



Board of Directors
Cigna Global Reinsurance Company, Ltd.
Power House
7 Par-la-Ville Road
Hamilton HM11

Attention: Terrence Dillon

April 30, 2021

Reference: DC/EB/gid 01425405001 Transmittal

Subject: Cigna Global Reinsurance Company, Ltd.

Dear Sirs,

We enclose signed financial statements of Cigna Global Reinsurance Company, Ltd., for the year ended December 31, 2020.

Very truly yours,

A handwritten signature in black ink that reads "PricewaterhouseCoopers Ltd." in a cursive script.

Chartered Professional Accountants

*PricewaterhouseCoopers Ltd., Chartered Professional Accountants, P.O. Box HM 1171, Hamilton HM EX, Bermuda
T: +1 (441) 295 2000, F: +1 (441) 295 1242, www.pwc.com/bermuda*

"PwC" refers to PricewaterhouseCoopers Ltd. (a Bermuda limited company), which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity. "Partner" is a title referring to a shareholder, managing director or employee of equivalent standing of PricewaterhouseCoopers Ltd.



April 30, 2021

Report of Independent Auditors

To the Board of Directors of Cigna Global Reinsurance Company, Ltd.

We have audited the accompanying condensed consolidated financial statements of Cigna Global Reinsurance Company, Ltd. and its subsidiaries, which comprise the condensed consolidated balance sheets and condensed consolidated statements of capital and surplus as of December 31, 2020 and 2019, and the related condensed consolidated statements of income for the years then ended, and the related notes to the condensed consolidated financial statements.

Management's responsibility for the condensed consolidated financial statements

Management is responsible for the preparation and fair presentation of the condensed consolidated financial statements in accordance with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to condensed general purpose financial statements (the 'Legislation'). Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the condensed consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the condensed consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the condensed consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the condensed consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the condensed consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the condensed consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for adverse opinion on U.S. generally accepted accounting principles

As described in Note 3 of the condensed consolidated financial statements, the condensed consolidated financial statements are prepared by the Company on the basis of the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America.



The effects on the condensed consolidated financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse opinion on U.S. generally accepted accounting principles

In our opinion, because of the significance of the matter discussed in the “Basis for adverse opinion on U.S. generally accepted accounting principles” paragraph, the condensed consolidated financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company and its subsidiaries as of December 31, 2020 and 2019, or the results of their operations or their cash flows for the years then ended.

Opinion on regulatory basis of accounting

In our opinion, the condensed consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cigna Global Reinsurance Company, Ltd. and its subsidiaries as of December 31, 2020 and 2019, and the results of their operations for the years then ended in accordance with the financial reporting provisions of the Legislation described in Note 3.

A handwritten signature in black ink that reads "PricewaterhouseCoopers Ltd." in a cursive script.

Chartered Professional Accountants

CONDENSED CONSOLIDATED BALANCE SHEET

CIGNA GLOBAL REINSURANCE COMPANY LTD

 As at **December 31, 2020**

 expressed in ['000s] **United States Dollars**

LINE No.		2020	2019
1.	CASH AND CASH EQUIVALENTS	2,941,152	1,575,465
2.	QUOTED INVESTMENTS:		
(a)	Bonds and Debentures		
	i. Held to maturity	-	-
	ii. Other	4,879,928	4,129,316
(b)	Total Bonds and Debentures	4,879,928	4,129,316
(c)	Equities		
	i. Common stocks	147,788	51,547
	ii. Preferred stocks	7,140	7,540
	iii. Mutual Funds	-	-
(d)	Total equity investments	154,928	59,087
(e)	Other quoted investments	240,278	366,110
(f)	Total quoted investments	5,275,134	4,554,513
3.	UNQUOTED INVESTMENTS:		
(a)	Bonds and Debentures		
	i. Held to maturity	-	-
	ii. Other	1,290	7,717
(b)	Total Bonds and Debentures	1,290	7,717
(c)	Equities		
	i. Common stocks	-	-
	ii. Preferred stocks	-	-
	iii. Mutual Funds	-	-
(d)	Total equity investments	-	-
(e)	Other unquoted investments	296,615	187,301
(f)	Total unquoted investments	297,905	195,018
4.	INVESTMENTS IN AND ADVANCES TO AFFILIATES (EQUITY METHOD):		
(a)	Unregulated entities that conduct ancillary services	-	-
(b)	Unregulated non-financial operating entities	2,361	2,393
(c)	Unregulated financial operating entities	-	-
(d)	Regulated non-insurance financial operating entities	-	-
(e)	Regulated insurance financial operating entities	40,028	23,231
(f)	Total investments in affiliates (equity method)	42,389	25,624
(g)	Advances to affiliates	-	-
(h)	Total investments in and advances to affiliates (equity method)	42,389	25,624
5.	INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:		
(a)	First liens	-	-
(b)	Other than first liens	-	-
(c)	Total investments in mortgage loans on real estate	-	-
6.	POLICY LOANS	99,450	100,314
7.	REAL ESTATE:		
(a)	Occupied by the company (less encumbrances)	228,497	217,269
(b)	Other properties (less encumbrances)	-	-
(c)	Total real estate	228,497	217,269
8.	COLLATERAL LOANS	-	-
9.	INVESTMENT INCOME DUE AND ACCRUED	41,010	39,356
10.	ACCOUNTS AND PREMIUMS RECEIVABLE:		
(a)	In course of collection	3,368,514	2,430,503
(b)	Deferred - not yet due	-	-
(c)	Receivables from retrocessional contracts	-	-
(d)	Total accounts and premiums receivable	3,368,514	2,430,503
11.	REINSURANCE BALANCES RECEIVABLE:		
(a)	Foreign affiliates	-	-
(b)	Domestic affiliates	-	-
(c)	Pools & associations	-	-
(d)	All other insurers	58,417	63,984
(e)	Total reinsurance balances receivable	58,417	63,984

LINE No.		2020	2019
12.	FUNDS HELD BY CEDING REINSURERS:	102,782	94,462
13.	SUNDRY ASSETS:		
(a)	Derivative instruments	33,739	6,828
(b)	Segregated accounts companies - long-term business - variable annuities	-	-
(c)	Segregated accounts companies - long-term business - others	1,042,472	990,601
(d)	Segregated accounts companies - general business	-	-
(e)	Deposit assets	24	307
(f)	Deferred acquisition costs	2,769,430	2,378,228
(g)	Net receivables for investments sold	-	-
(h)	Other Sundry Assets (Intangibles)	733,361	565,856
(i)	Other Sundry Assets (Other Misc. Assets)	291,371	248,440
(j)	Other Sundry Assets (Specify)	-	-
(k)	Total sundry assets	4,870,397	4,190,260
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS:		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(e)	Total letters of credit, guarantees and other instruments	-	-
15.	TOTAL	17,325,647	13,486,768
	TOTAL INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS		
16.	UNEARNED PREMIUM RESERVE		
(a)	Gross unearned premium reserves	177,941	155,259
(b)	Less: Ceded unearned premium reserve		
	i. Foreign affiliates	-	-
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other insurers	419	8,023
(c)	Total ceded unearned premium reserve	419	8,023
(d)	Net unearned premium reserves	177,522	147,236
17.	LOSS AND LOSS EXPENSE PROVISIONS:		
(a)	Gross loss and loss expense provisions	481,359	422,547
(b)	Less : Reinsurance recoverable balance		
	i. Foreign affiliates	1,261	2,014
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other insurers	9,093	9,408
(c)	Total reinsurance recoverable balance	10,354	11,422
(d)	Net loss and loss expense provisions	471,005	411,125
18.	OTHER INSURANCE RESERVES	63,272	51,927
19.	TOTAL GENERAL BUSINESS - INSURANCE RESERVES	711,799	610,288
	LONG-TERM BUSINESS INSURANCE RESERVES		
	20 RESERVES FOR REPORTED CLAIMS	-	-
	21 RESERVES FOR UNREPORTED CLAIMS	425,057	373,023
	22 POLICY RESERVES - LIFE	205,442	194,230
	23 POLICY RESERVES - ACCIDENT AND HEALTH	3,403,146	2,976,808
	24 POLICYHOLDER'S FUNDS ON DEPOSIT	-	-
	25 LIABILITY FOR FUTURE POLICYHOLDER DIVIDENDS	-	-
	26 OTHER LONG-TERM BUSINESS INSURANCE RESERVES	465,700	440,689
	27 TOTAL LONG-TERM BUSINESS INSURANCE RESERVES		
(a)	Total Gross Long-Term Business Insurance Reserves	4,590,689	4,071,520
(b)	Less: Reinsurance Recoverable Balance:		

LINE No.		2020	2019
	(i) Foreign Affiliates	-	-
	(ii) Domestic Affiliates	-	-
	(iii) Pools and Associations	-	-
	(iv) All Other Insurers	91,344	86,770
(c)	Total Reinsurance Recoverable Balance	91,344	86,770
(d)	Net Long-Term Business Insurance Reserves	4,499,345	3,984,750
	OTHER LIABILITIES		
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE	72,041	71,760
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE	143,152	105,573
30.	LOANS AND NOTES PAYABLE	-	-
31.	(a) INCOME TAXES PAYABLE	179,439	134,143
	(b) DEFERRED INCOME TAXES	387,507	358,597
32.	AMOUNTS DUE TO AFFILIATES	253,498	387,469
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	4,518,606	2,434,537
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS:	-	-
35.	DIVIDENDS PAYABLE	489	426
36.	SUNDRY LIABILITIES:		
(a)	Derivative instruments	41	-
(b)	Segregated accounts companies	-	-
(c)	Deposit liabilities	-	-
(d)	Net payable for investments purchased	-	-
(e)	Other sundry liabilities (Long Term Debt Obligations)	2,263	2,343
(f)	Other sundry liabilities (Investment Contract Liab)	-	-
(g)	Other sundry liabilities (Segregated accounts)	1,042,472	990,601
(h)	Total sundry liabilities	1,044,776	992,944
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS:		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-
38.	TOTAL OTHER LIABILITIES	6,599,508	4,485,449
39.	TOTAL INSURANCE PROVISIONS AND OTHER LIABILITIES	11,810,652	9,080,487
	CAPITAL AND SURPLUS		
40.	TOTAL CAPITAL AND SURPLUS	5,514,995	4,406,281
41.	TOTAL	17,325,647	13,486,768
		TRUE	TRUE

CONDENSED CONSOLIDATED STATEMENT OF INCOME

CIGNA GLOBAL REINSURANCE COMPANY LTD
For the year ending **December 31, 2020**
expressed in ['000s] **United States Dollars**

LINE No.		2020 ('000s)	2019 ('000s)
	GENERAL BUSINESS UNDERWRITING INCOME		
1.	GROSS PREMIUMS WRITTEN:		
	(a) Direct gross premiums written	1,863,598	1,848,266
	(b) Assumed gross premiums written	715,482	712,266

LINE No.		2020	2019
	(c) Total gross premiums written	2,579,080	2,560,532
2.	REINSURANCE PREMIUMS CEDED	(80,116)	(103,949)
3.	NET PREMIUMS WRITTEN	2,498,964	2,456,583
4.	INCREASE (DECREASE) IN UNEARNED PREMIUMS	20,908	32,963
5.	NET PREMIUMS EARNED	2,478,056	2,423,620
6.	OTHER INSURANCE INCOME	17,733	13,286
7.		2,495,789	2,436,906
	GENERAL BUSINESS UNDERWRITING EXPENSES		
8.	NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED	1,590,493	1,661,852
9.	COMMISSIONS AND BROKERAGE	149,629	144,535
10.		1,740,122	1,806,387
11.	NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS	755,667	630,519
	LONG-TERM BUSINESS INCOME		
12.	GROSS PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Direct gross premiums and other considerations	3,193,528	3,008,014
	(b) Assumed gross premiums and other considerations	63,084	57,949
	(c) Total gross premiums and other considerations	3,256,612	3,065,963
13.	PREMIUMS CEDED	(220,958)	(196,497)
14.	NET PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Life	293,949	289,316
	(b) Annuities	-	-
	(c) Accident and health	2,741,705	2,580,150
	(d) Total net premiums and other considerations	3,035,654	2,869,466
15.	OTHER INSURANCE INCOME	15,933	15,687
16.	TOTAL LONG-TERM BUSINESS INCOME	3,051,587	2,885,153
	LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES		
17.	CLAIMS - LIFE	102,326	108,971
18.	POLICYHOLDERS' DIVIDENDS	-	-
19.	SURRENDERS	-	-
20.	MATURITIES	-	-
21.	ANNUITIES	-	-
22.	ACCIDENT AND HEALTH BENEFITS	1,145,114	1,161,728
23.	COMMISSIONS	198,834	252,668
24.	OTHER	-	-
25.		1,446,274	1,523,367
26.	INCREASE (DECREASE) IN POLICY RESERVES:		
	(a) Life	(4,770)	1,554
	(b) Annuities	-	-
	(c) Accident and health	278,141	91,409
	(d) Total increase (decrease) in policy reserves	273,371	92,963
27.	TOTAL LONG-TERM BUSINESS EXPENSES	1,719,645	1,616,330
28.	NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS	1,331,942	1,268,823

LINE No.		2020	2019
29.	COMBINED NET UNDERWRITING PROFIT (LOSS) BEFORE THE UNDERNOTED ITEMS	2,087,609	1,899,342
	UNDERNOTED ITEMS		
30.	COMBINED OPERATING EXPENSES:		
	(a) General and administrative	22,407,028	10,513,301
	(b) Personnel Costs	-	-
	(c) Other	381,700	389,122
	(d) Total combined operating expenses	22,788,728	10,902,423
31.	COMBINED INVESTMENT INCOME - NET	150,405	153,978
32.	COMBINED OTHER INCOME (DEDUCTIONS)	21,992,524	9,745,834
33.	COMBINED INCOME BEFORE TAXES	1,441,810	896,731
34.	COMBINED INCOME TAXES (IF APPLICABLE):		
	(a) Current	292,926	215,823
	(b) Deferred	2,267	4,931
	(c) Total	295,193	220,754
35.	COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)	1,146,617	675,977
36.	COMBINED REALIZED GAINS (LOSSES)	37,469	(4,913)
37.	COMBINED INTEREST CHARGES	-	-
38.	NET INCOME	1,184,086	671,064

CONDENSED CONSOLIDATED STATEMENT OF CAPITAL AND SURPLUS

CIGNA GLOBAL REINSURANCE COMPANY LTD
For the year ending **December 31, 2020**
expressed in ['000s] **United States Dollars**

STMT. LINE No.		2020 (^{'000s})	2019 (^{'000s})
1.	CAPITAL		
(a)	Capital Stock		
	(i) Common Shares		
	authorized value	5,000	5,000
	fully paid		
	(ii) Preferred Shares		
	authorized value	-	-
	fully paid		
	aggregate liquidation value for –		
	(iii) Treasury Shares		
	repurchased value	-	-
(b)	Contributed surplus	799,120	1,202,860
(c)	Any other fixed capital		
	(i) Hybrid capital instruments	-	-
	(ii) Guarantees and others	-	-
	(iii) Total any other fixed capital	-	-
(d)	Total Capital	804,120	1,207,860
2.	SURPLUS:		

LINE No.		2020	2019
(a)	Surplus - Beginning of Year	3,160,476	2,437,166
(b)	Add: Income for Year	1,184,086	671,064
(c)	Less: Dividends paid and payable	-	-
(d)	Add (Deduct): Change in unrealized appreciation (depreciation) of investments	63,388	107,593
(e)	Add (Deduct): Change in any other surplus	240,068	(55,347)
(f)	Surplus - End of Year	4,648,018	3,160,476
3.	MINORITY INTEREST	62,857	37,945
4.	TOTAL CAPITAL AND SURPLUS	5,514,995	4,406,281

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

(Reg. 8)

NOTES TO CONDENSED CONSOLIDATED GENERAL PURPOSE FINANCIAL STATEMENTS

PART I

GENERAL NOTES TO THE FINANCIAL STATEMENTS

1. Ownership Details:

Cigna Global Reinsurance Company, Ltd. (CGRC / the Company / the insurer) was incorporated under the laws of Bermuda, as a Class 3A reinsurer. CGRC is a wholly-owned subsidiary of Cigna Global Holdings, Inc. (CGH), a Delaware Company, which is ultimately wholly-owned by Cigna Corporation (Cigna), also a Delaware Company. CGRC was incorporated in May 1999 and commenced business on May 27, 1999. There have been no changes to shareholder controllers or places of incorporation during the year.

2. General nature of risks underwritten:

CGRC was established as an insurance company to write all classes of general and long-term insurance, including reinsurance. In the normal course of business, CGRC enters into agreements, primarily relating to short-duration contracts, to assume reinsurance from affiliated companies.

The Company's subsidiaries offer supplemental health, life and accident insurance products and international health care coverage and services to businesses, governmental and non-governmental organizations and individuals.

3. Account Standards and Principles:

The condensed consolidated general purpose financial statements have been prepared in conformity with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to Condensed General Purpose Financial Statements (the "Legislation"). The condensed consolidated general purpose financial statements are based upon accounting principles generally accepted in the United States of America ("US GAAP") but are in accordance with the reporting requirements of the Legislation, which varies in certain respects from US GAAP. The more significant variances are as follows:

- A consolidated statement of cash flows is not included;
- A consolidated statement of comprehensive income is not included;
- The presentation and classification of financial statement line items is in accordance with Schedules IX and XI of the Insurance Account Rules 2016 and differ from the expected presentation and classification under US GAAP ; and

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

- The notes included in the condensed consolidated general purpose financial statements have been prepared in accordance with Schedule X of the Insurance Account Rules 2016 and exclude certain information required under US GAAP.

The condensed consolidated general purpose financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions and balances have been eliminated.

4. Significant accounting policies, nature of changes made during the year in those policies and the effect, if determinable, on the financial statements:

Recent Accounting Guidance

Accounting Standard and Adoption Date	Requirements and Effects of Adopting New Guidance
Recently Adopted Accounting Guidance Adopted January 1, 2020	The Company adopted Accounting Standards Update (“ASU”) 2016-02, <i>Leases</i> , as of January 1, 2020 (the adoption date) on a modified retrospective basis for leases in effect as of and after the adoption date. This new guidance requires balance sheet recognition of assets and liabilities arising from leases. Upon adoption, we recognized new right-of-use assets and lease liabilities related only to our operating leases, as finance (capital) leases were already reflected on the Company’s Consolidated Balance Sheets. The impact of adoption on our net assets and retained earnings was not material, nor was there a material impact on our Consolidated Statements of Income.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Significant Accounting Policies

Notes to Consolidated

Balance Sheet

Number	Footnote and policy
1	Cash and cash equivalents
2, 3	Investments
4	Investment in advance to affiliates
6	Policy loans
7	Real Estate
10	Accounts and premium receivable
11	Reinsurance balance receivable
13a	Derivatives
13c	Separate accounts
13f	Deferred acquisition costs
13h	Goodwill and intangibles
13i	Other Miscellaneous Assets
17	Loss and loss expense provisions
20, 21	Reserves for reported and unreported claims
22, 23	Policy reserves
24	Policyholder's funds on deposit
31	Income taxes

5. Basis of recognition of premium, investment and commission income:

Written premiums, commissions, loss and loss adjustment expenses, and changes to unearned premium reserves are recorded in the periods they are determined.

Premiums for life, accident and health insurance and reinsurance are recognized as revenue on a pro rata basis over the contract period. The unexpired portion of these premiums is recorded as unearned premiums.

Investment income is recognized as earned.

Commission income is not applicable.

6. Translation of foreign currencies:

CGRC generally conducts its international business through foreign operating subsidiaries, that maintain assets and liabilities in local currencies, which are generally their functional currencies. The Company uses exchange rates as of the balance sheet date to translate assets and liabilities into U.S. dollars. Translation gains or losses on functional currencies, net of applicable taxes, are

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

recorded in accumulated other comprehensive income (loss). CGRC uses average monthly exchange rates during the year to translate revenues and expenses into U.S. dollars. For the year ended December 31, 2020 CGRC had a net foreign currency translation gain of \$243 million and for the year ended December 31, 2019 a net foreign currency translation loss of \$61 million.

7. Foreign exchange control restrictions:

Not applicable

8. Contingencies:

CGRC's reserves for underlying reinsurance exposures assumed, as well as for amounts recoverable from retrocessionaires, are considered appropriate as of December 31, 2020, based on current information. However, it is possible that future developments could have a material impact on CGRC's consolidated results of operations and, in certain situations, could have a material adverse effect on CGRC's financial condition. CGRC bears the risk of loss if its payment obligations to cedents increase or if its retrocessionaires are unable to meet, or successfully challenge, their reinsurance obligations to CGRC.

9. Defaults:

Not applicable

10. Arrears of dividend on preferred cumulative shares:

Not applicable

11. Loans to directors or officers not being a loan made in the ordinary course of business:

Not applicable

12. Prior year retiring benefit obligation remaining to be charged against operations:

Not applicable

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

13. Fair value amounts for all quoted and unquoted investment lines (in millions):

<u>2020</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial assets at fair value:				
Fixed maturities:				
U.S. government and agency States, municipalities and political subdivisions	16			16
Foreign governments		119		119
Coporate		2,273	-	2,273
		2,472	1	2,473
Total fixed maturities	16	4,864	1	4,881
Equity securities		155		155
Subtotal	16	5,019	1	5,036
Short-term investments		240		240
Total	16	5,259	1	5,276

<u>2019</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial assets at fair value:				
Fixed maturities:				
U.S. government and agency States, municipalities and political subdivisions	22			22
Foreign governments		109		109
Coporate		1,966	6	1,972
		2,033	1	2,034
Total fixed maturities	22	4,108	7	4,137
Equity securities		59		59
Subtotal	22	4,167	7	4,196
Short-term investments		366		366
Total	22	4,533	7	4,562

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

14. Contract maturity profile of fixed maturity and short-term investments (in millions):

<u>2020</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
Due within one year	\$ 310	\$ 553
Due after one year through five years	2,040	2,122
Due after five years through ten years	1,005	1,061
Due after ten years	1,158	1,386
	<u>\$ 4,513</u>	<u>\$ 5,122</u>

<u>2019</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
Due within one year	\$ 166	\$ 533
Due after one year through five years	1,963	2,023
Due after five years through ten years	793	829
Due after ten years	962	1,118
	<u>\$ 3,884</u>	<u>\$ 4,503</u>

15. Related party transactions:

Cigna Global Holdings provides certain services such as IT, marketing and finance services to various affiliates in exchange for arm's length compensation. The Company's share of allocated operating expenses as of December 31, 2020 and December 31, 2019 was approximately \$8.5 million and \$6.2 million, respectively. These allocations were based on work effort studies and other appropriate methods, while certain direct expenses such as outside legal fees were directly charged to the Company.

The Company is party to a Quota Share Reinsurance Agreement with Cigna Health and Life Insurance Company (CHLIC). The Company assumes global group benefits products business for employees of U.S. multinational companies from CHLIC. The Company assumed premiums as of December 31, 2020 and December 31, 2019 of \$699 million and \$701 million, respectively.

16. Contingencies and events occurring after Balance Sheet date:

Not applicable

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

17. Additional Information

(a) *COVID-19 Impact*

The novel strain of coronavirus (“COVID-19”) was declared a pandemic by the World Health Organization in March 2020. From the onset of the COVID-19 pandemic, Cigna and its subsidiaries (including the Company) have taken actions to drive affordability, reduce uncertainty, and make health care easier. For customers, these actions include COVID-19 related expanded access to virtual care, support for access to medication, and advocating for whole person health through various behavioral health initiatives.

The COVID-19 pandemic has pervasively impacted the economy and financial markets. The Company closely monitors its financial instruments and maintains effective controls to identify risks and evaluate potential exposures. As of December 31, 2020, the Company has not experienced a material decline in fair value relating to its financial instruments including investments, accounts receivable and reinsurance recoverable. Please refer to notes 4, 6, and 16 for additional information related to the Company’s financial instruments.

- (b) Ascent Health Services, LLC is a limited liability company formed on April 15, 2019 through initial contributions from Cigna Spruce Holdings GmbH, an indirect subsidiary of CGRC, resulting in an 80% ownership interest as of December 31, 2019.

Ascent operates as a group purchasing organization (“GPO”) providing various administrative services to GPO participants (“Participants”). Ascent’s operations include entering into agreements with (1) Participants, which are entities that directly or indirectly provide formulary management services and prescription drug rebates (“Rebates”), and (2) pharmaceutical manufacturers (“Vendors”) to collect, process, and submit claims for Rebates from Participants and collect such Rebates from Vendors to share with Participants, and provide the Vendors with Rebate Program administration and related data.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Notes to the Consolidated Statement of Capital and Surplus

1. (a) Capital Stock:

As respects authorized capital stock –

- (a) The number of common shares and preferred shares of each class, the par value, if any, of each class and a brief description of each class:

The Company has 10,000 common shares authorized as of December 31, 2020, with a par value of \$500. There are no other classes of capital stock. There was no change in the authorized capital stock of the Company during the year.

- (b) Dividend rates applicable to any preference shares, and whether the dividends are cumulative:

Not applicable

- (c) Redemption price of any redeemable shares:

Not applicable

- (d) Any conversion provisions:

Not applicable

As respects issued capital stock -

- (a) The number of shares in, and the share capital amounts for, each class of common and preferred shares:

The Company has 10,000 shares issued and paid-up as of December 31, 2020, with a par value of \$500. There were no share transactions during the year.

- (b) The amounts called and unpaid or otherwise due in respect of those shares (i.e. issued stock):

Not applicable

- (c) Amounts not called on those securities that will become receivable:

Not applicable

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

As respects issued share capital –

- (a) The number of shares repurchased, and the capital stock amounts for, each class of common and preferred shares

Not applicable

(b) Contributed Surplus

Change/movement in contributed surplus for the year ended December 31, 2020 and December 31, 2019 was as follows (in millions):

	<u>2020</u>	<u>2019</u>
Balance at the beginning of period	\$1,203	\$1,281
Capital Contributions		5
<u>Return of Capital:</u>		
CGRC to Cigna Corporate	(404)	(83)
Balance at the end of period	<u>\$799</u>	<u>\$1,203</u>

(c) Dividends (other than cash dividends) paid and payable

- a) Not Applicable
- b) There were no changes in the authorized or issued share capital of the Company during 2020.
- c) Not applicable.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Notes to the Consolidated Balance Sheet

1. Cash and cash equivalents:

Cash and cash equivalents are carried at cost that approximates fair value. Cash equivalents consist of short-term investments with maturities of three months or less from the time of purchase. There are no encumbrances as of December 31, 2020 and December 31, 2019.

2. Quoted Investments:

Inputs for instruments classified in Quoted include unadjusted quoted prices for identical assets in active markets accessible at the measurement date, quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are market observable or can be corroborated by market data for the term of the instrument. There are no encumbrances as of December 31, 2020 and December 31, 2019.

3. Unquoted Investments:

Certain inputs for instruments classified in unquoted are unobservable (supported by little or no market activity) and significant to their resulting fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date. There are no encumbrances as of December 31, 2020 and December 31, 2019.

4. Investment in and advances to affiliates:

Investments in affiliates include investments in unconsolidated subsidiaries as of December 31, 2020 and December 31, 2019 of \$42 million and \$26 million, respectively.

Advances to affiliates are interest free with no fixed terms of repayment. There were no advances to affiliates as of December 31, 2020 and December 31, 2019.

5. Investment in mortgage loans on real estate:

Not applicable.

6. Policy Loans:

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Policy loans are carried at unpaid principal balances plus accumulated interest, the total of which approximates fair value. Policy Loans as of December 31, 2020 and December 31, 2019 are \$99 million and \$100 million, respectively.

7. Real Estate

Real Estate includes building carried at the depreciated cost and land carried at cost less any impairment write downs to fair value. Depreciation is generally recorded using the straight-line method based on the estimated useful life of each asset.

A valuation was performed in June 2014 by Kaaram Appraisal Co. Ltd. The valuation of the real estate was determined by the price derived from the weighted average of the Income Approach and the Market Approach with each weighted at 50%. The Income Approach corresponds to the present value derived from future income, and it reflects profitability for office and retail buildings. The Market Approach is the method based on marketability by reflecting demand and supply.

(In millions)

	<u>2020</u>	<u>2019</u>
Land	\$155	\$146
Buildings	<u>73</u>	<u>71</u>
	\$228	\$217

8. Collateral Loans:

Not applicable.

9. Investment income due and accrued:

Accrued investment income as of December 31, 2020 and December 31, 2019 totaled \$41 million and \$39 million respectively.

10. Accounts and premiums receivable:

Balances under accounts and premiums receivable are in the course of collection and do not require collateral. There are no balances receivable with affiliates.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

11. Reinsurance balance receivable:

The Company purchases reinsurance to manage various exposures including catastrophic risks. As of December 31, 2020 and December 31, 2019, The Company had reinsurance receivables of \$58 million and \$64 million, respectively. There are no collateralized balances as of December 31, 2020 and December 31, 2019.

12. Funds held by ceding reinsurers:

Funds held by ceding reinsurers as of December 31, 2020 and December 31, 2019 are \$103 million and \$94 million, respectively.

13. Sundry Assets:

The company's sundry assets relate to the following:

a) Derivatives

The Company uses derivative financial instruments to manage the characteristics of investment assets (such as duration, yield, currency and liquidity) to meet the varying demands of the related insurance and contract holder liabilities. The Company uses derivative financial instruments to hedge the risk of changes in the net assets of certain of its foreign subsidiaries due to changes in foreign currency exchange rates.

Derivative instruments used by the Company typically include foreign currency forward contracts. Foreign currency swap contracts that require the Company to purchase a foreign currency in exchange for the functional currency of its operating unit at a future date.

Derivatives are recorded on our balance sheet at fair value and were \$34 million and \$7 million as of December 31, 2020 and December 31, 2019, respectively.

c) Separate Accounts

Separate account assets are contract holder funds maintained in accounts with specific investment objectives. The assets of these accounts are legally segregated and are not subject to claims that arise out of any of the company's other businesses. These separate account assets are carried at fair value with equal amounts for related separate account liabilities. Separate account assets as of December 31, 2020 and December 31, 2019 totaled \$1,042 million and \$991 million respectively.

e) Deposit Assets

Not Applicable

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

f) Deferred acquisition costs

Costs eligible for deferral include incremental, direct costs of acquiring new or renewal insurance and investment contracts and other costs directly related to successful contract acquisition. Deferred policy acquisition costs also include the value of business acquired with certain acquisitions. Deferred acquisition costs as of December 31, 2020 and December 31, 2019 totaled \$2,769 million and \$2,378 million, respectively.

h) Goodwill and Intangibles

Goodwill represents the excess of the cost of businesses acquired over the fair value of their net assets. The resulting goodwill is assigned to those reporting units expecting to realize cash flows from the acquisition. Intangible assets include purchased customer and producer relationships, provider networks and trademarks. Goodwill and Intangibles as of December 31, 2020 and December 31, 2019 totaled \$733 million and \$566 million, respectively.

i) Other Miscellaneous Assets

Other Miscellaneous assets include Electronic Data Processing, and Other Fixed Assets. Other Miscellaneous Assets as of December 31, 2020 and December 31, 2019 totaled \$291 million and \$248 million, respectively.

14. Letters of credit, guarantees and other instruments:

Not applicable.

16. Unearned premium reserve:

Please refer to Part I note 5 for method of calculating unearned premiums.

17. Loss and loss expense provisions:

(a) Movements in the loss and loss expense provisions for the current year and previous year as per the below table:

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

<i>(in millions)</i>	<u>2020</u>	<u>2019</u>
Gross loss and loss expense provisions at the beginning of the year	423	384
Less: Reinsurance recoverable at the beginning of year	<u>11</u>	<u>23</u>
	412	361
Net loss and loss expense provisions		
Current year	1,552	1,601
Prior years	<u>(36)</u>	<u>(22)</u>
Total net incurred losses and loss expenses	1,516	1,579
Less: Net losses and loss expenses paid or payable related to:		
Current year	1,163	1,269
Prior years	<u>315</u>	<u>257</u>
Total losses and loss expenses paid or payable	1,478	1,526
Foreign exchange and other	21	(2)
Net loss and loss expense provisions at end of year	471	412
Add: Reinsurance recoverable at the end of year	<u>10</u>	<u>11</u>
Gross loss and loss expense provisions at the end of the year	481	423

- (b) Changes in the net losses incurred and net loss expenses incurred related to prior years are the result of new losses notifications and adjustments to estimated losses previously reported. Adjustment to prior year premium impacting loss reserves have been accrued for.
- (c) Restricted assets were not material as of December 31, 2020 and December 31, 2019 and all policyholder obligations are unsecured as of December 31, 2020 and December 31, 2019.

20. Reserves for reported claims:

Liabilities for unpaid claims and claims expense are estimates of future payments under insurance coverages for reported. When estimates of these liabilities change, the Company immediately records the adjustment in net loss incurred and net loss expense incurred.

21. Reserves for unreported claims:

Liabilities for unpaid claims and claims expense are estimates of future payments under insurance coverages for losses incurred but not yet reported. When estimates of these liabilities change, the Company immediately records the adjustment in net loss incurred and net loss expense incurred.

The company consistently estimates incurred but not yet reported losses using actuarial principles and assumptions based on historical and projected claim incidence patterns, claim size, and the expected payment period. The company recognizes the actuarial best estimate of the ultimate liability within a level of confidence, consistent with actuarial standards of practice that the liabilities be adequate under moderately adverse conditions.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

22. Policy reserves - Life:

Future policy benefits represent the present value of estimated future obligations under supplemental health insurance policies currently in force. These obligations are estimated using actuarial methods and consist primarily of reserves for certain life insurance products.

23. Policy reserves – Accident and Health:

Future policy benefits represent the present value of estimated future obligations under supplemental health insurance policies currently in force. These obligations are estimated using actuarial methods and consist primarily of reserves for certain health and accident insurance products.

24. Policyholder’s funds on deposit:

Liabilities for contract holder deposit funds primarily include deposits received from customers for investment-related and universal life products and investment earnings on their fund balances. These liabilities are adjusted to reflect administrative charges and, for universal life fund balances, mortality charges.

25. Liability for future policyholders’ dividends:

Not applicable.

26. Other insurance reserves – long term:

Balance relates to unearned premiums. Please refer to Part I note 5 for method of calculating unearned premiums.

27. Total long-term business insurance reserves:

Restricted assets were not material as of December 31, 2020 and December 31, 2019 and all policyholder obligations are unsecured as of December 31, 2020 and December 31, 2019.

28. Insurance and reinsurance balance payable:

Balance relates to ceded reinsurance premium payable to unaffiliated insurance companies.

29. Commissions, expenses, fees and taxes payable:

Commissions, expenses, fees, and taxes payable as December 31, 2020 and December 31, 2019 were \$143 million and \$106 million, respectively.

30. Loans and notes payable:

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Not applicable.

31. Income taxes receivable/payable & deferred income taxes:

a) Income taxes payable:

In keeping with the provisions of Section 953(d) of the Internal Revenue Code, CGRC agreed to be treated as a domestic corporation for United States tax purposes. As a result, CGRC is included in the consolidated United States federal income tax return that Cigna (CGRC's ultimate parent) files. In accordance with a tax sharing agreement, the income tax provision is computed as if each company was filing a separate income tax return. The only exception to this are benefits arising from foreign credits and net operating and capital losses which are allocated to those subsidiaries producing such attributes to the extent they are utilized in Cigna's consolidated federal income tax provision.

Below is a summary of the change in CGRC's income tax payable for the year ended December 31, 2020 and 2019:

<u>Change in income taxes receivable (in millions)</u>	<u>2020</u>	<u>2019</u>
Balance, beginning of period due from Cigna Corp.	\$ 134	\$ 124
Current tax provision	293	216
Payments	(251)	(204)
Other	3	(2)
Balance, end of period due from Cigna Corp.	<u>\$ 179</u>	<u>\$ 134</u>

b) Deferred Income Taxes:

Deferred income taxes are generally recognized when assets and liabilities have different values for financial statement and tax reporting purposes. These differences primarily result from CGRC's insurance operations.

Below is the summary of the change in the net deferred tax asset balance for the years ended December 31, 2020 and 2019:

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

<u>Deferred tax assets (in millions)</u>	<u>2020</u>	<u>2019</u>
Employee And Retiree Benefit Plans	\$ 3	\$ 2
Investments, Net	\$ 7	\$ 4
Depreciation And Amortization	\$ -	\$ 5
Other Accrued Liabilities	\$ 18	\$ -
Loss Carryforwards	\$ 70	\$ 68
Bad Debt Expense	\$ -	\$ 1
Deferred Income From Foreign Operations	\$ 19	\$ 10
Other	\$ 10	\$ 13
Total Deferred Tax Assets	\$ 127	\$ 103

<u>Deferred tax liability (in millions)</u>	<u>2020</u>	<u>2019</u>
Unrealized Appreciation On Investments	\$ 36	\$ 37
Acquisition Related Basis Differences	\$ 20	\$ 23
Policy Acquisition Expenses	\$ 318	\$ 172
Other Accrued Liabilities	\$ -	\$ 144
Valuation Allowance	\$ 55	\$ 38
Other Insurance And Contract Holder Liability	\$ 61	\$ 48
Depreciation And Amortization	\$ 25	\$ -
Total Deferred Tax Liabilities	\$ 515	\$ 462

<u>Total Net Deferred Tax Liability (in millions)</u>	<u>2020</u>	<u>2019</u>
	\$ 388	\$ 359

A reconciliation of unrecognized tax benefits for the year ended December 31, 2020 and 2019 is as follows:

<u>(in millions)</u>	<u>2020</u>	<u>2019</u>
Balance at the beginning of period	\$ 25	\$ 1
Decrease due to prior year positions	(7)	0
Increase due to current year positions	0	25
Reductions related to settlements	(18)	(1)
Balance at the end of period	\$ -	\$ 25

The provision for federal and foreign income taxes incurred is different from what would be obtained by applying the statutory Federal income tax rate to income before income taxes. Significant items that drive this difference are as follows:

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

<u>Items (in millions)</u>	<u>2020</u>	
Provision computed at statutory rate	\$ 316	21.00%
Effect of foreign earnings	\$ (23)	-1.52%
State income tax (net of federal income tax benefit)	\$ -	0.00%
Other	\$ 2	0.13%
Total statutory income taxes	<u>\$ 295</u>	<u>19.61%</u>

The Company classifies net interest expense on uncertain tax positions and any applicable penalties as a component of income tax expense in related entities.

The statute of limitations for Cigna's consolidated income tax returns through 2016 have closed. Cigna has filed amended consolidated tax returns for various years and the pending refunds are subject to Internal Revenue Service (IRS) review. Cigna is currently under examination for 2015 and 2017. The IRS has examined ESI's tax returns for 2010 through 2012 for which there is a significant disputed tax matter, and ESI is currently under examination for 2013 through 2017. No material impacts are anticipated for the Company.

In Management's opinion, the Company has adequate tax liabilities to address potential exposures involving tax positions the Company has taken that may be challenged by the IRS upon audit. These liabilities could be revised in the near term if estimates of Cigna's ultimate liability change as a result of new developments or a change in circumstances. No material contingent tax liability is included in the Company's current federal income tax payable. The Company does not expect a significant increase in federal or foreign contingent tax liability within the next twelve months.

32. Amounts due to affiliates:

Balances under amounts due to affiliates are due on demand, are interest free, and do not require collateral. Balances as of December 31, 2020 and December 31, 2019 are \$253 million and \$387 million, respectively.

33. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities as of December 31, 2020 and December 31, 2019 are \$4,519 million and \$2,434 million, respectively, and represent financial and performance guarantee liabilities under pharmacy contracts, trade accounts payable, liabilities for pension, management compensation, cash overdraft positions and various insurance-related liabilities.

34. Funds held under reinsurance contracts:

Not applicable.

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

35. Dividends payable:

Dividends payable as of December 31, 2020 and December 31, 2019 are \$0.5 million and \$0.4 million, respectively.

36. Sundry Liabilities

a) The company's sundry liabilities relate to the following:

e) Separate Accounts

Separate account assets are contract holder funds maintained in accounts with specific investment objectives. The assets of these accounts are legally segregated and are not subject to claims that arise out of any of the company's other businesses. These separate account assets are carried at fair value with equal amounts for related separate account liabilities. Separate account assets as of December 31, 2020 and December 31, 2019 totaled \$1,042 million and \$991 million, respectively.

f) Long Term Debt Obligations

Long term debt obligations represent capital lease obligations as of December 31, 2020 and December 31, 2019 totaling \$2 million and \$2 million, respectively.

b) Not Applicable.

37. Letters of credit, guarantees, and other instrument

Not Applicable

Cigna Global Reinsurance Company, Ltd.

YEAR ENDED DECEMBER 31, 2020

Notes to Consolidated Statement of Income

6. Other insurance income:

Other insurance income related to General Business includes fee and other income of \$18 million for the year ending December 31, 2020 and \$13 million for the year ending December 31, 2019.

15. Other insurance income:

Other insurance income related to Long-Term Business includes fee and other income as of December 31, 2020 and December 31, 2019 of \$16 million and \$16 million, respectively.

32. Combined other income (deductions)

Combined other income includes non-insurance related fee and other income of \$21,993 million for the year ending December 31, 2020 and \$9,746 million as of December 31, 2019.

36. Combined realized gains (loss)

Combined realized gains (loss) include realized investment gains and losses, change in market value of equity securities, and gains and losses from foreign exchange transactions. Realized investment gains and losses result from sales, and changes in valuation reserves are based on specifically identified assets.

	<u>2020</u>	<u>2019</u>
Realized gains (losses) and change in MV of equity securities	\$30	(\$4)
Gains/ (losses) from foreign exchange transactions	<u>7</u>	<u>(1)</u>
Combined realized gains (losses)	\$37	(\$5)