

# SBL Holdings, Inc. Q1 2025 Investor Update

May 2025

# Company Overview

## Business Snapshot

1892  
Year Founded

Topeka, KS  
Headquarters

~550  
Employees<sup>(1)</sup>

900,000+  
Accounts<sup>(2)</sup>



\$7.2bn  
Total Gross Retail Sales (FY2024)

\$1.2bn  
Operating Income<sup>(3)</sup> (FY2024)

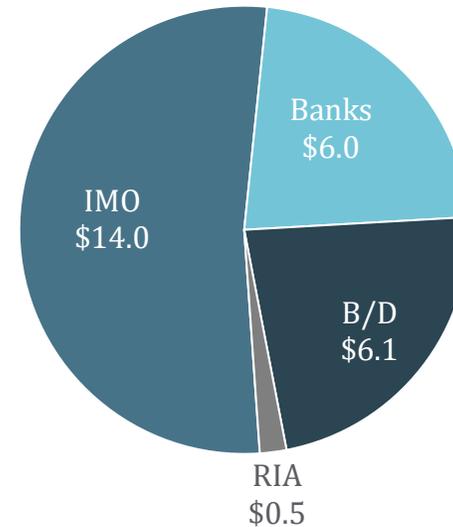
\$7.4bn  
Total Equity ex. AOCI<sup>(3)</sup> (3/31/25)

\$7.1bn  
SBLIC Total Adjusted Capital<sup>(4)</sup> (3/31/25)

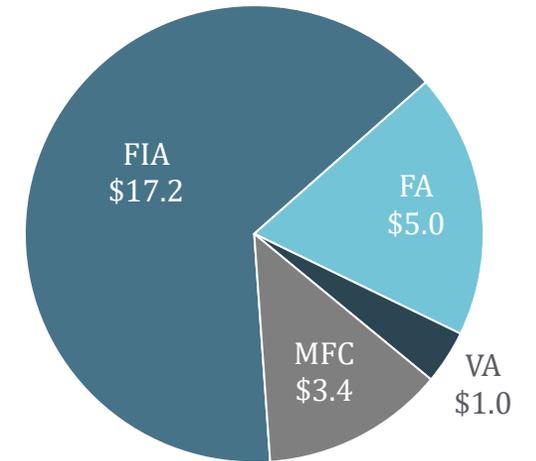
SBLH Issuer Credit Ratings <sup>(5)</sup>	BBB- S&P	BBB Fitch	BBB (high) Morningstar DBRS
SBLIC Financial Strength Ratings	A- S&P	A- Fitch	A Morningstar DBRS

## Leading Annuity Provider (\$bn) (1/1/21 – 3/31/25)

Total Gross Retail Sales by Channel <sup>(6)</sup>



Total Gross Retail Sales by Product <sup>(7)</sup>



**\$26.6bn**  
Total Gross Retail Sales

## Proven Business Model and Superior Investment Management Continues to Drive Robust Sales and Earnings and Strong Financial Profile

(1) Includes all employees of Security Benefit Business Services and Everly LLC as of December 31, 2024.  
 (2) This number includes all insurance policies in force (either directly written or reinsured) as well as retirement accounts for which Security Financial Resources, Inc. serves as record keeper as of December 31, 2024.  
 (3) Operating Income and Total Equity ex. AOCI are non-GAAP financial measures.  
 (4) Total Adjusted Capital is calculated based on the NAIC specified formula.  
 (5) Credit Ratings represent S&P's issuer credit rating, Fitch's long-term issuer default rating, and Morningstar DBRS's issuer rating.

(6) "IMO" stands for Independent Marketing Organization. "B/D" stands for Broker / Dealer. "RIA" stands for Registered Investment Advisor.  
 (7) "FIA" stands for Fixed Index Annuity. "FA" stands for Fixed Annuity. "VA" stands for Variable Annuity. "MFC" stands for Mutual Fund Custodial/Retirement Plans.

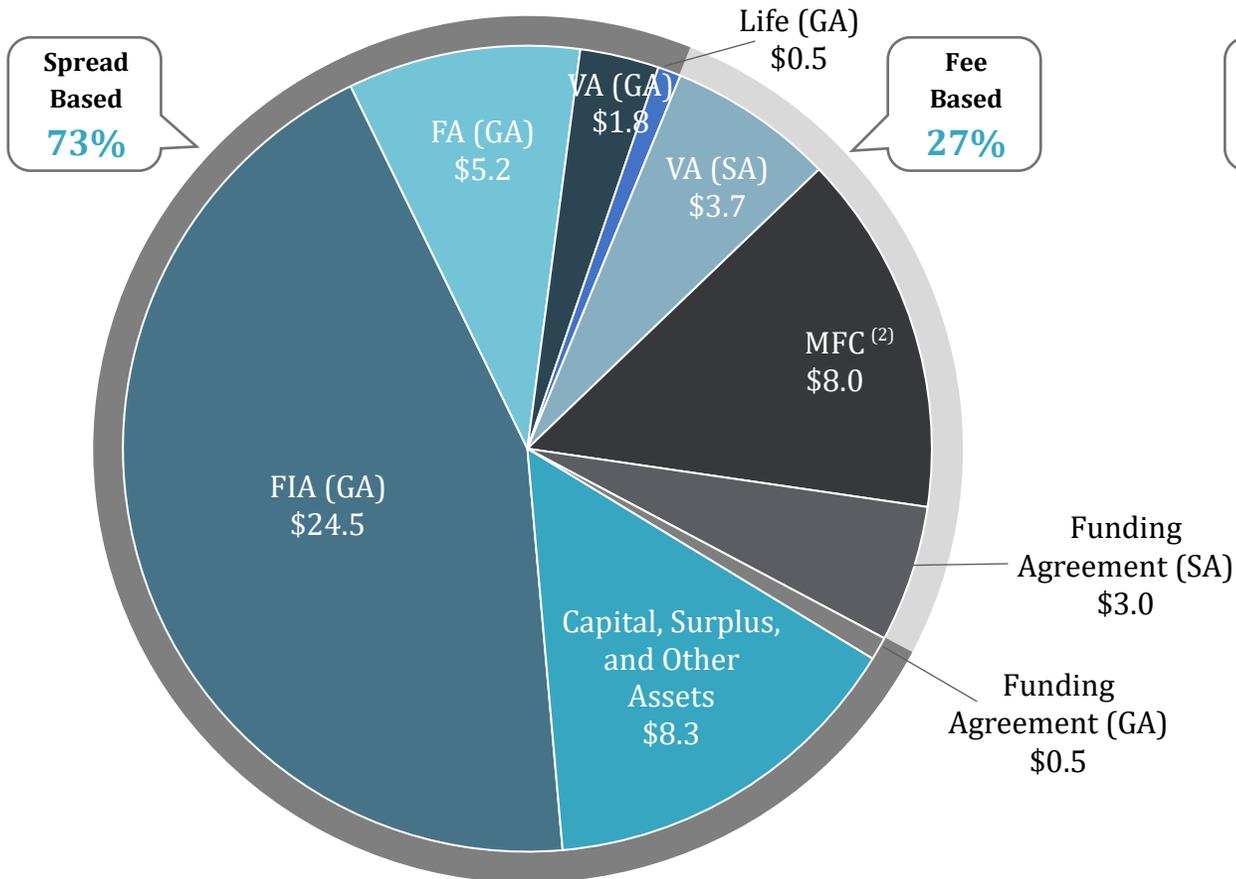


# Assets Under Management Profile

(as of March 31, 2025)

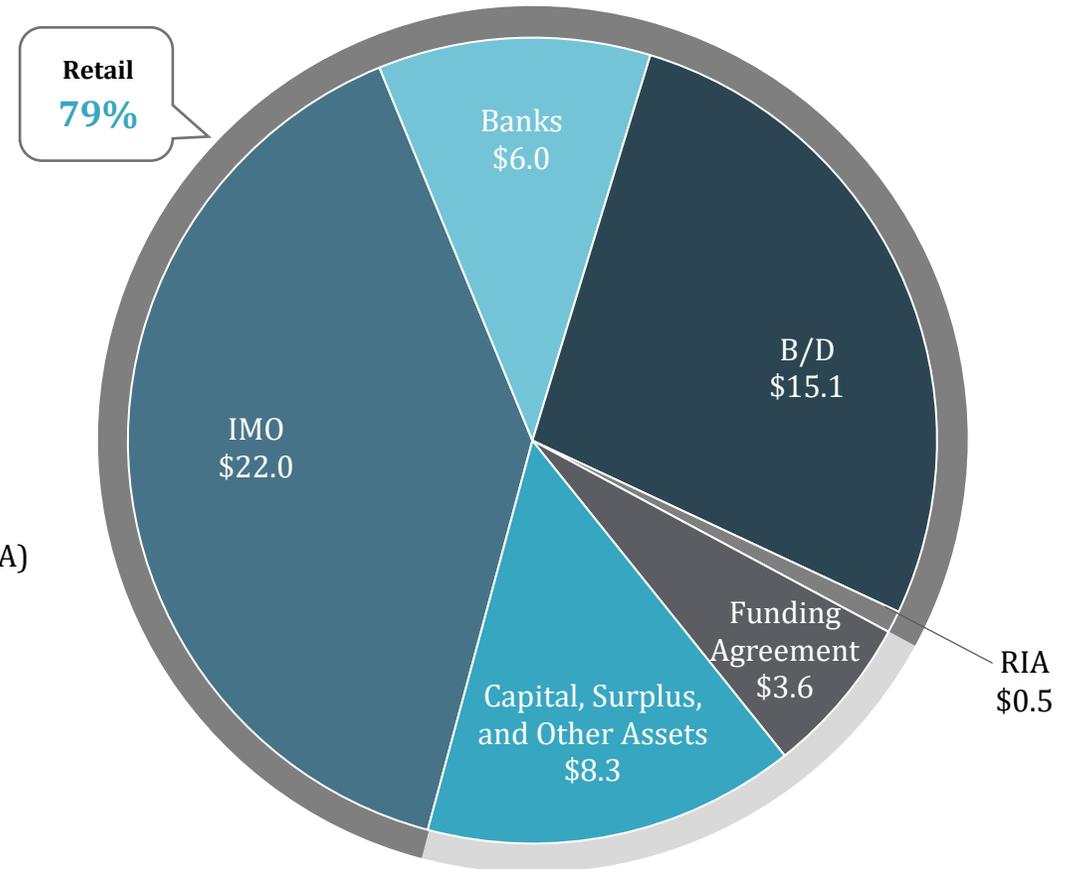
**AUM by Product (\$bn)<sup>(1)</sup>**

\$55.5bn



**AUM by Channel (\$bn)**

\$55.5bn



(1) "GA" stands for General Account. "SA" stands for Separate Account.

(2) MFC AUM is comprised of on-balance sheet assets in a SBLIC group fixed annuity (\$0.3bn as of 3/31/25) and off-balance sheet assets (\$7.7bn as of 3/31/25) for which Security Financial Resources, Inc. serves as retirement plan record keeper and earns fees.

## 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



### Diversified, Multi-Channel Distribution Model

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



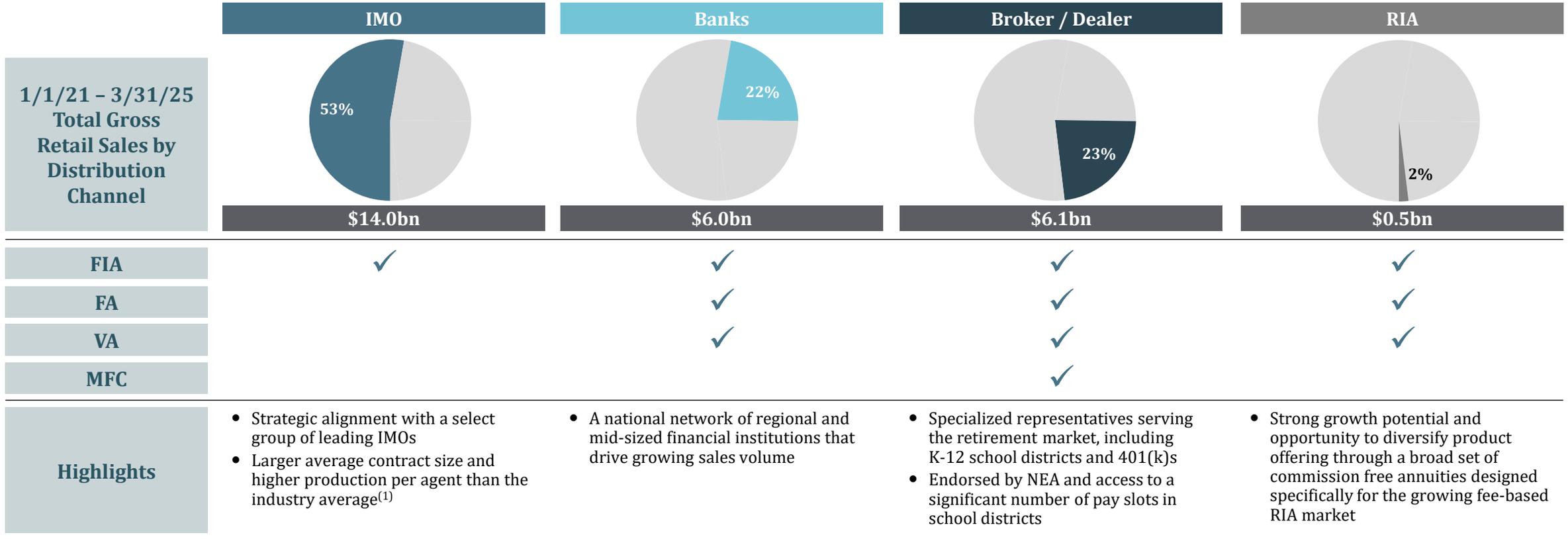
### Cost Efficient Administration

Deep connectivity with our administrators drives operational readiness

**These four components are key to executing our core strategy to originate “predictable and stickier” liabilities at a reasonable cost of funds, and deliver our promise to help clients to and through retirement®**



# Diversified, Multi-Channel Distribution Model

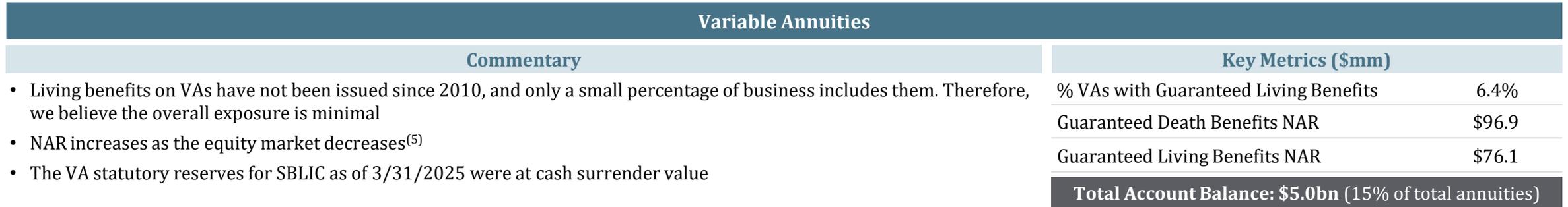
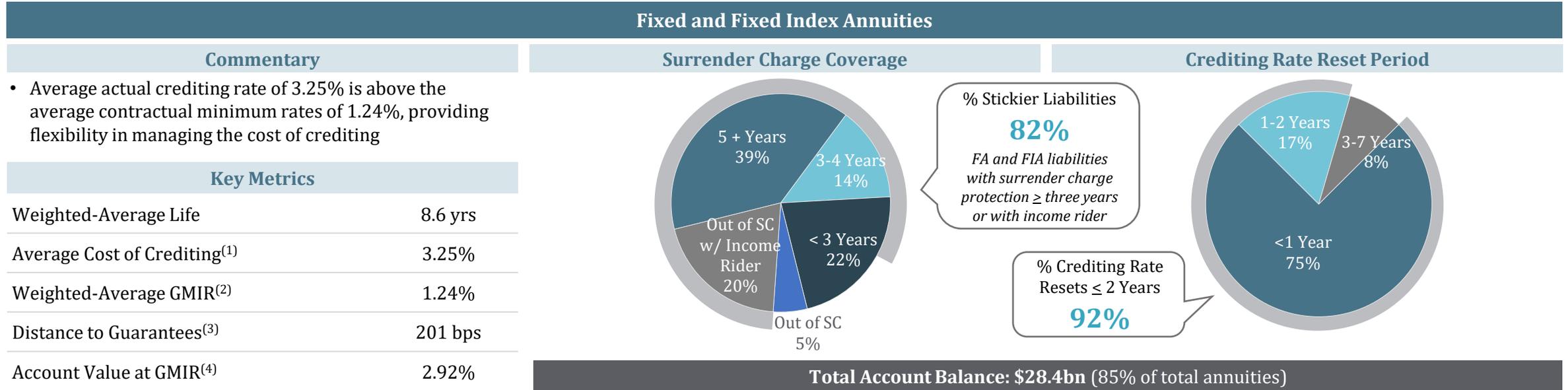


Primary Partners				Both Banks and B/D Channels		
						
						

 (1) Higher average contract size for FIAs sold within the IMO channel compared to industry average; source: Wink Annuity Sales Report Q4 2024. SBLIC average fixed index annuity premium of \$191,610 in IMO channel for the three months ended 12/31/2024 was 11% higher than the industry average of \$172,001.

# Simple Liability Profile with Disciplined Pricing

(as of March 31, 2025)



(1) The Average Cost of Crediting is calculated by dividing Cost of Crediting by average spread-based AUM excluding surplus assets. Cost of Crediting is calculated as interest credited to account balances plus the pro rata amortization of FIA option cost. For interim periods, Average Cost of Crediting is annualized to determine an annualized Cost of Crediting Rate.  
 (2) "GMIR" stands for Guaranteed Minimum Interest Rate and assumes a minimum of 1.00% as a hedge cost for indexed account value crediting strategies.

(3) The distance to guarantees reflects the average distance between current and guaranteed interest rates for fixed crediting options and in option costs between the current and guaranteed rates for index crediting options (1%). The option costs used reflect an estimate of option cost in the market.  
 (4) Account Value at GMIR represents the percentage of account values for FA and FIA contracts that are at the contractual GMIR.  
 (5) "NAR" stands for Net Amount at Risk and reflects death or living benefit guarantees above account balance.



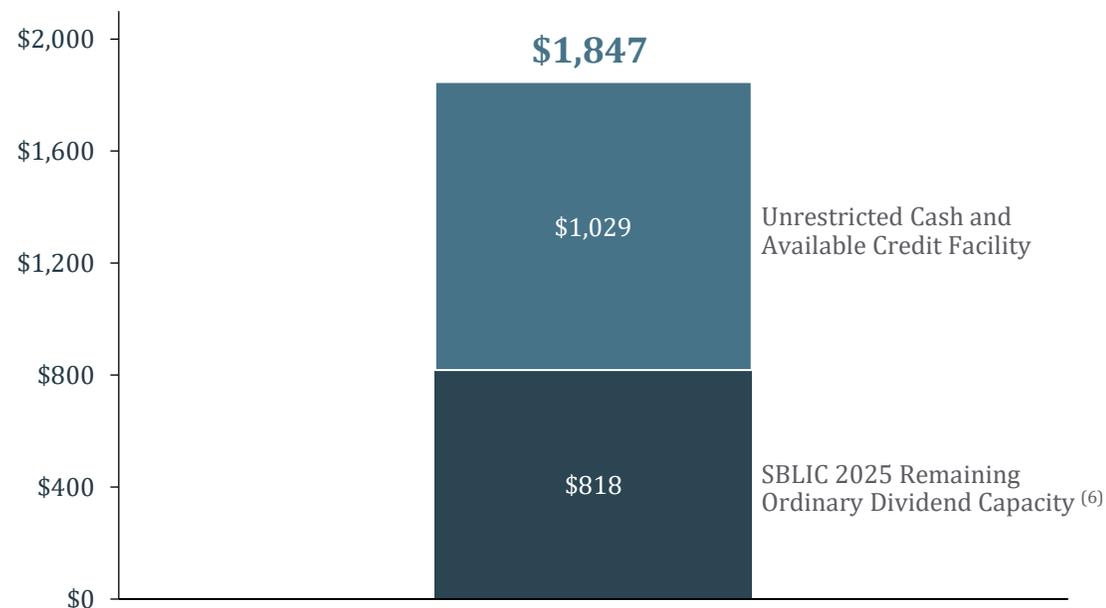
# Strong Financial Profile Provides Flexibility

## SBLH Balance Sheet data (\$mm) 3/31/25

Assets	
Total investments (excluding cash and cash equivalents)	\$47,105
Reinsurance recoverable	11,391
Separate account assets	6,414
Other assets	4,666
Cash and cash equivalents	4,962
<b>Total Assets</b>	<b>\$74,538</b>
Liabilities and Stockholders' Equity	
Policy reserves and annuity account values	\$46,529
Funds withheld and held liability	10,020
Separate account liabilities	6,414
Senior notes, revolver, surplus notes, and delayed draw term loan	1,694
Repurchase agreements	343
Other liabilities	2,230
<b>Total Liabilities</b>	<b>\$67,230</b>
<b>Total Stockholders' Equity</b>	<b>7,308</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$74,538</b>

Key Ratios	12/31/23	12/31/24	3/31/25
Debt Leverage <sup>(1)</sup>	19.5%	18.3%	18.7%
Financial Leverage <sup>(2)</sup>	28.4%	26.8%	27.5%
Interest Coverage <sup>(3)</sup>	11.4x	11.2x	9.2x
Fixed Charge Coverage <sup>(4)</sup>	7.6x	7.7x	6.4x
SBLIC Operating Leverage <sup>(5)</sup>	5.9x	6.0x	6.3x

## SBLH Liquidity (\$mm) (as of March 31, 2025)



(1) Debt divided by Total Capitalization ex. AOCI. Debt Leverage is a non-GAAP financial measure.

(2) Debt and preferred shares divided by Total Capitalization ex. AOCI. Financial Leverage is a non-GAAP financial measure.

(3) Interest Coverage is calculated by dividing LTM Operating Income (before interest expense) by LTM interest expense on Debt Leverage.

(4) Fixed Charge Coverage is calculated by dividing LTM Operating Income (before interest expense) by sum of (i) LTM interest expense and (ii) LTM preferred dividends.

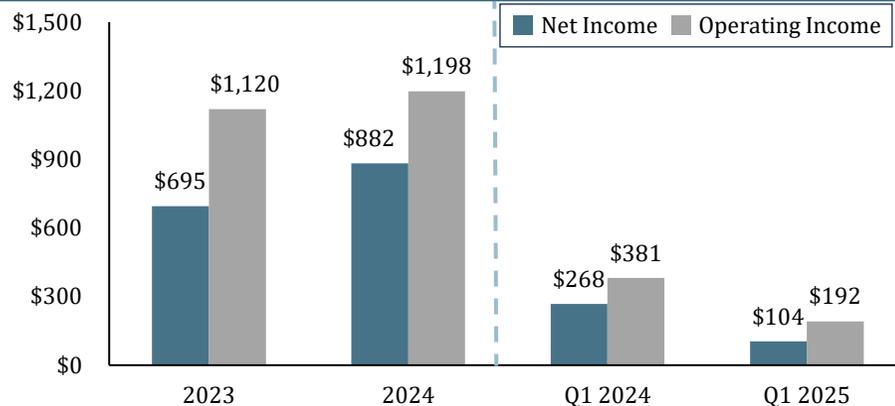
(5) Operating Leverage is calculated by dividing GA liabilities excluding AVR by total adjusted capital.

(6) Ordinary dividend capacity is calculated pursuant to the requirements of K.S.A. 40-3306. Because the calculation takes into account dividends made in the last 12 months, SBLIC's ordinary dividend capacity as of March 31, 2025 was \$288 million. All other things being equal, the \$818 million shown above represents SBLIC's 2025 maximum dividend capacity of \$1,168 million less the \$350 million of dividends made through March 31, 2025. Dividends in excess of the ordinary dividend limit must be approved by the Kansas insurance commissioner.



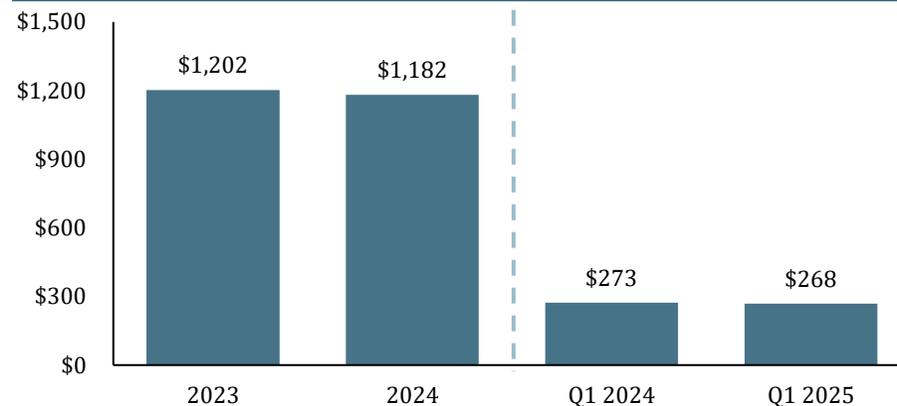
# Highly Profitable Operations With History of Value Creation

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

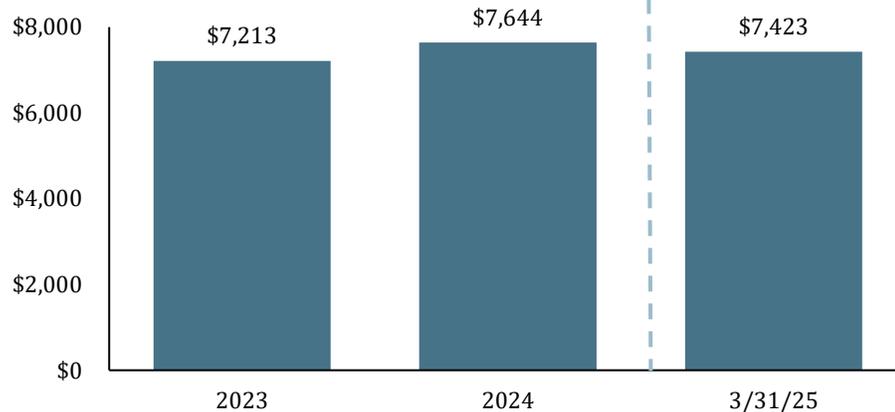


ROE <sup>(1)</sup>	2023	2024	Q1 2024	Q1 2025
	13%	13%	16%	8%

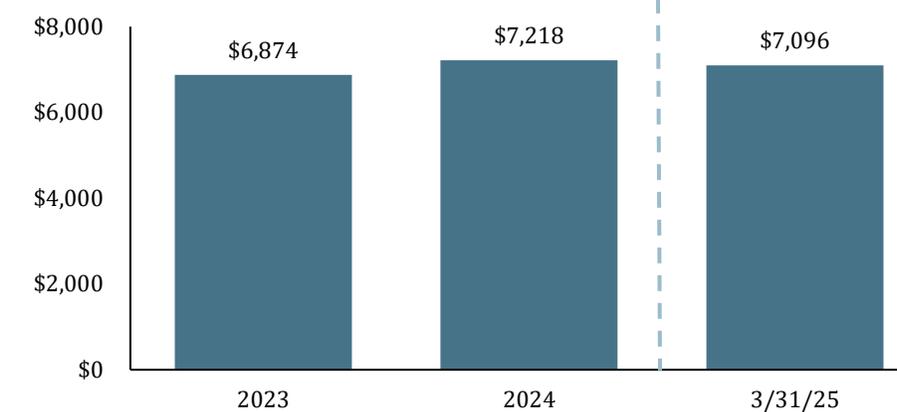
## SBLIC Statutory Net Income (\$mm)



## Total Equity ex. AOCI (\$mm)



## SBLIC Statutory Total Adjusted Capital (\$mm)



RBC <sup>(2)</sup>	2023	2024
	411%	408%

### Drivers of Results

- Diversified business mix between spread income and traditional fee income
- Growth in AUM platform driven by product innovation and highly targeted distribution strategy
- Investment returns remain robust. The sequential decline in Q1 2025 was mainly driven by lower additional returns, a higher allocation to cash in the quarter, changes in interest rates, and investment activity
- Appropriate management of cost of funds consistent with the investing environment



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

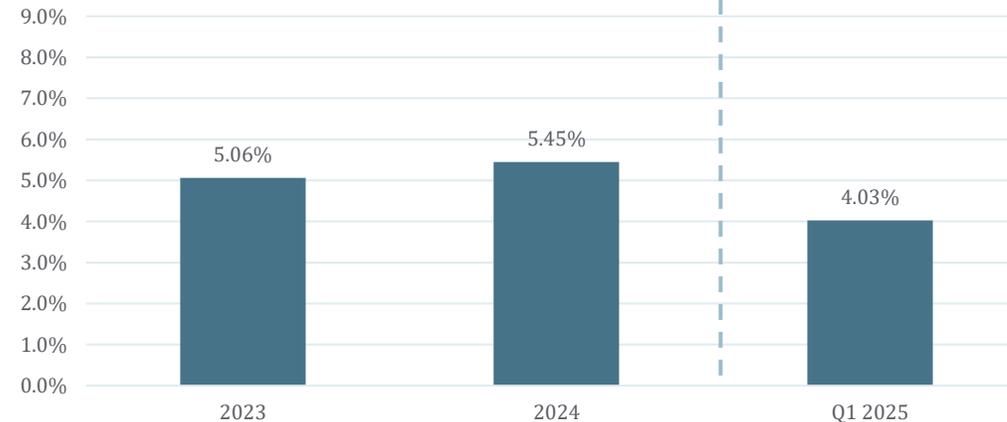
(2) Risk-based Capital ("RBC") ratio at year-end for SBLIC based on NAIC prescribed formulas.

# Our Investment Earned Book Yield Continues to Benefit From Our Floating Rate Portfolio

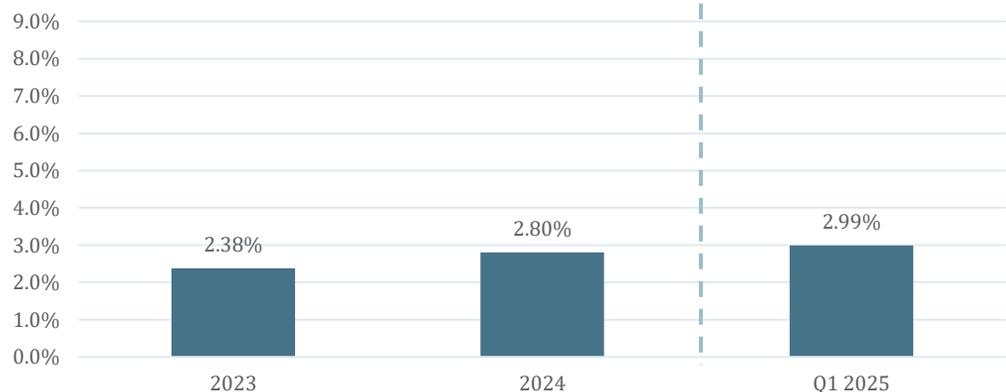
## Investment Operating Earned Rate <sup>(1)(2)(3)</sup>



## Net Investment Spread <sup>(4)</sup>



## Cost of Crediting Rate <sup>(5)</sup>



## Commentary

- IOER decreased 130 basis points for Q1 2025 relative to Q1 2024 driven by lower additional returns, changes in interest rates, and a strategic cash position to preserve flexibility and position ourselves to deploy into higher-yielding assets as spreads become more attractive
- Cost of Crediting Rate continued to steadily increase since Q1 2024 as new and renewal business was written at higher rates relative to the average of the inforce block
- Net Investment Spread, while below prior years, is still very strong

(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 primarily include returns on alternative investments and prepayment fees.

(3) IOER equals adjusted investment income 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 Rate.

(5) Cost of Crediting Rate is calculated by dividing Cost of Crediting by average spread-based AUM, excluding surplus assets. For interim periods, Cost of Crediting is annualized to determine an annualized Cost of Crediting Rate.



## Perspectives on Certain Aspects of Q1 2025 Performance

- Strong general account net flows relative to Q1 2024, driven by competitive rates, and lower withdrawals and replacements relative to prior year
- Competitive landscape and prevailing investment yields have resulted in an increase in overall crediting rates and option budgets for us
- Our cash position continued to build in Q1 2025, which enables us to preserve flexibility and position ourselves to deploy into higher-yielding assets as spreads become more attractive
- Performance of underlying indices of our FIA products resulted in unrealized losses on FIA call options used to hedge index credits to our FIA policyholders, as compared to gains in Q1 2024. These losses are in part offset by the impact to the change in fair value of the embedded derivative for the FIA products in “Change in Fixed Index Annuity Embedded Derivative and Related Benefits”
- Additional returns in Q1 2025 were below Q1 2024. Our long-term return expectations on our alts portfolio and equity method investments remain generally favorable, while near term volatility may persist



# Sequential Decline in Q1 2025 Investment Results Mainly Driven by Lower Additional Returns, Cash, Floaters and Investment Activity

- **Investment Operating Earned Rate (“IOER”)** – We delivered an IOER of 7.02% during Q1 2025, which decreased 151 basis points compared to Q4 2024, while our Investment Earned Book Yield (“IEBY”) decreased 64 basis points quarter over quarter to 7.02%. The decline in the IEBY was driven by lower 3-month SOFR, higher cash balances and investment activity. The incremental 87 basis point decline in the IOER was principally driven by lower additional returns
- **Investment Total Earned Rate (“ITER”) <sup>(1)</sup> & Realized Gains <sup>(2)</sup>** – Realization activity in the quarter was relatively muted, resulting in \$3.9 million of realized gains in Q1 2025 (net of \$0.2 million of Investment related change in allowance for credit losses <sup>(3)</sup>), resulting in a Q1 2025 ITER of 7.06%
- **Economic Total Return** – Our \$34.3 billion fixed income portfolio generated an economic total return of 1.99% during Q1 2025
- **Alternative Investments** – In Q1 2025, the Alternative investment portfolio increased by \$22 million while delivering an annualized GAAP quarterly return of 8% which was driven by net gains in Private Equity
- **Asset Quality <sup>(4)</sup>** – The average credit rating of our rated fixed income portfolio remained constant at A- in Q1 2025, while the unrealized loss in our investment portfolio was \$240.3 million (0.63%) at the end of Q1 2025. We experienced \$19.3 million of negative net rating migration in Q1 2025 driven by two downgrades in our corporate portfolio, one of which we expect to be transitory and reverse later in 2025
- **Indexed Hedging** – Our indexed hedging strategy remained effective at hedging the key risks of our indexed portfolio while generating \$3.4 million of economic profit in Q1 2025

(1) "ITER" stands for Investment Total Earned Rate and is calculated as adjusted investment income, including trading realized gains / losses and investment related change in allowance for credit losses, divided by average spread-based AUM for the relevant period. For interim periods, adjusted investment income, including realized trading gains / losses, is annualized to determine an annualized investment total earned rate.

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

(3) Excludes the general allowance on common control, commercial mortgage loans based on pooled historical loss factors and not specific investment analysis.

(4) Excludes investments under reinsurance funds withheld and held. \$16.2 billion of the portfolio is NRSRO rated.

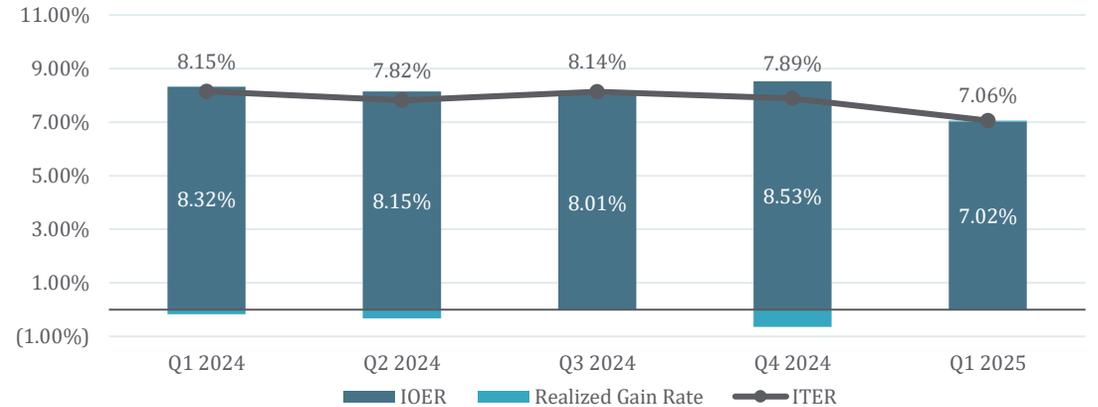


# Our Overall Investment Returns Are Still Robust Albeit Less Exceptional

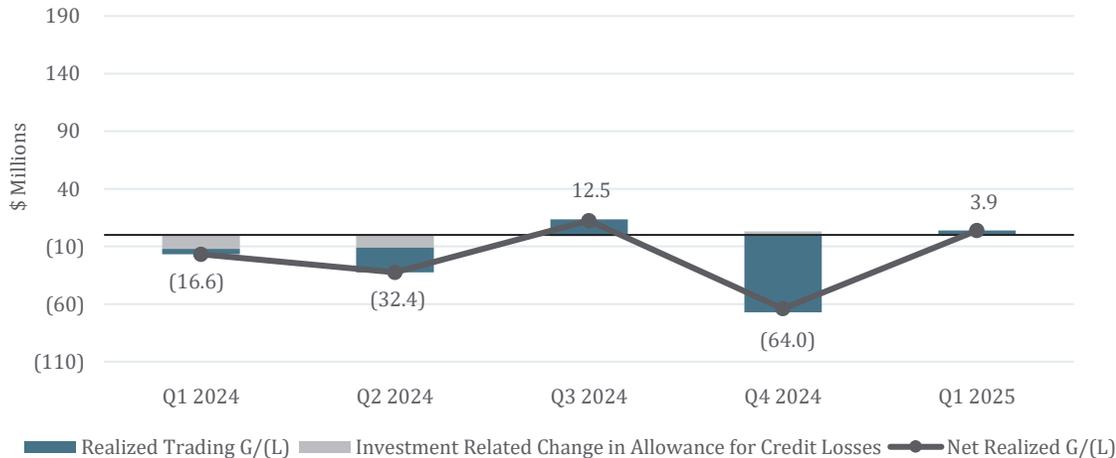
## Investment Operating Earned Rate



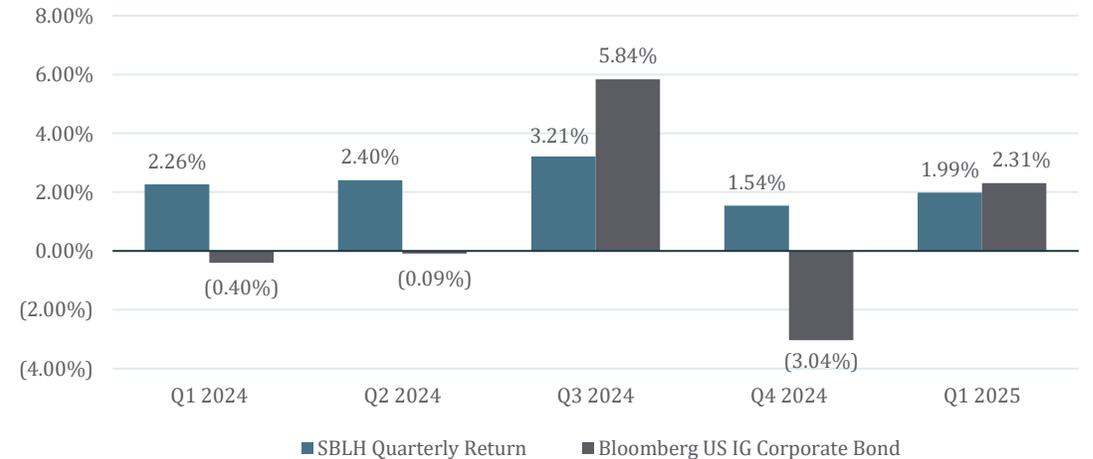
## Investment Total Earned Rate



## Net Realized Gain (Loss)



## Fixed Income Total Return <sup>(2)</sup>

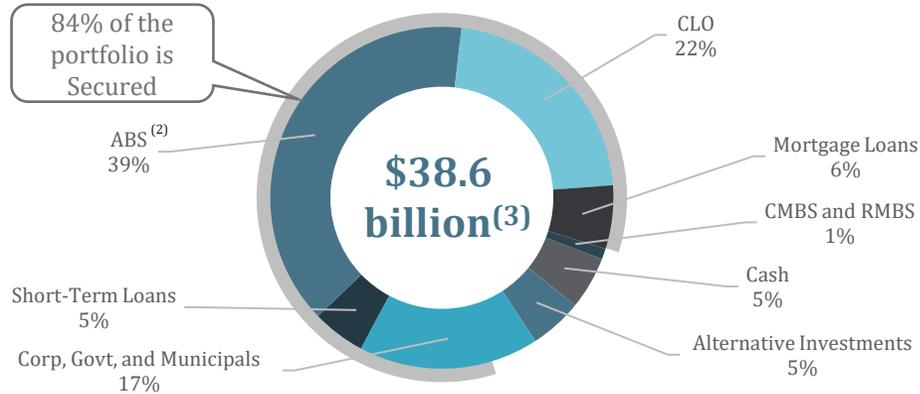


(1) Additional Returns primarily include returns on alternative investments and prepayment fees.

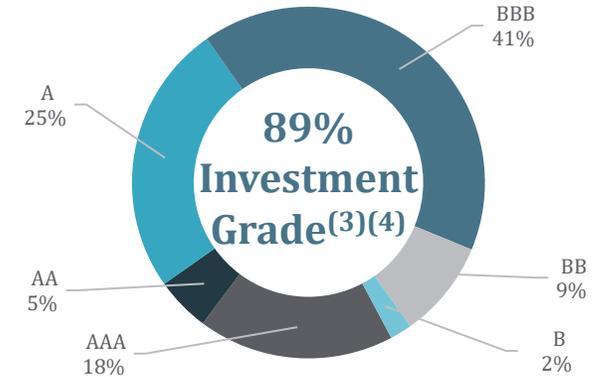
(2) Fixed Income Total Return excludes Separate Account assets, Policy Loans and assets in SBLIC's and FSBL's funds withheld and held account.

# Our Asset Allocation Continues to be Secured, Diversified and Balanced

**Asset Allocation <sup>(1)</sup>**  
3/31/2025



**NRSRO Distribution of Rated Investments of \$16.2 billion**  
3/31/2025



**Asset Allocation Over Time <sup>(1)</sup>**

Asset Type	YE '23	YE '24	Q1 '25
ABS <sup>(2)</sup>	37%	38%	39%
CLO	31%	22%	22%
Corp, Govt, and Municipals	20%	18%	17%
Mortgage Loans	1%	6%	6%
Short-Term Loans	3%	6%	5%
Alternative Investments	5%	6%	5%
Cash	2%	3%	5%
CMBS and RMBS	1%	1%	1%

**Commentary**

- Our ABS allocation increased due to active, private origination
- Our exposure to Short-Term Loans declined in Q1 2025 relative to Q4 2024, as new asset origination was offset by asset sales
- Our Cash allocation increased further in Q1 2025 as net retail deposits outpaced investment deployment as we intentionally patiently invest in a historically low risk premium investment environment
- Our Below Investment Grade Investments decreased from \$1.9 billion in Q4 2024 (4.9% of Invested Assets) to \$1.8 billion in Q1 2025 (4.7% of Invested Assets) principally driven by reductions to our Below Investment Grade CLO portfolio

(1) See the accompanying Notice to Investors under "Categories of Investments" for a description of certain investments and how they are reflected in various presentations.

(2) ABS includes all Asset-Backed Securities and Collateral Loans.

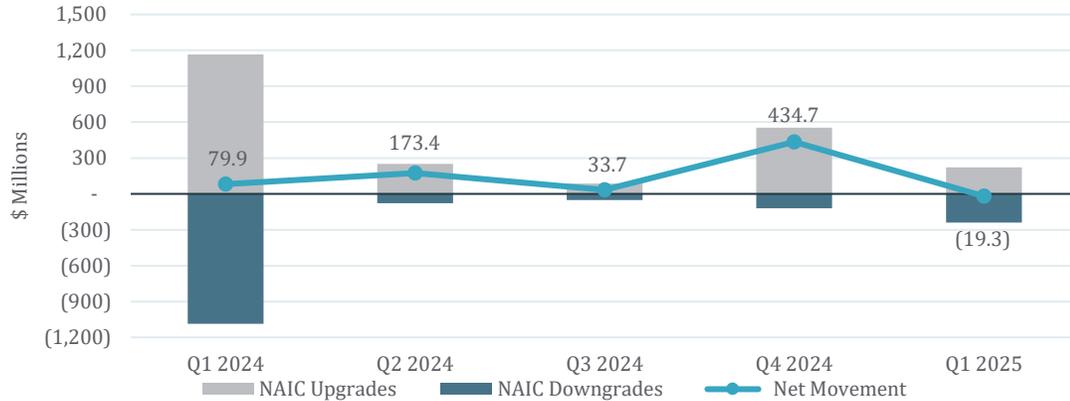
(3) Excludes Derivatives, Separate Account assets, Policy Loans and assets in SBLIC's and FSBL's funds withheld and held account in connection with liabilities it has ceded under reinsurance agreements. Cash is related only to investment accounts, shown on a statutory basis. Allocations reflect "Invested Assets (Management View)" in the appendix of this document.

(4) 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 of the NAIC Investment Analysis Office.

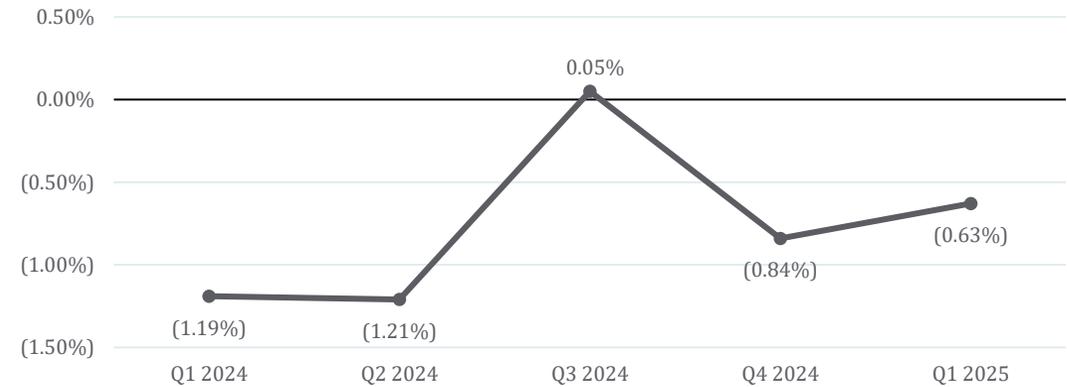


# Our Investment Portfolio Is in a Modest Unrealized Loss Position, and We Expect the Increase in Required Regulatory Capital to Be Temporary

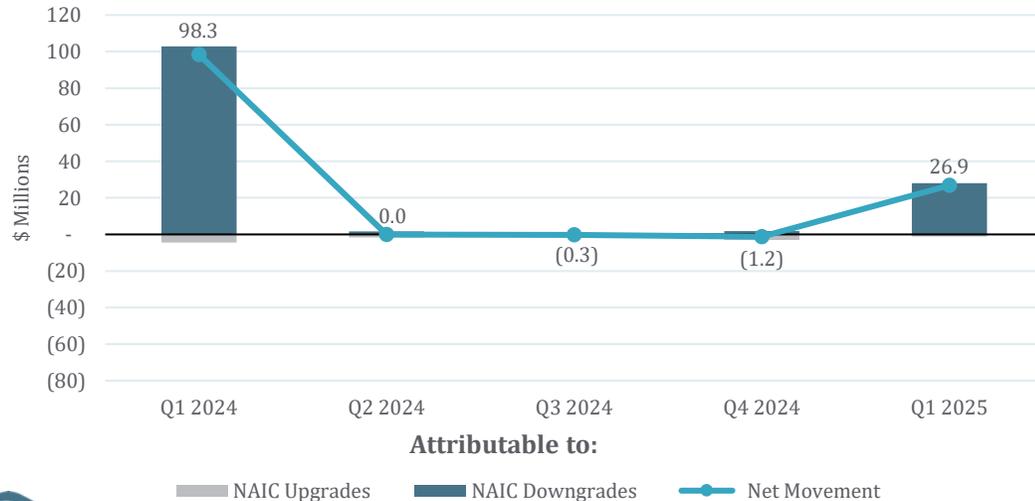
### Net NAIC Upgrade (Downgrade) Activity <sup>(1)</sup>



### Unrealized Gain (Loss) Over Time <sup>(2)</sup>



### Net Change in Required Regulatory Capital <sup>(3)</sup>



### Commentary

- Negative rating migration activity occurred in Q1 2025 driven by two net downgrades in our Corporate portfolio
- We expect the Q1 increase in required regulatory capital to be temporary and reverse by year-end 2025 as one corporate investment is re-rated investment grade by the SVO
- The unrealized loss on our investment portfolio remains very modest and buttresses our financial strength given the resultant lower risk to our statutory capital base

(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 based on the twenty NAIC rating Categories.

(2) GAAP Net Unrealized Gain/(Loss) on fixed maturities AFS investments as a percentage of SBLH Total GAAP Book Value of fixed maturity AFS investments.

(3) 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.



# CLO Rating Upgrades Continue While BIG CLO Exposure Decreased 60% Since Q1 2024

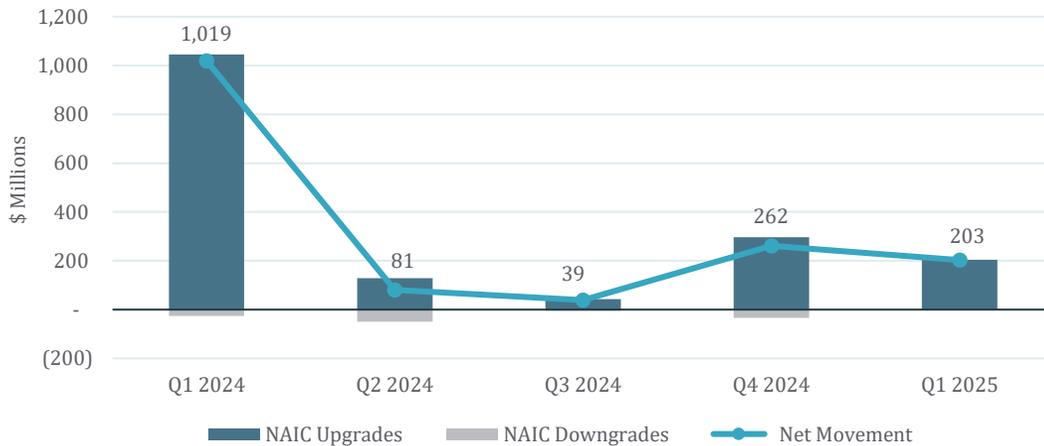
**Rated CLO Credit Quality Distribution (1)(2)**



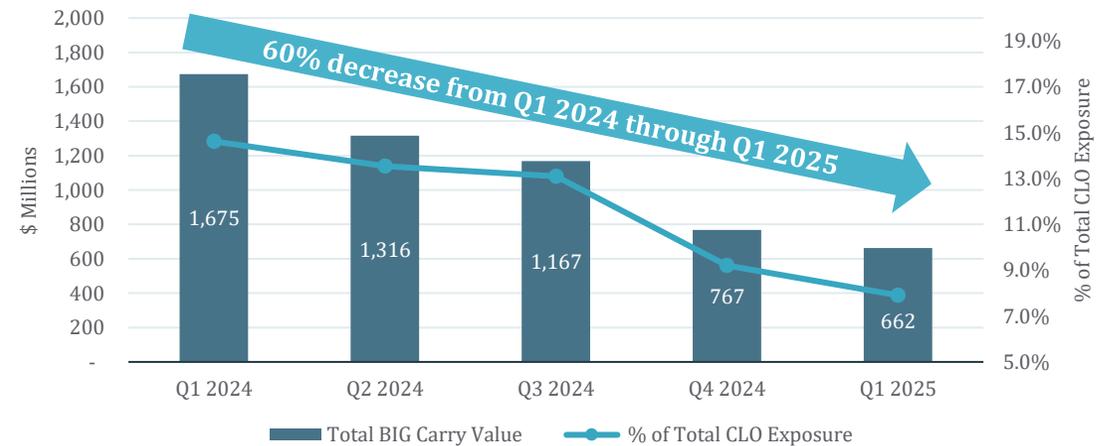
**Credit Enhancement (2)**



**Net NAIC Upgrade (Downgrade) Activity (3)**



**Below Investment Grade CLO Allocation (2)**



(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 of the NAIC Investment Analysis Office.

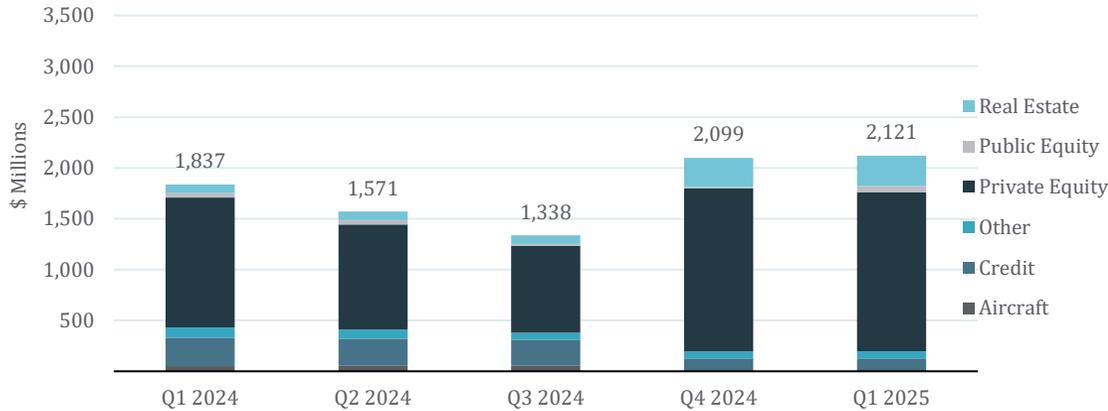
(2) Based upon statutory assets and carry value.

(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 based on the twenty NAIC rating Categories.



# Alternative Returns of 8%<sup>(1)</sup> Were Strong, Driven by Private Equity

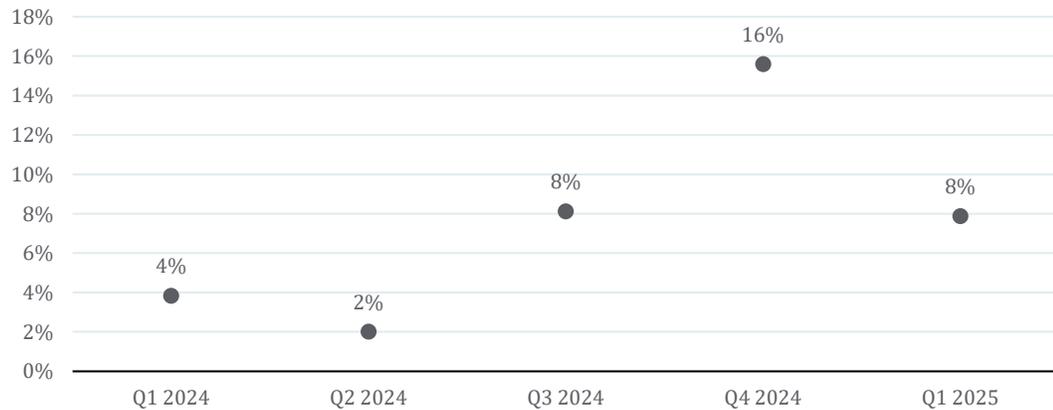
## Alternative Investments Over Time <sup>(2)</sup>



## Alternatives Quarterly Changes Over Time

(in millions)	Q1 '24	Q2 '24	Q3 '24	Q4 '24	Q1 '25
Change in Invested Capital <sup>(3)</sup>	(\$171)	(\$267)	(\$217)	\$761	\$19
Change in Carrying Value <sup>(4)</sup>	\$7	\$1	(\$16)	(\$0)	\$3
<b>Total</b>	<b>(\$164)</b>	<b>(\$266)</b>	<b>(\$233)</b>	<b>\$761</b>	<b>\$22</b>

## Alternatives Quarterly Returns on Invested Capital <sup>(1)(5)</sup>



## Commentary

- During Q1 2025, the statutory invested capital allocated to the Alternative Investment Portfolio increased by \$19 million primarily driven by:
  - \$50 million purchase of Eldridge AAA CLO UCITS ETF (ticker: TAAA GY)
- In Q1 2025, the Alternatives portfolio delivered an annualized GAAP quarterly return of 8% primarily driven by:
  - Net gains of \$36 million in Private Equity including:
    - \$11 million gain in Covia Corporation, \$8 million in Big Springs, LLC, \$7 million in Payactiv, Inc, \$6 million in Fanatics, \$3 million gain in ICONIQ Strategic Partners V LP (Epic Systems) and various smaller gains
    - \$7 million net loss in STORY3 funds driven by a \$9 million loss in STORY3 CR LP (CoCo Republic)

(1) 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.

(2) Represents alternative investments as defined by Management. Based on statutory carrying value. See the accompanying Notice to Investors under "Categories of Investments" for a description of certain investments and how they are reflected in various presentations.

(3) Change in Invested Capital represents purchases and contributions net of sales and redemptions on previous purchases or contributions.

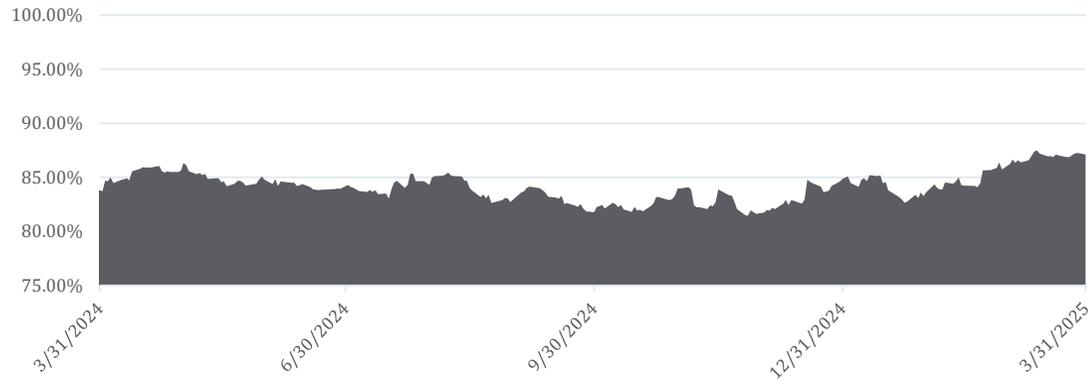
(4) Change in Carrying Value represents 1) market value changes of directly held investments plus/(minus) 2) decreases/(increases) in value of investments relative to carrying value upon sale or distribution.

(5) Based on GAAP values and includes GAAP assets of certain SBLIC wholly owned subsidiaries.

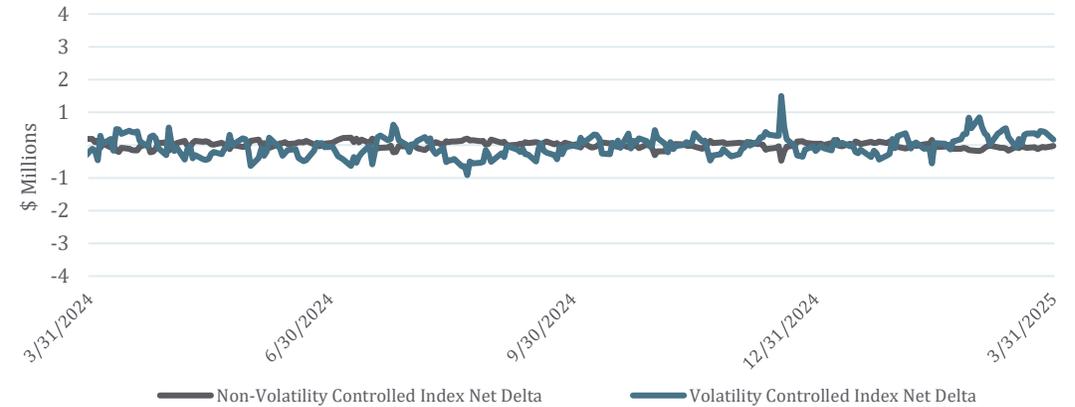


# Our Indexed Hedging Strategy Continues to Hedge Effectively While Delivering Positive Economic Profits

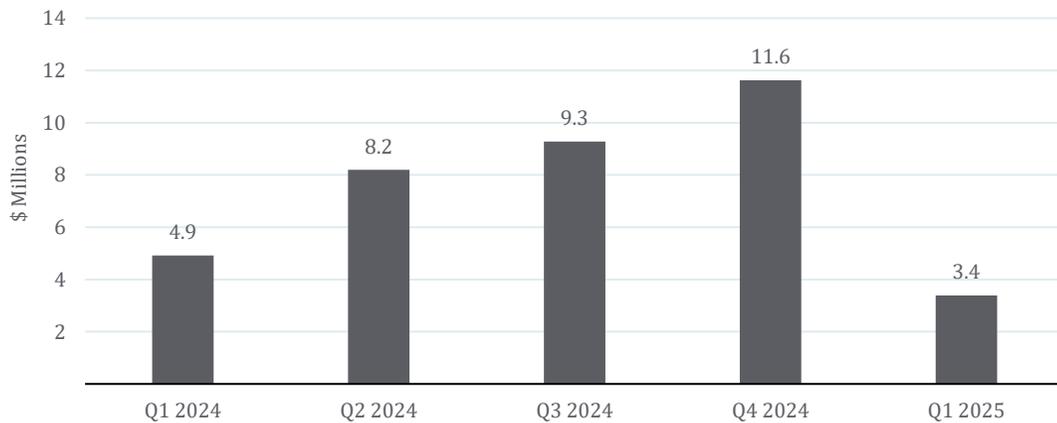
Static Hedging Ratio <sup>(1)</sup>



Net Delta by Index Type <sup>(2)</sup>



Cumulative Economic Profit & Loss – YTD <sup>(3)</sup>



Commentary

- Our index hedging strategy demonstrated versatility in 2024 and continues to generate economic profit in 2025, accumulated to \$3.4 million as of March 31, 2025
- 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 Hedging Ratio = Asset Option Delta/Liability Option Delta.

(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) Year To Date through March 31<sup>st</sup>, 2025. 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.



# Security Benefit Is Well Positioned to Capitalize on its Sustainable Advantage

## Real Value

We deliver safety and security through our diversified set of products and services

### Market Volatility

Retirement investors continue to seek safe investments and diversification away from traditional stocks, bonds and funds



### Solid Financial Position

SBLIC RBC ratio of **408%** at 12/31/24 and operating leverage of **6.0x** at 12/31/24



### Strong Operating Results

Gross retail sales of **\$7.2bn** in FY2024 and record operating income of **\$1.2bn** in FY2024



### Differentiated Investment Strategy

Superior investment management and mix of investments have generated strong returns in challenging environments, including IOER of **8.25%** in FY2024



### Distribution Model

Deep relationships with a multi-channel distribution system generating strong demand for our products



# Appendix

# SBLIC’s Commitment to Investment Grade Ratings



**A-**

Strong | Stable Outlook

“We revised our outlook to stable from negative based on the company's demonstration of increased capital buffers... 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<sup>(1)</sup>



**A-**

Strong | Stable Outlook

“The affirmation indicates Fitch’s view of the company’s **very strong financial performance** and **investment returns, strong capital position**, and moderate company profile...In 2023, SBLH continued to report **strong and consistent earnings** due to higher interest rates and the company’s **active management of cost of funds**. SBLH’s investment strategy continued to provide **superior investment income and favorable spreads** on new business.”

August 2024



**A-**

Excellent | Stable Outlook

“Security Benefit’s **operating performance** has shown **favorable improvements in premiums and consistency in earnings** in recent periods. Management has **strategically managed** the level of new business in order to maintain a **sufficient amount of capital and surplus**. Security Benefit’s **investment yields** have **continuously outperformed** the industry, benefiting from the performance of its floating rate assets and alternative investments”

January 2025



**A**

Good | Stable Trend

“The Company’s **investment portfolio** has delivered **strong fixed income returns amid resilient credit conditions**—a key factor in its good financial performance. Security Benefit maintains **adequate liquidity and a substantial capital buffer above regulatory target levels**. Morningstar DBRS expects the Company to continue to generate good spreads over the credited rates on its annuity liabilities, contributing to earnings and capital generation.”

September 2024



(1) Since S&P’s last research update published in February 2024, S&P again affirmed the Company’s ratings on September 25, 2024.

# Invested Assets (Management View)

Unaudited (in millions, except percentages)		December 31, 2024		March 31, 2025	
Asset Classification	Invested Asset Total <sup>(1)</sup>	Percent of Total	Invested Asset Total <sup>(1)</sup>	Percent of Total	
ABS <sup>(2)</sup>	\$14,541	38.3%	\$14,897	38.6%	
CLO	8,334	22.0%	8,322	21.6%	
CMBS	42	0.1%	41	0.1%	
RMBS	459	1.2%	474	1.2%	
Securitized Investments	<u>\$23,376</u>	<u>61.6%</u>	<u>\$23,734</u>	<u>61.5%</u>	
Corporate	6,720	17.8%	6,479	16.8%	
Municipals	14	0.0%	14	0.0%	
US Govt and Agency	56	0.1%	67	0.2%	
Corporate & Government	<u>\$6,790</u>	<u>17.9%</u>	<u>\$6,560</u>	<u>17.0%</u>	
Commercial Mortgage Loans	2,410	6.4%	2,214	5.7%	
Residential Mortgage Loans	4	0.0%	4	0.0%	
Mortgage Loans	<u>\$2,414</u>	<u>6.4%</u>	<u>\$2,218</u>	<u>5.7%</u>	
Credit	126	0.3%	127	0.3%	
Private Equity	1,603	4.2%	1,564	4.0%	
Public Equity	12	0.0%	60	0.2%	
Real Estate	288	0.8%	298	0.8%	
Other	70	0.2%	72	0.2%	
Alternative Investments	<u>\$2,099</u>	<u>5.5%</u>	<u>\$2,121</u>	<u>5.5%</u>	
Cash	1,072	2.8%	1,936	5.0%	
Short Term Loans	2,171	5.8%	2,024	5.3%	
Cash and Cash Equivalents	<u>\$3,243</u>	<u>8.6%</u>	<u>\$3,960</u>	<u>10.3%</u>	
Total Invested Assets	<u><u>\$37,922</u></u>	<u><u>100.0%</u></u>	<u><u>\$38,593</u></u>	<u><u>100.0%</u></u>	

(1) Invested Assets reflect "Invested Assets (Management View)".

(2) ABS includes all asset-backed securities and Collateral Loans.



# Credit Quality of Invested Assets (Management View)

Unaudited (in millions, except percentages)

	December 31, 2024		March 31, 2025	
	Invested Asset Total	Percent of Total	Invested Asset Total	Percent of Total
NAIC Designation				
1	\$7,527	42.7%	\$7,650	43.8%
2	7,678	43.6%	7,221	41.3%
<b>Total Investment Grade</b>	<b>\$15,205</b>	<b>86.3%</b>	<b>\$14,871</b>	<b>85.1%</b>
3	1,560	8.9%	1,589	9.1%
4	834	4.7%	837	4.8%
5	12	0.1%	182	1.0%
6	3	0.0%	3	0.0%
<b>Total Below Investment Grade</b>	<b>\$2,409</b>	<b>13.7%</b>	<b>\$2,611</b>	<b>14.9%</b>
<b>Total NAIC Designated Assets<sup>(1)(2)</sup></b>	<b>\$17,614</b>	<b>100.0%</b>	<b>\$17,482</b>	<b>100.0%</b>
Assets without NAIC designation				
Commercial Mortgage Loans				
CM1	18	0.7%	18	0.8%
CM2	155	6.4%	396	17.9%
CM3	305	12.7%	356	16.1%
CM4	1,932	80.2%	1,415	63.9%
CM5	-	0.0%	-	0.0%
CM6	-	0.0%	29	1.3%
<b>Total CMLs</b>	<b>\$2,410</b>	<b>100.0%</b>	<b>\$2,214</b>	<b>100.0%</b>
Residential Mortgage Loans				
In good standing	4	100.0%	4	100.0%
90 days late	-	0.0%	-	0.0%
In foreclosure	-	0.0%	-	0.0%
<b>Total RMLs</b>	<b>\$4</b>	<b>100.0%</b>	<b>\$4</b>	<b>100.0%</b>
Alternative Investments				
Credit	126		127	
Private Equity	1,603		1,564	
Public Equity	12		60	
Real Estate	288		298	
Other	70		72	
<b>Total Alternative Investments</b>	<b>\$2,099</b>		<b>\$2,121</b>	
Cash	1,072		1,936	
Collateral Loans	12,552		12,812	
Short Term Loans	2,171		2,024	
<b>Total Invested Assets</b>	<b>\$37,922</b>		<b>\$38,593</b>	

	December 31, 2024		March 31, 2025	
	Invested Asset Total	Percent of Total	Invested Asset Total	Percent of Total
NRSRO Designation Equivalent				
AAA/AA/A	\$7,715	43.8%	\$7,715	44.2%
BBB	6,839	38.8%	6,628	37.9%
Non-rated <sup>(3)</sup>	1,146	6.5%	1,193	6.8%
<b>Total Investment Grade</b>	<b>\$15,700</b>	<b>89.1%</b>	<b>\$15,536</b>	<b>88.9%</b>
BB	1,520	8.7%	1,468	8.4%
B	334	1.9%	338	1.9%
CCC	7	0.0%	5	0.0%
CC and lower	0	0.0%	0	0.0%
Non-rated <sup>(3)</sup>	53	0.3%	135	0.8%
<b>Total Below Investment Grade</b>	<b>\$1,914</b>	<b>10.9%</b>	<b>\$1,946</b>	<b>11.1%</b>
<b>Total NRSRO Designated Assets<sup>(2)(4)</sup></b>	<b>\$17,614</b>	<b>100.0%</b>	<b>\$17,482</b>	<b>100.0%</b>
Assets without NRSRO designation				
Commercial Mortgage Loans				
CM1	18	0.7%	18	0.8%
CM2	155	6.4%	396	17.9%
CM3	305	12.7%	356	16.1%
CM4	1,932	80.2%	1,415	63.9%
CM5	-	0.0%	-	0.0%
CM6	-	0.0%	29	1.3%
<b>Total CMLs</b>	<b>\$2,410</b>	<b>100.0%</b>	<b>\$2,214</b>	<b>100.0%</b>
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<b>Total Invested Assets</b>	<b>\$37,922</b>		<b>\$38,593</b>	

(1) 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. This credit quality analysis is calculated based on the six rating designations.

(2) NAIC and NRSRO designations include ABS, CLO, RMBS, CMBS, Corporate, Municipals, US Govt & Agency, Preferred Stock.

(3) Securities denoted as non-rated by the NRSRO were classified as investment or non-investment grade according to each security's NAIC designation.

(4) 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 of the NAIC Investment Analysis Office. Ratings distribution is based upon statutory assets and carrying value.



# Invested Assets – Corporate by Sector (Management View)

Sector	December 31, 2024		March 31, 2025	
	Invested Asset Total <sup>(1)</sup>	Percent of Total	Invested Asset Total <sup>(1)</sup>	Percent of Total
Media & Entertainment	\$892	13.3%	\$920	14.2%
<b>Communication Services</b>	<b>\$892</b>	<b>13.3%</b>	<b>\$920</b>	<b>14.2%</b>
Consumer Discretionary Distribution & Retail	62	0.9%	2	0.0%
Consumer Services	1	0.0%	37	0.6%
<b>Consumer Discretionary</b>	<b>\$63</b>	<b>0.9%</b>	<b>\$39</b>	<b>0.6%</b>
Food, Beverage & Tobacco	16	0.2%	19	0.3%
Consumer Staples Distribution & Retail	2	0.0%	2	0.0%
<b>Consumer Staples</b>	<b>\$18</b>	<b>0.2%</b>	<b>\$21</b>	<b>0.3%</b>
Energy	99	1.5%	117	1.8%
<b>Energy</b>	<b>\$99</b>	<b>1.5%</b>	<b>\$117</b>	<b>1.8%</b>
Financial Services	1,983	29.6%	1,542	23.9%
Insurance	244	3.6%	235	3.6%
Banks	135	2.0%	138	2.1%
<b>Financials</b>	<b>\$2,362</b>	<b>35.2%</b>	<b>\$1,915</b>	<b>29.6%</b>
Health Care Equipment & Services	1	0.0%	1	0.0%
<b>Health Care</b>	<b>\$1</b>	<b>0.0%</b>	<b>\$1</b>	<b>0.0%</b>
Commercial & Professional Services	9	0.1%	17	0.3%
Transportation	44	0.7%	45	0.7%
Capital Goods	2	0.0%	4	0.1%
<b>Industrials</b>	<b>\$55</b>	<b>0.8%</b>	<b>\$66</b>	<b>1.1%</b>
Semiconductors & Semiconductor Equipment	107	1.6%	105	1.6%
Technology Hardware & Equipment	-	0.0%	24	0.4%
Software & Services	4	0.1%	66	1.0%
<b>Information Technology</b>	<b>\$111</b>	<b>1.7%</b>	<b>\$195</b>	<b>3.0%</b>
Materials	1	0.0%	1	0.0%
<b>Materials</b>	<b>\$1</b>	<b>0.0%</b>	<b>\$1</b>	<b>0.0%</b>
Real Estate Management & Development	2,860	42.6%	2,976	45.9%
Equity Real Estate Investment Trusts (REITs)	110	1.6%	112	1.7%
<b>Real Estate</b>	<b>\$2,970</b>	<b>44.2%</b>	<b>\$3,088</b>	<b>47.6%</b>
Utilities	148	2.2%	116	1.8%
<b>Utilities</b>	<b>\$148</b>	<b>2.2%</b>	<b>\$116</b>	<b>1.8%</b>
<b>Total Corporate Invested Assets</b>	<b>\$6,720</b>	<b>100.0%</b>	<b>\$6,479</b>	<b>100.0%</b>

(1) Invested Assets reflect "Invested Assets (Management View)".



# Alternative Investments Portfolio

Unaudited (in millions)

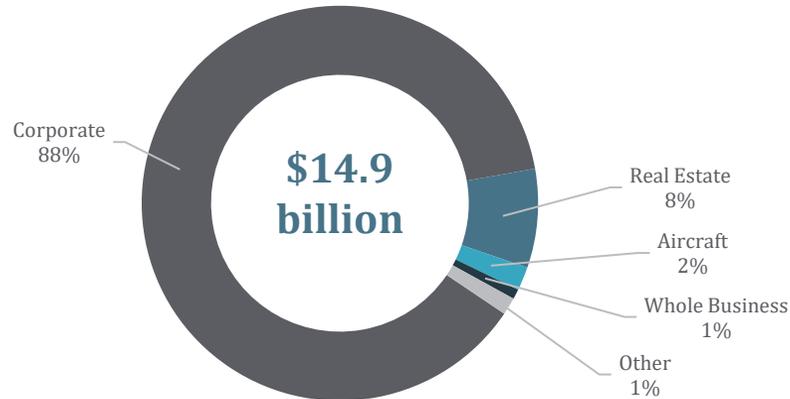
Investments	Statutory Carry Value
<b>Credit</b>	
SILVER POINT SELECT OVERFLOW FUND, L.P. (THAMES WATER)	45.4
TCW DIRECT LENDING STRUCTURED SOLUTIONS 2022, LLC	21.1
MARANON MEZZANINE FUND III-B, L.P.	12.6
CARLYLE DIRECT LENDING DRAWDOWN CLO 2022-1 PARTNERSHIP	10.5
CONFLUENCE TECHNOLOGIES INC	8.6
NTHRIVE, INC	6.0
EXCELITAS TECHNOLOGIES CORP	5.7
TCW DIRECT LENDING STRATEGIC VENTURES LLC	5.5
OTHER	11.2
<b>Total Credit</b>	<b>\$126.6</b>
<b>Private Equity</b>	
BIG SPRINGS, LLC (EPIC AERO, INC)	190.3
FHI INVESTOR, LLC (FANATICS HOLDINGS INC)	168.6
RED VENTURES (INCLUDES DIRECT HOLDINGS AND ICONIQ STRATEGIC PARTNERS III CO-INVEST, LP)	158.7
SPECTACLE BIDCO INC (CIRQUE DU SOLEIL)	146.0
STORY3 HI, L.P. (HARRY'S INC)	115.3
ICONIQ STRATEGIC PARTNERS V, LLC	100.8
STONE CANYON INDUSTRIES HOLDINGS, LLC	91.5
COVIA CORPORATION	81.7
MAUSER PACKAGING SOLUTIONS	79.6
BLUE OWL GP STAKES V, LP	69.9
HSCM BERMUDA FUND II LTD.	50.2
BILT TECHNOLOGIES, INC.	50.0
ICONIQ STRATEGIC PARTNERS V CO-INVEST, L.P. (EPIC SYSTEMS)	41.2
NEW ENTERPRISE ASSOCIATES (BLUE OWL GP STAKES V (A/B) LP)	30.7
AUSENCO PTY LTD	28.0
INVESTCORP HIGHWAY ACQUISITION PARTNERSHIP, L.P. (CENTRE LANE PARTNERS)	28.0
ICONIQ STRATEGIC PARTNERS IV CO-INVEST, L.P. (TRUCKSTOP)	26.4
ACCELERANT HOLDINGS	22.5
STORY3 RENEW, L.P.	17.3
STORY3 CONSUMER OPPORTUNITIES FUND II, LP	16.1
STORY3 CR, L.P. (COCO REPUBLIC)	15.7
PORTAG3 VENTURES II INTERNATIONAL (FI) LP	12.6
PAYACTIV, INC.	9.8
OTHER	12.8
<b>Total Private Equity</b>	<b>\$1,563.7</b>

Investments	Statutory Carry Value
<b>Public Equity</b>	
ELDRIDGE AAA CLO UCITS ETF	50.2
FIGS INC	7.0
OTHER	3.3
<b>Total Public Equity</b>	<b>\$60.5</b>
<b>Real Estate</b>	
KENNEDY-WILSON HOLDINGS INC	186.8
NATIONAL REALTY TRUST INC.	27.0
SBL HOME OFFICE	24.1
DIGITAL BRIDGE ZEUS PARTNERS, LP	18.4
IPI FUND II NOTE ISSUER, LLC	11.3
KRE HYOD JV LLC (HUDSON YARDS OBSERVATION DECK)	9.5
AECOM CAPITAL REAL ESTATE FUND II-A	9.4
EC 17TH STREET HOLDINGS LLC	5.3
OTHER	5.9
<b>Total Real Estate</b>	<b>\$297.7</b>
<b>Other</b>	
SIXTH AVENUE REINSURANCE	54.6
SECURITY DISTRIBUTORS, LLC	16.9
OTHER	0.7
<b>Total Other</b>	<b>\$72.2</b>
<b>Grand Total</b>	<b>\$2,120.7</b>

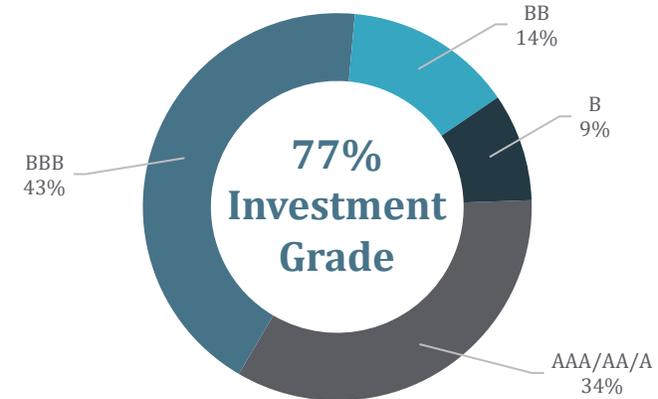


# ABS Portfolio

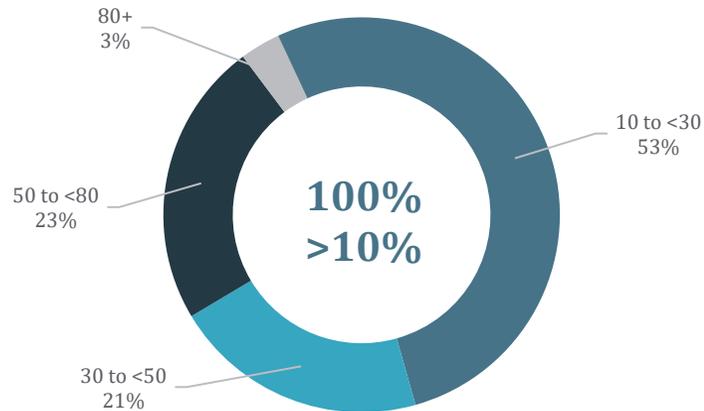
**ABS Collateral Type <sup>(1)(2)</sup>**



**NRSRO Distribution of Rated ABS Investments of \$2.0 billion <sup>(1)(3)</sup>**



**Attachment Points <sup>(1)(4)</sup>**



**Weighted Average Life <sup>(1)</sup>**



(1) Distribution based on statutory assets and carry value. Includes all asset-backed securities and Collateral Loans.

(2) Other includes Triple Net Lease, Government, Boat, Equipment, Data Center, Insurance, Cell Tower, CDO, Structured Settlement, Student Loan.

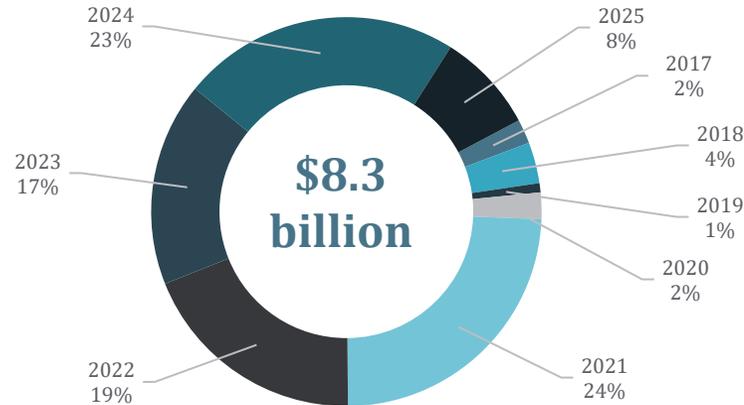
(3) NRSRO Rating is based on the lowest S&P equivalent when two ratings are present and on the second lowest rating when three or more ratings are present. This is consistent with the NAIC Purposes and Procedures Manual of the NAIC Investment Analysis Office.

(4) Attachment point is the level of subordination that a particular tranche has beneath it; the percentage of the collateral value that will absorb losses before the tranche is adversely affected. Distribution represents 99% of the ABS portfolio.

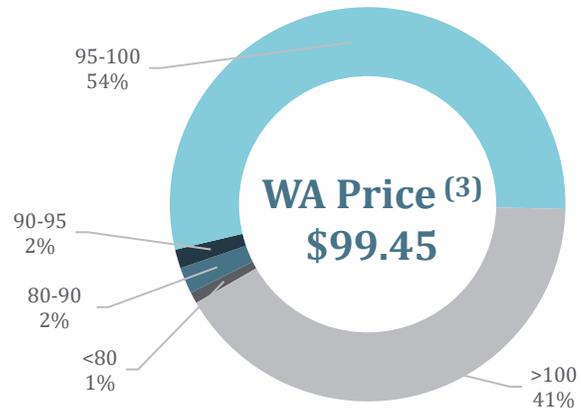


# CLO Portfolio

## Vintage Distribution <sup>(1)</sup>



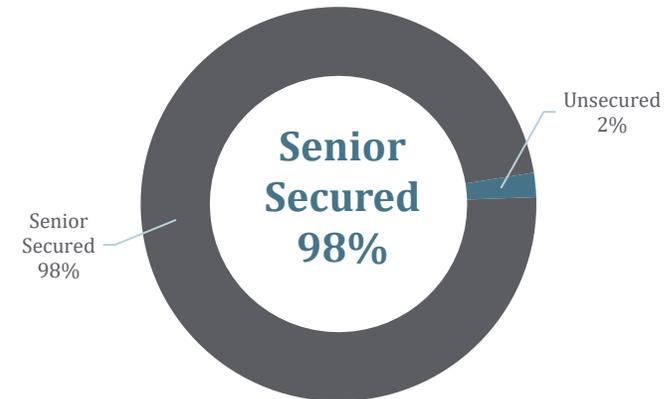
## Price Distribution <sup>(1)</sup>



## Top 20 Managers <sup>(1)(2)</sup>

Manager	% of CLO Portfolio	Manager	% of CLO Portfolio
Security Benefit	31.64%	KKR Financial Advisors	1.33%
Carlyle Investment Management	16.41%	First Eagle Investment Management	1.26%
Eldridge Credit Advisers	10.96%	Blackstone Credit	1.23%
Maranon Capital	3.38%	ICG Debt Advisers	1.05%
Iron Point Partners, LLC	2.09%	Benefit Street Partners	1.05%
Ares Management	2.06%	Octagon Credit Investors	1.03%
BlackRock Financial Management	1.93%	CIFC Asset Management	0.93%
Guggenheim Partners Investment Management	1.91%	Oak Hill Advisors	0.90%
Harvest Partners	1.82%	Silver Point Capital	0.83%
UBS Asset Management	1.75%	Elmwood	0.82%
<b>Total</b>	<b>84.4%</b>		

## Collateral Type Distribution <sup>(4)</sup>



(1) Distribution based on statutory assets and carry value.

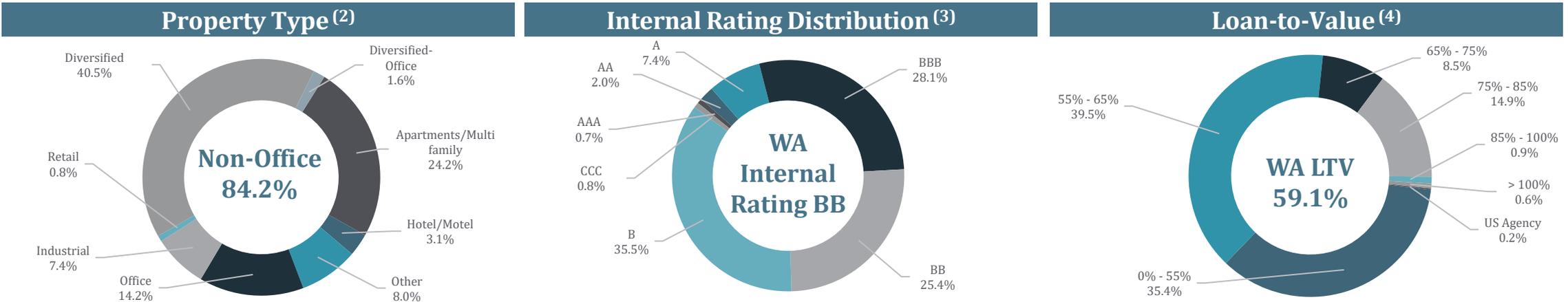
(2) Based on collateral manager for single manager CLO investments; for CLO Investments with more than one manager, the manager of the asset portfolio was computed on a common sized basis and multiplied by the statutory carry value of CLO liability owned by the Company.

(3) 58% of prices are sourced from vendor marks, 42% are sourced from internal model, remaining are sourced from broker.

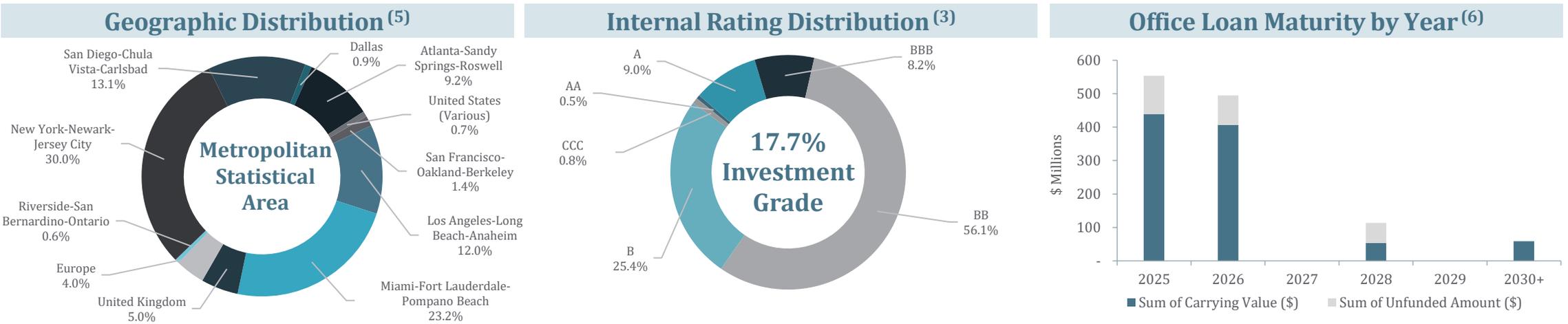
(4) Based on the aggregate underlying exposure to each obligor in the CLO investments.



# Our CRE Debt Portfolio Is 100% Current With Zero Realized Losses <sup>(1)</sup>



## Office CRE Exposure



(1) "CRE Debt Portfolio" includes the Company's real estate related investments, as defined in the Notice to Investors, except for real estate-related equities and alternative investments.

(2) Diversified-Office is the underlying office exposure found in CMBS and ABS collateral pools.

(3) Internal risk rating process is based off Moody's approach to rating large loan and single asset/single borrower CMBS. If internal risk rating is not calculated, NRSRO rating was utilized.

(4) The Loan-to-Value ratio is the statutory carry value of the loan expressed as a percentage of the underlying property

value. Property value for conduit/stabilized operating properties is determined by taking the most recently reported Net Operating Income over the current market cap rate based on comparable property sales. Property value for construction loans is equal to the total construction cost spent to-date on the property.

(5) Represented as a percentage of the STAT Carry value for office assets excluding CMBS and ABS (\$863.7 million).

(6) Reflects total SBLIC office commitment (\$1.220 billion), comprised of Corp, Govt and Municipals (\$855.6 million), Mortgage Loans (\$318.1 million), ABS (\$34.4 million), and CMBS (\$12.1 million).



# Net Investment Spread Analysis

Unaudited (dollars in millions)	Quarterly Trends						As of or for the Three Months Ended March 31,			
	2Q '24		3Q '24		4Q '24		2024	2025		
<b>Non-GAAP Measures Reconciliation</b>										
Net Investment Income	\$ 823		\$ 789		\$ 824		\$ 821	\$ 689		
Investment Expenses	49		50		53		44	47		
Interest Expense on Operating Leverage <sup>(1)</sup>	(73)		(53)		(27)		(53)	(26)		
Other <sup>(2)</sup>	-		-		-		-	-		
Adjusted Investment Income and Investment Operating Earned Rate <sup>(4)</sup>	\$ 799	8.15%	\$ 787	8.01%	\$ 849	8.53%	\$ 812	8.32%	\$ 711	7.02%
Less Additional Returns	(61)	-0.63%	(32)	-0.31%	(87)	-0.87%	(87)	-0.89%	-	0.00%
Adjusted Investment Income, Excluding Additional Returns and Investment Earned Book Yield	\$ 738	7.52%	\$ 755	7.70%	\$ 762	7.66%	\$ 725	7.43%	\$ 711	7.02%
Adjusted Investment Income	\$ 799		\$ 787		\$ 849		\$ 812		\$ 711	
Realized Gains/Losses	(32)		12		(64)		(17)		4	
Adjusted Investment Income, Including Realized Gains/Losses and Investment Total Earned Rate	\$ 767	7.82%	\$ 799	8.14%	\$ 785	7.89%	\$ 795	8.15%	\$ 715	7.06%
Average Spread Based AUM <sup>(3)</sup>	39,233		39,261		39,834		39,026		40,497	
Average Spread Based AUM excluding Surplus Assets	31,323		31,061		31,610		31,454		32,448	
Interest Credited to Account Balances	\$ 108		\$ 116		\$ 113		\$ 107		\$ 112	
Pro Rata Amortization of Option Cost	106		113		123		96		130	
Cost of Crediting and Cost of Crediting Rate	\$ 214	2.73%	\$ 229	2.95%	\$ 235	2.97%	\$ 202	2.57%	\$ 243	2.99%
Investment Operating Earned Rate <sup>(4)</sup>		8.15%		8.01%		8.53%		8.32%		7.02%
Cost of Crediting Rate		2.73%		2.95%		2.97%		2.57%		2.99%
Net Investment Spread		5.42%		5.06%		5.55%		5.75%		4.03%

Please refer to the Notes to the Investor Update section for discussion on Net Investment Spread, Investment Operating Earned Rate, Investment Earned Book Yield, Investment Total Earned Rate and Assets Under Management. (1) Interest expense on operating leverage includes interest expense on debt from consolidated VIE interest, repurchase agreements, and other miscellaneous interest expense. (2) Other includes changes in fair value of derivatives that are economically hedging certain investments. (3) For three-month periods, calculated by averaging total assets as of the end of each quarter in the trailing two-quarter period. Excludes funds withheld assets and assets held pursuant to the overcollateralization requirements under the reinsurance transaction with SkyRidge Re. (4) Calculated by dividing adjusted investment income by average spread based AUM. For interim periods, adjusted investment income is annualized to determine an annualized investment operating earned rate.



## Additional Financial Information

Unaudited (dollars in millions)	As of or for the Three Months Ended March 31,		Δ Y/Y
	2024	2025	
<b>Operating Return on Average Equity (ex. AOCI)</b>			
Total Stockholders' Equity	\$ 7,334	\$ 7,308	0%
Less: Accumulated Other Comprehensive Income (Loss) (AOCI)	149	116	n/m
Total Equity (ex. AOCI)	<u>\$ 7,483</u>	<u>\$ 7,423</u>	-1%
Average Equity (ex. AOCI) <sup>(1)</sup>	<u>\$ 7,348</u>	<u>\$ 7,534</u>	3%
Operating Return on Average Equity (ex. AOCI) <sup>(2)</sup>	16.4%	8.2%	n/m
<b>Capitalization</b>			
Total Debt	\$ 1,546	\$ 1,706	10%
Total Stockholders' Equity	<u>7,334</u>	<u>7,308</u>	0%
Total Capitalization	8,881	9,014	1%
Less: AOCI	149	116	n/m
Total Capitalization (ex. AOCI)	<u>\$ 9,030</u>	<u>\$ 9,129</u>	1%
<b>Financial Leverage (ex. AOCI)</b>			
Debt Leverage	17.1%	18.7%	9%
Financial Leverage	26.0%	27.5%	6%

Note: n/m - percentage change not meaningful. Please refer to the Notes to the Investor Update section for discussion on operating return on average equity (ex. AOCI). (1) For three-month periods, calculated by averaging equity excluding AOCI as of the end of each quarter in the trailing two-quarter period. (2) Operating ROE excluding AOCI is calculated by dividing operating net income, or annualized operating net income for the period noted, by average equity excluding AOCI.





## Additional Financial Information

Unaudited (dollars in millions)	Three Months Ended March 31,		Δ Y/Y
	2024	2025	
<b>AUM Rollforward</b>			
AUM - Beginning	\$ 51,593	\$ 55,114	7%
Retail and Life Sales	1,094	1,474	35%
Premium Bonuses	33	91	175%
Fixed Interest and Index Credits to Policyholders	273	327	20%
Investment Performance on Fee Based AUM	802	(244)	-130%
Surrenders, Withdrawals, Deaths, etc.	(1,237)	(1,006)	-19%
Fee and Product Charges	(69)	(60)	-12%
Capital Contribution, Dividend and Other	415	(224)	-154%
AUM - Ending	<u>\$ 52,904</u>	<u>\$ 55,472</u>	5%
<b>Retail and Life Sales and Deposits by Product</b>			
Fixed Index Annuities	\$ 919	\$ 1,319	44%
Fixed Annuities	348	365	5%
Ceded to SkyRidge Re	(503)	(502)	0%
Spread-Based Sales	\$ 764	\$ 1,182	55%
Variable Annuities	65	37	-43%
Mutual Fund Custodial	256	246	-4%
Fee-Based Sales	321	283	-12%
Total Retained Retail Sales	1,085	1,465	35%
Life Sales	9	9	0%
<b>Total Retained Retail and Life Sales</b>	<u>\$ 1,094</u>	<u>\$ 1,474</u>	35%

Note: Please refer to the Notes to the Investor Update section.



## Additional Financial Information

Unaudited (dollars in millions)	December 31, 2024		March 31, 2025	
	Dollars	Percent of Total	Dollars	Percent of Total
<b>Net Reserve Liabilities</b>				
Fixed Index Annuities	\$ 26,353	64.3%	\$ 26,888	64.7%
Fixed Annuities	4,847	11.8%	5,082	12.2%
Variable Annuities and Mutual Fund Custodial - General Account	1,989	4.9%	1,963	4.7%
Variable Annuities - Separate Account	3,478	8.5%	3,311	8.0%
Payout Annuities	223	0.5%	222	0.5%
Funding Agreements - General Account	511	1.3%	516	1.3%
Funding Agreements - Separate Account	3,042	7.4%	3,042	7.3%
Life Insurance	532	1.3%	526	1.3%
<b>Total Net Reserve Liabilities</b>	<b>\$ 40,975</b>	<b>100.0%</b>	<b>\$ 41,550</b>	<b>100.0%</b>

	Fixed Annuities Account Value	Fixed Index Annuities Account value
<b>Surrender Charge Percentages on Deferred Annuities Account Value <sup>(1)</sup></b>		
No Surrender Charge	\$ 748	\$ 595
No Surrender Charge - with income benefit	-	5,706
0.0% < 2.0%	3	732
2.0% < 4.0%	38	1,602
4.0% < 6.0%	509	2,604
6.0% or Greater	3,799	12,075
	<b>\$ 5,097</b>	<b>\$ 23,314</b>

Note: Please refer to the Notes to the Investor Update section. (1) The surrender charge considered is only the base policy surrender charge and does not include the impact of market value adjustments (MVA) or premium bonus recapture upon early withdrawal.



## Additional Financial Information

Unaudited (dollars in millions)

### Surrender Charge Expiration by Year

	March 31, 2025	
	Fixed and Fixed Index Annuities Account Value	Weighted Average Surrender Charge
Out of Surrender Charge	\$ 1,343	0.0%
Out of Surrender Charge - with income benefit	5,706	0.0%
2025	1,318	0.8%
2026	2,036	4.5%
2027	1,981	6.0%
2028	2,443	6.6%
2029	1,895	7.2%
2030	1,851	7.3%
2031	1,430	8.1%
2032	2,250	8.5%
2033	2,550	8.9%
2034	2,807	10.0%
2035	801	10.2%
Total Fixed and Fixed Index Annuities	\$ 28,411	5.7%

	At Minimum Guarantees	Total Account Value	Percent of Total Account Value at Minimum Guarantees
<b>Minimum Guarantees on Deferred Annuities</b>			
Fixed Index Annuities <sup>(1)</sup>	\$ 675	\$ 23,314	3%
Fixed Annuities	155	5,097	3%
Total Deferred Annuities	\$ 830	\$ 28,411	3%

Distance to Guarantees<sup>(2)</sup>

March 31, 2025  
201 bps

Note: Please refer to the Notes to the Investor Update section. (1) The guarantee for indexed strategies assumes a minimum of 1.00% as a hedge cost. In general, this assumption is greater than expected hedge cost for the guaranteed caps/spreads/par rates for the index crediting strategies.



## Reconciliation of Non-GAAP Measures

Unaudited (dollars in millions) Reconciliation from GAAP Net Income to Non-GAAP Operating Income <sup>(1)(2)</sup>	For the Year Ended December 31,		For the Three Months Ended March 31,	
	2023	2024	2024	2025
Net Income (GAAP)	\$ 695	\$ 882	\$ 268	\$ 104
Income Tax Expense	174	224	72	25
Pretax Income	870	1,106	340	129
Investment Related (Gains) Losses	70	72	84	(23)
Change in Fair Value of FIA Call Options and Embedded Derivatives	151	(32)	(44)	80
Change in Fair Value VA GLB rider Embedded Derivatives	1	1	(0)	3
Assumption/Model Refinements and Unlocking	29	50	2	3
Operating Income (Non-GAAP)	1,120	1,198	381	192
Operating Income Tax Expense <sup>(3)</sup>	(225)	(243)	(80)	(37)
Operating Net Income (Non-GAAP)	\$ 895	\$ 955	\$ 301	\$ 154

(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 and losses (including the reinsurance embedded derivative and the change in fair value of certain derivatives), net of impacts on benefit reserves and deferred policy acquisition costs ("DAC"), deferred sales inducement costs ("DSI") and value of business acquired ("VOBA"); (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 and excludes realized gains and losses on call options used to hedge index credits on FIA products; (3) changes in the fair value of the variable annuity guaranteed living benefit ("VA GLB") rider embedded derivatives, including guaranteed minimum withdrawal benefits ("GMWB") and guaranteed minimum accumulation benefits ("GMAB"), net of changes 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 these items 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 (dollars in millions)	As of or for the Year Ended	As of or for the Three Months Ended	Δ
	December 31,	March 31,	
Reconciliations of Total Investments (GAAP) to Total Invested Assets (Management View)	2024	2025	Y/Y
Total Investments (GAAP)	\$51,221	\$52,067	2%
Derivative Assets, Including Cash Collateral	(2,184)	(1,547)	-29%
Consolidated VIE Assets Supporting Third Party Interests	(599)	-	n/m
Unrealized (Gains) Losses	212	258	21%
Investments Under Reinsurance Funds Withheld and Held	(9,264)	(9,680)	4%
Net Investment Receivables (Payables)	276	150	n/m
Fixed Separate Accounts	(309)	(315)	2%
Other	(1,431)	(2,340)	64%
Total Adjustments to Arrive at Total Invested Assets	(13,299)	(13,474)	1%
Total Invested Assets (Management View)	\$37,922	\$38,593	2%

Reconciliation of Cash and Invested Assets (STAT) to Total Invested Assets (Management View)	As of or for the Year Ended	As of or for the Three Months Ended	Δ
	December 31,	March 31,	
	2024	2025	Y/Y
Cash and Invested Assets (STAT) (Security Benefit Life Insurance Company)	\$48,974	\$50,222	3%
Derivative Contracts and Related Cash, Cash Collateral and Receivables	(1,873)	(1,617)	-14%
Investments and Investment Receivables Under Reinsurance Funds Withheld and Held	(9,013)	(9,385)	4%
Net Investment Receivables (Payables)	200	150	n/m
First Security Benefit Life Insurance Company	92	92	0%
Everly Life Insurance Company	431	434	1%
Policy Loans	(36)	(36)	0%
Other	(853)	(1,267)	n/m
Total Adjustments to Arrive at Total Invested Assets	(11,052)	(11,629)	5%
Total Invested Assets (Management View)	\$37,922	\$38,593	2%

Note: n/m represents percentage changes that are not meaningful.



# Invested Assets Reconciliation

Unaudited (dollars in millions)	As of or for the Year Ended	As of or for the Three Months Ended	Δ
	December 31,	March 31,	
Reconciliations of Total Investments (GAAP) to Total Invested Assets (Management View)	2024	2025	Y/Y
Total Investments (GAAP)	\$51,221	\$52,067	2%
Derivative Assets, Including Cash Collateral	(2,184)	(1,547)	-29%
Consolidated VIE Assets Supporting Third Party Interests	(599)	-	n/m
Unrealized (Gains) Losses	212	258	21%
Investments Under Reinsurance Funds Withheld and Held	(9,264)	(9,680)	4%
Net Investment Receivables (Payables)	276	150	n/m
Fixed Separate Accounts	(309)	(315)	2%
Other	(1,431)	(2,340)	64%
Total Adjustments to Arrive at Total Invested Assets	(13,299)	(13,474)	1%
Total Invested Assets (Management View)	\$37,922	\$38,593	2%

Reconciliation of Cash and Invested Assets (STAT) to Total Invested Assets (Management View)	As of or for the Year Ended	As of or for the Three Months Ended	Δ
	December 31,	March 31,	
	2024	2025	Y/Y
Cash and Invested Assets (STAT) (Security Benefit Life Insurance Company)	\$48,974	\$50,222	3%
Derivative Contracts and Related Cash, Cash Collateral and Receivables	(1,873)	(1,617)	-14%
Investments and Investment Receivables Under Reinsurance Funds Withheld and Held	(9,013)	(9,385)	4%
Net Investment Receivables (Payables)	200	150	n/m
First Security Benefit Life Insurance Company	92	92	0%
Everly Life Insurance Company	431	434	1%
Policy Loans	(36)	(36)	0%
Other	(853)	(1,267)	n/m
Total Adjustments to Arrive at Total Invested Assets	(11,052)	(11,629)	5%
Total Invested Assets (Management View)	\$37,922	\$38,593	2%

Note: n/m represents percentage changes that are not meaningful.



# Assets Under Management Reconciliation

Unaudited (dollars in millions)	As of or for the year ended December 31,		As of or for the three months ended March 31,	Δ
	2024	2025		Y/Y
<b>Reconciliation of Invested Assets (STAT) to Total AUM:</b>				
Cash and Invested Assets (STAT) (SBLIC, FSBL, Everly Life)	\$ 49,828	\$ 51,079		3%
Investment Income Due and Accrued	607	653		8%
Non-admitted Investments	11	18		64%
Investments Under Reinsurance Funds Withheld Liabilities	(9,685)	(10,194)		5%
Investment Payable	(454)	(864)		n/m
Repurchase Agreement Payable	(328)	(343)		5%
Unrealized Gains/(Losses)	55	59		7%
Invested Assets of SBLH Non-insurance Entities	755	784		4%
MFC Fixed Option	330	329		0%
Variable Annuity & MFC Mutual Fund Options	14,890	14,533		-2%
Option Collateral Payable	(895)	(582)		-35%
Total Adjustments to Arrive at Total AUM	\$ 5,286	\$ 4,393		-17%
Total AUM	\$ 55,114	\$ 55,472		1%

Note: n/m represents percentage changes that are not meaningful.



# Notes to the Investor Update

## Key Operating and Non-GAAP Measures

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.

## Operating Income, Operating Net Income, Operating Return on Average Assets, and Operating Return on Average Equity (ex. AOCI)

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 and losses (including the reinsurance embedded derivative and the change in fair value of certain derivatives), net of impacts on benefit reserves and DAC, DSI and VOBA; (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 and excludes realized gains and losses on call options used to hedge index credits on FIA products; (3) changes in the fair value of the variable annuity guaranteed living benefit (“VA GLB”) rider embedded derivatives, including guaranteed minimum withdrawal benefits (“GMWB”) and guaranteed minimum accumulation benefits (“GMAB”), net of changes 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 these items 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.

Operating income is not a substitute for net income determined in accordance with GAAP. The adjustments made to derive operating income are important to understanding our overall results from operations, and, if evaluated without proper context, operating income possesses material limitations.

- As an example, we could produce a low level of net income in a given period, despite strong operating performance, if in that period we generate significant net realized losses from our investment portfolio. We could also produce a high level of net income in a given period, despite poor operating performance, if in that period we generate significant net realized gains from our investment portfolio.
- Another limitation of operating income is that it does not include the decrease in cash flows expected to be collected as a result of credit loss. Management reviews investment related gains (losses) and analyses of our net investment income in connection with their review of our investment portfolio.

Operating Net Income is calculated by subtracting operating income tax expense from operating income. 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.

Operating return on average assets is calculated by dividing operating income by average AUM. We believe operating return on average assets is useful to gaining an understanding of our results of operations relative to the underlying asset base which generates earnings.

Operating return on average equity excluding AOCI is calculated by dividing operating net income (which is operating income net of tax at the effective tax rate) by average equity excluding AOCI. We use operating return on average equity excluding AOCI as a supplemental measure of evaluating the operating net income we generate as a percentage of our equity. In that calculation, we use average equity over the applicable period to mitigate the effects of fluctuations in our equity during that period. In addition, we exclude AOCI because AOCI fluctuates from quarter to quarter due to unrealized changes in the fair value of available for sale investments. We believe that operating return on average equity excluding AOCI provides useful supplemental information regarding our financial performance to investors.



# Notes to the Investor Update

## **Investment Operating Earned Rate, Investment Earned Book Yield, Investment Total Earned Rate, Net Investment Spread, Cost of Crediting, and Assets Under Management**

Investment operating earned rate is calculated as adjusted investment income divided by average spread-based AUM for the relevant period.

Adjusted investment income is calculated as reported net investment income adjusted to add back investment expenses and deduct interest expense on operating leverage (e.g., interest expense on debt of consolidated variable interest entities (“VIE”), repurchase agreements, and other miscellaneous interest expense). Adjusted investment income should not be used as a substitute for net investment income. However, we believe each of adjusted investment income and investment operating earned rate is significant to gaining an understanding of the overall performance of our investment portfolio.

Investment earned book yield is calculated as adjusted investment income, excluding additional returns, divided by average spread-based AUM for the relevant period. Additional returns include primarily prepayment fees (e.g., acceleration penalties, make-whole payments, etc.) and adjustments related to equity method investments, which are generally also described as returns on alternative investments.

Investment total earned rate is calculated as adjusted investment income, including trading realized gains / losses and investment related change in allowance for credit losses, divided by average spread-based AUM for the relevant period. Adjusted investment income, excluding additional returns, and adjusted investment income, including trading realized gains/losses and investment related change in allowance for credit losses should not be used as a substitute for net investment income. We believe investment earned book yield and investment total earned rate are useful for gaining an understanding of the net investment spread we earn on our products.

Net investment spread is calculated by subtracting cost of crediting rate from investment operating earned rate. We believe net investment spread is useful to gaining an understanding of the spread we earn on our spread-based business.

Cost of crediting is calculated as interest credited to account balances plus the pro rata amortization of FIA option costs. The cost of crediting rate is calculated by dividing cost of crediting by average spread-based AUM excluding surplus assets for the relevant period.

AUM is primarily statutory cash, invested and separate account assets, off-balance sheet retirement plan assets, net assets of SBLH non-insurance entities, and accrued investment income and excludes unrealized gains/losses on investments carried at fair value with adjustments for investment payable for securities and funds withheld liabilities related to reinsured business and certain operating leverage items such as repurchase agreements.

### **Retail Sales**

Retail sales do not correspond to revenues under GAAP but are used as a relevant measure to understand our business performance as it relates to deposits generated during a specific period of time. Our retail sales include deposits for fixed index annuities, fixed annuities, variable annuities and mutual fund custodial products. While we believe retail sales are a meaningful metric and enhances our understanding of our business performance, it should not be used as a substitute for premiums presented under GAAP.



# Notes to the Investor Update

## **Net Reserve Liabilities**

Net reserve liabilities represent our policyholder liability obligations net of reinsurance that are considered part of the general and separate accounts per GAAP accounting. Net reserve liabilities include (a) interest sensitive contract liabilities, (b) future policy benefits, (c) dividends payable to policyholders, and (d) other policy claims and benefits, excluding reinsurance recoverable and off-balance sheet mutual fund custodial amounts. Net reserve liabilities is net of the ceded liabilities to third-party reinsurers as the costs of the liabilities are passed to such reinsurers and, therefore, we have no net economic exposure to such liabilities, assuming our reinsurance counterparties perform under our agreements. For the majority of our ceded reinsurance, GAAP requires the ceded liabilities and related reinsurance recoverables to continue to be recorded in our consolidated financial statements despite the transfer of economic risk to the counterparty in connection with the reinsurance transaction. Net reserve liabilities does not include adjustments to balances for future policy benefits that go through other comprehensive income, such as shadow accounting. While we believe net reserve liabilities is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for total liabilities presented under GAAP.

