

Disclosures

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

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

- 1. Adjusted operating income, on a pre-tax and after-tax basis, and adjusted operating income per diluted share.** The Company uses these measures as a basis for analyzing financial results because the Company believes that such measures better reflect the ongoing profitability and underlying trends of the Company’s continuing operations. Adjusted operating income is calculated as net income available to the Company’s shareholders (or, in the case of pre-tax adjusted operating income, income before income taxes) excluding, as applicable:

 - substantially all of the effect of net investment related gains and losses;
 - changes in the fair value of embedded derivatives;
 - changes in the fair value of contracts that provide market risk benefits;
 - non-economic losses at contract inception for direct pension risk transfer single premium business (which are amortized into adjusted operating income within claims and other policy benefits over the estimated lives of the contracts);
 - any net gain or loss from discontinued operations;
 - the cumulative effect of any accounting changes;
 - the impact of certain tax-related items; and
 - any other items that the Company believes are not indicative of the Company’s ongoing operations

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

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

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

 - Shareholders’ average equity position excluding AOCI and B36, where B36 refers to the cumulative change in fair value of funds withheld embedded derivatives;
 - Shareholders’ average equity position excluding AOCI and notable items; and
 - Shareholders’ average equity position excluding AOCI, B36 and notable items.
- 5. Adjusted operating return on equity.** This measure is calculated as adjusted operating income divided by average shareholders’ equity excluding AOCI. Adjusted operating return on equity also serves as a basis for establishing target levels and awards under the Company’s management incentive programs. The Company also discloses the following non-GAAP financial measures:

 - Adjusted operating return on equity excluding AOCI and B36;
 - Adjusted operating return on equity excluding AOCI and notable items, which is calculated as adjusted operating income excluding notable items divided by average shareholders’ equity excluding notable items and AOCI; and
 - Adjusted operating return on equity excluding AOCI, B36 and notable items.

Reconciliations of the foregoing non-GAAP financial measures (to the extent disclosed in this document) to the most comparable GAAP financial measures are provided in the Appendix at the end of this document.

Use of Non-GAAP Financial Measures

Reconciliation of RGA, Inc. shareholders' equity to RGA, Inc. shareholders' equity excluding AOCI

In millions (As of December 31,)

	2021	2022	2023	2024
RGA, Inc. shareholders' equity	\$ 8,180	\$ 7,081	\$ 9,081	\$ 10,816
Less effect of AOCI:				
Accumulated currency translation adjustment	(13)	(116)	68	(19)
Unrealized (depreciation) appreciation of securities	3,779	(5,496)	(3,667)	(4,526)
Effect of updating discount rates on future policy benefits	(4,209)	3,755	3,256	5,412
Change in instrument-specific credit risk for market risk benefits	(7)	13	3	2
Pension and postretirement benefits	(50)	(27)	(29)	(20)
RGA, Inc. shareholders' equity excluding AOCI	\$ 8,680	\$ 8,952	\$ 9,450	\$ 9,967

Reconciliation of GAAP pre-tax income to pre-tax adjusted operating income

In millions (For the year ended December 31,)

RGA Consolidated	2021	2022	2023	2024
GAAP pre-tax income	\$1,385	\$718	\$1,160	\$980
Capital (gains) losses, derivatives and other, net	(519)	379	382	873
Change in MV of embedded derivatives	(152)	120	157	(101)
Pre-tax adjusted operating income	\$714	\$1,217	\$1,699	\$1,752
Notable items	186	242	(3)	194
Pre-tax adjusted operating income excluding notable items	\$900	\$1,459	\$1,696	\$1,946

Reconciliation of earnings-per-share available to RGA shareholders to adjusted operating earnings-per-share

Diluted share basis (For the year ended December 31,)

	2021	2022	2023	2024
Earnings-per-share	\$17.14	\$7.64	\$13.44	\$10.73
Capital (gains) losses, derivatives and other, net	(6.03)	4.25	4.77	11.01
Change in MV of embedded derivatives	(3.47)	1.80	1.67	(1.68)
Adjusted operating earnings-per-share	\$7.64	\$13.69	\$19.88	\$20.06
Notable items	2.08	2.71	-	2.51
Adjusted operating earnings-per-share, excluding notable items	\$9.72	\$16.40	\$19.88	\$22.57

Breakdown of Global Financial Solutions pre-tax adjusted operating income by product line

In millions (For the year ended December 31,)

Global Financial Solutions	2021	2022	2023	2024
Asset-Intensive			\$666	\$576
Capital Solutions			97	108
Longevity			307	268
Global Financial Solutions pre-tax adjusted operating income			\$1,070	\$952