

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Aflac Incorporated is a Fortune 500 international insurance holding company listed on the New York Stock Exchange (NYSE) under the symbol AFL. Aflac Incorporated and its subsidiaries (herein the "Company") provide financial protection to more than 50 million people worldwide. The Company's principal business is providing supplemental health and life insurance products with the goal of providing customers with the best value in supplemental insurance products in the U.S. and Japan. The Company's insurance business consists of two reporting segments: Aflac Japan and Aflac U.S. The Company's primary insurance subsidiaries are Aflac Life Insurance Japan Ltd. in Japan (Aflac Japan) and American Family Life Assurance Company of Columbus (Aflac); Continental American Insurance Company (CAIC), branded as Aflac Group Insurance (AGI); American Family Life Assurance Company of New York (Aflac New York); Tier One Insurance Company (TOIC) and Argus Dental and Vision, Inc. (Argus), which provides a platform for Aflac Dental and Vision in the U.S. (collectively, Aflac U.S.). The Company reaches customers through its expansive distribution network of agents, brokers, partnerships and, more recently, directly. When a specific health event or life situation causes financial challenges, the Company pays cash benefits directly to the insured to help protect against income and asset loss. For more than six decades, insurance policies of Aflac Incorporated's subsidiaries have given policyholders the opportunity to focus on recovery, not financial stress. In the U.S., Aflac U.S. is the leading provider of supplemental insurance at the worksite. Aflac Life Insurance Japan is the leading provider of medical and cancer insurance in Japan, where it insures one in four households.

As of December 31, 2019, the Company's total assets were \$152.7 billion, and in 2019, revenues were \$22.3 billion. Aflac U.S. has a presence in all 50 United States, certain U.S. territories and Aflac Japan offers a broad line of supplemental insurance in Japan. Additionally, the Company has a small technology and cybersecurity innovation center in Belfast, Northern Ireland.

At the end of 2019, Aflac Japan had 6,178 employees; Aflac U.S. had 4,799 employees; and the Company's other operations had 752 employees.

Aflac Japan: At the end of 2019, Aflac Japan remained the largest insurer in Japan in terms of cancer and medical (third sector insurance) policies in force with more than 24 million individual policies. In addition, Aflac Japan continued to be the number one seller of cancer insurance policies in the country.

Aflac U.S.: In the United States, Aflac U.S. is the leading provider of supplemental insurance at the worksite. Aflac U.S. develops and designs insurance products to provide supplemental coverage for people who already have major medical or primary insurance coverage. Aflac U.S. insurance policies pay benefits regardless of what other insurance coverage the policyholder may have. Aflac U.S. products are distributed in the individual and group supplemental insurance markets. Insurance products provided include cancer, accident, short-term disability, critical illness, hospital indemnity, dental, vision and life.

Aflac Incorporated and other companies: Aflac Incorporated and its other subsidiaries have 752 employees with the majority working for the parent Company.

ESG and corporate responsibility considerations have long been integrated into the Company's values and culture, embodied in "The Aflac Way," which reflects the philosophy and operating principles the Company has relied on for its almost 65-year history — treating people well, from policyholders and employees to the community at large. This mindset extends to environmental considerations as well, where the Company continues to work to improve its standing as an environmental steward. A number of highlights are listed below.

*The Company was the first insurance company in the United States to become ISO 50001 Energy Management Systems registered in 2013 and became ISO 14001:2015 Environmental Management Systems registered in 2018.

*In 2017, the Company installed a solar array on top of one of its corporate buildings in Columbus, GA, which now produces 15% of the building's energy needs.

While continually focused on the footprint of its own operations, the Company is beginning to consider more significantly how other areas of the business impact the climate. Specifically, the Company is integrating climate-related considerations into the assessment of the more than \$120 billion of general account investments. This includes looking at sectors and businesses in energy and emission-intensive areas that the Company has active investments in and exploring alternative energy opportunities.

More information about the Company's programs can be found at:

ESG Hub: <http://esg.aflac.com/>

TCFD Report: http://esg.aflac.com/pdfs/Aflac_Incorporated_2019_TCFD_Report.pdf

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

Reporting year	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Japan
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Financial control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

- Investing (Asset owner)
- Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Corporate Social Responsibility and Sustainability (CSR and Sustainability) Committee of Aflac Incorporated's Board of Directors (the Board) provides guidance and oversight of the Company's sustainability actions, which includes climate change. This committee is charged with monitoring and reviewing the Company's policies, procedures and practices to foster the sustainable growth of the Company on a global basis. As climate change and its associated risks and opportunities have become more material, the committee has more frequently addressed climate-related issues. For example, the committee has acted as the deciding voice on emissions reduction and energy efficiency projects such as installing solar panels on our headquarters building. Climate-related decision: Situation: The CSR and Sustainability Committee recognizes that as climate change impacts grow in importance there will be increased pressure from shareholders to closely monitor climate change and demonstrate leadership. Task: In response, the CSR and Sustainability Committee is evaluating the top climate change impacts on the Company's operations. Action: Based on these considerations, the Company is working on a company-wide carbon neutrality pledge. Result: The Company anticipates making a public statement on carbon neutrality in the next 6-9 months. Once formally announced, this target will help inform our business strategy going forward.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Climate-related risks and opportunities to our own operations The impact of our own operations on the climate The impact of our investing activities on the climate	The CSR and Sustainability Committee generally meets three times a year. The CSR and Sustainability Committee monitors progress made against sustainability objectives and provides guidance and oversight on climate-related goals and strategy. The CSR and Sustainability Committee integrates climate-related risks into our organizational strategy, plans of action, management policies, performance objectives and metrics monitoring. The Committee also oversees the Company's high-level environmental road map, most notably through the recent discussions of the carbon neutrality pledge.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Operating Officer (COO)	Reports to the board directly	Managing climate-related risks and opportunities	Risks and opportunities related to our investing activities Risks and opportunities related to our own operations	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Organizational Structure:

The highest level of oversight for climate-related issues is the Company's Chief Operating Officer (COO) who reports into the CSR and Sustainability Committee. The COO oversees how climate-related (and more broadly ESG) issues are incorporated into the Company's business strategy. The COO's direct reports include individuals who work on ESG, facilities and energy consumption and investor relations topics. This allows the COO to remain informed about practices and approaches being taken across the Company's business to both understand the risks and opportunities the Company faces as a result of climate change, as well as the Company's areas of largest impact.

Responsibilities and Rationale:

Specific climate-related responsibilities of the COO include assessing the importance of climate issues and driving the response. The COO works to ensure that the Company's climate-related actions are coordinated and aligned with the broader goals of the Company. For example, the COO helps with the oversight of certain ESG-related investment activities, particularly those that aim to promote the Company's business practices. The COO's engrained understanding of the Company's business, as well as connectivity with the Board is the reason why responsibilities for climate-related issues have been assigned to this position.

Under the COO, the Company's Chief ESG and Communications Officer provides management-level oversight of climate-related issues relevant to the Company's business. The Chief ESG and Communications Officer reports directly to the COO on ESG topics, including those related to climate change. The Chief ESG and Communications Officer meets on a weekly basis with individuals from the Company's energy and facilities management, investor relations and the ESG team. These meetings provide opportunities to discuss and make decisions on current and emerging ESG issues applicable to the Company, including those related to climate change.

The Chief ESG and Communications Officer is also apprised of climate-related activities undertaken by volunteer employee groups such as the Aflac Green Team. This team pushes sustainable practices at the Company's offices and is in charge of the SmartGreen Ideas program, which encourages employees to develop innovative environmentally friendly habits. This group then engages with a broader group of internal stakeholders, such as the risk management and investment business units, to strengthen and incorporate ESG communication into all components of the Company's business.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project	The SVP/Chief ESG and Communications Officer is responsible for the growth of the Company's global ESG programs. This includes reducing GHG emissions and ensuring the visibility of ESG's economic impact to the CSR and Sustainability Committee.
Business unit manager	Monetary reward	Emissions reduction project	The Vice President of Facilities oversees the Company's sustainability efforts. A component of their bonus requires the reduction of total Scope 1 and 2 emissions. The Vice President of Facilities reports reduction results and other sustainability information directly to the CSR and Sustainability Committee of the Board.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	No	The Company's retirement fund offering is re-evaluated by a committee that meets twice a year. As part of this process, an outside consultant is investigating the possibility of integrating ESG considerations into the Company's retirement plans. Before making any decision, the committee will evaluate the progress and performance of retirement funds that incorporate ESG principles.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	This is the general time frame that is consistent with our business strategy planning cycles.
Medium-term	1	3	This is the general time frame that is consistent with our business strategy planning cycles.
Long-term	3		This is the general time frame that is consistent with our business strategy planning cycles.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Definition and Assessment Process:

The Company integrates climate risk into its Enterprise Risk Management (ERM) process utilizing a risk assessment matrix (which includes climate-related risks) to determine a substantive financial or strategic impact. This risk matrix classifies risks across five levels (minor, moderate, adverse, major and extreme) over five different impacts (operational, financial, reputational, regulatory/compliance and strategic/systems). The Company's Board has final approval on the Company's risk appetite with regards to reputational, financial, brand and operational risk.

Quantifiable Indicators:

Risks are considered critical if the impact is extreme and likelihood is either likely or frequent or if the impact is major and the likelihood is frequent. The likelihood scale categorizes each risk into its probable occurrence rate: Once every 1-2 years (Frequent), once every 2-5 years (Likely), once every 5-10 years (Possible), once every 10-20 years (Unlikely), or once in more than 20 years (Rare).

Extreme risk is defined as 1) resulting in a financial impact of greater than or equal to \$5 billion and 2) disrupting strategic objectives and systems in such an extreme manner that customers or company goals are affected (e.g. financial restatement or data breach). Major risk is classified as one that results in 1) a financial impact between \$1 - \$5 billion and 2) strategic objectives and systems being disrupted, leading to missed performance targets or a loss of confidential information.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Risk Assessment Process: The Company conducts an annual risk assessment, taking both a top down and bottom up approach. The risk identification process requires that all business units be interviewed to examine risks. Additionally, questionnaires are sent to each business unit to proactively identify any emerging risks with the potential to substantively impact the business. The objective is to understand whether identified risks will have an impact on the organization's objectives. This process ensures that the perspective of all business units and geographies are being considered on the global, company-wide level. For example, the operations team will consider direct impacts to the business and the investment team will consider potential risks to the Company's portfolio. These teams will independently contribute to this bottom up approach, ensuring that potential risks relevant to these business units are included in the global assessments. Simultaneously, upper management flags risks based on the Company's overarching business objectives and any risks that could jeopardize these objectives. The Company's top-down approach also ensures that the local ERM frameworks used in the bottom-up risk analysis are consistent with the Global ERM framework, providing feedback for the more local programs if needed, in order to ensure consistency across the Company's analysis. After risks have been identified, the Company's risk management team undertakes a filtering process to determine which are the most substantive using the Company's risk matrix. This process considers whether the identified risk is already being mitigated, if the risk is being brought up by multiple stakeholders and the magnitude and likelihood of the identified risk. This risk matrix classifies risks across five levels (minor, moderate, adverse, major and extreme) over five different impacts (operational, financial, reputational, regulatory/compliance and strategic/systems). Extreme risk is defined as 1) resulting in a financial impact of greater than or equal to \$5 billion and 2) disrupting strategic objectives and systems in such an extreme manner that customers or company goals are affected (e.g. financial restatement or data breach). Major risk is classified as one that results in 1) a financial impact between \$1 - \$5 billion and 2) strategic objectives and systems being disrupted, leading to missed performance targets or a loss of confidential information. Climate Change Considerations in Risk Assessment: Climate change is discussed and incorporated by various groups through the risk assessment process. Groups more directly impacted by climate-related issues such as energy and facilities management, ESG and investments, regularly present relevant topics to the larger risk management group. Risks related to climate change impacts, such as natural disasters, are identified and evaluated based on the aforementioned financial impact and probability scale. Risk profiles are monitored and every three months the Company's "Risk register" is reported to the Global Risk Community. For example, in 2019 as part of the bottom up risk assessment approach, the Company reviewed areas of the business including direct operations, brand, insurer solvency (including the investment portfolio impacts), third party associations and underwriting/pricing for climate risk. This process included a qualitative assessment of these risks to the Company as well as an overview of current mitigation strategies that are in place. Following this assessment, it was concluded that none of the identified areas of the Company's business face a substantive risk due to climate change. The highest risk level identified was "medium risk" for the potential that policy pricing might not incorporate all climate-related trends or it might misallocate strategic funds to address climate change, thereby restricting capital access for other strategic initiatives. These risks will be re-evaluated moving forward, and if deemed substantive, may result in a more comprehensive approach. The Company believes that its environmentally-friendly and prudent business actions serve to enhance corporate reputation, improve talent recruitment and retention and reduce business expenses. Physical Risk and/or Opportunity: While the Company has not identified any direct risks with the potential to have a substantive financial or strategic impact, there are several indirect risks. Situation: As acute physical risks associated with climate change become more frequent, some of the Company's offices will be increasingly at risk. This has already occurred with the California wildfires of 2018 and Hurricane Maria in 2017. Task: With this shifting natural landscape influenced by climate change, the Company needs to respond in a way that strengthens its resilience. Action: The Company has developed and strengthened its Business Continuity Plan (BCP), implemented in response to physical climate-related risks, among others. In tandem with ERM, the Company's operations team worked to develop this plan to mitigate any risks associated with property or business damage. Result: Based on this action, the Company now has a more robust BCP in place and is better equipped to deal with disruptions to its services and operations. For example, new remote work procedures ensure that employees are able to continue working and that customers' needs are met when there are disruptions due to acute physical climate risks. These procedures were also used throughout the COVID-19 pandemic and the Company had no disruption in service or operational productivity. Transitional Risk and/or Opportunity: As an investor, the Company's ultimate goal is to fulfill the fiduciary responsibility to invest assets in a prudent manner to meet present and future policyholder obligations and to maximize the long-term financial return on invested assets. Situation: With this in mind, energy and other markets are beginning to change in response to the transition to a lower-carbon economy. Investments that previously resulted in substantial returns, now may be exposed to climate-related risks. Task: As a result, the Company is incorporating these climate-related issues into its investment decisions. Action: The Company continues to reduce its investments in energy intensive sectors such as coal, oil and gas and metals and mining, as these areas become riskier in the face of a low-carbon transition. This includes a reduction of oil and gas holdings of 32% since 2015, and a reduction in metals and mining of 20% over the same timeframe. Additionally, the Company is beginning to build out its responsible investment portfolio, inclusive of renewable energy projects. Result: These decisions have been strengthening the resilience of the Company's portfolio to climate-related risks and diversifying the assets that we have under management.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, sometimes included	As part of the risk assessment process, the Company's government affairs department identifies current climate-related regulation that has the potential to substantively impact the business financially or strategically. Given the Company's business as a supplemental health and life insurance company, there are no climate-related regulations applicable to the Company's insurance products. Furthermore, emissions from the Company's direct operations are relatively small, and even when subject to regulations, do not constitute a substantive financial risk. Example of Risk Type: Aflac's Japan's operations are subject to the Tokyo Carbon Reduction Reporting Program. In 2019, Aflac Japan's operations generated 6,414 MTCO ₂ e in credits, due to energy reduction initiatives undertaken. Tokyo also has a cap and trade program in place, but Aflac Japan's operations are not large enough to qualify for this regulation.
Emerging regulation	Relevant, sometimes included	As part of the risk assessment process, the Company's government affairs department identifies current climate-related regulation that has the potential to substantively impact the business financially or strategically. Given the Company's business as a supplemental health and life insurance company, there are no climate-related regulations applicable to the Company's insurance products. Furthermore, emissions from the Company's direct operations are relatively small and even when subject to regulations do not constitute a substantive financial risk. There are processes in place though, to monitor emerging risks, and should climate-related regulation fall under this umbrella, then the Company will be equipped to act accordingly. In considering risks driven by changes in regulation, the Company evaluates the potential over the next three years for carbon taxes, cap and trade regulations and fuel/energy surcharges in the United States, where the majority of the Company's emissions are. Given that the Company's operational spend on energy is less than one tenth of one percent of expenses or revenue, the process has not identified any emerging regulatory or legislative risk that will substantially increase the cost of operating our business. Example of Risk Type: Aflac Japan's operations are currently subject to a carbon reporting program, the Tokyo Carbon Reduction Reporting Program. Should this reporting program evolve to be more demanding, or if Aflac Japan's operations need to be regulated by Tokyo's cap and trade program in the future, then this could increase the costs of Aflac Japan's operations. It is currently not anticipated for this to become a significant risk in the future.
Technology	Relevant, sometimes included	As a supplemental health and life insurance company, the Company's core business is only indirectly related to climate change and not exposed to the climate-risks of rapid technology change associated with the transition to a low-carbon economy. Example of Risk Type: Technology-related climate risks that have been considered are in the Company's investment portfolio. Due to the risks associated with the transition to a lower-carbon economy, the Company has begun to shift and re-evaluate the makeup of some of its investment portfolio. This includes no new investments in a number of high emitting sectors including coal, oil and gas and metals and mining, which are particularly susceptible to technology changes in the low-carbon transition. The Company has increased investment in more clean energy companies and projects, including 100% renewable utilities, solar farms and renewable project debt. This investment shift is driven by the financial risks and opportunities associated with technological innovations driving the transition to a lower-carbon economy.
Legal	Not relevant, explanation provided	As a supplemental health and life insurance company with a small and decreasing GHG footprint, legal risks from climate-related litigation claims are not relevant. In addition, the Company's products are not directly related to climate change so there is no exposure to climate-related litigation in the underwriting and claims process. During our risk assessment and management process, the Company uses an emerging risk survey to attempt to identify and anticipate future business risks. Therefore, should climate-related litigation risks become more substantive to the Company's direct operations, underwriting process, procurement practices or investment portfolio, then they will be incorporated into the risk process.
Market	Relevant, sometimes included	Shifts in supply and demand for certain commodities, products and services from a transition to a low carbon economy do not impact the supplemental health and life insurance market. Therefore, it is not anticipated that market factors will pose a risk to the Company's operations and underwriting process. However, market risks are incorporated into investment decisions. Example of Risk Type: The Company engages with think tanks such as the Peterson Institute and Eurasia Group to understand potential geopolitical risks and global trends. These groups often address the topic of climate-related risks in investment portfolios and how indirect impacts of climate change can influence long-term markets and investments. In response to market risks, the Company is no longer investing in emissions intensive sectors such as coal, oil and gas or metals and mining sectors. Additionally, as demand for some of these sectors, particularly coal, has decreased, corresponding demand for cleaner energy alternatives has increased. The Company continues to look forward at investment prospects and we anticipate continued investment in green energy commodities.
Reputation	Relevant, always included	The Company believes environmentally-friendly and prudent business actions enhance its corporate reputation, improve talent recruitment and retention and reduce business expenses, which are integral to its business. The company is focused on "The Aflac Way," which emphasizes doing the right thing on behalf of customers, investors, employees and all internal and external stakeholders. Example of Risk Type: The Company considers how stakeholders view its approach to climate change. The Company's VP of Investor Relations meets regularly with both the ESG and Energy and Facilities team to discuss ESG issues and incorporates the concerns and considerations of some of the Company's main investors on climate-related topics. We continually monitor key indicators of our climate performance such as the CDP score to ensure that we are actively managing our reputational risks. This consideration of reputational risk extends beyond our direct operations, to our investment portfolio where we evaluate the CDP scores of our investees.
Acute physical	Relevant, always included	Acute physical risks are incorporated into the Company's Business Continuity Planning (BCP), which considers the impact that climate change could have on our existing contingency plans. The BCP ensures that there are processes in place to mitigate climate change risks such as hurricanes and other natural disasters that can cause business interruption through damaging or destroying property. Example of Risk Type: In the past few years, the Company has had market offices impacted by the California wildfires in 2018 and Hurricane Maria in 2017. The Company is using the experience from past natural disasters to understand the potential impact of future acute physical risks and strengthening the BCP. Beyond the direct impacts to our offices, if an area is hard hit by a natural disaster, such as a hurricane, this can lead to higher policy lapse rates, which in turn reduces the amount of premium that the Company can collect, and subsequently impacts the Company's revenue. As acute physical risks due to climate change may become more frequent, the impact that these events have on policy lapse rates and premium collection are considered during the underwriting and risk assessment process. Finally, the Company has not found that climate change is affecting people's health for the types of insurance that the Company issues. Should it have an impact, it is the Company's belief that it will happen gradually and that there will be adequate time to adjust.
Chronic physical	Relevant, sometimes included	The Company incorporates the impacts of chronic physical climate risks, including longer-term shifts in climate patterns that may lead to sea level rise during the assessment of our investment portfolio. Example of Risk Type: The Company considers the risk exposure of potential investments to sea level rise as part of our standard due diligence process. If an investment has a heightened risk due to sea level rise, then the Company will not invest in it, as a means of risk protection. We assess the impact of climate change on our municipal and real estate holdings and look to avoid anything that is geographically concentrated in areas that are susceptible to or experiencing sea level rise. Finally, the Company has not found that climate change is affecting people's health for the types of insurance that the Company issues. Should it have an impact, it is the Company's perspective that it will happen gradually and that there will be adequate time to adjust. There are a few policy areas that the Company currently recognizes may be susceptible to climate-related risks in the future. 1. The first is the Company's cancer insurance services. The Company recognizes that if climate change increases the incidence of certain types of cancer, such as those related to sun exposure or environmental pollution, the underwriting scheme will change. 2. The other, is the increased prevalence of novel viruses, which in the future, could be exacerbated by or present in a wider geography due to climate change.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	<Not Applicable >	<Not Applicable>
Investing (Asset manager)	<Not Applicable >	<Not Applicable>
Investing (Asset owner)	Yes	The Company measures our investment portfolio's exposure to climate-related risks and opportunities by giving every potential investment a ranking based on ESG considerations. Scores take a balanced approach between "products sold" by a potential investee (e.g. oil and gas, electric vehicles, eco-friendly consumer products) and "internal processes" of the investee (e.g. renewable energy usage or recycling). The basis of the score is the business and financial impact via increased costs, sanctions, taxes, regulations, lawsuits, emerging competition, reputational risk, exposure to natural disasters and/or customer demand declines and whether management is pro-actively addressing these. ESG scores are based on the discretion of the Company's analysts using Aflac Global Investments internal guide posts and are stored in the Company's customized database, which aggregates the credit research and opinions. These scores are viewed as supplementary data to the many financial metrics used in the credit underwriting analysis. Currently, there is no finite threshold in place that would eliminate an investment based solely on its E score. Low ESG scores are addressed during the typical credit discussions with a particular emphasis on the impact that this might have on the issuer's credit quality and future cash flow generation.
Insurance underwriting (Insurance company)	Not applicable	The Company has not found that climate change is affecting people's health for the types of insurance that the Company issues. Should it have an impact, we anticipate that the changes will happen gradually and that there will be adequate time to adjust underwriting. The Company's actuarial team has processes in place to monitor and track possible trends and indicators that might impact insurance policies and the pricing that is built in to quantify key drivers of risk. The Company has not identified any climate-related risks and opportunities that directly impact the underwriting approach. However, the Company constantly analyzes data and global trends for a possible indication that new impacts, included those related to climate change could influence our supplemental health and life insurance offerings. This analysis process considers all components that could influence the underwriting process, regardless of scale. Therefore, if in the future, climate-related risks and opportunities have a larger impact, or trends arise that demonstrate the influence of these risks and opportunities on the supplemental health and life insurance industry, the Company is in a position to incorporate these considerations into the underwriting process. There are a few policy areas that the Company currently recognizes may be susceptible to climate-related risks and considerations in the future. 1. The first is related to the Company's cancer insurance services. The Company recognizes that should it become evident that climate change is increasing the incidence of certain types of cancer, such as those related to sun exposure or environmental pollution, the underwriting scheme would change. 2. The other, is the increased prevalence of novel viruses, which in the future, could be exacerbated by or present in a wider geography, due to climate change. The area where climate-related risks and opportunities are impacting the Company's underwriting practices is with regards to acute climate risks and persistency. Following a natural disaster, such as a hurricane or wildfire, the Company might witness a higher rate of lapsed policies which impact the ability to collect premiums and generate revenue. As a result, historical policy persistency is monitored to understand if the risk it poses becomes significant enough to be further incorporated into the underwriting process.
Other products and services, please specify	Not applicable	The Company does not have any other products or services.

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	<Not Applicable >	<Not Applicable >	<Not Applicable>
Investing (Asset manager)	<Not Applicable >	<Not Applicable >	<Not Applicable>
Investing (Asset owner)	All of the portfolio	Qualitative	The Company scores the ESG performance of all investments during the due diligence process on a scale of 1 to 5. This scoring is based on analysis conducted by internal analysts who evaluate climate-related considerations including transition and physical risks. This includes such things as an investee's carbon footprint, contribution to climate change and exposure to climate change. When developing the E scoring, the Company uses a number of resources, including an investee's Bloomberg ESG page, Sustainability report, CDP submission, SEC filings, RE100 commitments and, when available, MSCI and Sustainalytics scores. Assessment of these resources allows the Company to learn more granular detail about an investee's sold products and internal processes and what steps are being taken by the investee to potentially address the issues. After reviewing these tools and databases, an E score is allocated for each investee or investment. Additionally, the Company monitors publicly available information regarding climate change trends and predictions and incorporates it into the E assessment. This information is sourced from organizations such as the UN, sell-side banks and government entities.
Insurance underwriting (Insurance company)	<Not Applicable >	<Not Applicable >	<Not Applicable>
Other products and services, please specify	<Not Applicable >	<Not Applicable >	<Not Applicable>

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable >	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable >	<Not Applicable>
Investing (Asset owner)	Yes	Majority of the portfolio	The Company evaluates operational performance including water usage. If a company has water reduction/replenishment programs, then this will benefit its E score, whereas if the company has high water usage, it will be a detriment to its E score. The Company also monitors water usage trends over time.
Insurance underwriting (Insurance company)	No, we don't assess this	<Not Applicable >	The Company does not incorporate water-related risks and opportunities into the insurance underwriting and policy pricing process. Should such risks or trends become relevant, then the Company will incorporate them.
Other products and services, please specify	Not applicable	<Not Applicable >	The Company does not have any other products or services.

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	Majority of the portfolio	The Company incorporates forests-related risks and opportunities into the ESG scorecard assessment of potential investments. Specifically, the Company analyzes deforestation risks.
Insurance underwriting (Insurance company)	No, we don't assess this	<Not Applicable>	The Company does not incorporate forest-related risks and opportunities into the insurance underwriting and policy pricing process. Should such risks or trends become relevant, then the Company will incorporate them.
Other products and services, please specify	Not applicable	<Not Applicable>	The Company does not have any other products or services.

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	No, but we plan to do so in the next two years	The Company does not have any third-party investment advisory clients and does not request climate-related information from its investees, but instead relies on internal and third-party assessments that leverage publicly reported information. As climate-related risks and opportunities become more prevalent, the Company will continue to assess the feasibility of requesting this information from a subset of companies within our portfolio that are particularly susceptible to climate-related risks. Furthermore, as part of the manager evaluation and ongoing monitoring process for external asset managers, the Company may request information regarding ESG. The Company may also request updated ESG information to monitor how asset managers are addressing these topics. This provides insights into external asset managers and if they have the same standards and practices as the Company. After initial onboarding, follow-up surveys are sent annually to stay up to date and provide a refresh on how asset managers are addressing these topics.
Insurance underwriting (Insurance company)	No, and we don't plan on requesting climate-related information	The Company does not request climate-related information from clients since climate-related risks and opportunities do not have a material impact on the Company's supplemental health and life insurance business. Therefore, conducting climate-related due diligence regarding the Company's underwriting and risk assessment practices is not deemed necessary. The Company is constantly monitoring emerging risks and trends, so if this becomes relevant in the future, such practices will be incorporated.
Other products and services, please specify	Not applicable	The Company does not have any other products or services.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	Rationale and Explanation: As a supplemental health and life insurance company, the Company has determined that while climate-related risks exist, none has the potential to have a substantive financial or strategic impact on the business. The Company's direct footprint is relatively small, and none of its products and services are substantially impacted by climate change. One area that the Company is monitoring is our investment portfolio. Due to climate-related risks, the Company is taking proactive steps to diversify and strengthen the resilience of its investment portfolio against climate change, including continuing to reduce exposure to the coal, oil and gas and the metals and mining sectors, while increasing investments in alternative energy sources. For example, since 2015, the Company has reduced oil and gas exposure by 32% and metals and mining exposure by 20%. Assessment Process: In order to determine whether the Company is exposed to substantive climate-related risks, these risks are evaluated using the Company's risk assessment matrix. The matrix classifies risks across five levels (minor, moderate, adverse, major and extreme) over five different impacts (operational, financial, reputational, regulatory/compliance and strategic/systems). Risk likelihood is also assessed based on if occurrence is rare, unlikely, possible, likely or frequent. In 2019, the Company reviewed certain areas of the business that could be impacted by climate change. This included direct operations, brand, insurer solvency (including the investment portfolio impact), third party associations and underwriting/pricing (claims). This process qualitatively assessed risks and the current mitigation strategies. From this assessment, it was concluded that none of the identified areas face a substantive risk due to climate change. The highest risk level identified was "medium risk" for claims which do not incorporate all climate-related trends. These risks will be re-evaluated moving forward, and if deemed substantive, would result in a more comprehensive assessment plan and disclosure.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	Rationale and Explanation: Similar to risk management, the Company considers climate-related opportunities, such as opportunities to lower the carbon footprint of the company's direct operations. However, as a supplemental health and life insurance company, while climate-related opportunities exist, none has a substantive financial or strategic impact on the business. One area that the Company is closely monitoring for business opportunities is our investment portfolio. At this point, based on the portfolio exposure assessment that the Company undertakes, climate-related investment opportunities are not substantive, but the Company continues to conduct an ESG analysis on the investment portfolio. Although not yet substantive, the Company is taking steps to diversify the portfolio to take advantage of climate-related opportunities, such as through 100% renewable utilities and renewable energy projects. These investments only make up a small fraction of the entire portfolio but are anticipated to grow moving forward. Assessment Process: The method of assessing climate-related opportunities is similar to that used for climate-related risks. The Company's business opportunities are measured against the risk matrix to determine the potential impact. At this point, opportunities related to climate change have been identified through this process, but none have had a substantive financial or strategic impact on the Company's business. That said, the Company has capitalized on some non-substantive climate-related opportunities. Examples include developing an on-site solar PV array at the company's global headquarters in Columbus, GA and through diversifying the company's investment portfolio to reflect the transitional opportunities that exist in the alternative energy sphere. Due to the Company's assessment process, should climate-related opportunities become substantive, the Company will be well positioned to adapt accordingly.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

Rationale and Description:

The Company has begun to incorporate climate change into the risk management, business strategy and financial planning processes. Climate change has indirectly impacted some financial elements related to the persistency of the Company's policies. The actuarial team also monitors all emerging trends that may impact underwriting and policy pricing. Therefore, if climate change impacts begin to have a more direct and substantive impact on policy pricing, claims trends or premium collection, then the Company is positioned to further incorporate climate-related considerations into these processes. Beyond direct operations, the investment portfolio is where climate-related considerations are most incorporated into the business strategy.

Plans to Incorporate Scenario Analysis:

At this time, the Company has no plans to incorporate scenario analysis into its business strategy. However, the Company will continue to monitor climate-related risks and opportunities relevant to its direct operations, underwriting process and the investment portfolio to determine if undertaking scenario analysis makes financial and strategic sense for the organization.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	No	The Company's primary products and services are life and health insurance policies. When developing these policies and pricing them through the underwriting process, the Company considers all potential influences that may impact the policies. Throughout this monitoring process, the actuarial team is acutely attuned to any emerging trends that might influence the Company's products and services. Whenever a new policy is developed, or an existing policy is revamped, the Company ensures that it is incorporating all potential considerations. So, if climate-related risks and opportunities were to emerge to be more influential of the Company's policies, then product development would alter to reflect this. There are a few policy areas that the Company currently recognizes may be susceptible to climate-related risks in the future. 1. The first is the Company's cancer insurance services. The Company recognizes that if climate change increases the incidence of certain types of cancer, such as those related to sun exposure or environmental pollution, the underwriting scheme will change. 2. The other, is the increased prevalence of novel viruses, which in the future, could be exacerbated by or present in a wider geography, due to climate change. Additionally, while climate change risks and opportunities are not directly influencing strategy, there are two areas in which indirect impacts are considered by the products and services team. One of these has to do with persistency and the fact that after natural disasters, the Company may witness an increase in the number of lapsed policies. This can impact premium collection and therefore revenues. Additionally, when developing a product, the actuarial team will incorporate contingencies, such as the consideration of a 1 in 20 or 1 in 50-year event when pricing products. These events are not necessarily explicit to climate change but provide resilience to unpredictable events.
Supply chain and/or value chain	Yes	ESG considerations, including those related to climate change have influenced value chain strategy for both investment and procurement practices. For investments, the Company incorporates climate change considerations into the decision-making process. This includes assessing how climate issues embedded within a broader ESG assessment will impact a potential investment. This includes analyzing an investment's internal processes and external products to determine if there are any particular risks or opportunities that will affect the investments' ability to provide a positive return. The Company's ultimate goal as an investor is to fulfill the fiduciary responsibility to stakeholders by investing assets in a prudent manner to meet present and future policyholder obligations and by maximizing the long-term financial return on invested assets. Situation: With this in mind, climate change and other ESG considerations are having an increased impact on the financial performance of a given investment. Task: As a result, the Company's investment team is considering approaches to further embed ESG considerations into the investment portfolio and strategy. Action: The Company is exploring an investment into an ESG data software company, which uses artificial intelligence to analyze the ESG performance of a potential investee. Result: With an investment, it is possible the Company would have access to this platform and data to more robustly analyze its potential investees against climate-related and other ESG benchmarks, further incorporating these topics into the investment strategy.
Investment in R&D	No	The Company serves as a supplemental health and life insurance company. As described in response to 'if climate-related risks and opportunities have influenced products and services business strategy', such considerations are currently not impacting the Company's business in this area. The risk management team sends out an annual survey on emerging risks to be considered in future risk assessments, which could also impact allocation of research and development funds. Through this process, climate-related risks and opportunities have not yet been identified, although the Company will continue to monitor these areas, should climate change impacts begin to have larger influence.
Operations	Yes	Climate-related risks and opportunities have had a large indirect impact on the Company's business operations, most notably through the initiatives around digital transformation. One Digital Aflac was launched in 2019, with the aim to use technology to make things easier for both our customers and employees. The primary driver of these digital initiatives is serving our customers better and more efficiently, with a secondary driver being climate change and resource use considerations. For example, this push toward digitization has greatly reduced the amount of paper that the Company consumes when processing claims. Through our SmartClaim services, the number of claims submitted digitally rose from 59.5% in January 2019 to 66.3% by the end of the year. The corporate digitization roadmap is also impacting the Company's sales contractors and the climate footprint associated with their practices. For example, the Company is currently developing a digital approach to sales that will allow representatives to conduct services through a digital platform, which will greatly reduce the resources traditionally associated with sales, including travel and paper usage. As the Company continues to build out a digital roadmap, the environmental benefits will follow suit. Situation: As the Company continues with digital transformation initiatives, we have to be aware of the potential burden that increased technological demands have on energy use. Task: Therefore, the Company will need to ensure that this digital transformation does not increase energy demand, which could detrimentally impact the business both financially and environmentally by increasing our climate footprint. Action: In response to this, we have been taking steps to increase the density of the company's computer systems to deliver the same amount of services on a smaller computing footprint. This includes moving more toward a cloud computing model, where the Company will increasingly use platforms and software as a service. The Company is shutting down its legacy data center and now largely operates out of a shared space run by a third party. Result: This reduces the Company's direct impact and allows data services to take advantage of a more scaled-up and efficient processing center. These decisions mean that the Company can mitigate its energy footprint as the use of digital platforms increases.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues	The primary area in which climate-related risks and opportunities have influenced the Company's financial planning is in its investment strategy. The Company allocates resources to maximize revenues and ensure that there is appropriate capital to cover all claims. Climate-related risks and opportunities have influenced the investment strategy in a number of ways and are built into the assessment of potential investments to account for changing market trends. The Company's ultimate goal as an investor is to fulfill the fiduciary responsibility to invest assets in a prudent manner to meet present and future policyholder obligations and to maximize the long-term financial return on invested assets available to all stakeholders. Situation: With this in mind, energy and other markets are beginning to change in response to the transition to a lower-carbon economy. Investments that previously resulted in substantial returns, now may be exposed to climate-related risks. Task: As a result, the Company will need to ensure that the investment strategy and approach considers these risks and opportunities, while continually returning a profit on the investments. Action: In response to this, the Company has embedded ESG considerations into the investment assessment process. The Company also continues to reduce its investments in energy intensive sectors such as coal, oil and gas and metals and mining, as these areas become riskier in the face of a low-carbon transition. This has yielded a 32% decrease in the Company's oil and gas exposure and 20% decrease in metals and mining exposure since 2015. Additionally, the Company is beginning to build out a responsible investment portfolio, including renewable energy projects. Result: A result of this decision has been hardening the resilience of the Company's portfolio to climate-related risks. While these responsible investments make up just a fraction of the Company's current portfolio, the global investments team intends to continue the trend of increasing climate conscious investments, in order to continue to take advantage of growing opportunities and manage risk. Another area in which climate-related risks and opportunities are incorporated into financial planning, albeit more indirectly, has to do with policy persistency. In instances where acute physical climate risks, such as natural disasters significantly impact a given area, the Company has witnessed high rates of policy lapse rates. This either occurs immediately after the incident, or in some cases, states will institute an order stating that policies cannot be lapsed for a certain time period after an incident occurred. In either case, when these high lapse rates occur as a result of acute physical impacts, the Company will witness a reduction in collected premiums and subsequent revenues. At the moment, the impact of this has not been substantive on the Company's business, but such considerations get incorporated into the underwriting and financial planning process.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.2

(C-FS3.2) Are climate-related issues considered in the policy framework of your organization?

Yes, climate-related issues are integrated into our general policy framework that relates to our financing activities

C-FS3.2a

(C-FS3.2a) In which policies are climate-related issues integrated?

	Type of policy	Portfolio coverage of policy	Description
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Investment policy/strategy	All of the portfolio	Aflac Global Investments currently considers climate related issues in all of its investments. Internal investment decisions are held through in-depth credit discussions that encompass all areas of an issuers business including their exposure to climate change. This includes exposure from our investments in oil and gas companies, utilities, property and casualty insurance companies, sovereign and municipal issuers and other highly concentrated entities, among others. Additionally, the majority of our external managers are signatories to the UNPRI and thereby are expected to factor in exposure to climate change in their investment decisions.
Insurance underwriting (Insurance company)	Other, please specify (Climate-related issues are not incorporated into insurance underwriting policies at this time.)	Unknown	Climate-related issues are not incorporated into insurance underwriting policies at this time.
Other products and services, please specify	Other, please specify	Unknown	The Company does not have any other products and services.

C-FS3.3

(C-FS3.3) Are climate-related issues factored into your external asset manager selection process?

No, for none of our externally managed assets

C-FS3.3b

(C-FS3.3b) Why are climate-related issues not factored into your external asset manager selection process?

The Company uses external asset managers for certain asset classes. All current managers have been selected prior to the Company integrating ESG considerations into its RFP and due diligence process. As part of our monitoring process, asset managers complete regular questionnaires (at a minimum annually), which now includes sections covering how the asset manager incorporates ESG considerations into their investment process. This due diligence includes a questionnaire asking external asset managers about how ESG is factored into investment practices. For example, external asset managers are asked how ESG principles are incorporated into their credit underwriting and security selection policies, as well as if they are signatories to the UNPRI. In addition to the initial due diligence process, each manager is required to confirm annually their commitment to maintaining sound ESG principles in their investment management. We do not explicitly factor climate related issues into our manager selection process. However, the majority of our external managers are signatories to the UNPRI and are thereby expected to factor in climate change issues into their investment process.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2007

Covered emissions in base year (metric tons CO2e)

34607

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

83

Target year

2030

Targeted reduction from base year (%)

71.5

Covered emissions in target year (metric tons CO2e) [auto-calculated]

9862.995

Covered emissions in reporting year (metric tons CO2e)

13382

% of target achieved [auto-calculated]

85.7783531809018

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

This target is inclusive of Scope 1 and 2 emissions from Aflac Japan's operations and just Scope 2 emissions from Aflac U.S.'s operations. The target was updated most recently by a pledge from Aflac Japan in 2019.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Country/region

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	GJ
----------------------------------	----

Target denominator (intensity targets only)

<Not Applicable>

Base year

2007

Figure or percentage in base year

123143

Target year

2030

Figure or percentage in target year

49257

Figure or percentage in reporting year

58105

% of target achieved [auto-calculated]

88.0247949543892

Target status in reporting year

Underway

Is this target part of an emissions target?

This energy target supports the attainment of our emissions reduction target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

This target is for the Company's Japan operations and was newly established in 2019. This target aims to reduce the amount of energy consumed at Aflac Square, which is real estate owned by Aflac Japan.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	12	0
To be implemented*	5	1535
Implementation commenced*	4	22
Implemented*	10	386
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

4

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

801

Investment required (unit currency – as specified in C0.4)

6000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Aflac U.S. upgraded the SEER of a backup AC unit.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

2

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

394

Investment required (unit currency – as specified in C0.4)

12000

Payback period

>25 years

Estimated lifetime of the initiative

16-20 years

Comment

Aflac U.S. upgraded an elevator HVAC unit.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

2

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

522

Investment required (unit currency – as specified in C0.4)

3300

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. upgraded from fluorescent lights to LED lights in our offices.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

20

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4240

Investment required (unit currency – as specified in C0.4)

8125

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. upgraded from fluorescent lights to LED lights in our buildings.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

23

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4824

Investment required (unit currency – as specified in C0.4)

33243

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. upgraded from fluorescent lights to LED lights.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

7

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1560

Investment required (unit currency – as specified in C0.4)

45000

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. upgraded lighting control modification so that the lights are only on when prompted by sound or motion sensors.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

10

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2203

Investment required (unit currency – as specified in C0.4)

12000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. upgraded from fluorescent lights to LED lights.

Initiative category & Initiative type

Energy efficiency in buildings	Insulation
--------------------------------	------------

Estimated annual CO2e savings (metric tonnes CO2e)

41

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

8665

Investment required (unit currency – as specified in C0.4)

105520

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

Aflac U.S. installed window films.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

107

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

30848

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

The optimization of air conditioners in Aflac Japan's server room resulting in 220,000 kWh per year in savings, or about 5% of Aflac Square's annual electric consumption.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

170

Scope(s)

Scope 1

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

49000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

The Company's Japan operations reviewed the operating hours of additional HVAC equipment, leading to an improvement in operational efficiency.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Aflac U.S. engages with employees through 60-person Green Team. These 'Aflac Greenbassadors' support the Company's green goals and promote environmental awareness through event coordination and environmental communications. Specific activities include the Company's annual e-waste recycling event and the Earth Day vendor fair, which includes bringing in representatives from Georgia Power to its corporate headquarters to discuss energy efficiency measures. Aflac Japan engages with employees about environmental issues, including climate change. This includes employee education programs to teach individuals about Aflac Japan's environmental management framework and to understand the relationship between environmental management and daily operations. This education also covers how employees can make environmentally conscious decisions in daily operations, such as efforts to reduce energy usage at Aflac Japan's offices.
Dedicated budget for energy efficiency	Aflac U.S. was the first insurance company in the U.S. to be ISO 50001 Energy Management System registered, which is a leading practice in energy management. Through sustained and deliberate energy-saving measures, Aflac U.S. has reduced electricity consumption by 50% per square foot since 2007. As part of this program, Aflac U.S. also has set targets to: • Maintain Energy Star certification for at least 85% of the Company's eligible corporate property. • Work toward the goal of reducing electricity consumption per square foot by 75% of 2007 usage by fiscal year 2030. Currently, Aflac U.S. operations have earned ENERGY STAR recognition for 86% of all eligible corporate property (by square footage), including the building that houses the data center. The Company's Energy Star score has increased by more than 50% since 2007 and the Company's facilities perform in the top 25% of all similar facilities nationwide.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2007

Base year end

December 31 2007

Base year emissions (metric tons CO2e)

7617

Comment

These emissions represent those from Aflac U.S.'s operations between January – December 2007, and those from Aflac Japan's operations between April 2007 – March 2008.

Scope 2 (location-based)

Base year start

January 1 2007

Base year end

December 31 2007

Base year emissions (metric tons CO2e)

33956

Comment

These emissions represent those from Aflac U.S.'s operations between January – December 2007, and those from Aflac Japan's operations between April 2007 – March 2008.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

4050

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Aflac U.S. operations account for 3512 MTCO2e and Aflac Japan operations 538 MTCO2e in 2019.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

13009

Scope 2, market-based (if applicable)

12843

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Aflac U.S. operations account for 10619 MTCO2e (location and market-based) and Aflac Japan operations 2390 MTCO2e (location-based) and 2224 MTCO2e (market-based) in 2019.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company has not undertaken a comprehensive Scope 3 inventory to calculate emissions resulting from purchased goods and services. As the Company develops an understanding of the climate change impact of its value chain, we will investigate calculating a full Scope 3 inventory for these emissions.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company did not purchase capital goods in 2019 and therefore this category is not relevant to the Scope 3 inventory. Emissions resulting from capital goods purchased are 0 MTCO2e. We continue to monitor capital goods, because this category could become relevant in future years.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a supplemental health and life insurance company, The Company's Scope 1 and 2 emissions are small, and so too are the associated upstream emissions from fuel-and-energy-related activities. In particular, when comparing the emissions from this category to those likely associated with the Company's investment portfolio, category 3 emissions will be close to 0% of total Scope 3 inventory.

Upstream transportation and distribution

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

801

Emissions calculation methodology

Upstream transportation and distribution emissions for the Company consist of purchased services for mail delivery. For Aflac Japan operations, this value was calculated by tracking the weight and distance of each mail shipment over the course of 2019. When summed together, this resulted in about ~1,136,900 ton-km of mail delivered. The combination of average fuel used per ton-km plus the associated energy use and resulting carbon emissions, were used to calculate a total of 500 MTCO₂ for purchased mail delivery services for Aflac Japan in 2019. Because CO₂ makes up the vast majority of emissions, this serves as a representative amount for total emissions. As a result, we were able utilize the calculated CO₂ emissions for Aflac Japan's delivered mail as a representative amount for Aflac Japan's total emissions. The source of the emission factors used are from the Ministry of Economy, Trade and Industry (METI) and Ministry of Land, Infrastructure, Transport and Tourism (MLIT) joint guidelines. For Aflac U.S. operations, emissions were determined directly based on disclosed information that Aflac U.S.'s primary shipper provided. This totaled 301 MTCO₂. Like for calculations from Aflac Japan operations, because CO₂ makes up the vast majority of CO₂e emissions, this was used as a representative amount for total emissions. AR5 GWPs are used for this calculation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

38

Please explain

Emissions from the Company's purchased mail delivery services were combined for global operations.

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

112

Emissions calculation methodology

Emissions resulting from waste generated in operations is calculated for all of the Company's operations by monitoring the weight and destination of waste generated. For Aflac Japan, emission factors for each waste type come from the 'Ministry of Environment Green Value Platform' for calculating GHG emissions through the supply chain. Multiplying the weight of each waste type by associated emission factors results in 27 MTCO₂e for Aflac Japan operations. Emission factors and approach for Aflac U.S. come from the Greenhouse gas (GHG) Protocol Corporate Accounting and Reporting Standard: Average-data method. Aflac U.S. tracks the type and weight of waste that is sent to landfill and for recycling and uses this to calculate overall emissions that arise from waste generation. Total emissions from waste for Aflac U.S. was 85 MTCO₂e during the reporting year. AR5 GWPs are used for this calculation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The weight of waste sent to the landfill and sent for recycling at facilities owned and operated by the Company is tracked.

Business travel

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

7939

Emissions calculation methodology

The Company calculates emissions resulting from business travel across global operations. For the Company's business travel in Japan, these emissions are calculated for air travel, train travel and hotel stays. For air travel, each flight taken by an employee is tracked and then ANA's GHG emissions calculation tool is used to calculate the GHG emissions that are associated with each trip (<https://www.ana.bluedotgreen.co.jp/>). In total, emissions from the Company's Japanese air travel are 279 MTCO2. In order to calculate emissions associated with rail travel, total cost spent on rail tickets is tracked and an average emission factor per Yen for Japanese railways is used to determine that emissions from rail travel resulted in 196 MTCO2. For hotel stays, the number of nights booked is monitored and a GHG emission factor per night is sourced from the 'Ministry of the Environment Green Value Platform' for calculating GHG emissions from the supply chain to determine total emissions of 503 MTCO2. Total business travel emissions from Japanese travel were 978 MTCO2. Emissions only resulting from CO2 were calculated for Aflac Japan's business travel, however, because CO2 makes up the vast majority of CO2e emissions, then it is used as a representative amount for total emissions for Japan. Emission factors and approach for Aflac U.S. come from the Greenhouse gas (GHG) Protocol Corporate Accounting and Reporting Standard: Average-data method. For the Company's U.S. business travel, emissions associated with air and car travel are currently calculated. Air travel emissions were calculated using EPA Center for Corporate Climate Leadership emission factors. For car rentals, Aflac U.S. receives information from rental providers regarding emissions. And for personal vehicle reimbursement, emission factors based on miles travelled from the EPA Center for Corporate Climate Leadership were used. Emissions from air travel were 5,615 MTCO2e, rental cars were 277 MTCO2e and emissions from personal car usage were 1,069 MTCO2e. AR5 GWPs are used for this calculation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions from business travel associated with air transport are calculated for all of the Company's operations. Train travel is not relevant to Aflac U.S. operations, as trains are not used as a means of transport like they are in Japan. Emissions from hotel stays for U.S. employees have not yet been calculated, but when they are, will be incorporated into this category's emissions.

Employee commuting

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions resulting from employee commuting for the Company are small relative to some of the Company's other Scope 3 categories, in particular related to our investment portfolio. Therefore, the emissions associated with employee commuting are expected to be close to 0% of the entire Scope 3 inventory and are deemed not relevant.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

10915

Emissions calculation methodology

These emissions account for those from offices leased by the Company that are not included in the Scope 1 and 2 inventory. For the Company's leased offices in Japan, energy use and GHG emissions are calculated based on electricity, natural gas, heavy oil and heating and cooling invoices for the facilities. Emission factors and intensity are calculated based on Japan's Act on Promotion of Global Warming Countermeasures as well as relevant emission factors for the utilities that provide electricity to the leased offices. Based on this calculation method, emissions from upstream leased assets in Japan are 4,877 MTCO2 from electricity, 216 MTCO2 from natural gas, 5 MTCO2 from heavy oil and 987 MTCO2e from heating and cooling services for a total of 6,085 MTCO2. Emissions only resulting from CO2 were calculated for Aflac Japan's leased assets, however, because CO2 makes up the vast majority of CO2e emissions, then it is used as a representative amount for total emissions for Japan. Calculations for leased assets in the U.S. were made assuming that leased office space uses the same amount of energy per square foot as facilities owned and operated by the Company. This calculation of energy use per square foot includes the Company's corporate data center. With these assumed energy intensities, The Company calculated natural gas usage and emissions as well as electricity usage and emissions based on location of the offices. Total emissions from Aflac U.S.'s leased offices in 2019 from natural gas and electricity are 4,830 MTCO2e. AR5 GWPs are used for this calculation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

These emissions reflect those from offices leased by the Company that are not included in the Scope 1 and 2 inventory.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not use any downstream transportation and distribution services. As a result, total emissions resulting from downstream transportation and distribution is 0 MTCO₂e.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company is a supplemental health and life insurance company and sells policies. Given that these policies are not physical goods, there is no processing that occurs after the policies are sold, and therefore emissions from the processing of the Company's products is 0 MTCO₂e.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company is a supplemental health and life insurance company and sells policies. Given that these policies are not physical goods, there are no emissions that result from when these policies get used, or claims are filed. Therefore, the emissions associated with the use of the Company's products is 0 MTCO₂e.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company is a supplemental health and life insurance company and sells policies. Given that these policies are not physical goods, there are no emissions that result from end of life treatment. Therefore, the emissions associated with end of life treatment is 0 MTCO₂e.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not have any downstream leased assets. Therefore, total emissions from downstream leased assets is 0 MTCO₂e.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not have any franchises. Therefore, total emissions from franchises is 0 MTCO₂e.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not have any other upstream emissions. Therefore, total emissions from other (upstream) is 0 MTCO₂e.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not have any other downstream emissions. Therefore, total emissions from other (downstream) is 0 MTCO₂e.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

8e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

16894

Metric denominator

unit total revenue

Metric denominator: Unit total

22307000000

Scope 2 figure used

Market-based

% change from previous year

3.6

Direction of change

Decreased

Reason for change

The reductions were due to energy efficiency projects, as well as increased productivity of the on-site solar array on one of its Columbus, GA buildings. In total, global Scope 2 emissions decreased 7.5% between 2018 and 2019. Lighting efficiency projects in Aflac U.S. offices cumulatively saved 60 MTCO₂e and optimization of the air conditioning at Aflac's Japan offices saved 107 MTCO₂e. Additionally, the Company's total revenue increased by about \$500 million between 2018 and 2019.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	7	Decreased	0.04	Aflac U.S. owns a solar array that was installed on one of our buildings in Columbus, GA in 2017. The array produced an additional 16 MWh in 2019 as compared to 2018 (230 – 214 = 16). 16 MWh of electricity consumed from the grid in Georgia converts to 7 MTCO2e that were not emitted from our operations due to increased generation from the solar array. 2018 total Scope 1 and 2 emissions were 17,090 MTCO2e, and therefore this increase in renewable energy generation and consumption resulted in a 0.04% decrease because $(7/17,090) \times 100 = 0.04\%$ reduction.
Other emissions reduction activities	386	Decreased	2.3	The Company fully implemented 10 projects in 2019 that resulted in 386 MTCO2e of reduced emissions due to electricity use. The Company's continued focus on energy reduction activities through our ISO:50001 energy management resulted in reductions in electricity use. The Company's 2018 total Scope 1 and 2 emissions were 17,090 MTCO2e and therefore total emission reduction activities resulted in a 2.3% decrease because $(386/17,090) \times 100 = 2.3\%$ reduction.
Divestment	0	No change	0	The Company did not make any divestitures in 2019.
Acquisitions	0	No change	0	The Company did not make any acquisitions in 2019 that impacted Scope 1 and 2 emissions.
Mergers	0	No change	0	The Company did not participate in any mergers in 2019.
Change in output	0	No change	0	The Company did not have any change in output in 2019.
Change in methodology	0	No change	0	Aflac Japan had a change in methodology, moving from just calculating a location-based emissions number to also using a market-based approach. These reductions are reflected in C4.3a as well as the row 'Other emissions reduction initiatives.'
Change in boundary	0	No change	0	The Company did not make any change in boundary in 2019.
Change in physical operating conditions	0	No change	0	The Company did not have any change to physical operating conditions in 2019.
Unidentified	0	No change	0	The Company did not have unidentified changes in 2019
Other	197	Increased	1.2	The Company's gross global Scope 1 and 2 emissions decreased 196 MTCO2e between 2018 and 2019, from 17,090 to 16,894. The aforementioned increase in renewable energy consumption and other emissions reduction activities resulted in a total reduction of 393 MTCO2e. Therefore, in 2019, there was an increase of 197 MTCO2e worth of emissions due to the Company's other activities. This emissions increase can largely be attributed to stationary fuel emissions due to a changes in natural gas consumption and mobile emissions due to a change in jet fuel. Gasoline and diesel consumption are balanced out. This resulted in a 1.2% increase, because $(197/17,090) \times 100 = 1.2\%$ increase.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	14549	14549
Consumption of purchased or acquired electricity	<Not Applicable>	0	29996	29996
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	230	<Not Applicable>	230
Total energy consumption	<Not Applicable>	230	44545	44775

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

AflacInc_2019_Scope1and2_Verification.pdf

Page/ section reference

Aflac Japan: Page 1 (ISO14064-3 Standard) Aflac U.S.: Page 2 - 6 (Attestation Standard Established by AICPA)

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

AflacInc_2019_Scope1and2_Verification.pdf

Page/ section reference

Aflac Japan: Page 1 (ISO14064-3 Standard) Aflac U.S.: Page 2 - 6 (Attestation Standard Established by AICPA)

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit origination

Project type

CO2 usage

Project identification

The company has carbon credits that are being saved because Aflac Japan was able to significantly reduce energy and by extension emissions in the 2nd period of Tokyo CaT which started in 2015.

Verified to which standard

Other, please specify (Certification by Tokyo CaT)

Number of credits (metric tonnes CO2e)

6414

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Not relevant

Purpose, e.g. compliance

Compliance

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
- Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Code of conduct featuring climate change KPIs

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Aflac U.S.'s Supplier Code of Conduct outlines our commitment to responsible supply chain management practices. This Code applies to all organizations that Aflac U.S. does business with and ensures that Aflac U.S. conducts business and engages with suppliers in a responsible manner. Environmental considerations are incorporated in the code, stating that Aflac U.S. suppliers must comply with local laws and regulations regarding waste disposal, air pollution and water use. Aflac U.S. also encourages all suppliers to implement best environmental practices.

Impact of engagement, including measures of success

Aflac U.S. measures the success of the Supplier Code of Conduct based on the number of suppliers who adopt the pledge to adhere to environmental laws and regulations, which is all of them, as well as the number of suppliers who take on best environmental practices. These best practices include: - Having a written statement from the senior company officer outlining the Company's commitment to sustainability. - Informing Aflac of fines or sanctions resulting from non-compliance of environmental laws and regulations. - Reporting to the Global Reporting Initiative (GRI), Dow Jones Sustainability Index, or Ethisphere Survey. Suppliers who are not eligible for these reporting frameworks can still follow the guidelines laid out by these organizations. - Setting goals for reducing negative natural resource impacts on the environment, the economy and society. - Transparency in environmental impact reporting, i.e. reporting to the Carbon Disclosure Project and producing annual Corporate Social Responsibility reports.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Unknown

Please explain the rationale for selecting this group of customers and scope of engagement

Aflac U.S. launched One Digital Aflac in 2019, as part the company's Digital Transformation, to enhance the experience of customers and employees. This moved customers from paper-based formats to digital interfaces, which provides significant business and environmental benefits. Additionally, Aflac Japan promotes digital rather than paper application when customers enroll in insurance policies. Aflac Japan also promotes web policy provisions rather than paper policy provisions. Aflac Japan provides services where policyholders can review their policy information and update this information, such as policyholder addresses and telephone numbers directly on their smartphones or computers, instead of using paper. Aflac Japan is committed to enhancing convenience for its customers as well as reduce the amount of paper used through its business operations.

Impact of engagement, including measures of success

The Company's digital transformation will results in climate benefits, as more and more of the Company's business shifts to digital rather than resource driven. It will lower the travel typically undertaken by our sales team, as a lot of these interactions can now take place remotely. The Company recognizes the potential increase in energy and electricity demands that may result from this digital transformation and has also taken steps to reduce this footprint. This includes a move toward more efficient computing systems that will increase density and allow the Company to process all sales and claims on a smaller digital footprint. In addition, the Company no longer operates an owned data center, operating out of a co-located and shared center. All of these efforts are already having an impact, and measures of success include how many transactions or claims are being processed digitally. In January 2019, 59.5% of claims in the U.S. were being submitted through the digital platform and by the end of 2019, this number had risen to 66.3% of claims.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

No

C12.3g

(C12.3g) Why do you not engage with policy makers on climate-related issues?

At this time, the Company does not engage on climate change policy because as a life and health insurance company, the Company has not identified any material regulatory, legislative or other climate-related risk or opportunity that has the potential to impact business.

Before engaging with policy makers, the Company wants to ensure that the Company has a transparent and publicly available position on climate change. The Company has developed an ESG Working Group to engage on ESG, including climate-related topics. As the Company further develops an official stance on climate change and continues to analyze climate change impacts, particularly with regards to its investment portfolio and underwriting processes, there is the potential to revisit potential engagement with policy makers.

While the Company limits engagement with policy makers, it is important to note that the Company is active in sharing ESG actions that have aggressively reduced Scope 1 and 2 emissions since 2007 with other organizations.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary communications

Status

Complete

Attach the document

Aflac2019TCFD_Report.pdf

Page/Section reference

Entire document

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

The Company released a report in 2019 entitled, Aflac Incorporated's Task Force on Climate-Related Financial Disclosures Report 2019.

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

Aflac_Incorporated_2018_CSR_Report.pdf

Page/Section reference

p. 69-77

Content elements

Other metrics

Comment

The Company's 2018 CSR report. Pages 69 - 77 of the report correspond to pages 44 - 52 in the pdf. This difference is because non-relevant pages were omitted in order for the document to meet the requirements for file size.

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Other, please specify (Global Reporting Initiative)	The Company is not currently a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments. The Company has and continues to actively consider becoming a signatory of one of these initiatives, most notably TCFD or UNPRI; over half of the Company's external managers are signatories. In the interim, the Company actively reports on energy and greenhouse gas emissions using the GRI framework.
Industry initiative	Please select	
Commitment	Please select	

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	<Not Applicable>	<Not Applicable >	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable >	<Not Applicable>
Investing (Asset owner)	No, but we plan to do so in the next two years	<Not Applicable >	The Company does not currently conduct an analysis of the GHG emissions associated with investments. The Company continues to assess the feasibility of conducting such an analysis over the near term. Given the \$120 billion that the Company has invested, the emissions from this are likely to be significant. However, the Company has been reducing its footprint as it pivots from carbon intensive industries. For example, the Company has significantly reduced its exposure to investments in oil and gas (now <3.5% of AUM) and metals and mining industries (now <1% of AUM) over the last five years.
Insurance underwriting (Insurance company)	Not applicable	<Not Applicable >	The Company provides supplemental health and life insurance. To the Company's knowledge, there are no other sources of GHG emissions from insurance underwriting that have not been captured in the Company's footprint.
Other products and services, please specify	Not applicable	<Not Applicable >	The Company provides supplemental health and life insurance. To the Company's knowledge, there are no other sources of GHG emissions from other products and services that have not been captured in the Company's footprint.

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 "Investments" emissions or alternative carbon footprinting and/or exposure metrics)

Aflac Global Investments incorporates benchmarking to measure its performance when widely accepted and easily calculable industry standard benchmarks exist. For carbon emissions, the Company continues to assess the data available but does not feel a streamlined industry standard calculation exists yet. As such, the Company assesses its portfolios impact on the climate via qualitative metrics such as being cognizant of companies and industries that are widely believed to be the biggest carbon emitters and not actively increasing our positions in such companies and industries. The Company recognizes that approaches are changing quickly based on the recommendations of the Task Force on Climate-Related Financial Disclosure and plans on continuing to refine and enhance its analysis of its portfolio companies' impact on the climate as more industry standard data become available.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	The Company is implementing practices to lower investment impacts in alignment with a well below 2-degree world, by actively reducing its investments in more energy and emissions intensive sectors, such as coal, oil or metals and mining. Furthermore, the Company has not participated in a number of bond issuances in these sectors over the last year, even when the issuer's credit rating is an A- or above. As the Company has shifted away from emissions intensive sectors, there is a small but growing emphasis on clean energy investments which constitute approximately \$550 million out of the Company's \$120 billion AUM. As these actions further develop, and the Company continues to incorporate climate change into the investment decision-making process, then the investment team will consider actions to specifically align the investment portfolio with a well below 2-degree world.
Insurance underwriting (Insurance company)	Not applicable	The Company provides supplemental health and life insurance. To its knowledge, there are no GHG emissions from insurance underwriting and therefore transition risks are not applicable. As a result, the Company's insurance underwriting does not explicitly align with a well below 2-degree world.
Other products and services, please specify	Not applicable	The Company does not have any other products or financial services for which 2-degree alignment needs to be considered.

C-FS14.3a

(C-FS14.3a) Do you assess if your clients/investees' business strategies are aligned to a well below 2-degree world?

	We assess alignment	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes, for some	The Company does not have any third-party investment advisory clients. During the due diligence process for investments we make, the Company flags companies operating in emissions intensive sectors. Where there is more ambiguity, the Company analyzes companies to invest in based on products sold and their operational performance using data from Bloomberg Terminal and CDP responses. The scores and data are used to inform the investment decision. For example, the Company considers participation in RE100 favorably.
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>
Other products and services, please specify	<Not Applicable>	<Not Applicable>

C-FS14.3b

(C-FS14.3b) Do you encourage your clients/investees to set a science-based target?

	We encourage clients/investees to set a science-based target	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes, for some	During the due diligence process, the Company evaluates if companies are participating in leading practices around climate change such as participating in RE100 and setting ambitious reduction targets.
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>
Other products and services, please specify	<Not Applicable>	<Not Applicable>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	SVP, Chief ESG and Communications officer	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms