SBL Holdings, Inc.
Full Year 2023 Investor Update

March 2024

Security Benefit®

Subject to Legal Notice in Cover Letter

Company Overview

Strong Profile and Long-Term Value Proposition

ELDRIDGE

Private investment firm

Diversified interests across

- Insurance
- Asset Management
- Technology
- Mobility
- Sports & Gaming
- Media & Music
- Real Estate
- Consumer

Leading annuity provider founded in 1892

Security Benefit

$2.3bn

Raised across Senior Notes Due 2026 and 2031, Series A and B Preferred Shares, and Funding Agreement Backed Notes ("FABN")

A-	A-	A-	A
S&P	Fitch	AM Best	DBRS

2023 Highlights: Strong 2023 performance across our annuity platform yielded exceptional returns in our investment portfolio and resulted in record SBLH non-GAAP operating income and SBLIC statutory net income for the Company

Select Metrics

	FY 2022	FY 2023
Total Gross Retail Sales	$5.4bn	$7.5bn
Total Retained Retail Sales	$4.2bn	$5.0bn
Operating Income (1)	$746mm	$1,120mm
Operating ROE ex. AOCI (1)(2)	10%	13%
	12/31/22	**12/31/23**
Assets Under Management (3)	$47.6bn	$51.6bn
Total Equity ex. AOCI (1)	$6.6bn	$7.2bn
Total Adjusted Statutory Capital (4)	$6.2bn	$6.9bn

(1) *Operating Income, Operating ROE ex. AOCI and Total Equity ex. AOCI are non-GAAP financial measures. "AOCI" stands for accumulated other comprehensive income (loss).*

(2) *Operating ROE excluding AOCI is calculated by dividing operating net income by average equity excluding AOCI.*

(3) *Excludes $5.7bn and $7.4bn of funds withheld assets and $0.3bn and $0.4bn of assets held pursuant to the overcollateralization requirements under the reinsurance transaction with SkyRidge Re as of December 31, 2022 and December 31, 2023, respectively.*

(4) *Total adjusted statutory capital is calculated based on a formula specified by the National Association of Insurance Commissioners ("NAIC") that incudes the Company's statutory capital and surplus and asset valuation reserve ("AVR") and certain other adjustments*

Security Benefit Life Insurance Company's Commitment to Investment Grade Ratings

On February 28th, S&P revised SBLIC's outlook to stable from negative and reaffirmed the long-term financial strength rating's on Security Benefit's operating companies. Concurrently, SBLIC was removed from under criteria observation ("UCO") by S&P.

S&P Global Ratings

A-

Strong | Stable Outlook

"This is a result of a combination of **management actions such as the de-risking of certain assets**; a sizeable capital infusion from its parent; execution of reinsurance transactions with SkyRidge Re Ltd., an unaffiliated reinsurer; and **strong organic earnings generation**."

February 2024

Fitch Ratings

A-

Strong | Stable Outlook

"Fitch views **SBLH's capitalization as very strong** and expects that it will remain so in year-end 2023. SBLH continues to report **strong and consistent earnings** as a result of the rising interest rate environment and **active management of the company's cost of funds**, despite ongoing macroeconomic headwinds."

September 2023

AM Best (Since 1899)

A-

Excellent | Stable Outlook

"Total capital has shown strong growth over the last few years. The Company's operating performance has shown **favorable improvements in both premiums and earnings trends** in recent periods. Management has strategically managed the level of new business in order to maintain a **sufficient amount of capital and surplus**."

January 2024

Morningstar | DBRS

A

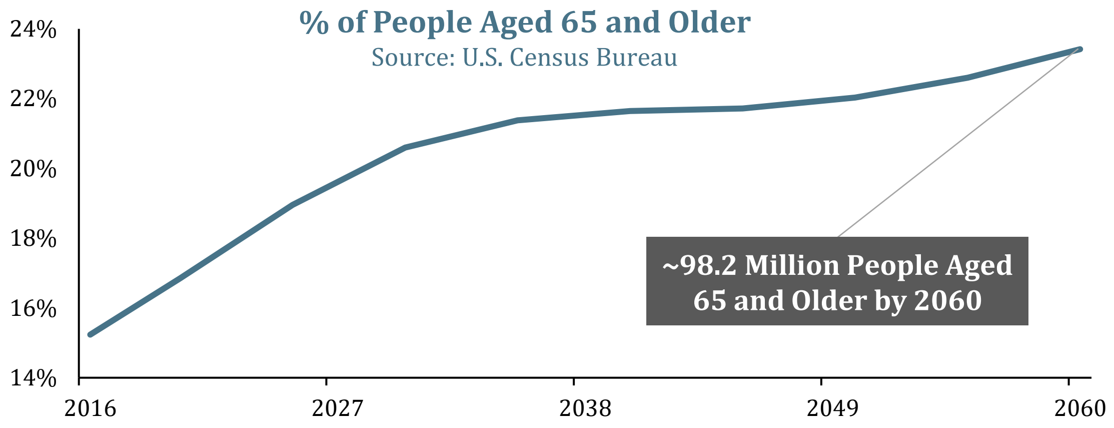
Good | Stable Outlook

"The Company's **investment portfolio has delivered strong fixed-income returns despite uncertain credit conditions.** We expect the Company to **benefit from higher investment yields** without having to commensurately increase the credited rates on its annuity liabilities, boosting earnings and capital generation in the medium term."

September 2023

Large Market with Attractive Growth Prospects

Retiree Population Projected to Grow for Several Decades



U.S. Retirement Market – Household Retirement Assets[1]

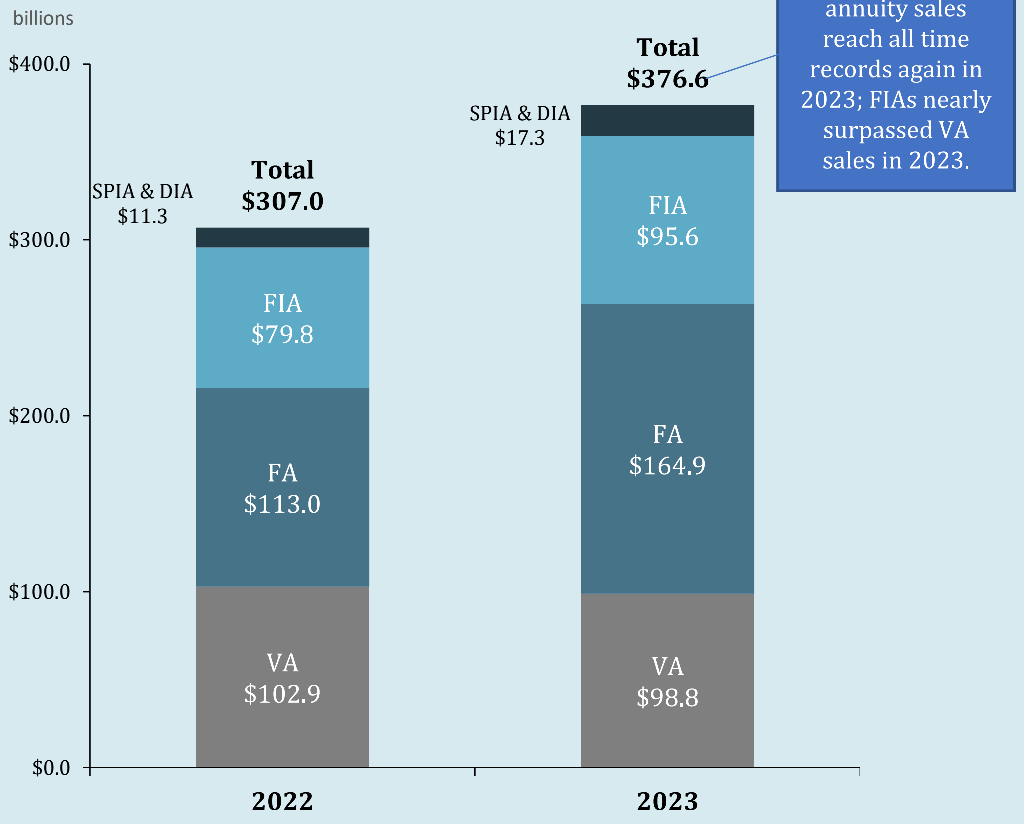
Total U.S. Retirement Assets: $35.7 Trillion

Rollover Market – Assets Controlled by Individuals

- **IRA Assets:** $12.6 Trillion
- **Defined Contribution Plans:** $9.9 Trillion

U.S. Annuity Market Trends

Source: LIMRA, U.S. Individual Annuity Sales



(1) *Quarterly Retirement Market Data, Q3 2023. Source Investment Company Institute.*

Our Simple Formula to a Sustainable Advantage

Security Benefit

Superior Investment Management

Our differentiated investment strategy has led to higher yields than our peers; backed by robust capital

Retirement Product Innovation

Proven history of developing and launching successful and innovative financial products

Cost Efficient Administration

Deep connectivity with our administrators drives operational readiness

Multi-Channel, Diversified Distribution Model

Built from the ground up, our cutting-edge distribution model is technology-heavy and people-light

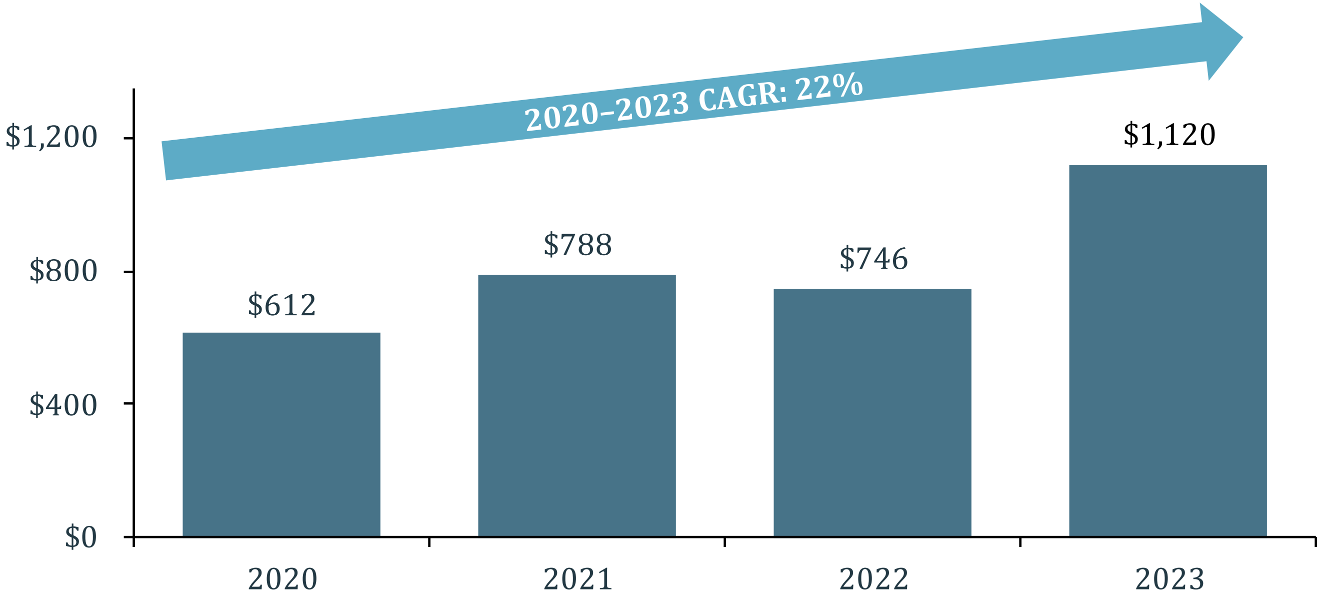
Proven Business Model Continues to Drive Robust Sales and Earnings
While Maintaining a Strong Financial Profile

Financial Highlights

Security Benefit®

Highly Profitable Operations with History of Value Creation

Operating Income (Non-GAAP Pretax; $mm)



ROE[(1)]	12%	13%	10%	13%

Drivers of Results

1. Diversified business mix between traditional fee income and spread income
2. Steady sustainable growth in AUM platform with annuities and life platform expansion driven by product innovation and highly targeted distribution strategy
3. Continued strong investment performance and net investment spread with no material impairments. Our floating rate asset portfolio continues to provide an earnings tailwind
4. Appropriate management of cost of funds consistent with the investing environment
5. Improvement of business processes for greater efficiency, operations leverage, and customer satisfaction

The Company continues to deliver strong financial performance

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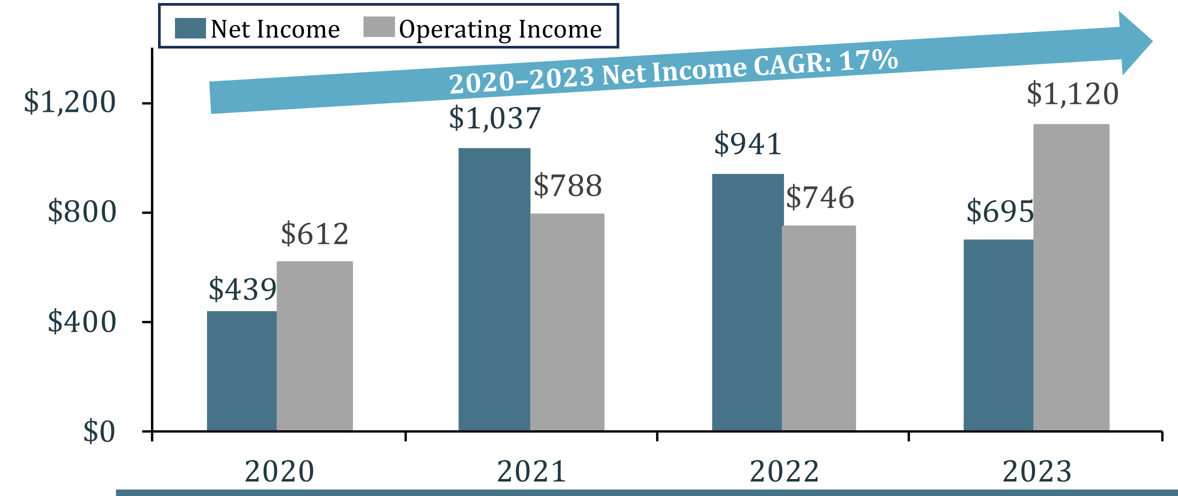
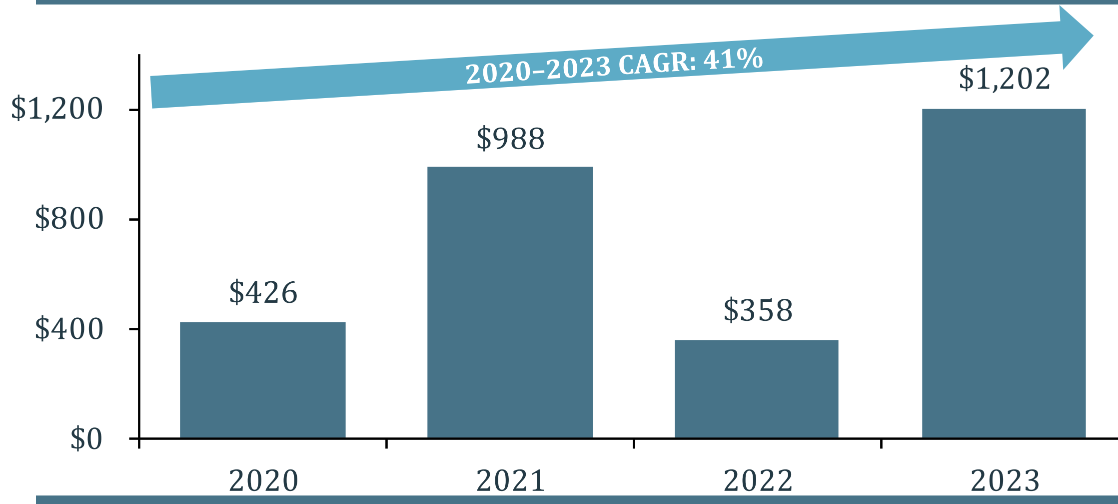
(1) ROE Excluding AOCI is calculated by dividing operating net income by average equity excluding AOCI.

Highly Profitable Operations with History of Value Creation (cont.)

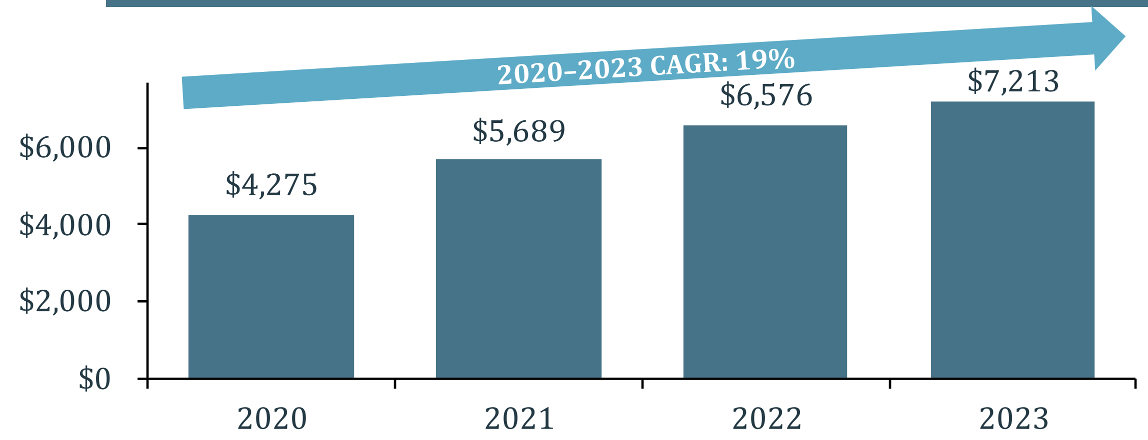
Net Income (GAAP) and Operating Income ($mm)



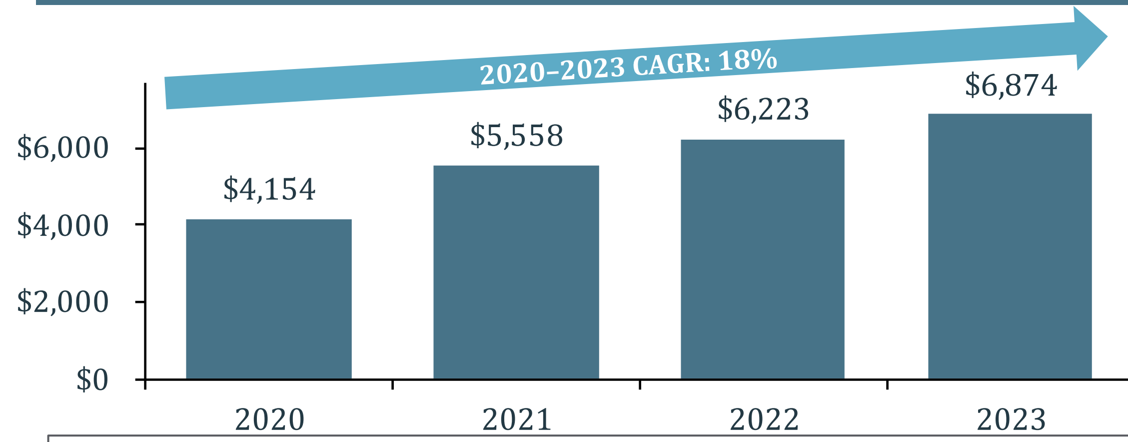
SBLIC Statutory Net Income ($mm)



Equity ex. AOCI ($mm)



SBLIC Statutory Total Adjusted Capital ($mm)



RBC[(1)]	389%	400%	400%	411%

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(1) Risk-based Capital ("RBC") ratio for SBLIC; calculated by dividing total adjusted statutory capital by company action level regulatory required capital.

Strong Financial Profile Provides Flexibility

	12/31/22	12/31/23
Total Capitalization ($mm)		
SBLH Revolver (SOFR + 1.975% due 2027)	$330	$640
SBLH Delayed Draw Term Loan (SOFR + 3.100% due 2025)	-	53
SBLH Senior Notes (5.125% due 2026)	400	375
SBLH Senior Notes (5.000% due 2031)	600	579
SBLIC Surplus Notes (7.450% due 2033)	100	100
SBLH Series A Preferred Stock (7.000% Fixed-Rate 5 Yr Reset)	375	375
SBLH Series B Preferred Stock (6.500% Fixed-Rate 5 Yr Reset)	425	425
Total Equity (ex. AOCI) (1)	6,576	7,213
Total Capitalization (ex. AOCI) (1)	**$8,006**	**$8,960**

SBLH Liquidity ($mm)	12/31/22	12/31/23
Undrawn Revolver Capacity	670	360
Undrawn Delayed Draw Term Loan Capacity	-	97
Untapped Debt Capacity @ 25%	760	655
Untapped Debt and Preferred Capacity @ 35%	880	905
Max. Allowable Dividends from SBLIC in Following Year(8)	514	1,202
Unrestricted Cash	36	32

Key Ratios	12/31/22	12/31/23
Debt Leverage (ex. AOCI) (2)	17.9%	19.5%
Debt & Preferred Leverage (ex. AOCI) (3)	27.9%	28.4%
Interest Coverage (4)	10.6x	11.4x
Fixed Charge Coverage (5)	6.3x	7.6x
Operating Leverage (6)	6.1x	5.9x

Recent Timeline

March 2024	SBLIC paid a $325 million dividend with $200 million of proceeds used to pay down the revolver, $25 million for general corporate purposes, and $100 million distribution in kind to SBC
February 2024	S&P affirmed SBLIC's rating and revised its outlook to stable
August 2023	Executed a $150 million 2-year Delayed Draw Term Loan
August 2022	Amended and extended our revolving credit facility, which transitioned to SOFR, extended the maturity an additional five years to 2027, and increased the facility size to $1 billion
December 2021	Reinsurance transaction completed with SkyRidge Re Limited
June 2021	SBLH issued $425 million 6.500% fixed-rate five year reset Series B non-cumulative preferred stock
May 2021	SBLIC issued a $500mm funding agreement, backing Security Benefit Global Funding's inaugural three year, 1.250% notes
February 2021	SBLH issued $600 million 5.000% senior unsecured notes due 2031

(1) Total Equity ex. AOCI and Total Capitalization ex. AOCI are non-GAAP financial measures.
(2) Debt divided by Total Capitalization ex. AOCI. Debt Leverage ex. AOCI is a non-GAAP financial measure.
(3) Debt and preferred shares divided by Total Capitalization ex. AOCI. Debt and Preferred Leverage ex. AOCI is a non-GAAP financial measure.
(4) Interest Coverage is calculated by dividing LTM 12/31/22 and 12/31/23 Operating Income (before interest expense) of $823.0mm and $1,227.5mm by LTM interest expense on Debt Leverage of $77.4mm and $107.4mm, respectively.
(5) Fixed Charge Coverage is calculated by dividing LTM 12/31/22 and 12/31/23 Operating Income (before interest expense) of $823.0mm and $1,227.5mm by sum of (i) LTM interest expense of $77.4mm and $107.4mm and (ii) LTM preferred dividends of $53.9mm and $53.9mm, respectively.
(6) Operating Leverage is calculated by dividing general account liabilities excluding AVR by total adjusted capital.
(7) RBC Ratio is calculated by dividing total adjusted statutory capital by company action level regulatory required capital as of December 31, 2022. Total adjusted statutory capital is calculated based on a formula specified by the NAIC that includes the Company's statutory capital and surplus and AVR and certain other adjustments.
(8) 2024 and 2023 maximum ordinary dividends without regulatory approval is the greater of (i) 10% of surplus as regards policyholders as of December 31, 2023 and December 31, 2022 or (ii) SBLIC's net gain from operations, not including realized capital gains for the 12-month period ended December 31, 2023 and December 31, 2022; provided however, that ordinary dividends may only be paid from earned surplus. The greater of (i) and (ii) above is $1,202mm for 2024 and $514mm for 2023. Ordinary dividend capacity is also reduced by dividends paid in the prior twelve months. SBLIC paid dividends to SBLH of $75 million on November 10, 2023 and $275mm on May 11, 2023. Accordingly, because of the prior dividends that have been paid, dividend capacity was $852mm on January 1, 2024.

Investments

Another Exceptional Quarter of Performance Was Complemented by Selling Over $1.1 Billion of Alternative Investments and CLO Equity

- ***Investment Operating Earned Rate ("IOER")*** ***(1)*** – We delivered an IOER of 7.56% during Q4 2023, which decreased 50 basis points compared to Q3 2023 while our Investment Earned Book Yield ("IEBY")(2) increased 1 basis point quarter over quarter to 7.26%
- ***Total Return*** – Our $34.8 billion fixed income portfolio generated a total return of 4.0% and 11.1% in Q4 2023 and full year 2023, respectively, compared to the Bloomberg US IG Corporate Bond returns of 8.5% for each of the same periods
- ***Alternative Investments*** – Our Alternative Investment portfolio was reduced by $833 million across Equities (Public and Private) as well as Credit. The Alternative Investment portfolio delivered an annualized GAAP quarterly return of 3% in Q4 2023, principally driven by strength in Credit while returns outside of Credit were modestly negative
- ***Realized Gains*** ***(3)*** – We incurred $175.6 million of realized gains in Q4 2023 (net of $6.0 million of Other Than Temporary Impairments ("OTTI") and expected credit losses), resulting in a Q4 2023 Investment Total Earned Rate ("ITER")(4) of 9.38% and 7.89% for full year 2023—the company's best return year over the last 10 years
- ***Rating Migration*** – We experienced positive rating migration during Q4 2023, with $350.5 million of net upgrades in our fixed income portfolios, driven by CLO and ABS investments
- ***Asset Quality*** ***(5)*** – The average credit rating of our rated fixed income portfolio remained constant at A- in Q4 2023, while the unrealized loss in our investment portfolio decreased from $978 million (3.0%) in Q3 2023 to $547 million (1.6%) in Q4 2023. During Q4 2023, we sold substantially all of our CLO equity investments which when combined with the reduction in our Alternatives portfolio, lowered the capital intensity of the investment portfolio
- ***Risk Management*** – Our indexed hedging strategy remained effective, generating $4.0 million of profit during Q4 2023 and $21.7 million for full year 2023

(1) *IOER equals adjusted investment income, excluding realized gains/losses, divided by average spread based AUM of the annual period presented. For interim periods, adjusted investment income is annualized to determine an annualized IOER.*

(2) *IEBY equals adjusted investment income, excluding additional returns, divided by average spread based AUM of the annual period presented. For interim periods, adjusted investment income, excluding additional returns, is annualized to determine an annualized IEBY.*

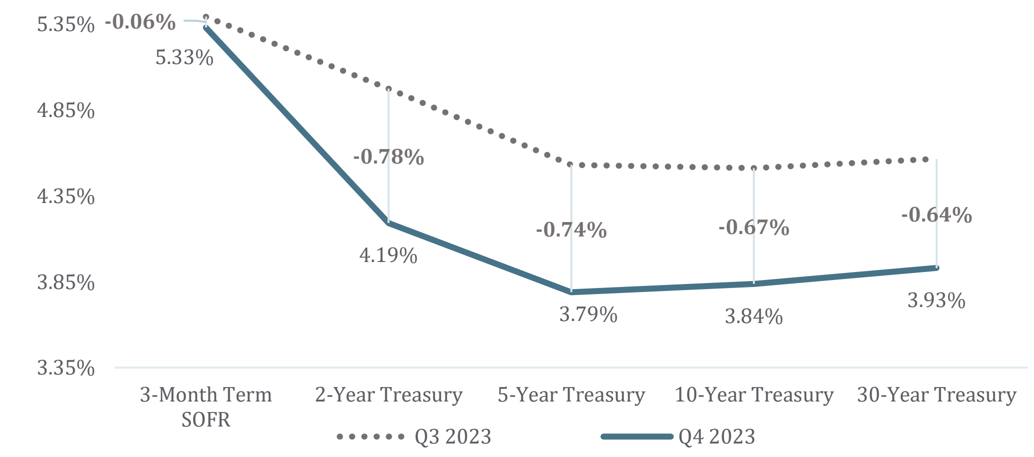
(3) *Realized gains/losses exclude both foreign currency related realized gains/losses on assets and derivatives, non-realized investment valuation changes recorded through income, non-foreign currency related derivative activity and actuarial offsets.*

(4) *ITER is calculated as adjusted investment income, including trading realized gains/losses and OTTI, divided by average spread-based AUM for the relevant period. For interim periods, adjusted investment income, including trading realized gain/losses and OTTI, is annualized to determine an annualized ITER.*

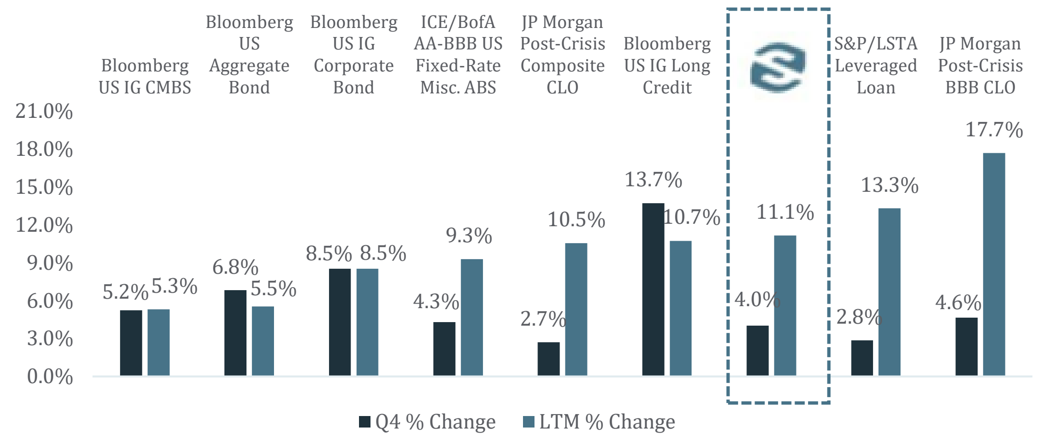
(5) *Excludes investments under reinsurance funds withheld and held. $21.6 billion of the portfolio is NRSRO rated.*

The Fixed Income Portfolio Delivered a Total Return of 11.1% in 2023, Outperforming the Bloomberg US IG Corporate Bond Index For Yet Another Year

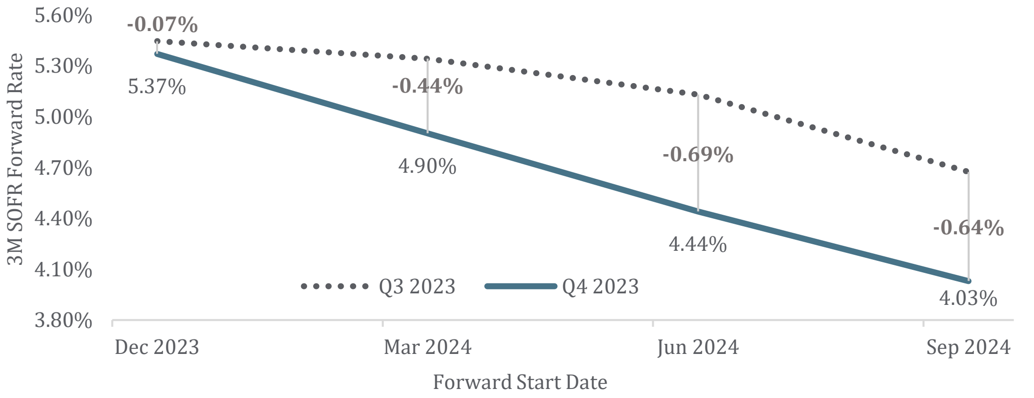
Change in Base Fixed Income Yields (1)



Fixed Income Total Returns (2)



3-Month Term SOFR Forward (3)



Commentary

- Treasury yields decreased meaningfully over the final quarter of 2023 as inflation data continued to show progress towards the Fed's 2% inflation target and markets priced in aggressive reductions to the Federal Funds Rate in 2024
- Security Benefit's fixed income portfolio posted a 4.0% total return in Q4 2023, bringing last twelve-month performance to 11.1%, outperforming many major credit indices and leaving the fixed income portfolio in a modest unrealized loss position of 1.6%
- Security Benefit's recent performance follows a strong 2022, when our fixed income portfolio posted a 0.6% total return as compared to the -15.8% total return of the Bloomberg US IG Corporate Bond Index

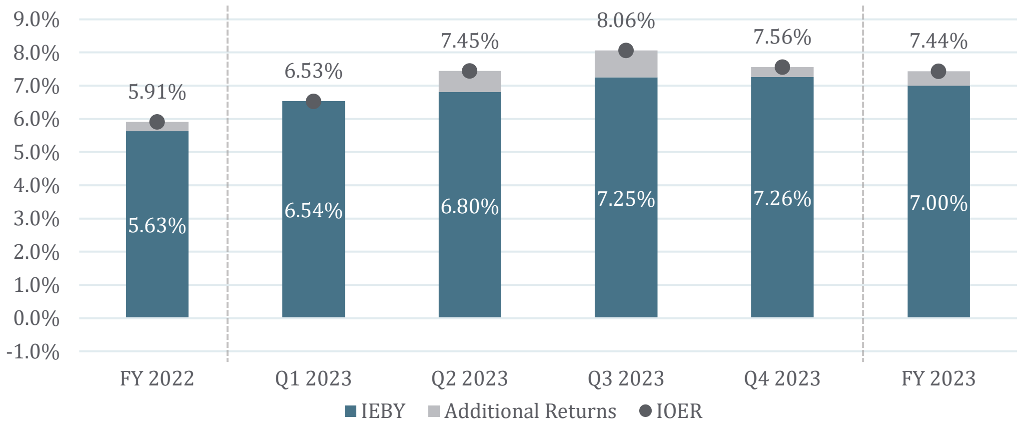
(1) Source: Bloomberg. Bloomberg tickers include: TSFR3M Index, G0025Z 2Y BLC2 Curncy, G0025Z 5Y BLC2 Curncy, G0025Z 10Y BLC2 Curncy, G0025Z 30Y BLC2 Curncy.

(2) Source: Bloomberg, JP Morgan Markets. Bloomberg Index tickers include: LBUSTRUU Index, LUACTRUU Index, LULCTRUU Index, LC09TRUU Index, SPBDAL Index, R0O2 Index. SBLH return excludes Alternatives, Derivatives, Separate Account assets, Policy Loans and assets in funds withheld and held accounts in connection with liabilities it has ceded under reinsurance agreements.

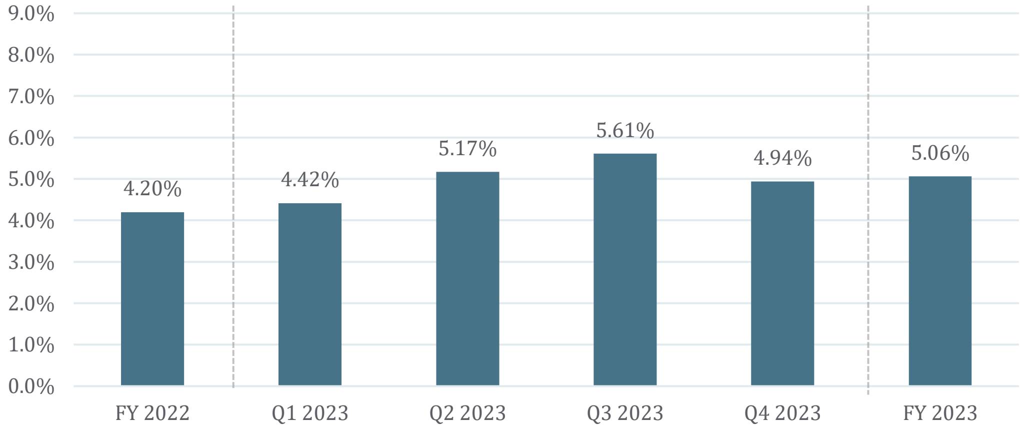
(3) Source: Bloomberg. Bloomberg tickers include: SD0490Z 3M BLC2 Curncy, SD0490FS 3M3M BLC Curncy, SD0490FS 6M3M BLC Curncy, SD0490FS 9M3M BLC Curncy, SD0490FS 1Y3M BLC Curncy.

Our Investment Earned Book Yield Stayed Relatively Flat While We Experienced Lower Additional Returns

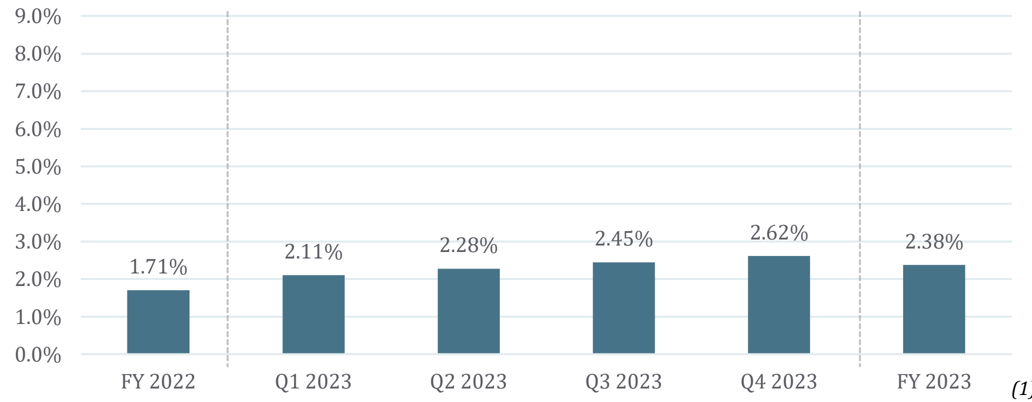
Investment Operating Earned Rate (1)(2)(3)



Net Investment Spread (4)



Cost of Crediting (5)



Commentary

- SBLH's IOER decreased by 50 basis points in Q4 2023 relative to Q3 2023 driven by a 51 basis point detraction from Alternatives
- SBLH's Cost of Crediting increased to 2.62% during Q4 2023. The increase is driven by higher crediting rates for new and renewing business on our Fixed Annuity products

(1) IEBY equals adjusted investment income, excluding additional returns, divided by average spread based AUM of the annual period presented. For interim periods, adjusted investment income, excluding additional returns, is annualized to determine an annualized IEBY.
(2) Additional returns include primarily prepayment fees and adjustments related to equity method investments.
(3) IOER equals adjusted investment income, excluding realized gains/losses, divided by average spread based AUM of the annual period presented. For interim periods, adjusted investment income is annualized to determine an annualized IOER.
(4) Net Investment Spread equals IOER less Cost of Crediting.
(5) Cost of Crediting is calculated as reported interest credited to account balances plus the pro rata amortization of FIA option cost.

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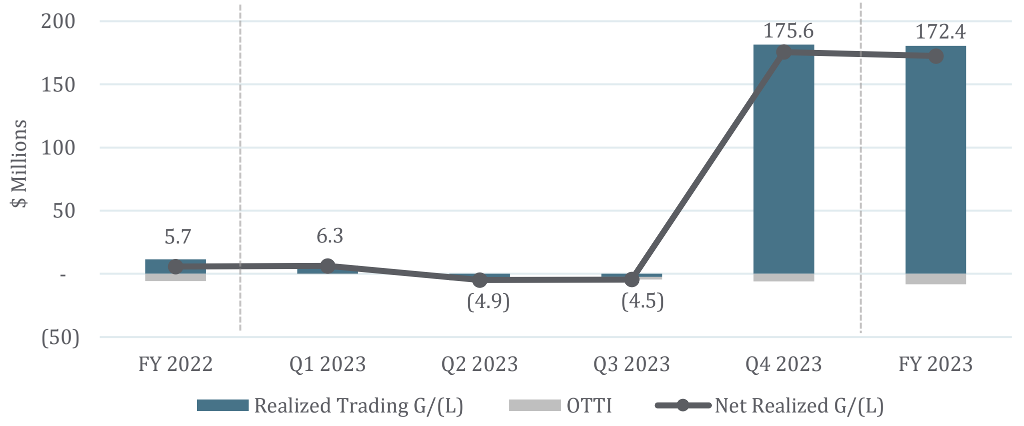
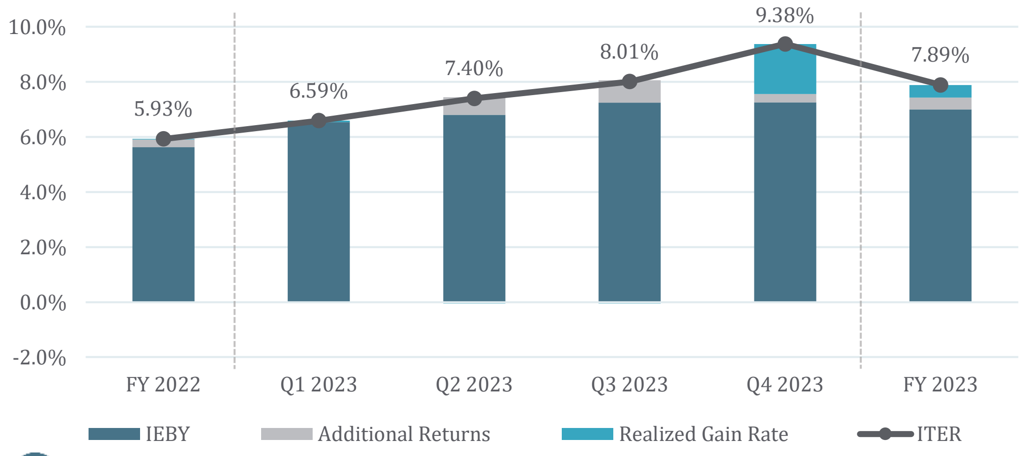
The Sale of Our CLO Equity Portfolio Cemented 20%+ IRRs While Powering Our Highest Realization Quarter Since Q4 2021

Net Realized Gains (1)



Investment Total Earned Rates (1)(2)(3)(4)(5)



Commentary

- Our Q4 2023 realized gains of $175.6 million were driven by the sale of our CLO Equity portfolio, partially offset by realized losses in Public Equities
- Our 2023 Investment Total Earned Rate of 7.89% was the Company's best return year over the last ten years
- Our statutory financial strength is buttressed and strengthened by our sizable positive Interest Maintenance Reserve account totaling $140 million
- The long-dated nature of our liabilities and capital enable us to think, and invest, long-term and economically to grow our book value and increase our financial strength
- Our long-term investment performance has been exceptional. Core tenets of our approach have been, and continue to be, security, direct origination, diversification, and control while intentionally managing liquidity to enable nimble and targeted investing as opportunities arise across market segments

(1) Realized gains/losses exclude both foreign currency related realized gains/losses on assets and derivatives, non-realized investment valuation changes recorded through income, non-foreign currency related derivative activity and actuarial offsets.
(2) IEBY equals adjusted investment income, excluding additional returns, divided by average spread based AUM of the annual period presented. For interim periods, adjusted investment income, excluding additional returns, is annualized to determine an annualized IEBY.
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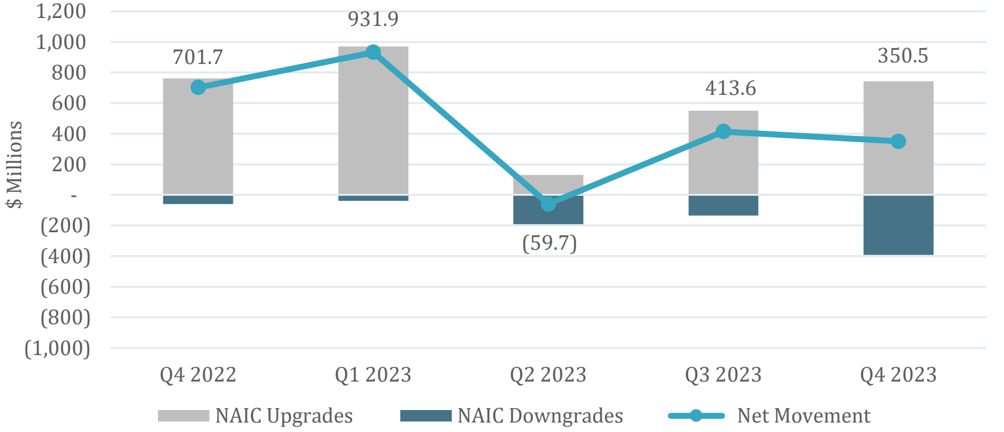
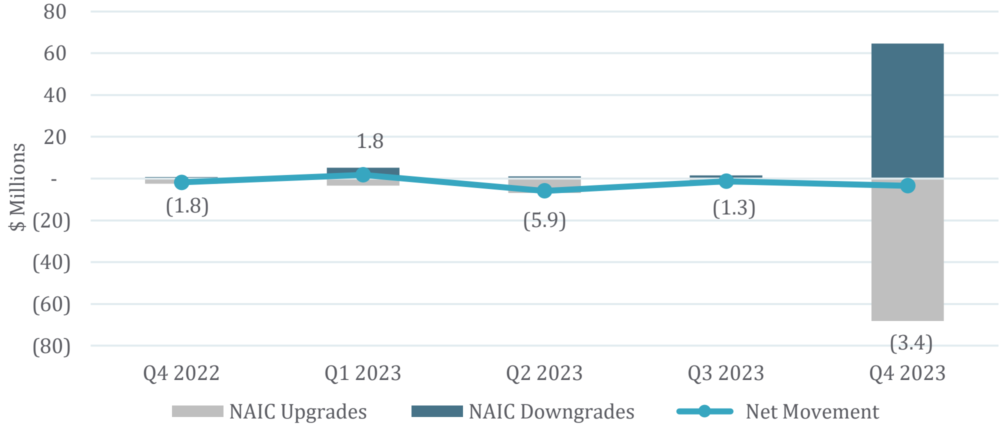
(5) ITER is calculated as adjusted investment income, including trading realized gains/losses and OTTI, divided by average spread-based AUM for the relevant period. For interim periods, adjusted investment income, including trading realized gain/losses and OTTI, is annualized to determine an annualized ITER.

Q4 2023 Delivered Another Quarter of Positive Net Rating Migration

Net NAIC Upgrade (Downgrade) Activity (1)



Net Change in Required Regulatory Capital (2)



Commentary

- Positive rating migration activity occurred in Q4 2023 driven by net upgrades in our CLO and ABS portfolios
- There was a $3.4 million decrease in required regulatory capital as a result of positive net rating migration during Q4 2023

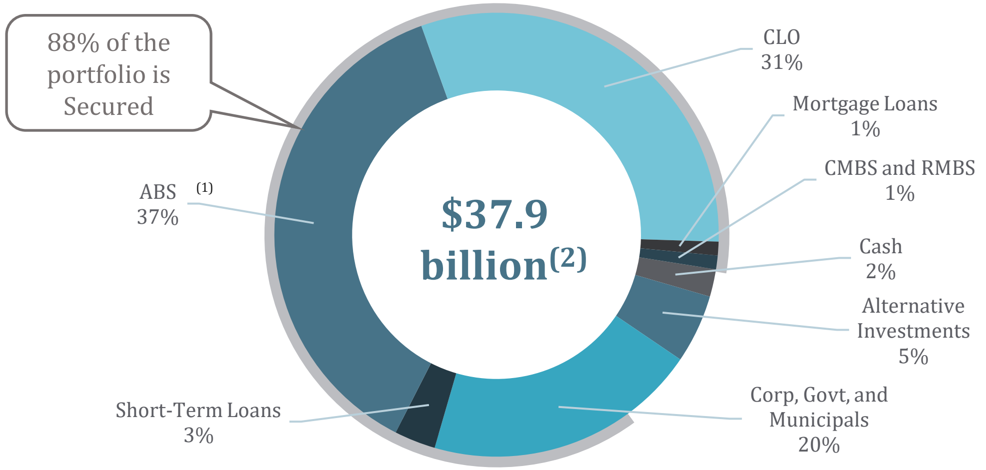
(1) *Based on quarterly statutory assets and carry value for investments with NAIC upgrades or downgrades each month. Net Movement represents the net difference of the statutory carry value of upgraded and downgraded assets. Beginning with the 2021 NAIC Risk-Based Capital Reports filing, the NAIC added alphabetical modifiers (e.g. NAIC 1.A, 1.B, 1.C) to the previous designations (NAIC 1-6), which resulted in twenty rating designation categories. The upgrade and downgrade activity is calculated based on the twenty rating designation categories. Also, see the discussion of certain NAIC requirements potentially affecting ratings in "Management's Discussion and Analysis of Financial Condition and Results of Operations" under 'Investments' in the 'Financial Conditions' section.*

(2) *Migration impact based on quarterly change in estimated required regulatory capital @ 100% for each month. Capital charges represent the after-tax, pre-covariance base NAIC capital charges; calculated as the change in capital charges resulting from NAIC upgrades and downgrades month-over-month. Net Movement represents the net increase/decrease in capital charges as a result of upgraded and downgraded assets. The regulatory required capital impact is calculated based on the twenty NAIC rating categories.*

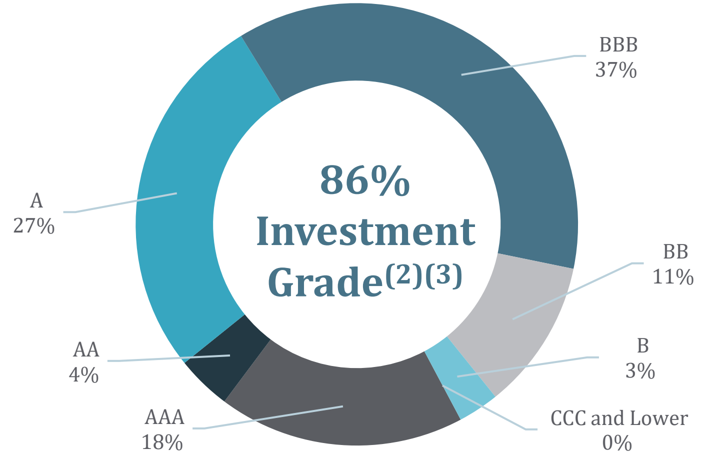
Security Benefit®

Asset Allocation Continues to be Secured, Diversified, and Balanced

Asset Allocation 12/31/2023



NRSRO Distribution of Rated Investments of $21.6 billion 12/31/2023



Asset Allocation Over Time

Asset Type	YE '21	YE '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23
ABS (1)	30%	34%	33%	34%	33%	37%
CLO	32%	32%	31%	30%	31%	31%
Corp, Govt, and Municipals	19%	19%	19%	20%	20%	20%
Alternative Investments	7%	6%	7%	7%	8%	5%
Short-Term Loans	10%	7%	6%	6%	5%	3%
Cash	0%	1%	3%	1%	1%	2%
Mortgage Loans	2%	1%	1%	1%	1%	1%
CMBS and RMBS	0%	0%	0%	1%	1%	1%

Commentary

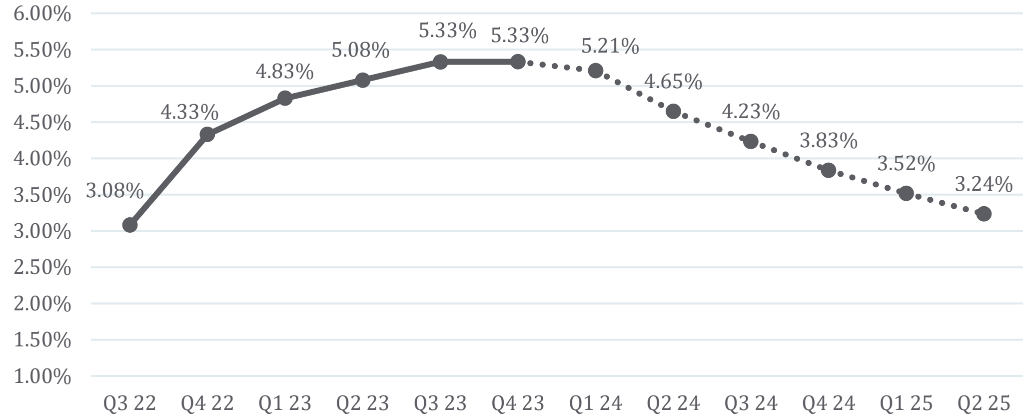
- Investment Grade NRSRO rated investments were 86% while 88% of the portfolio was secured in Q4 2023
- In Q4 2023 our exposure to ABS increased from 33% to 37% via increased allocations to rated ABS and un-rated Collateral Loans
- In Q4 2023 our exposure to Alternative Investments decreased from 8% to 5% driven by a reduction in our equity (public and private) portfolio. We continue to expect our Alternatives portfolio will stay below 10% of the portfolio
- Our Below Investment Grade Exposure increased from $2.5 billion to $3.0 billion (8.0% of Invested Assets), driven by increases in our ABS portfolio. $1.8 billion (59%) of the $3.0 billion Below Investment Grade exposure is in our Rated CLO portfolio

(1) ABS includes all Asset-Backed securities and Collateral Loans.
(2) Excludes Derivatives, Separate Account assets, Policy Loans and assets in SBLIC's and FSBL's funds withheld and held account in connection with liabilities it has ceded under reinsurance agreements. Cash is only related to investment accounts, shown on a statutory basis. Allocations reflect "Invested Assets (Management View)" in the separate "SBL Holdings, Inc. Supplemental Information" document.
(3) NRSRO rating is based on the lowest S&P equivalent when two ratings are present and on the second lowest rating when three or more ratings are present. This is consistent with the NAIC Purposes and Procedures Manual. Only assets with NRSRO ratings displayed.

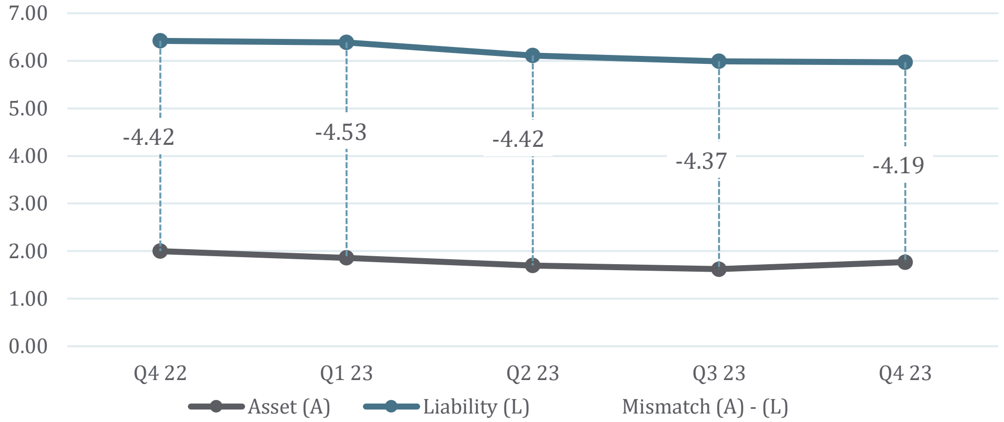
Security Benefit®

The Income Return on Our Portfolio Continues to Be Heavily Influenced By the Forward Path of Short-Term Interest Rates

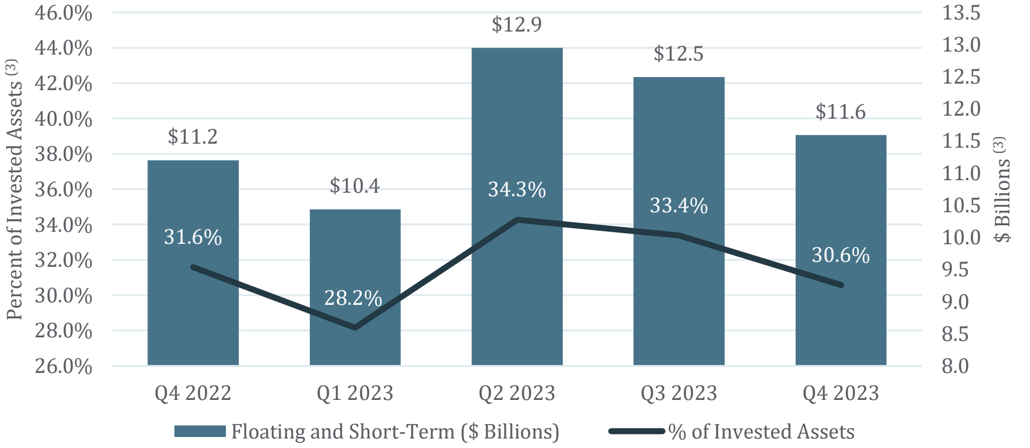
Fed Funds Rate Projection(1)(2)



Asset and Liability Effective Duration



Floating and Short-Term



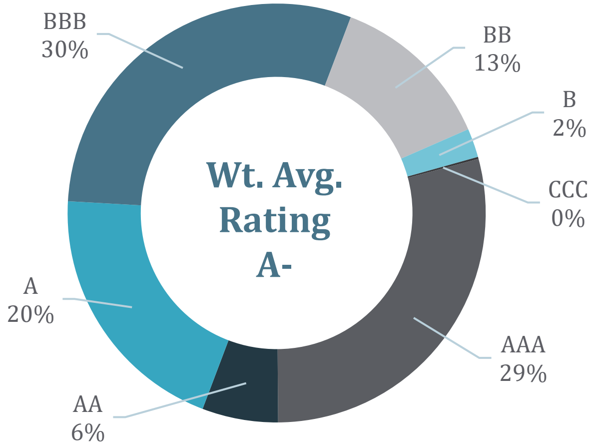
Commentary

- The Effective Fed Funds rate as of December 29, 2023, was 5.33% (Lower Bound: 5.25%; Upper Bound: 5.50%)
- The Fed Funds Futures curve as of December 29, 2023, has priced in:
  - 2-3 cuts in the first half of 2024
  - Another 2-3 cuts in the second half of 2024
- Starting in Q2 2023, we included the impact of interest rate swaps to the liability duration. The notional amount of our receive-fixed-pay-floating interest rate derivative portfolio is $3.9 billion. This portfolio has an effective duration of 2.8 and it contributed -0.4 to the liability duration as of Q4 2023

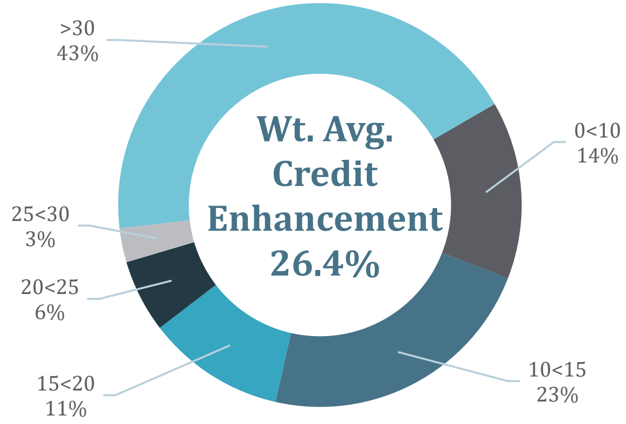
(1) Projection is as of December 30, 2023.
(2) Source: https://www.cmegroup.com/markets/interest-rates/stirs/30-day-federal-fund.settlements.html
(3) Excludes Derivatives, Separate Account assets, Policy Loans and assets in SBLIC's and FSBL's funds withheld and held account. Invested Assets reflect "Invested Assets (Management View)" in the separate "SBL Holdings, Inc. Supplemental Information" document.
(4) Each hike assumed to be 25 basis points.

The Credit Quality and Associated Credit Enhancement of Our CLO Portfolio Remained Stable During Q4 2023

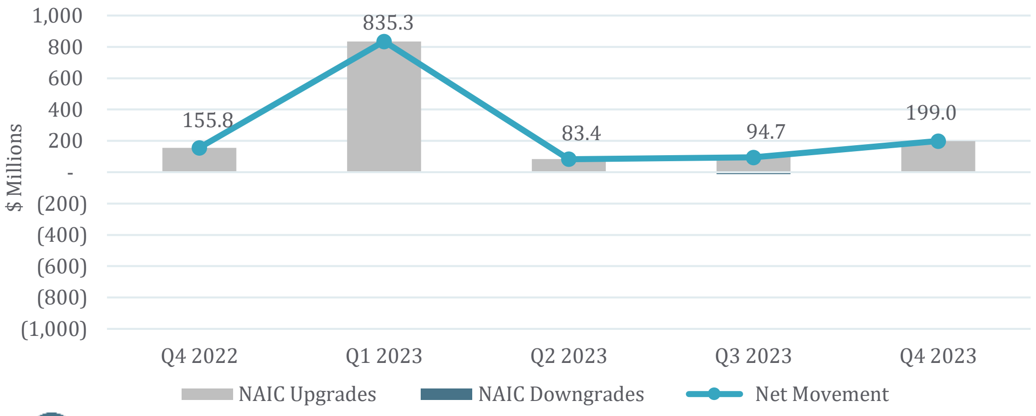
Rated CLO Credit Quality Distribution (1)(2)



Credit Enhancement (2)



Net NAIC Upgrade (Downgrade) Activity (3)



Commentary

- The weighted average NRSRO rating of our CLO portfolio remained at A-
- The Weighted Average Credit Enhancement of our CLO portfolio stayed relatively constant at 26.4% in Q4 2023, continuing to provide for material protection against potential underlying portfolio losses across a wide range of scenarios
- Our CLOs have not only benefited from materially increasing income generation from higher short-end interest rates, but we are also benefiting from continued upgrades which are permeating our CLO portfolio, representing a fundamental strength of the asset class

(1) NRSRO rating is based on the lowest S&P equivalent when two ratings are present and on the second lowest rating when three or more ratings are present. This is consistent with the NAIC Purposes and Procedures Manual. Only assets with NRSRO ratings displayed.

(2) Distribution based upon statutory assets and carry value.

(3) Based on quarterly statutory assets and carry value for investments with NAIC upgrades or downgrades each month. Net Movement represents the net difference of the statutory carry value of upgraded and downgraded assets. Beginning with the 2021 NAIC Risk-Based Capital Reports filing, the NAIC added alphabetical modifiers (e.g. NAIC 1.A, 1.B, 1.C) to the previous designations (NAIC 1-6), which resulted in twenty rating designation categories. The upgrade and downgrade activity is calculated based on the twenty rating designation categories.

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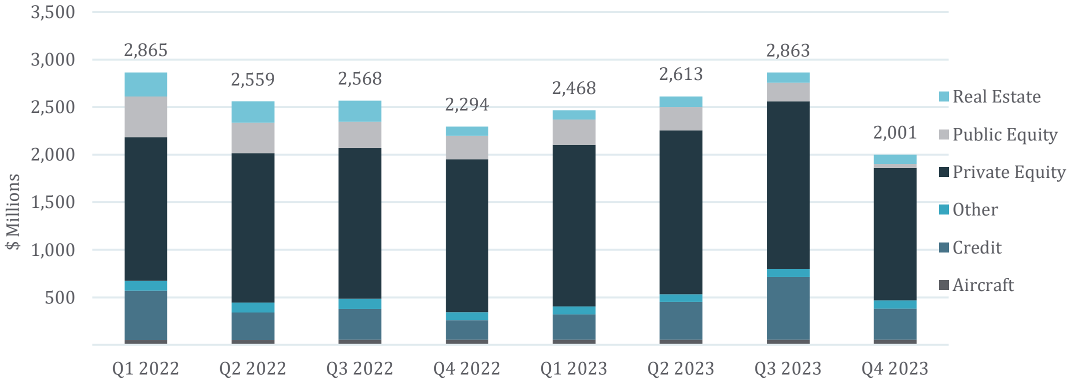
Sales Lowered Alternative Portfolio AUM; Credit Drove Positive Returns in Q4 2023

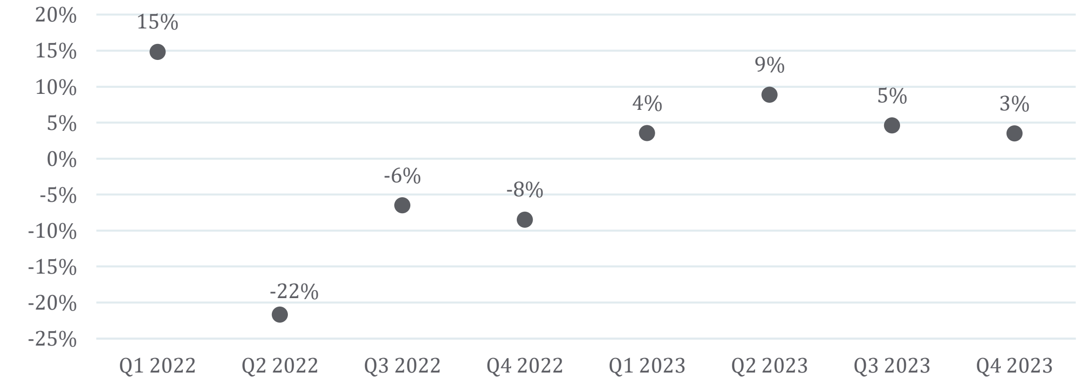
Alternative Investments Over Time (1)



Quarterly Changes Over Time

(in millions)	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23
Change in Invested Capital(2)	$494	($173)	$54	($227)	$164	$99	$229	($833)
Change in Carrying Value(3)	$95	($133)	($46)	($47)	$9	$46	$21	($29)
Total	**$589**	**($306)**	**$8**	**($274)**	**$173**	**$145**	**$250**	**($862)**

Annualized Quarterly Returns on Invested Capital (4)(5)



Commentary

- During Q4 2023, invested capital allocated to the Alternative Investment Portfolio decreased by $833 million primarily driven by:
  - $665 million of sales in funded LP interests including:
    - Private Equity ($448 million) – 23.7% net IRR, 1.5x net MOIC, $352 million invested capital, $182 million total profits
    - Credit ($206 million) – 10.8% net IRR, 1.1x net MOIC, $226 million invested capital, $25 million total profits
    - Real Estate ($11 million) – 13.3% net IRR, 1.5x net MOIC, $16 million invested capital, $7 million total profits
  - $155 million of public stock and convertible bond sales including:
    - Carlyle Group ($79 million) full exit – 1% net IRR, 1.0x net MOIC, $93 million invested capital, $0.9 million total profits
    - Digitalbridge stock/converts ($53 million) full exit – 3% net IRR, 1.1x net MOIC, $49 million invested capital, $4 million total profits
    - SGTV Fund (Draftkings, DKNG) ($23 million) full exit – 216% net IRR, 7.5x net MOIC, $13 million invested capital, $85 million total profits
  - $126 million sale of Oasis BH – 3% net IRR, 1.0x net MOIC, $125 million invested capital, $1 million total profits
- In Q4 2023, the statutory carrying value of the Alternatives portfolio declined by $28.8 million driven by:
  - $51.5 million increase in market value of Alternative Investments
  - $80.3 million decrease driven by sale of Alt. Investments and/or cash distributions from subsidiaries in excess of carrying value

(1) Represents alternative investments as defined by Management. Based on statutory carrying value.
(2) Change in Invested Capital represents purchases and contributions net of sales and redemptions on previous purchases or contributions.
(3) Change in Carrying Value represents 1) market value changes of directly held investments plus/(minus) 2) decreases/(increases) in value of investments relative to carrying value upon sale or distribution.
(4) Annualized quarterly returns calculated as change in market value, plus realized gains/losses recognized on sales, plus coupon and amortization/accretion income, divided by average invested capital for the period.
(5) Based on GAAP values and includes GAAP assets of certain SBLIC wholly owned subsidiaries.

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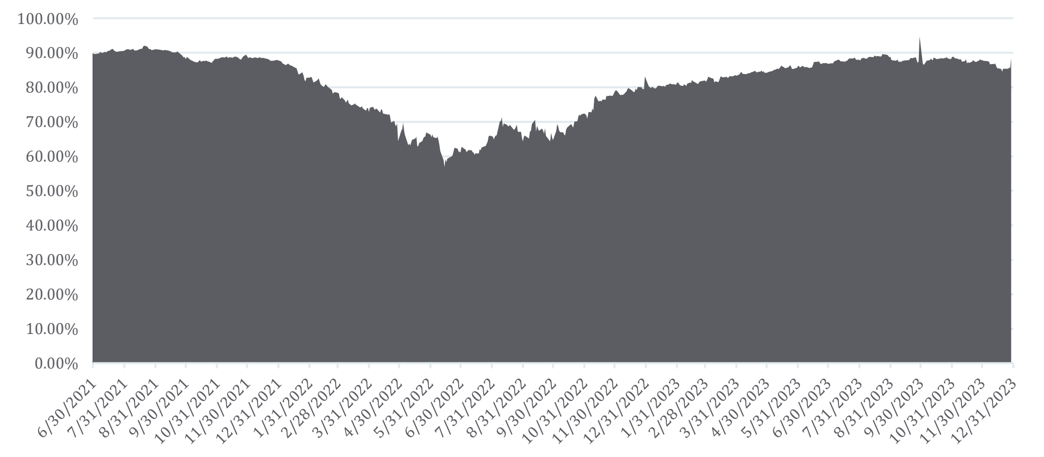
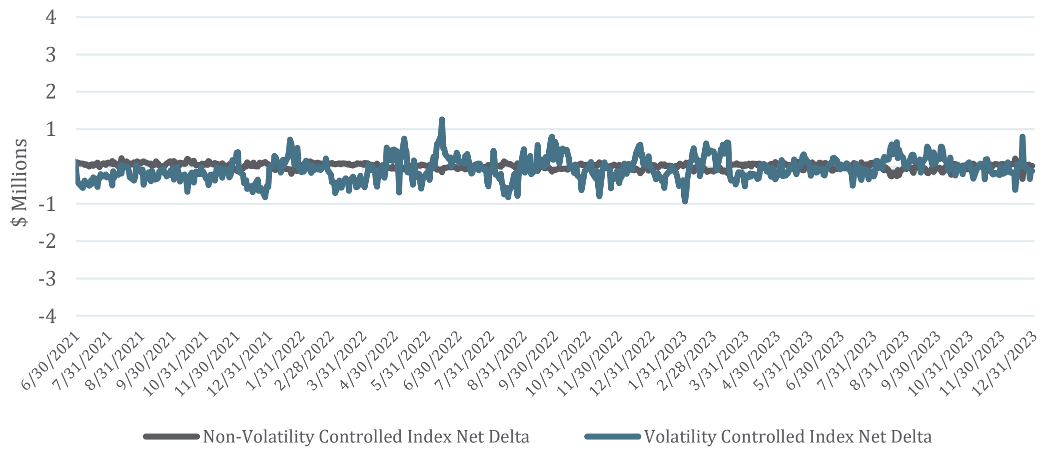
We Generated Record Hedging Profits in 2023 Attributable to Lower Index Volatility

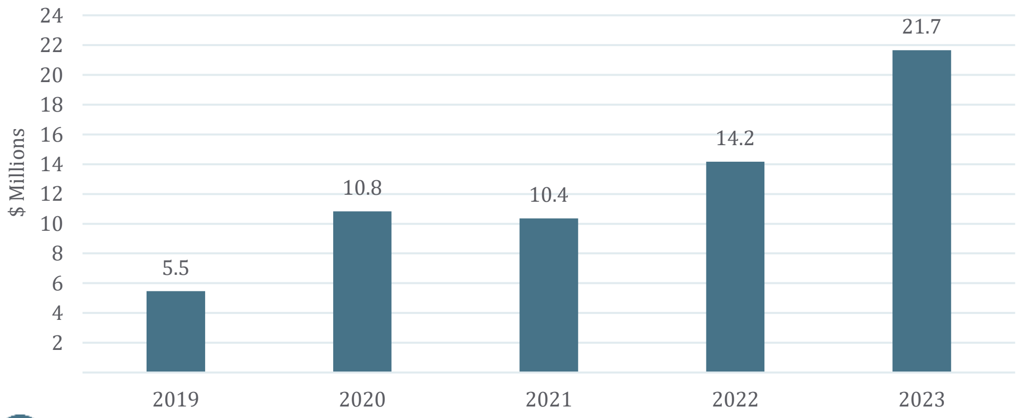
Static Hedging Ratio (1)



Net Delta by Index Type (2)



Cumulative Economic Profit & Loss – YTD (3)



Commentary

- Our index hedging strategy demonstrated versatility in 2022 and continued to generate economic profit in 2023, accumulated to $21.7 million as of December 2023
- Majority of the Net Delta risk is concentrated in Volatility Controlled Indices which de-lever when volatility increases limiting further large index movements
- We continue to reduce hedging costs on volatility-controlled indices by replicating liability option delta using Total Return Swaps & Futures which enables us to harvest the embedded Theta and Volatility premiums and generate low-risk consistent profit

(1) Static Hedge Ratio = 1 – (Delta of TRS, Synthetic Forwards & Futures/Delta of Liabilities).

(2) Volatility Controlled Indices are actively managed to limit the extreme highs and lows of index movements to help stabilize index returns and realize target volatility. These indices limit the overall amount of risk in volatile and unpredictable market.

(3) Represents a) the savings from hedging FIA liabilities at a lower cost relative to the cost of 100% static option replication and b) gains from tactical risk positioning.

Product and Distribution

Multi-Channel, Diversified Distribution Model

Balanced, multi-channel platform

Powerful distribution engine

	Broker/Dealer	Distributor Direct (IMO)	Financial Institutions	RIA
2021 – 2023 Total Gross Retail Sales by Distribution Channel	23% **$4.1bn**	51% **$8.9bn**	24% **$4.1bn**	2% **$370mm**
Fixed-Index Annuity	✓	✓	✓	✓
Fixed Annuity	✓	✓	✓	✓
Variable Annuity	✓		✓	✓
Mutual Fund Custodial	✓			✓
Highlights	• Independent reps serving retirement plans, IRA and Non-Qualified retirement market, including retirement specialists in K-12 school districts and 401(k)s • Endorsed by NEA, and access to 6,000+ pay slots in school districts	• Strategic alignment with a select group of leading IMOs • Significantly larger average contract size and higher production per agent than the industry average (1)	• A leading provider of fixed annuities within the broad U.S. bank channel • A national network of regional and mid-tier banks that drive growing sales volume	• Strong growth potential with new RIA distribution relationship; DPL Financial Partners • Providing fixed and fixed index annuities, for fee-based advisors, as alternatives for clients' fixed income portfolios

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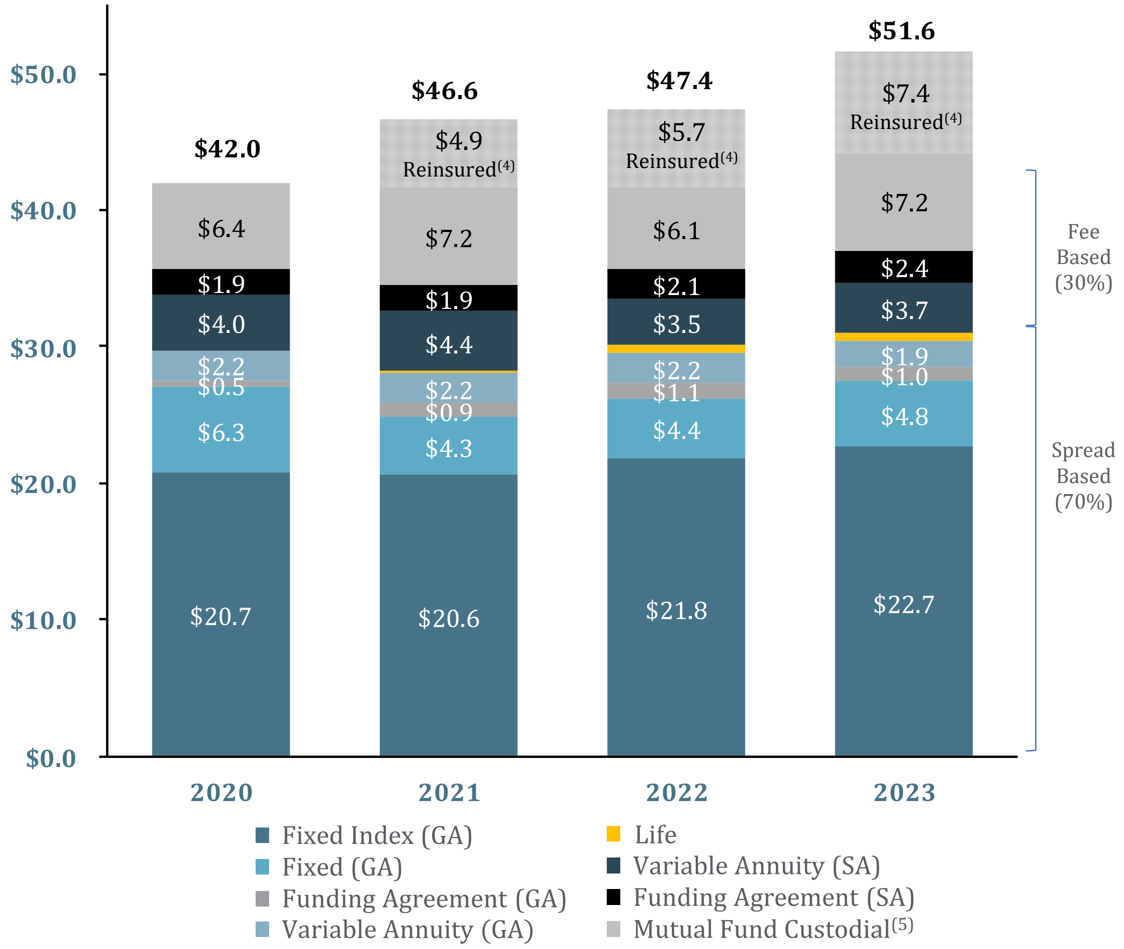
(1) *Higher average contract size for FIAs sold within the Distributor Direct channel compared to industry average; source: Wink Annuity Sales Report Q3 2023. SBLIC average fixed index annuity premium of $181,081 in Distributor Direct channel for the three months ended 9/30/2023 was 19% higher than industry average of $145,996.*

Diversified Distribution Structure Reaches Multiple Channels and Wealth Segments

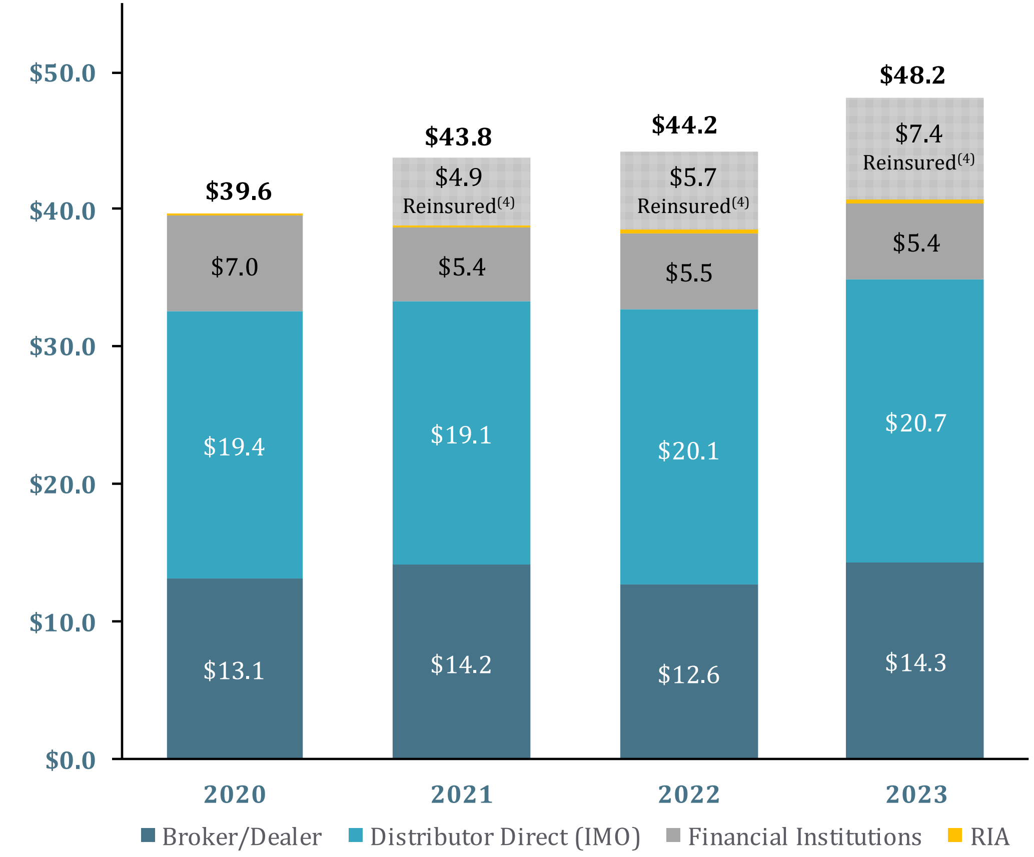
AUM Growth and Diversification by Product [1]

(excl. surplus and other assets) [2]



AUM Growth and Diversification by Retail Channel

(excl. funding agreements and surplus and other assets) [2] [3]



(1) *GA represents General Account; SA represents Separate Account.*
(2) *Excludes surplus and other assets ($7.4bn as of 12/31/23).*
(3) *Retail channels do not include funding agreements.*
(4) *Funds withheld assets under the reinsurance transaction with SkyRidge Re.*
(5) *The mutual fund custodial AUM is comprised of on-balance sheet assets in a SBLIC group fixed annuity ($0.3bn as of 12/31/23) and of off-balance sheet assets ($6.8bn as of 12/31/23) for which SFR serves as retirement plan record keeper and earns fees.*

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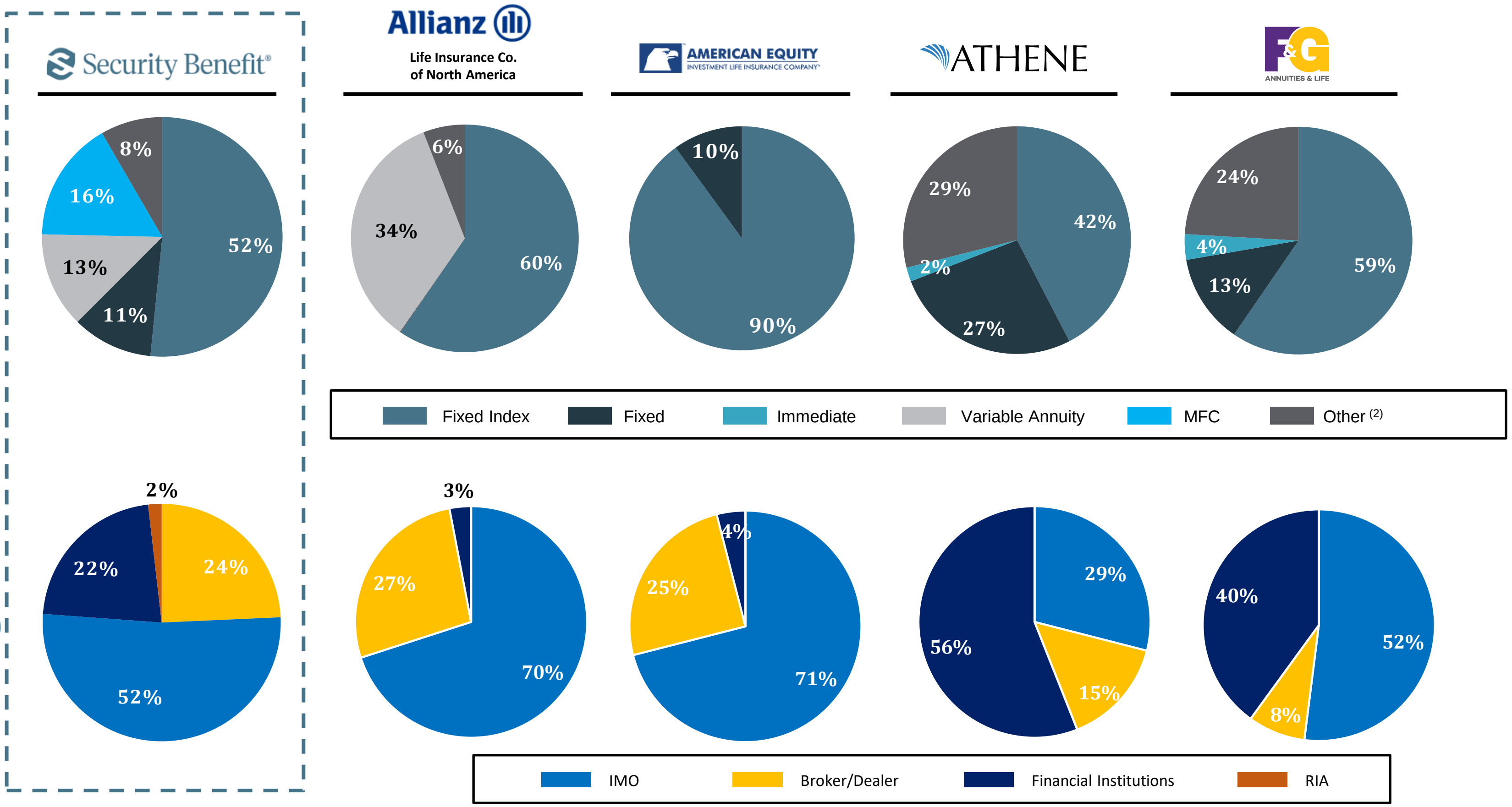
Well-diversified distribution and product mix relative to industry peers

Business Mix [1] (AUM)

Distribution Mix [3] (Sales)



Sources: Company filings and SNL Financial.

(1) Based on: a) AUM as of 12/31/23 for SBLH (excludes $7.4bn of funds withheld assets and $0.4bn of assets held pursuant to the overcollateralization requirements under the reinsurance transaction with SkyRidge Re); b) reserves as of 12/31/22 for Allianz Life Insurance Company of North America; c) account balance as of 12/31/23 for American Equity Life; d) reserves as of 12/31/23 for Athene; e) reserves as of 12/31/23 for F&G.

(2) Other includes: a) funding agreements and life reserves for SBLH; b) traditional and universal life for Allianz Life Insurance Company of North America; c) pension risk transfer annuities, funding agreements and other life reserves for Athene; d) Life Insurance and Front Street Re for Fidelity & Guaranty Life.

(3) Based on YTD Gross Total Retail Sales as of 12/31/23 for SBLH (includes $2.5bn of new business ceded to SkyRidge Re); Distribution mix for other carriers based upon Q3 2023 total sales by channel; Source: Beacon Research, Annuity Market Study, Q3, 2023.

Strategic Distribution Actions and Results

$(mm)[1] Markets / Channel	Full Year 2022	Full Year 2023	Commentary
Broker / Dealer	$1,204	**$1,812**	• Positioned fixed and fixed index annuities as alternatives to clients' bond fund portfolios, to complement fee-based products including variable annuities and mutual fund (MF) based retirement plans. • Strong sales relationships drove more balance of fee-based products; sales of variable annuities (VAs) and mutual fund based retirement plans exceeded $899mm (50% of sales) versus fixed rate and fixed index annuities sales of approximately $913mm (50% of sales).
Distributor Direct (IMO)	2,837	**3,869**	• Product enhancement campaign promoted new features, indices, and competitive rates to capture high demand for accumulation oriented FIAs. • Sales of the Strategic Growth Series (FIA) grew to more than $3.8bn, a 38% increase vs. 2022.
Financial Institutions (Banks)	1,291	**1,641**	• Offered highly competitive rates within multi-year guaranteed annuities (MYGAs) (Advanced Choice) as key bank partners turned to fixed rate products for client portfolios. • Fixed annuity sales in the channel exceeded $1.0bn; Higher demand for FIAs picked up in H2 2023 surpassing $470mm, a 16% increase vs. 2022.
RIA	75	**137**	• Offering a broad series of commission free annuities for RIAs through DPL Financial Partners, as alternatives for the conservative portion of clients' portfolios within a rising interest rate environment. • Advisors turned to MYGA products to provide a guaranteed option for a portion of clients' portfolios; generating $75mm in sales in 2023. Total sales for the channel grew more than 80% vs. 2022.
Total Gross Retail Sales[1]	$5,407	**$7,459**	

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(1) *Excludes Life sales of $25 million and $37 million for full year 2022 and full year 2023, respectively and includes premiums ceded to SkyRidge Re.*

SkyRidge Re Partnership Creates Opportunity for Further Growth Off-Balance Sheet

Key Highlights

$7.3bn
Ceded to SkyRidge Re and inclusive of run-off

>105%
Very strong overcollateralization provides security[1]

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SKYRIDGE RE

322%
SkyRidge Re BSCR (12/31/23)[2]

24%
SBLH economic stake (9.9% voting interest) in SkyRidge creates strong counterparty accountability

Multiple Benefits of SkyRidge Re

- Provides third-party equity capital to support growth without consolidation into SBLH's financial statements
- Transformation of a portion of spread income into steady, low-risk fee income[3]
- Allows SBLH to further optimize origination volumes to meet market demand in a capital-efficient manner
- SBLIC earns fees for asset management[3] and ongoing servicing and reporting of ceded policies
- Allows SkyRidge Re investors to leverage SBLIC annuity origination and investment management expertise
- Conservative debt-to-capital ratio of ~22% as of 12/31/23

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(1) Strict capital requirements include 5% overcollateralization of U.S. statutory reserves.
(2) BSCR ratio is preliminary as of December 31, 2023.
(3) Begins after the current new business period in 2025.

Simplified Liability Profile with Disciplined Pricing

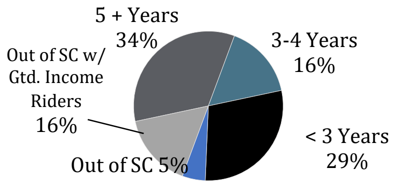
Fixed and Fixed Index Annuities

Highlights

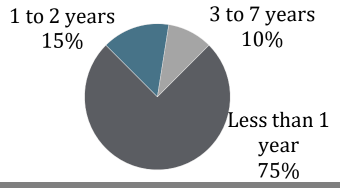
- Crediting rates on account balances are guaranteed for some period of time and then are subsequently adjusted based on asset portfolio expectations subject to contract minimums
- Average actual crediting rate of 2.69% are above the average contractual minimum rates of 1.16%, providing flexibility in managing the cost of crediting
- Equity risk within index annuities is effectively hedged

Liability Profile at 12/31/2023

Breakdown by Liabilities Exiting Surrender Charges (1)



Breakdown by Crediting Rate Reset Period (1)



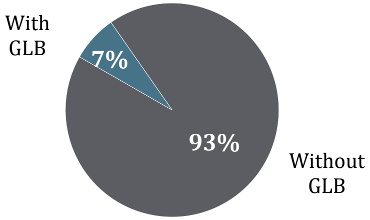
Total Account Balance: $25.9bn

Key Liability Profile Metrics at 12/31/2023

Weighted-Average Life	9.1 yrs
% Surrender Charge Protected ≥3 Years (1)	50%
% Crediting Rate Reset <2 Years	90%
Average Crediting Rates (2)	2.69%
Weighted Average GMIR (3)	1.16%
Account Value at Minimum Guarantees (2)	3.80%
Distance to Guarantees (4)	153 bps

Variable Annuities

- Net amount at risk ("NAR") (death or living benefit guarantees above account balance) is starting to decrease as the market increases
- Living benefits have not been issued on fee products (i.e., VA) in over 10 years; overall exposure is minimal, and the Company believes it can successfully manage the exposure
- The Company does not believe it has any mispriced blocks of legacy business



Total Account Balance: $5.6bn

Guaranteed Death Benefits NAR	$102mm
Guaranteed Living Benefits ("GLB") NAR	$82.7mm

- The risks embedded in the Company's variable annuity guarantees do not expose it to significant risk. The VA statutory reserves for SBLIC as of 12/31/2023 were at cash surrender value.

(1) *Fixed and FIA liabilities by account value and based on current profile, not at issuance.*
(2) *Includes cost of hedging on the index crediting strategies fixed-index annuities.*
(3) *GMIR stands for Guaranteed Minimum Interest Rate and assumes a minimum of 1.00% as a hedge cost for indexed account value crediting strategies.*
(4) *The distance to guarantees reflects the average distance in option costs between the current and guaranteed rates for index crediting options (1%) and between current and guaranteed interest rates for fixed crediting options. The option costs used reflect an estimate of option cost in the market.*

Appendix

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Reconciliation of Non-GAAP Measures

($ in millions)

Reconciliation from GAAP Net Income to Non-GAAP Operating Income[(1)(2)]	For the Year Ended December 31, 2020	2021	2022	2023
Net Income (GAAP)	$ 439	$ 1,037	$ 941	$ 695
Income Tax Expense	110	259	228	174
Pretax Income	549	1,296	1,169	870
Investment Related Gains (Losses)	(103)	(366)	(242)	70
Change in Fair Value of FIA Call Options and Embedded Derivatives	71	(185)	291	151
Change in Fair Value VA GLB rider Embedded Derivatives	2	(2)	12	1
Assumption/Model Refinements and Unlocking	93	45	(484)	29
Operating Income (Non-GAAP)	612	788	746	1,120
Operating Income Tax Expense [(3)]	(122)	(157)	(146)	(225)
Operating Net Income (Non-GAAP)	$ 490	$ 631	$ 600	$ 895

(1) *In addition to presenting our results in accordance with GAAP, we use certain non-GAAP measures commonly used in our industry in analyzing performance. Management believes the use of these non-GAAP measures, together with relevant GAAP measures, provides a better understanding of our results of operations and the underlying profitability drivers of our business. These measures should be considered supplementary to our results in accordance with GAAP and should not be viewed as a substitute for the corresponding GAAP measures. Our definitions of the various non-GAAP measures and other metrics discussed may differ from those used by other companies.*

(2) *We use operating income, a non-GAAP financial measure commonly used in the life insurance industry, as an economic measure to evaluate our financial performance. Operating income equals income before income tax expense adjusted to eliminate the impact of (1) investment related (gains) losses (including the reinsurance embedded derivative), net of the impacts of change in reserves and amortization of DAC, DSI and VOBA, excluding gains and losses on derivatives used primary to hedge index credits on FIA products; (2) changes in fair value of call options and embedded derivatives associated with the FIA products, net of impacts on benefit reserves and DAC, DSI and VOBA; (3) changes in the fair value of the VA GLB rider embedded derivatives, including GMWB and GMAB, net of change in rider reserve and amortization of DAC, DSI and VOBA; and (4) changes in reserves and DAC, DSI and VOBA amortization related to actuarial assumption unlocking and model refinements. Because the reconciling items fluctuate from year to year in a manner unrelated to core operations, we believe a measure excluding the impact is useful in analyzing operating trends. We believe the combined presentation and evaluation of operating income together with net income provides information that may enhance an investor's understanding of our results and profitability.*

(3) *Operating income tax expense is calculated by multiplying the effective tax rate for the period (income tax expense divided by income before income tax expense) by operating income.*

Invested Assets Reconciliation

Unaudited (in millions, except percentages)

Reconciliations of Total Investments (GAAP) to Total Invested Assets (Management View)	December 31, 2022	December 31, 2023	△(1)
Total Investments (GAAP)	$41,915	$47,704	14%
Derivative Assets, Including Cash Collateral	(1,314)	(1,681)	28%
Consolidated VIE Assets Supporting Third Party Interests	(149)	(97)	-35%
Unrealized (Gains) Losses	1,617	545	-66%
Investments Under Reinsurance Funds Withheld and Held	(5,839)	(7,634)	31%
Net Investment Receivables (Payables)	(18)	(17)	n/m
Fixed Separate Accounts	(349)	(338)	-3%
Other	(397)	(557)	40%
Total Adjustments to Arrive at Total Invested Assets	($6,449)	(9,779)	52%
Total Invested Assets (Management View)	$35,466	$37,925	7%

Reconciliation of Cash and Invested Assets (STAT) to Total Invested Assets (Management View)	December 31, 2022	December 31, 2023	△(1)
Cash and Invested Assets (STAT) (Security Benefit Life Insurance Company)	$42,187	$46,186	9%
Derivative Contracts and Related Cash, Cash Collateral and Receivables	(1,196)	(1,295)	8%
Investments and Investment Receivables Under Reinsurance Funds Withheld and Held	(5,921)	(7,412)	25%
Net Investment Receivables (Payables)	(58)	(118)	n/m
First Security Benefit Life Insurance Company	109	100	-8%
Everly Life Insurance Company	413	421	2%
Policy Loans	(37)	(37)	-2%
Other	(31)	78	n/m
Total Adjustments to Arrive at Total Invested Assets	($6,721)	(8,261)	23%
Total Invested Assets (Management View)	$35,466	$37,925	7%

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(1) Note: "n/m" represents percentage changes that are not meaningful.