



Reinsurance Group of America, Incorporated – Q4 and Full Year, 2024

Financial Results and Business Highlights

On February 6, 2025, Reinsurance Group of America, Incorporated (NYSE: RGA) reported financial results for the fourth quarter and full year of 2024.

“The fourth quarter capped off a tremendous year, as we delivered record annual operating earnings, with many achievements across our organization,” said Tony Cheng, President and Chief Executive Officer, RGA. “In the quarter, we continued to see strong momentum in organic business activity in the traditional business, and our in-force transactions were solid, with \$250 million of capital deployed. This brought our full-year capital deployment into in-force block transactions to \$1,676 million, a record for RGA and an increase of approximately 80% over the previous record in 2023. Equally strong was the record expected future value from new business written during the year, with a significant amount coming from exclusive opportunities.

“Our balance sheet remains strong, and we ended the quarter with deployable capital of \$1.7 billion. Based on favorable business conditions and RGA’s global leadership position, we remain optimistic about the future and expect to continue to deliver attractive financial results over time. In that respect, I am delighted to report that we have increased our intermediate term financial targets, including raising our adjusted operating ROE target to 13% to 15%, to reflect the expectation of continued strong fundamentals of our business for the foreseeable future.”

The board of directors declared a regular dividend of \$0.89, payable March 4, 2025 to shareholders of record as of February 18, 2025.

Q4 2024 Financial Results*

- Net income available to RGA shareholders totaled \$148 million, or \$2.22 per diluted share, compared with \$158 million, or \$2.37 per diluted share, in the prior-year quarter.
- Adjusted operating income** for the fourth quarter totaled \$334 million, or \$4.99 per diluted share, compared with \$316 million, or \$4.73 per diluted share, the year before.
- Consolidated net premiums totaled \$4.2 billion, an increase of 1.2% over the 2023 fourth quarter, with an adverse net currency effect of \$15 million. Net premiums for the quarter include a contribution of approximately \$150 million from a single premium pension risk transfer, compared with approximately \$500 million in the prior year quarter, both of which are in the U.S. Financial Solutions business.
- Book value per share was \$164.19, including accumulated other comprehensive income (AOCI), and \$151.31 excluding AOCI.**

2024 Annual Results*

- Full year net income available to RGA shareholders totaled \$717 million, or \$10.73 per diluted share, compared with \$902 million, or \$13.44 per diluted share in 2023.
- Full year adjusted operating income** totaled \$1,342 million, or \$20.06 per diluted share, compared with \$1,334 million, or \$19.98 per diluted share, the year before.
- Consolidated net premiums totaled \$17.8 billion, an increase of 18.3% from 2023, with an adverse net foreign currency effect of \$59 million.
- Net premiums for the full year include a contribution of approximately \$2.9 billion from single premium pension risk transfers, compared with approximately \$1.5 billion in the prior year.

* All figures in U.S. dollars.

** See "Non-GAAP Financial Measures" at end of this document

Q4 2024 Highlights

- RGA completed an agreement with John Hancock, a subsidiary of Manulife Financial Corporation (Manulife), to reinsure approximately \$4.1 billion in liabilities comprising \$1.9 billion in long-term care and \$2.2 billion in structured settlements. This latest transaction builds on RGA's long-standing strategic partnership with Manulife across a wide range of business types and global markets.
- RGA announced the launch of Aspire, a licensed third-party administrator based in the United Arab Emirates. Developed in partnership with technology provider CarePay, Aspire offers an innovative platform aimed at transforming health insurance portfolio management for insurance companies.
- RGA announced that Ruby Reinsurance Company (Ruby Re), RGA's insurance sidecar platform for asset-intensive transactions, successfully closed a second round of funding, raising a total of \$480 million in capital. Ruby Re's total capital raised of \$480 million is near the upper limit of the \$400 million to \$500 million target range for the vehicle.
- RGA once again received the 2024 Outstanding Reinsurance Scheme Award from The Hong Kong Federation of Insurers and was named Life Reinsurer of the Year in the 28th Asia Insurance Industry Awards 2024, organized by *Asia Insurance Review*. This is the second consecutive year RGA has been recognized by The Hong Kong Federation of Insurers and the sixth time Asia Insurance Review has named RGA Life Reinsurer of the Year over the past eight years.
- *Middle East Insurance Review* selected RGA Reinsurance Company Middle East Limited as "Life Reinsurer of the Year" for the third consecutive year at the 11th Middle East Insurance Industry Awards 2024. RGA was also rated #1 by insurers in the Middle East on NMG Consulting's 2024 All Respondents Business Capability Index.

For more complete information and the full text of RGA's announcement of fourth quarter and full year financial results, please refer to RGA's Investor Relations site at www.rgare.com.

About RGA

Reinsurance Group of America, Incorporated (NYSE: RGA) is a global industry leader specializing in life and health reinsurance and financial solutions that help clients effectively manage risk and optimize capital. Founded in 1973, RGA is today one of the world's largest and most respected reinsurers and remains guided by a powerful purpose: to make financial protection accessible to all. As a global capabilities and solutions leader, RGA empowers partners through bold innovation, relentless execution, and dedicated client focus – all directed toward creating sustainable long-term value. RGA has approximately \$3.9 trillion of life reinsurance in force and assets of \$118.7 billion as of December 31, 2024. To learn more about RGA and its businesses, please visit rgare.com or follow RGA on LinkedIn and Facebook. Investors can learn more at investor.rgare.com.

****Non-GAAP Financial Measures**

Reinsurance Group of America, Incorporated (the "Company") discloses certain financial measures that are not determined in accordance with U.S. GAAP. The Company principally uses such non-GAAP financial measures in evaluating performance because the Company believes that such measures, when reviewed in conjunction with relevant U.S. GAAP measures, present a clearer picture of our operating performance and assist the Company in the allocation of its resources. The Company believes that these non-GAAP financial measures provide investors and other third parties with a better understanding of the Company's results of operations, financial statements and the underlying profitability drivers and trends of the Company's businesses by excluding specified items which may not be indicative of the Company's ongoing operating performance and may fluctuate significantly from period to period. These measures should be considered supplementary to the Company's financial results that are presented in accordance with U.S. GAAP and should not be viewed as a substitute for U.S. GAAP measures. Other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way the Company calculates such measures. Consequently, the Company's non-GAAP financial measures may not be comparable to similar measures used by other companies.

The following non-GAAP financial measures are used in this document or in other public disclosures made by the Company from time to time:

- 1. Adjusted operating income, on a pre-tax and after-tax basis, and adjusted operating income per diluted share.** The Company uses these measures as a basis for analyzing financial results because the Company believes that such measures better reflect the ongoing profitability and underlying trends of the Company's continuing operations. Adjusted operating income is calculated as net income available to the Company's shareholders (or, in the case of pre-tax adjusted operating income, income before income taxes) excluding, as applicable:
 - substantially all of the effect of net investment related gains and losses;
 - changes in the fair value of certain embedded derivatives;
 - changes in the fair value of contracts that provide market risk benefits;
 - non-economic losses at contract inception for direct pension risk transfer single premium business (which are amortized into adjusted operating income within claims and other policy benefits over the estimated lives of the contracts);
 - any net gain or loss from discontinued operations;
 - the cumulative effect of any accounting changes;
 - the impact of certain tax-related items; and
 - any other items that the Company believes are not indicative of the Company's ongoing operations

as such items can be volatile and may not reflect the underlying performance of the Company's business. In addition, adjusted operating income per diluted share is calculated as adjusted operating income divided by weighted average diluted shares outstanding. These measures also serve as a basis for establishing target levels and awards under the Company's management incentive programs.

Adjusted operating income (loss) before income taxes, when presented at a segment level, is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments, and will be presented in our financial statement footnotes beginning with the Company's annual report on Form 10-K to be filed for the fiscal year ended December 31, 2024 in accordance with ASC 280 – "Segment Reporting." Adjusted operating income (loss) before income taxes, when presented on a consolidated basis, is a non-GAAP financial measure.

- 2. Adjusted operating income (on a pre-tax and after-tax basis), excluding notable items, and adjusted operating income per diluted share, excluding notable items.** Notable items are items the Company believes may not be indicative of its ongoing operating performance which are excluded from adjusted operating income to provide investors and other third parties with a better understanding of the Company's results. Such items may be unexpected, unknown when the Company prepares its business plan or otherwise. Notable items presented include the financial impact of the Company's assumption reviews.
- 3. Adjusted operating revenue.** This measure excludes the effects of net realized capital gains and losses, and changes in the fair value of certain embedded derivatives.
- 4. Shareholders' equity position excluding the impact of accumulated other comprehensive income (loss) ("AOCI"), shareholders' average equity position excluding AOCI, and book value per share excluding the impact of AOCI.** The Company believes that these measures provide useful information since such measures exclude AOCI-related items that are not permanent and can fluctuate significantly from period to period, and may not reflect the impact of the underlying performance of the Company's businesses on shareholders' equity and book value per share. AOCI primarily relates to changes in interest rates, credit spreads on its investment securities, future policy benefits discount rate measurement gains (losses), market risk benefits instrument-specific credit risk remeasurement gains (losses) and foreign currency fluctuations. The Company also discloses the following non-GAAP financial measures:
 - Shareholders' average equity position excluding AOCI and B36, where B36 refers to the cumulative change in fair value of funds withheld embedded derivatives;
 - Shareholders' average equity position excluding AOCI and notable items; and
 - Shareholders' average equity position excluding AOCI, B36 and notable items.
- 5. Adjusted operating return on equity.** This measure is calculated as adjusted operating income divided by average shareholders' equity excluding AOCI. Adjusted operating return on equity also serves as a basis for establishing target levels and awards under the Company's management incentive programs. The Company also discloses the following non-GAAP financial measures:
 - Adjusted operating return on equity excluding AOCI and B36;
 - Adjusted operating return on equity excluding AOCI and notable items, which is calculated as adjusted operating income excluding notable items divided by average shareholders' equity excluding notable items and AOCI; and
 - Adjusted operating return on equity excluding AOCI, B36 and notable items.

Reconciliations of the foregoing non-GAAP financial measures (to the extent disclosed in this document) to the most comparable GAAP financial measures are provided in the Appendix at the end of this document. Except as otherwise noted herein, the non-GAAP figures and reconciliations presented herein reflect the Company's adoption of the Financial Accounting Standards Board's Accounting Standards Update No. 2018-12, "Targeted Improvements to the Accounting for Long-Duration Contracts" and related amendments ("LDTI"). For additional information regarding the Company's adoption of LDTI, see Note 1 – "Business and Basis of Presentation" and Note 3 – "Impact of New Accounting Standard" in the notes to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

The Company is unable to provide reconciliations of the intermediate term targets of consolidated adjusted operating income (loss) before taxes, adjusted operating income (loss) before taxes, excluding notable items (on both a segment-level and consolidated basis), consolidated adjusted operating ROE, respectively, which are forward-looking non-GAAP financial measures, due to, among other things, that these targets are a composite of our goals for future results, the inherent difficulty in forecasting generally, and the difficulty of quantifying accurate forecasts of the numerous components comprising these calculations that would be necessary to provide any such reconciliations. In addition, actual performance in future periods may vary from the intermediate term target ranges for a variety of reasons, including known and unknown risk and uncertainties.

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Reconciliation of Consolidated Net Income to Adjusted Operating Income
(Dollars in millions, except per share data)

(Unaudited)

| | Three Months Ended December 31, | | | |
|---|---------------------------------|----------------------------------|---------------|----------------------------------|
| | 2024 | | 2023 | |
| | | Diluted Earnings Per Share | | Diluted Earnings Per Share |
| Net income available to RGA shareholders | \$ 148 | \$ 2.22 | \$ 158 | \$ 2.37 |
| Reconciliation to adjusted operating income: | | | | |
| Realized (gains) losses, derivatives and other, included in investment related gains/losses, net | 300 | 4.48 | (14) | (0.22) |
| Market risk benefits remeasurement (gains) losses | (26) | (0.39) | 22 | 0.33 |
| Realized (gains) losses on funds withheld, included in investment income, net of related expenses | 4 | 0.06 | (2) | (0.03) |
| Embedded derivatives: | | | | |
| Included in investment related gains/losses, net | (99) | (1.48) | 143 | 2.14 |
| Included in interest credited | (2) | (0.03) | 4 | 0.06 |
| Investment (income) loss on unit-linked variable annuities | 1 | 0.01 | (2) | (0.03) |
| Interest credited on unit-linked variable annuities | (1) | (0.01) | 2 | 0.03 |
| Interest expense on uncertain tax positions | 1 | 0.01 | (1) | (0.01) |
| Other (1) | (16) | (0.24) | 23 | 0.34 |
| Uncertain tax positions and other tax related items | 22 | 0.33 | (19) | (0.28) |
| Net income attributable to noncontrolling interest | 2 | 0.03 | 2 | 0.03 |
| Adjusted operating income | <u>\$ 334</u> | <u>\$ 4.99</u> | <u>\$ 316</u> | <u>\$ 4.73</u> |
| Notable items | - | - | - | - |
| Adjusted operating income excluding notable items | <u>\$ 334</u> | <u>\$ 4.99</u> | <u>\$ 316</u> | <u>\$ 4.73</u> |

(1) The Other line item includes pension risk transfer day one loss, market value adjustments on surrender charges and other immaterial items.

Reconciliation of Book Value Per Share to Book Value Per Share
Excluding Accumulated Other Comprehensive Income ("AOCI") and B36 Derivatives

| (Unaudited) | At December 31, | |
|---|-----------------|----------|
| | 2024 | 2023 |
| Book value per share outstanding | \$164.19 | \$138.39 |
| Less effect of AOCI: | | |
| Accumulated currency translation adjustments | (0.27) | 1.04 |
| Unrealized appreciation (depreciation) of securities | (68.73) | (55.88) |
| Effect of updating discount rates on future policy benefits | 82.16 | 49.62 |
| Change in instrument-specific credit risk for market risk benefits | 0.03 | 0.05 |
| Pension and postretirement benefits | (0.31) | (0.45) |
| Book value per share outstanding, before impact of AOCI | \$151.31 | \$144.01 |
| Less effect of B36 derivatives | (0.66) | (2.06) |
| Book value per share outstanding, before impact of AOCI and B36 derivatives | \$151.97 | \$146.07 |