policies and standards compliant with ISO 27001, which specifically address privacy and security as well as data classification, operational management, data processing, access control, auditing and corrective and preventive measures. The Standard also goes through rigorous independent third-party SOC 2 Type 2 audits conducted by a reputable certified public accountant firm and maintains a SOC2 Type 2 Attestation.



Information Security Team

The Standard has an established information security team and chief information security officer dedicated to information security risk identification, assessment, education and advisory services for the organization. This team also coordinates companywide security and privacy incident response.

Network Protection

The Standard uses firewalls and other mechanisms to restrict and control access between our network and other networks including the internet. We use and maintain appropriate antivirus measures to protect networks, systems and all end-user devices as well as conduct intrusion testing regularly. We record all relevant system activity and proactively monitor for unauthorized network intrusions and access attempts.

Data Encryption

The Standard follows data encryption best practices including encryption for data at rest and in transit.

Data Destruction

Before disposing of media that stores data, The Standard follows media sanitization practices including sanitizing server disks and shredding paper documents.

Third-Party Risk Management

The Standard requires assessment of the information security, business continuity and disaster recovery practices of all contractors, subcontractors and third-party providers involved in providing and/or supporting services for the company.

Vulnerability Management and Continuous Monitoring

We perform frequent security monitoring and testing of applications and systems as well as regularly scan our environment for vulnerabilities. We also engage third-party resources for overall security assessments at least annually.

Board of Directors

Educated, experienced and engaged directors are essential to the welfare of the company, employees and customers. Our board of directors serves as the foundation for responsible governance of The Standard's business operations, integrity, reputation and financial strength.

The board is composed of a majority of independent directors with expertise and leadership acumen in disciplines that align with and complement The Standard's business strategies. With the company's long-term strategies and sustainability at the forefront of decision-making, the board oversees the company's governance, risk management, financial reporting, legal compliance, compensation and performance management frameworks.

Oversight of specific risks and responsibilities are delegated to the board's three committees: Nominating and Corporate Governance, Organization and Compensation and Audit. Each committee is led by an independent director and reports to the full board on its area of responsibility.

Nominating and Corporate Governance Committee

Among other responsibilities, this committee regularly reviews the composition of the board to ensure the right mix of expertise, experience and backgrounds. Each new director participates in a rigorous orientation and all directors pursue continuing education overseen by the committee. Additionally, the committee manages annual director performance assessments and reviews the structure and composition of each board committee annually. The committee is also responsible for oversight of the CEO succession planning process and the company's corporate governance systems, including our business conduct and ethics programs.

Organization and Compensation Committee

With input from an independent compensation consultant, this committee provides oversight of all executive compensation to ensure it aligns with the market and incentive compensation is based on achieving sustainable goals for the company that do not present undue risk. The committee also monitors and evaluates CEO performance in conjunction with the full board.

Audit Committee

This committee manages financial reporting for the company through review and approval of the annual audited financial statements and quarterly results.

The committee oversees the adequacy of the company's control environment with support from internal audit staff and external independent auditors as well as ensures the independence and managing performance of the external auditor. The committee also monitors the company's financial risk exposures and compliance with laws and regulations.



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