



March 2022

# Fixed Income Investor Presentation

# Notice

## Forward-Looking Statements

This presentation may contain certain statements that constitute “forward-looking statements”. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results, or other developments. Statements using verbs such as “expect,” “anticipate,” “believe” or words of similar import generally involve forward-looking statements. Forward-looking statements include statements which are based on the beliefs and assumptions of The Guardian Life Insurance Company of America (“Guardian”) concerning future levels of sales and redemptions of Guardian’s products, investment spreads and yields, or the earnings and profitability of Guardian’s activities.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Guardian’s control and many of which are subject to change. These uncertainties and contingencies could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Guardian. Whether or not actual results differ materially from forward-looking statements may depend on numerous foreseeable and unforeseeable developments. Some may be national in scope, such as general economic conditions, changes in tax law and changes in interest rates. Some may be related to the insurance industry generally, such as pricing competition, regulatory developments and industry consolidation. Others may relate to Guardian specifically, such as credit, volatility and other risks associated with Guardian’s investment portfolio. Any forward-looking statements reflect Guardian’s views and assumptions as of the date of this presentation and Guardian disclaims any obligation to update forward-looking information, whether as a result of new information, future events, or otherwise.

# Guardian Life Funding-Agreement Backed Global Note Issuance Program

## Issuer

- Guardian Life Global Funding (Ticker: "GUARDN")

## Program Terms

- \$5 billion FA-backed GMTN program (144 / Reg S)

## Funding Agreement issuer

- The Guardian Life Insurance Company of America ("Guardian")

## FA Backed Notes Rating

- Moody's: Aa2 | S&P: AA+

## Listing

- Euronext Dublin

# Funding Agreement-Backed Note Program

## Program established to leverage Guardian's industry reputation and investment capabilities

- The program allows Guardian to grow its spread business by leveraging two core competencies: Guardian's high credit rating, and the Investment Group's fundamental credit talent
- Guardian's considerable expertise in asset/liability and investment management, and strong financial flexibility provide a solid platform for utilizing a Funding Agreement backed program

## Funding Agreements are managed similarly to Guardian's retail annuities

- Investment assets purchased with proceeds are allocated in accordance with Guardian's existing investment guidelines and managed by existing fundamental credit teams
- Guardian's Funding Agreement program is overseen by the same asset liability management ("ALM") team as Guardian's other products

# Guardian Overview

Founded in New York in 1860, Guardian provides life and disability insurance, employee benefits, retirement and investment products

Dividends paid to policyholders every year since 1868

Converted to a mutual company in 1925

4th largest mutual life insurance company in the U.S. based on surplus according to NAIC peer-compiled data

- Surplus of \$8.6 billion as of December 31, 2021
- Total adjusted capital of \$10.7 billion as of December 31, 2021
- Total life insurance in-force of \$724.8 billion as of December 31, 2021

Two principal operating segments<sup>(a)</sup>

- Individual Markets – Individual Life (\$4,748 million), Individual Disability (\$696 million), Individual Annuity (\$98 million)
- Group Benefits – Group Insurance (\$4,435 million)

Leading market positions

- 4th largest writer of participating whole life insurance in the industry in 2021 according to LIMRA Sales Report
- BLICOA is a top 5 writer of Individual disability insurance according to the LIMRA Disability Income Sale Survey
- Dental business ranks third in in-force PPO cases according to 2020 LIMRA survey results

# Who We Are

## Our Purpose

As a mutual company, our purpose is to keep our promises and **inspire well-being**. We have been helping people protect their future and secure their lives for more than 160 years. Every day, we serve people by helping them and their families pursue financial confidence and well-being in life, health, and wealth.

## Our Vision

Our vision is to transform from insurer, to trusted partner, to **champion of well being**.

## Our Core Values

Our values are simple: **We Do the Right Thing, We Believe People Count, We Courageously Shape our Future Together, and We Go Above and Beyond for The People we Serve.**

# Guardian Investment Highlights

## Committed to Our Legacy of Financial Strength and Investing in Innovation to Ensure a Strong Future

### Commitment to Mutual Status

- Long-term **financial strength** and stability and the payment of **competitive dividends** as primary objectives
- **Long view** on investments, free from short-term earnings pressures faced by publicly-traded companies

### Low-Risk Business Mix & Operating Model

- Strong, **stable whole life business** growing sustainably with capital growth; High net worth customer base
- **Growth-focused**, less interest rate sensitive **Group Benefits business**
- Institutional Asset Management business
- Risk-managed for stable, consistent earnings and diverse **fee-based businesses**

### Earnings Diversification

- Well **diversified product portfolio** and **differentiated earnings streams** helps reduce volatility in financial results

### Robust Distribution Channels

- **Highly productive career agent system** consisting of 2,390 active agents as of December 31, 2021
- Strong commitment to **long-term protection of clients**, and to the continued success and stability of Guardian
- Group Benefits distribution through career agents and brokers

### Long – Term Track Record

- Strong and consistently **profitable operating results** with 2021 statutory net income of \$223 million
- Policyholder surplus increased at a CAGR of approximately 6.6% from 2004 to 2021

### Strong Balance Sheet

- **Strong financial strength, capitalization, insurance ratings** with regulatory capital ratios in excess of required levels
- **Investment portfolio** is **conservative** and well diversified with approximately 94% of securities in the bond portfolio rated investment grade as of December 31, 2021

### Risk Management

- **Strong enterprise risk management** including governance, risk appetite, risk limits, and a **disciplined ALM framework**
- **Low product risk profile** with focus on participating whole life insurance, annually renewable group insurance and conservative product guarantees

### Accomplished Management team

- Well-respected, seasoned executives with **extensive experience** in the industry and at Guardian

# What Sets Us Apart

A Strong Balance Sheet Supported by a Low-Risk Product Portfolio, High Degree of Financial Flexibility and Effective Risk Management

## 2021 was a strong year for Guardian

|   |                |
|---|----------------|
| <b>Total Adjusted Capital:</b>            | \$10.7 billion |
| <b>Invested Assets:</b>                   | \$66.0 billion |
| <b>Total Revenue:</b>                     | \$12.5 billion |
| <b>Statutory Premium Income:</b>          | \$9.4 billion  |
| <b>Operating Income Before Dividends:</b> | \$1.5 billion  |
| <b>Dividends Declared:</b>                | \$1.1 billion  |

## Financial Flexibility & Liquidity

- **Very strong capitalization:** \$8.6 billion in statutory capital, 7% CAGR since 2011
- **Excellent liquidity:** \$2 billion in short-term liquidity and other liquid assets
- **High quality investment portfolio:** Limited risky assets vs peers, entered 2021 with modest re-risking given the vaccination efforts and policy of fiscal stimulus
- **Cash flow:** Annual general account investment maturities of approximately \$3.9 billion
- **Institutional Funding:** Established Funding Agreement platform totaling \$3.9 billion and eight CLOs totaling \$3.2 billion
- **FHLB Borrowing capacity:** \$3.6 billion

# Recent Initiatives and Developments

## Assets Under Management Strategic Growth Initiatives

- On February 7, 2022, Guardian acquired a minority equity stake in HPS Investment Partners, a leading global investment firm. Through this strategic partnership Guardian will also provide HPS with capital to invest and manage across a range of private-credit strategies
- Guardian continues to build out its institutional asset management capabilities under its wholly-owned subsidiary, Guardian Investor Services
- Commitment for the CLO business was expanded

## Technology Initiatives and Investment

- Investment into the digitalization of our Individual and Group customer platforms including sales processes, life insurance underwriting using information technology and data, paperless processes and customer engagement
- Focus on AI and automation, big data and analytics, strategic investments, and cloud








## Environmental, Social, and Governance (ESG)

- ESG principles are increasingly important for our stakeholders. We have made strides in our ESG work through corporate sustainability initiatives, philanthropic grants, Inclusion and Diversity programs, and investments
- For our Investments, Guardian recognizes ESG integration as the consideration of environmental, social and governance factors, which when weighed along with our traditional investment process help us design and maintain portfolios that we believe uphold the optimal combination of financial returns and responsible investment
- Significant company wide focus on ESG including collaboration across several business lines to create an ESG and sustainability framework for Guardian



# Executive Leadership Team

Guardian has a highly experienced management team focused on ensuring that we are delivering on our promises

|   | Name                        | Title  | Insurance Industry & Financial Services Experience |
|---|-----------------------------|--|--|
|    | <b>Andrew J. McMahon</b>    | Chief Executive Officer and President Director         | 33   |
|    | <b>Kevin Molloy</b>         | EVP, Chief Financial Officer                           | 24   |
|    | <b>Jean LaTorre</b>         | EVP, Chief Investment Officer                          | 37   |
|    | <b>Michael N. Ferik</b>     | EVP, Individual Markets                                | 27   |
|    | <b>Christopher B. Smith</b> | EVP, Group Benefits                                    | 30   |
|   | <b>Kermit J. Brooks</b>     | EVP, General Counsel                                   | 16   |
|  | <b>Dean Del Vecchio</b>     | EVP, Chief Information Officer and Chief of Operations | 25   |
|  | <b>Stacey Hoin</b>          | EVP, Chief Human Resources Officer                     | 33   |

# Guardian Business Profile

## Individual Markets

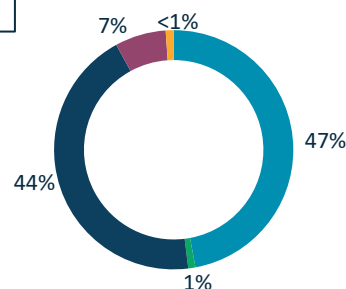
## Group Benefits

|                | Individual Life  | Individual Disability   | Savings Products  | Group Insurance   |
|----------------|--|---|---|---|
| Products       | <ul style="list-style-type: none"> <li>• Whole Life</li> <li>• Term Life</li> <li>• Universal Life</li> <li>• Variable Universal Life</li> </ul>         | <ul style="list-style-type: none"> <li>• Individual Disability</li> <li>• Multi-Life Disability Income</li> </ul>                 | <ul style="list-style-type: none"> <li>• Fixed Annuities</li> <li>• Variables Annuities</li> <li>• Wealth Management</li> </ul>               | <ul style="list-style-type: none"> <li>• Dental</li> <li>• Short- and Long-Term Disability</li> <li>• Life and AD&amp;D</li> <li>• Vision</li> <li>• Supplemental Health</li> <li>• Absence Management</li> </ul> |
| Target Markets | <ul style="list-style-type: none"> <li>• Small Business Owners</li> <li>• Affluent Professionals</li> <li>• Executives</li> </ul>                        | <ul style="list-style-type: none"> <li>• Small Business Owners</li> <li>• Affluent Professionals</li> <li>• Executives</li> </ul> | <ul style="list-style-type: none"> <li>• Professionals</li> <li>• Executives</li> <li>• Affluent and Emerging Affluent Individuals</li> </ul> | <ul style="list-style-type: none"> <li>• Employer Groups</li> </ul>   |
| Distribution   | <ul style="list-style-type: none"> <li>• 46 General Agencies and Guardian-managed agencies</li> <li>• ~2,400 Career Agents</li> <li>• Brokers</li> </ul> | <ul style="list-style-type: none"> <li>• Career Agents</li> <li>• Brokers</li> </ul>  | <ul style="list-style-type: none"> <li>• Career Agents</li> <li>• Brokers</li> <li>• PAS</li> </ul>   | <ul style="list-style-type: none"> <li>• Over 150 Group Sales Professionals</li> <li>• ~12,700 Active Group Brokers and Benefit Consultants</li> </ul>  |

2021 Consolidated premium income<sup>(a)</sup>

Total: \$10,085 million

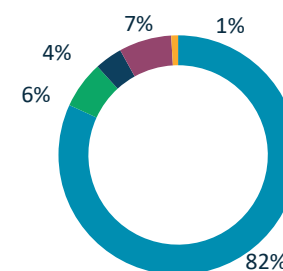
- Individual Life
- Individual Annuity
- Group
- Individual Disability
- Other



2021 Consolidated statutory reserves<sup>(b)</sup>

Total: \$56,981 million

- Individual Life
- Individual Annuity
- Group
- Individual Disability
- Other

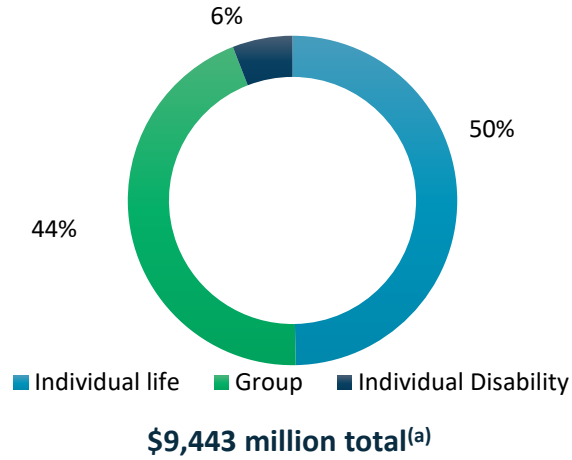


(a) Premium income is net of reinsurance. The total consolidates financial information from statutory financial statements of Guardian (parent company), BLICOA and GIAC (subsidiaries), and GAAP financial statements of FCW and GIS (subsidiaries)

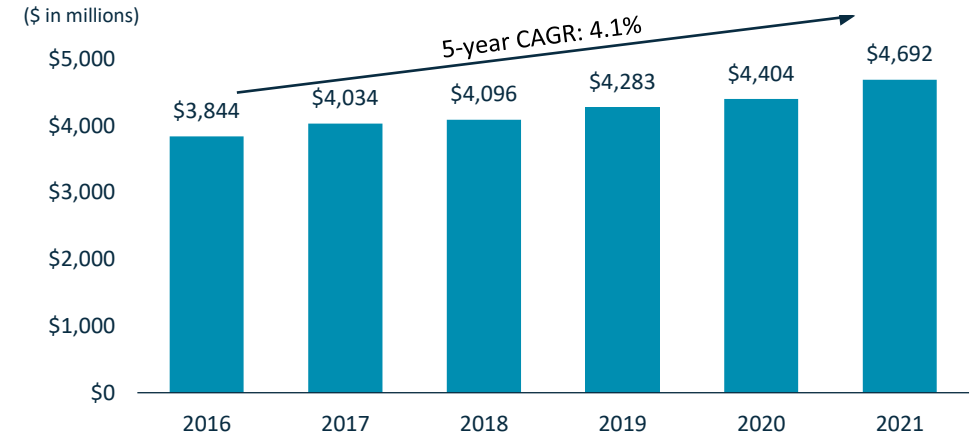
(b) Reflects general account reserves only (excludes separate account reserves)

# The Guardian Life Insurance Company of America (“GLIC”) Parent Company Statutory Premium Income

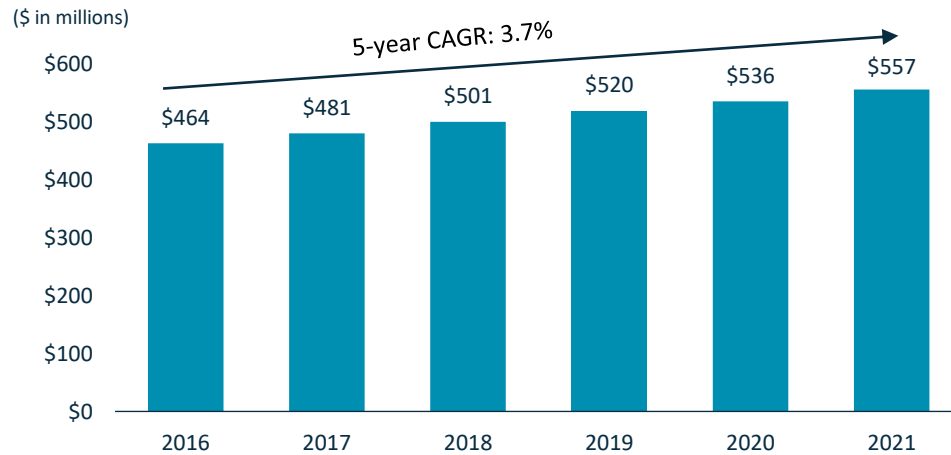
## 2021 statutory premium income



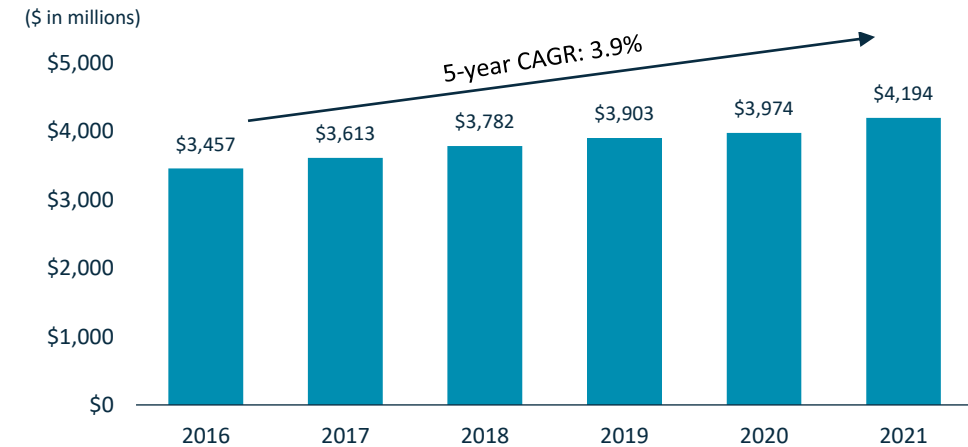
## Individual Life statutory premium income



## Individual Disability statutory premium income<sup>(b)</sup>



## Group Benefits statutory premium income



# Guardian Investment Portfolio Objectives

## Guiding principles

- Competitive policyholder dividends
  - Strategic asset allocation
  - Tactical execution
  - Investment results

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- Protecting capital and financial strength ratings
  - Effective risk management
  - Achieving return objectives within risk constraints

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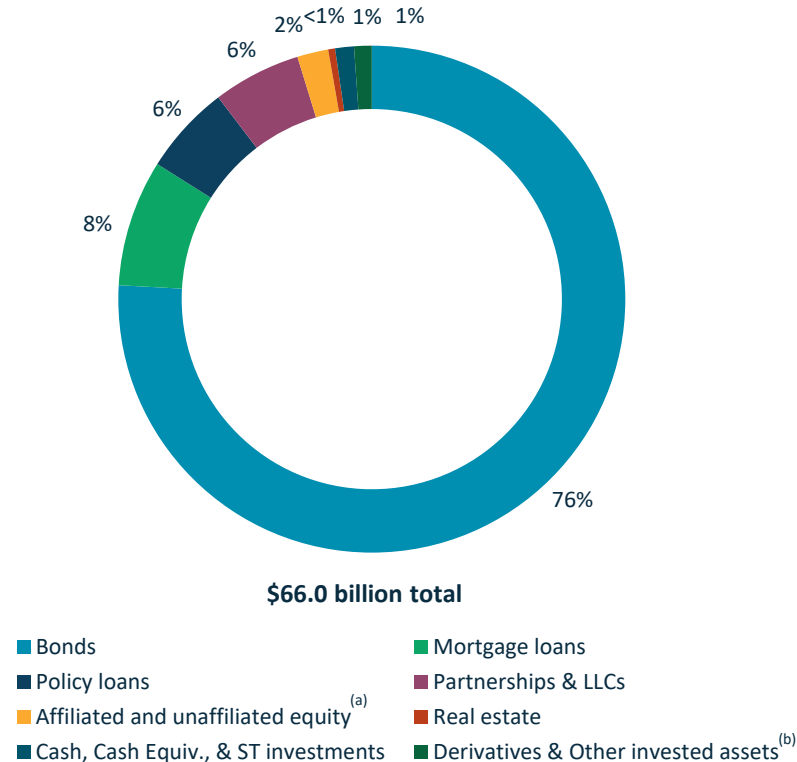
- Product support
  - Asset liability management (ALM)
  - New products – pricing, hedging

## Investment guidelines

- Well-diversified portfolios with risk limits
- Dynamic hedging program protects capital
- Actively manage credit and portfolio risks
- Conduct independent research
- Constantly identify and manage emerging risks
- Strong risk management culture, controls, reporting and oversight
- Experienced asset class specialists

# High Quality Investment Portfolio

## Invested assets by type

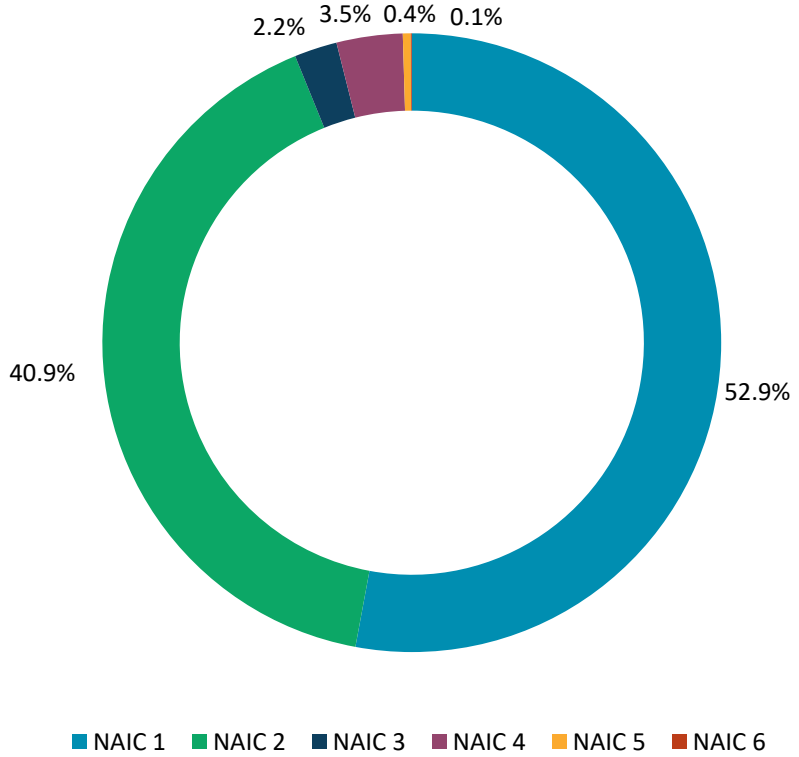


## Highlights

- Strong fixed income credit quality
- Approximately 94% of bond portfolio rated investment grade (NAIC 1 or 2 designation of 54% and 40%, respectively)
- Low LTV mortgage loan portfolio (nearly entire portfolio in mortgage loans under 70% LTV)
- Over 98% of structured securities have NAIC 1 designation

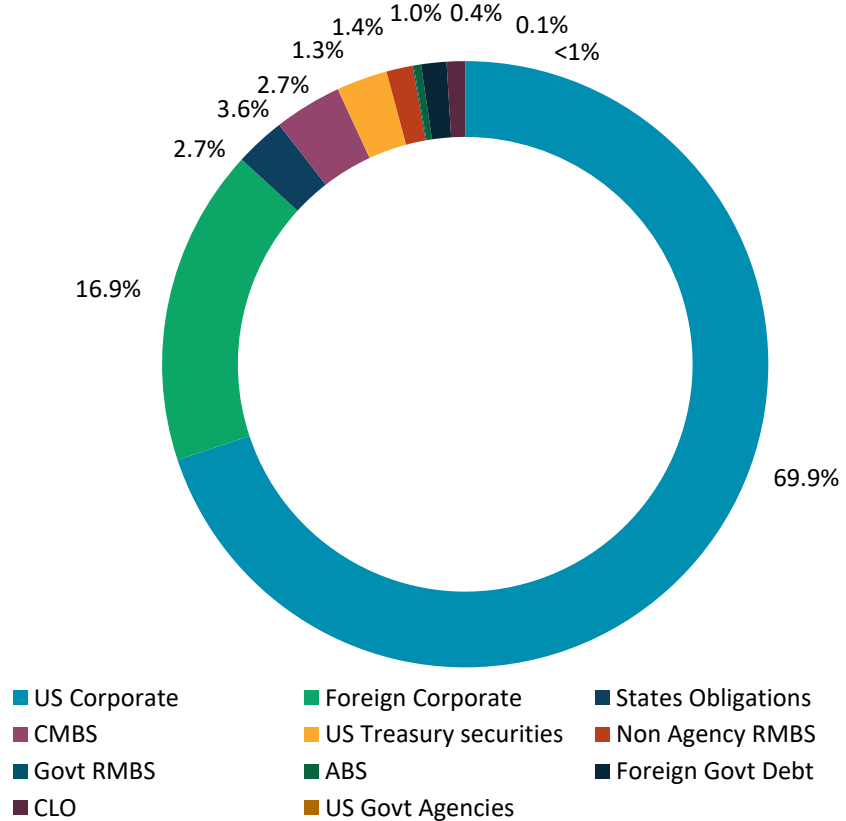
# Breakdown of Fixed-Maturity Securities

By NAIC designation



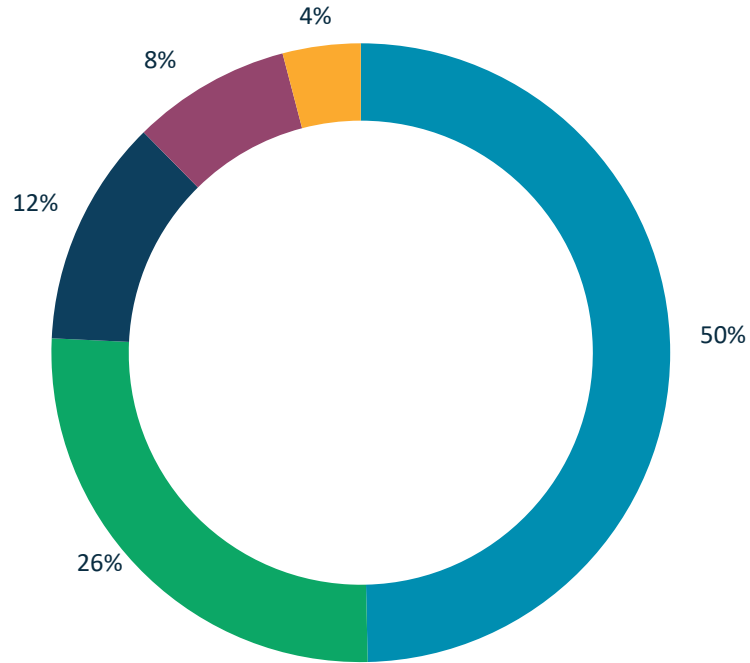
\$50.1 billion total

By Allocation



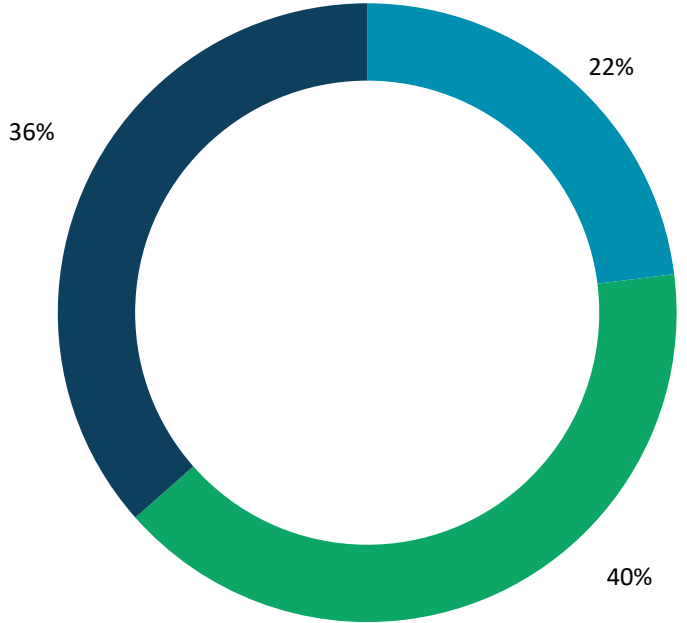
# Composition of Mortgage Loan Portfolio

By Type



■ Apartments ■ Retail ■ Industrial & other ■ Office ■ Hotels

By LTV Range



■ 50% LTV or below ■ 51%-60% LTV ■ 61%-70% LTV

**\$5.3 billion total**

# Collateralized Securities are Highly Rated

| (\$ in millions)                        | Mortgage-Backed and Other Asset-Backed Securities |             |                |             |                  | Carrying Value |             |             |        |        |        |                |
|---|---|-------------|----------------|-------------|------------------|----------------|-------------|-------------|--------|--------|--------|----------------|
|   | December 31, 2021                                 |             |                |             |                  | NAIC 1         | NAIC 2      | NAIC 3      | NAIC 4 | NAIC 5 | NAIC 6 | Total          |
|   | Carrying Value                                    | % of Total  | Fair Value     | % of Total  | Gains / (Losses) |                |             |             |        |        |        |                |
| Residential mortgage-backed securities: |   |             |                |             |                  |                |             |             |        |        |        |                |
| Government Agency                       | \$33  | 1.0%        | \$35           | 1.1%        | \$2              | \$33           | –           | –           | –      | –      | –      | \$33           |
| Non-Agency RMBS                         | \$700   | 21.7%       | \$751          | 22.6%       | \$51             | \$670          | \$12        | \$7         | \$11   | –      | –      | \$700          |
| CMBS                                    | \$1,806   | 56.0%       | \$1,848        | 55.7%       | \$42             | \$1,801        | –           | \$5         | –      | –      | –      | \$1,806        |
| Asset Backed Securities (ABS)           | \$195   | 6.1%        | \$195          | 5.9%        | \$0              | \$163          | \$32        | –           | –      | –      | –      | \$195          |
| Collateralized Loan Obligations (CLO)   | \$489   | 15.2%       | \$488          | 14.7%       | (\$1)            | \$415          | \$74        | –           | –      | –      | –      | \$391          |
| <b>Total</b>                            | <b>\$3,223</b>                                    | <b>100%</b> | <b>\$3,168</b> | <b>100%</b> | <b>\$94</b>      | <b>\$3,082</b> | <b>\$30</b> | <b>\$17</b> | –      | –      | –      | <b>\$3,125</b> |



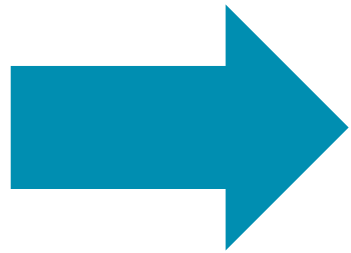
# Financial Priorities

- 1 Preservation of capital and ratings
- 2 Strong enterprise risk management
- 3 Profitable growth
- 4 Productivity and expense management
- 5 Continued investment in business

# 1 Preservation of Capital and Ratings

## Strong, Conservative Balance Sheet

|                                  |                          |
|----------------------------------|--------------------------|
| Total Surplus                    | \$8.6 billion            |
| Total adjusted capital           | \$10.7 billion           |
| Surplus Notes<br>(as a % of TAC) | \$1.5 billion<br>(14.0%) |
| Invested assets                  | \$66.0 billion           |
| Senior debt                      | \$0.0 billion            |



### Key takeaways

- Excellent financial strength
- Very high investment liquidity
- Very low leverage

# 1 Preservation of Capital and Ratings

## Consistently Top-Tier Financial Strength Ratings

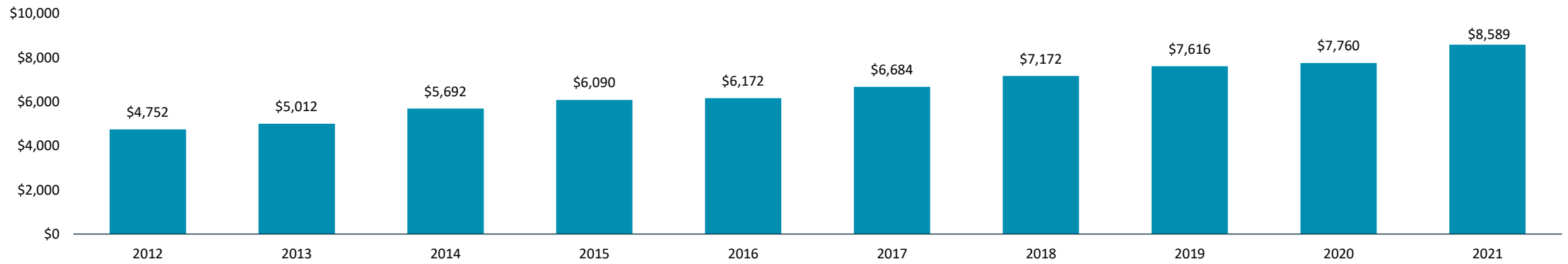
| Agency    | Current   |         |
|-----------|---|---------|
|           | Guardian Financial Strength   | Outlook |
| A.M. Best | A++ (Superior – highest of 15 ratings)<br>Upgraded in November 2008 from A+       | Stable  |
| Fitch     | AA+ (Very Strong – 2nd highest of 21 ratings)<br>Upgraded in October 2007 from AA | Stable  |
| Moody's   | Aa2 (Excellent – 3rd highest of 21 ratings)<br>Since 2003                         | Stable  |
| S&P       | AA+ (Very Strong – 2nd highest of 22 ratings)<br>Upgraded in July 2008 from AA    | Stable  |

Guardian's ratings profile has been strong across all rating agencies over the last 10+ years

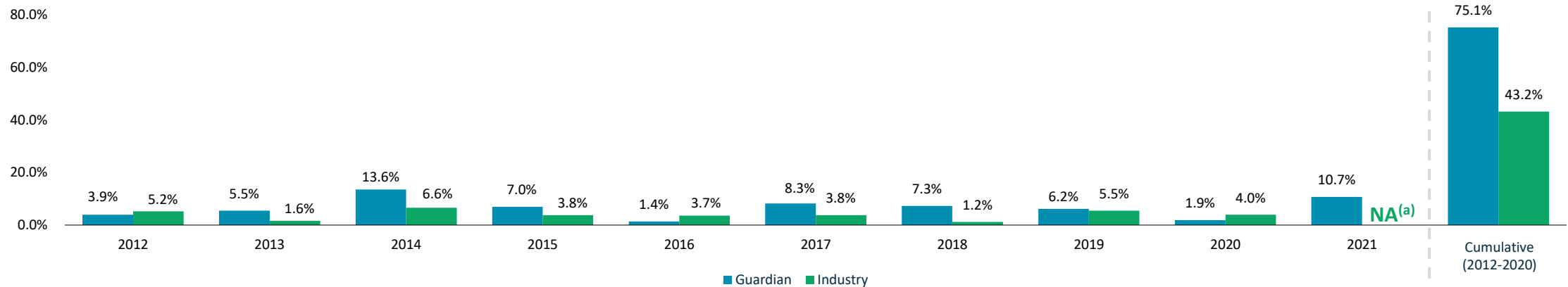
# 1 Preservation of Capital and Ratings

## Proven Ability to Grow Capital

Total surplus (\$ in millions)

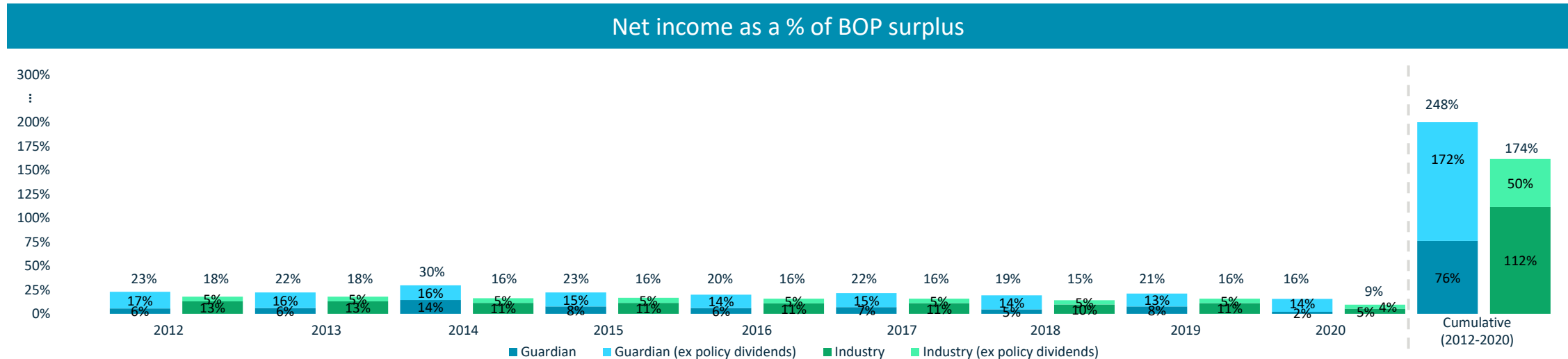
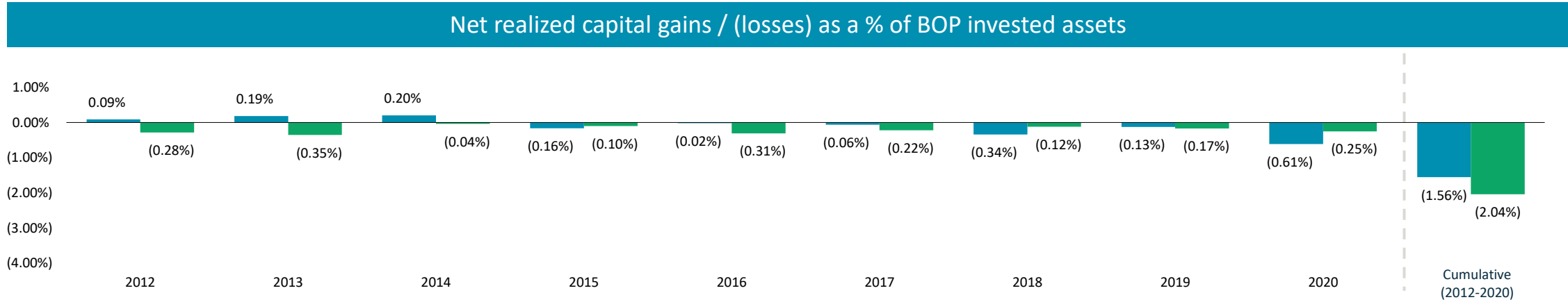


Increase in total surplus over time



# 1 Preservation of Capital and Ratings

## Proven Ability to Withstand Stress Scenarios



# 2 Enterprise Risk Management

## Low Enterprise Risk Profile

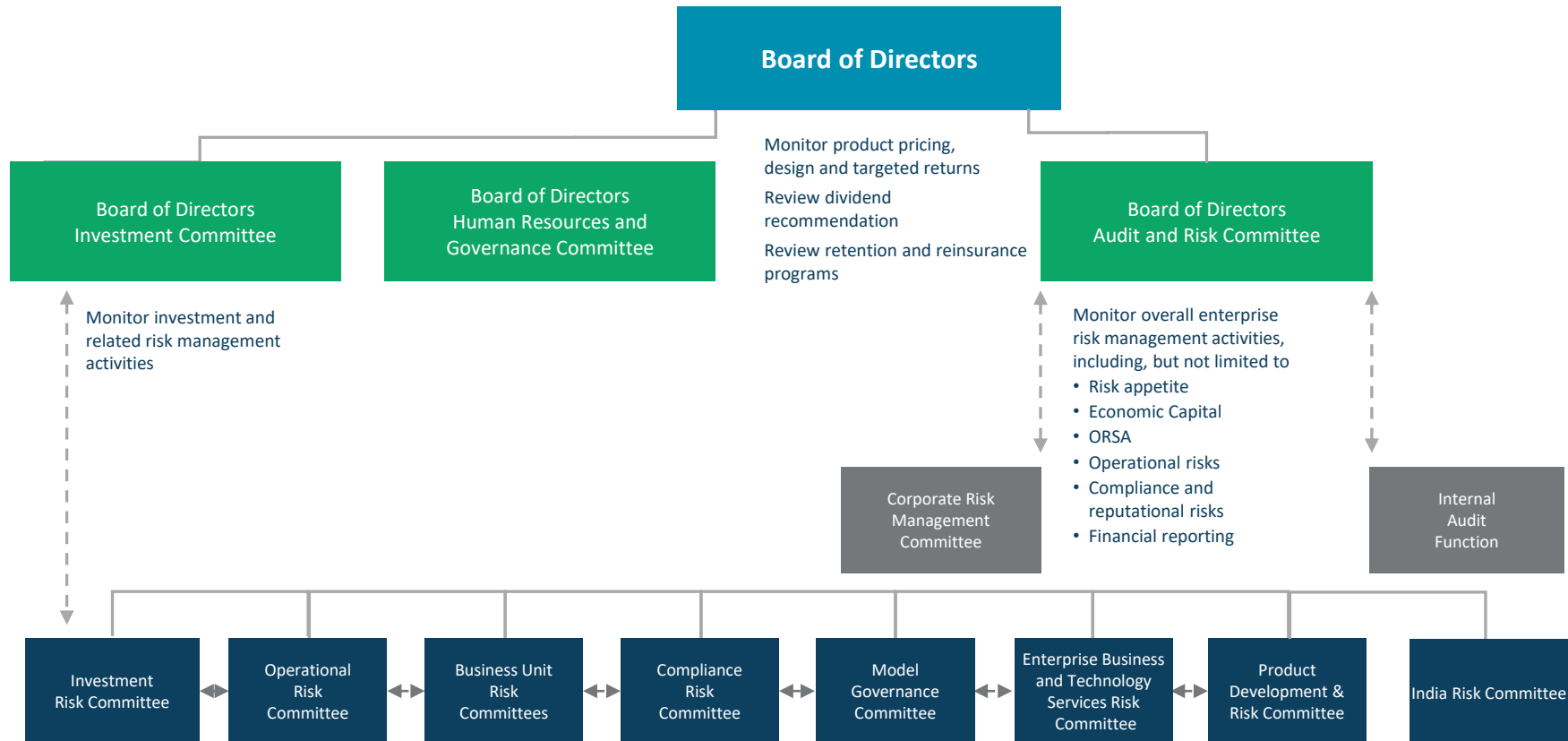
### Guardian Risk Profile

- Very low product risk profile
  - Participating life insurance
  - Annual renewal of Group Benefits products
  - Conservative set of product guarantees
- Well managed investment portfolio
  - Diversified investments within asset classes
  - Avoided structured finance securities that were adversely impacted during the credit crisis
  - Dynamic hedging program protects capital
  - Strong focus on asset liability management
- Very low liquidity and withdrawal risks
- Very strong capital position
- Demonstrated willingness and ability to change course if risks dictate; as evidenced by exit from long-term care, medical products, Executive Benefits – COLI, stop loss and dental support organization business; and restrained Variable Annuity sales (exited from Variable Annuities with Living Benefit riders as of March 31, 2017)

### Managing Risks in Evolving Business and Regulatory Environments

- **Investments:** Proactively reducing credit risk in anticipation of credit cycle turning
- **Stress Testing:** Enhanced focus and updates to stress scenarios to reflect changing market and economic conditions
- **InsurTech:** Leveraging new technology, big-data analytics and AI to enhance risk assessment along with risk oversight of product development
- **Cyber-security:** Prioritized governance and strengthened controls over IT and Cyber-Security risks

# Guardian has a Formal Risk Governance and Organizational Structure to Monitor and Manage Enterprise Risk with Assigned Responsibilities

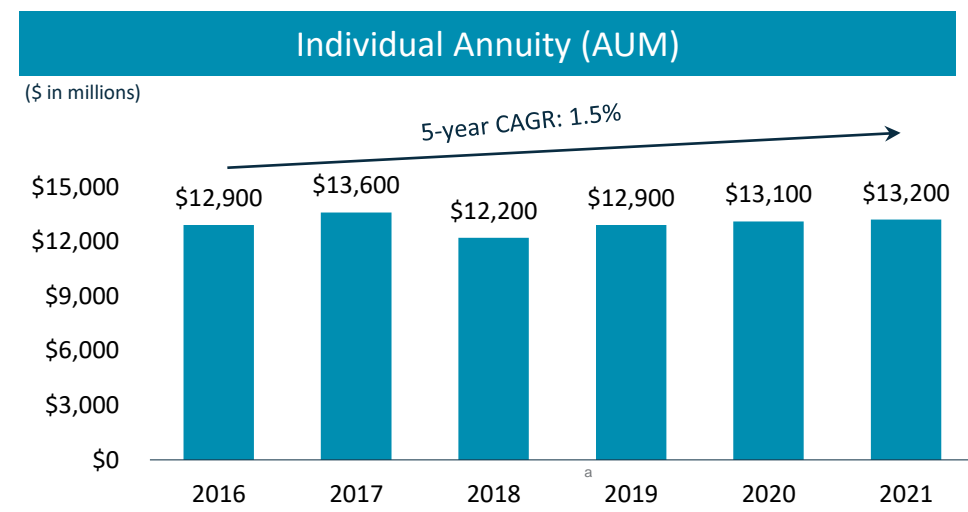
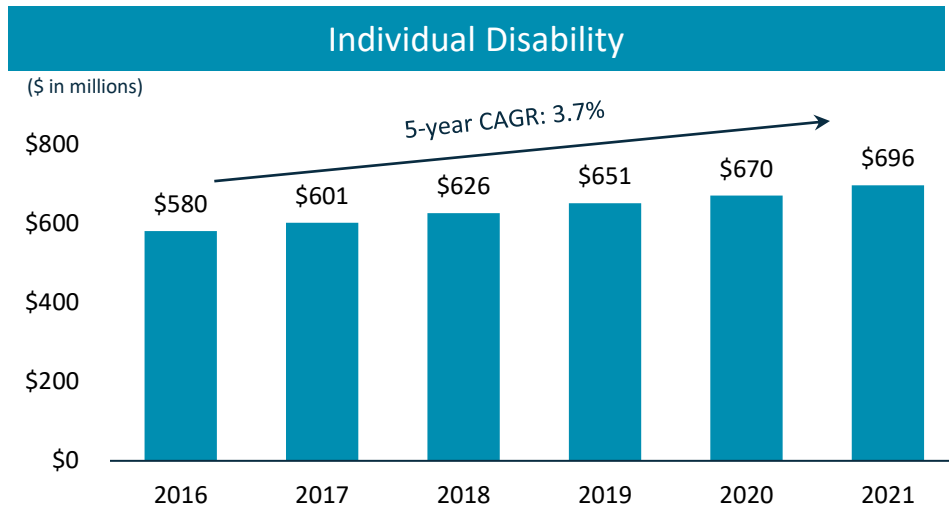
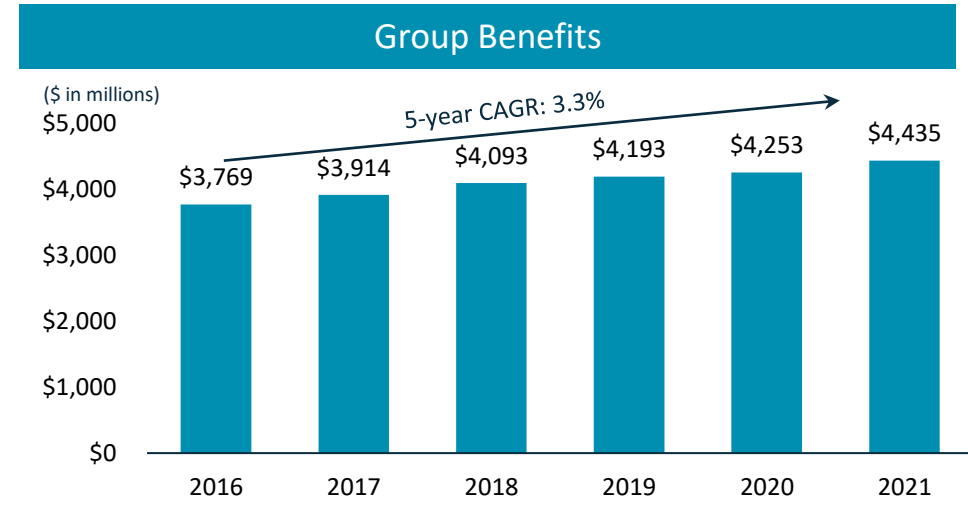
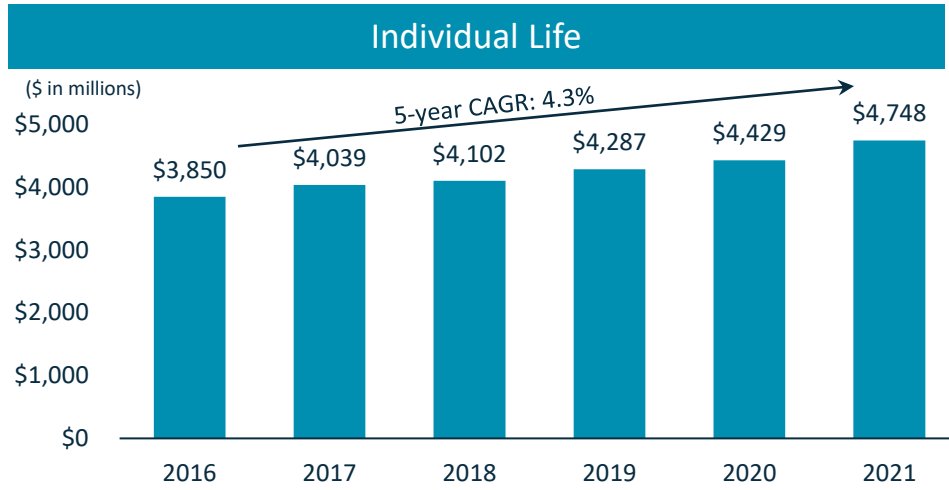


Investment Risk Committees:

- Credit Committees
- Real Estate Equity
- Commercial Mortgages

# 3 Profitable Growth

## Premium / Assets Under Management Growth





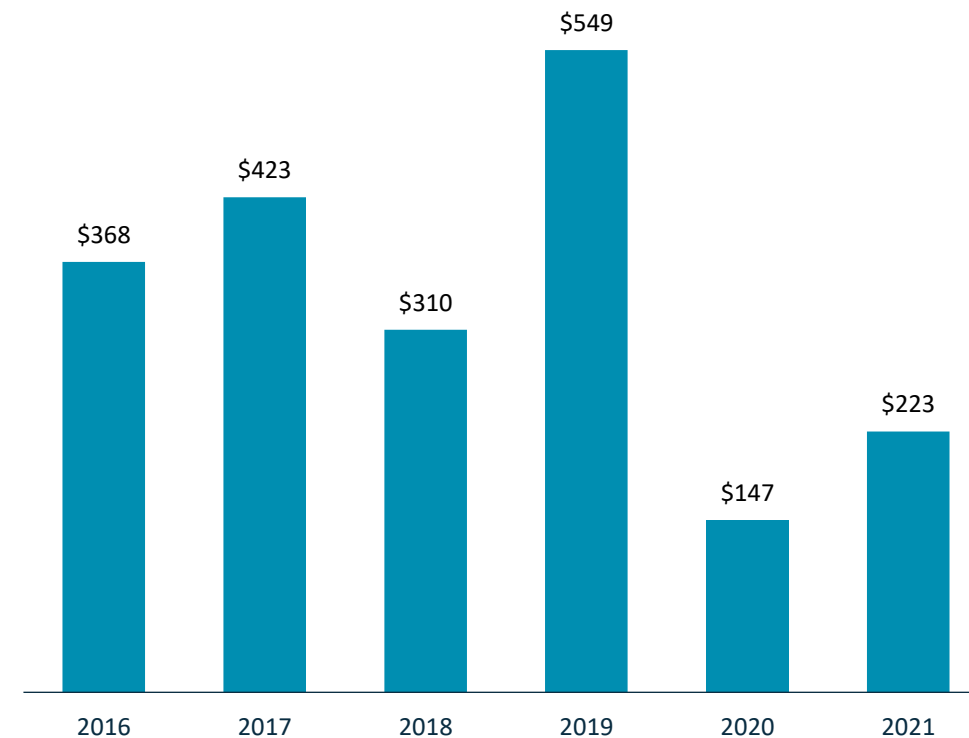
## 3

# Profitable Growth

## Increased Capital Generation

| (\$ in millions)                                       | Year ended December 31, |                 |                 |                 |                            |                            |                 |
|--|-------------------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|-----------------|
|  | 2015                    | 2016            | 2017            | 2018            | 2019                       | 2020                       | 2021            |
| Premiums   | \$7,334                 | \$7,768         | \$8,112         | \$8,381         | \$8,737                    | \$8,951                    | \$9,445         |
| Net investment income                                  | 1,985                   | 2,052           | 2,106           | 2,132           | 2,304                      | 2,368                      | 2,704           |
| Other <sup>(a)</sup> income                            | 376                     | 421             | 441             | 344             | 431                        | 362                        | 390             |
| <b>Total revenue</b>                                   | <b>\$9,695</b>          | <b>\$10,241</b> | <b>\$10,659</b> | <b>\$10,857</b> | <b>\$11,472</b>            | <b>\$11,681</b>            | <b>\$12,539</b> |
| Benefit payments to policyholders                      | 4,104                   | 4,293           | 4,449           | 4,535           | 5,055                      | 5,154                      | 5,347           |
| <b>Total benefits and expenses</b>                     | <b>8,289</b>            | <b>8,885</b>    | <b>9,241</b>    | <b>9,461</b>    | <b>10,006</b>              | <b>10,252</b>              | <b>11,054</b>   |
| <b>Gain from operations before taxes and dividends</b> | <b>\$1,406</b>          | <b>\$1,356</b>  | <b>\$1,418</b>  | <b>\$1,396</b>  | <b>\$1,466</b>             | <b>\$1,429</b>             | <b>\$1,485</b>  |
| <b>Net income</b>                                      | <b>\$433</b>            | <b>\$368</b>    | <b>\$423</b>    | <b>\$310</b>    | <b>\$549<sup>(b)</sup></b> | <b>\$147<sup>(c)</sup></b> | <b>\$223</b>    |

### Statutory Net Income



Note: Statutory financials for parent company level

(a) Includes Amortization of IMR, which was \$68 million, \$58 million, \$53 million, and \$74 million for the years ending 2021, 2020, 2019, and 2018 respectively

(b) Includes a one time \$151M gain from the sale of the purchase option on Guardian's building at 7 Hanover Square

(c) Net income was down primarily due to an increase in net realized capital losses after taxes and transfers to IMR which increased year over year due to the sale of various investments for risk management purposes as well as the loss on an affiliated entity

## 4 Productivity and Expense Management

Guardian's profitability has been consistently above peer mutual average, while the company continues efforts to reduce expenses and invest in profitable growth areas

Guardian performed favorably in 2020 compared to its main competitors (Northwestern Mutual, New York Life, MassMutual):

- #2 in ROC pre-tax before dividend with 18.6% in 2020 (vs. peer average of 17.6%)
- #1 in ROC pre-tax after dividend with 5.1% in 2020 (vs. peer average of 3.6%)
- #2 in ROA pre-tax before dividend with 2.2% in 2020 (vs. peer average of 1.5%)
- #1 in ROA pre-tax after dividend with 0.6% in 2020 (vs. peer average of 0.3%)

Expense ratios(a) for Guardian's core business were in line with or better than peer mutual average in 2020

- Individual Life: 18.5% (ranks #2, peer average: 21.0%)

# 5 Continued Investment in Business

Continued investments to grow investment strategies and increase distribution productivity and capacity

## HPS Partnership

- On February 7, 2022, Guardian acquired a minority equity stake in HPS Investment Partners, a leading global investment firm; the strategic partnership will enable close collaboration and allow the two companies to share best practices and investment insights
- Guardian will provide HPS capital to invest and manage across a range of private-credit strategies

## Group Benefits

- Investing resources across the group benefits value chain to expand this business which is capital-light and generates a non-interest rate sensitive revenue stream
- Strategy to outgrow peers by enhancing customer experience, expanding distribution reach and effectiveness, strengthening product offerings, and modernizing end-to-end enabling capabilities through digitization and modernization

## Distribution

- Investing significant resources in expanding and strengthening our distribution, including expansion into the worksite market, and facilitating the succession of general agencies
- Continue to expand our digital direct-to-consumer strategy in order to complement our traditional General Agency system and expand our customer reach
- Management team remains committed to distributional excellence to generate profitable growth for the company

## Client Service

- Specific customer segments targeted via appropriate channels. Leveraging technology to deliver products and services more efficiently
- Remain committed to providing superior service that has been recognized by renowned organizations such as J.D. Power and DALBAR

## Technology Initiatives

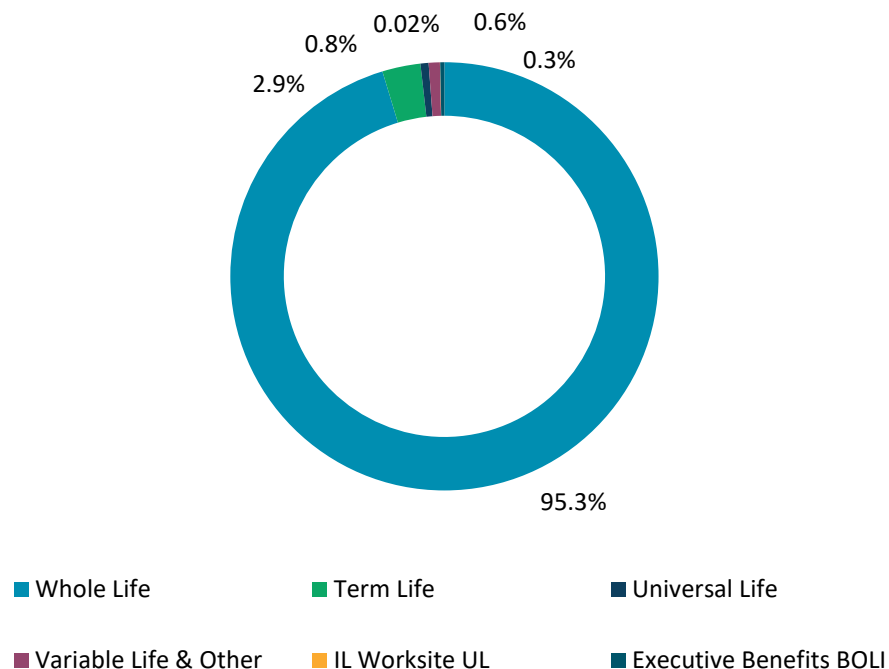
- Fully implement artificial intelligence, machine learning and robotic process automation across businesses
- Big data and analytics

# Appendix

# Individual Market

## Individual Life

### 2021 business mix by premium income



Total premium income<sup>(a)</sup>: \$4,748 million

### Description

#### Key products

- Participating Whole Life (95% of individual life product segment premium income in 2021)
- Term Life

#### Distribution model

- Highly trained, productive career agent network
- Growing brokerage business for participating products

#### Strategy

- Continue focus on Whole Life business while maintaining diversified product portfolio to meet wide array of needs
- Target affluent and emerging affluent market segments including professionals, business owners, small- and mid-sized businesses, corporations, banks, principals and partners
- Invest substantially to enable career agent network to more effectively run their businesses and better serve customers

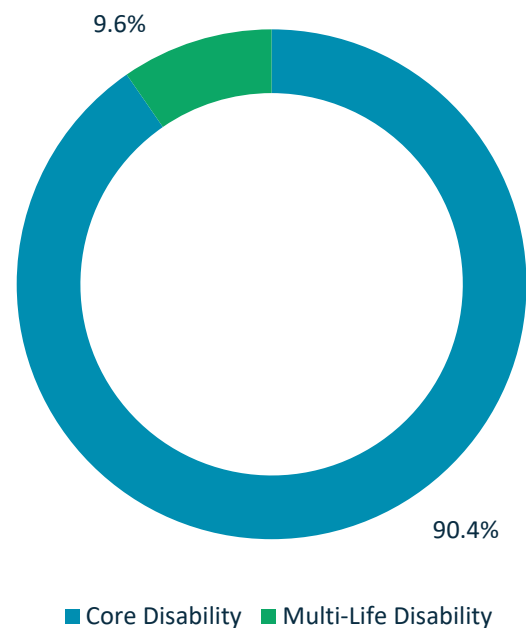
#### Market position

- 4th largest writer of participating whole life insurance; Guardian's average whole life only premium per policy was approximately 1.5x their peer group's average<sup>(b)</sup>

# Individual Market

## Individual Disability

### 2021 business mix by premium income



Total premium income<sup>(a)</sup>: \$696 million

### Description

#### Key products

- Individual Disability
- Multi-Life Disability (introduced in 2007)

#### Distribution model

- Career agent network and brokers
- Wholesalers for Multi-Life

#### Strategy

- Focus on small business owners, professionals and executives
- Multi-Life plans for measured growth
- Maintain outsourcing / reinsurance model for long-term care; long-term care block is in runoff

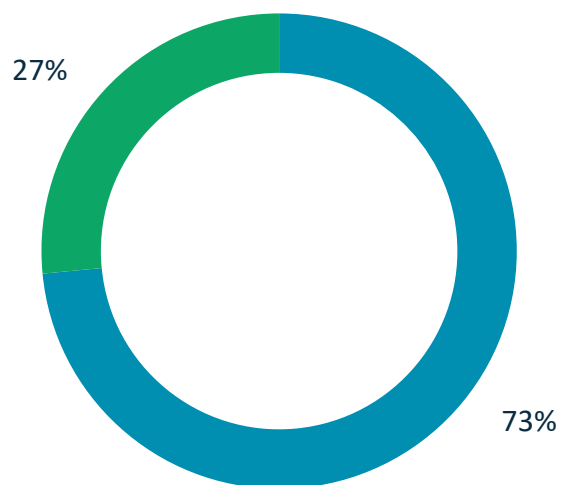
#### Market position

- BLICOA is a top 5 writer of individual disability insurance<sup>(b)</sup>

# Individual Market

## Individual Annuity

### 2021 business mix by AUM



■ Variable Annuities<sup>(a)</sup> ■ Fixed Annuities

Total YE 2021 AUM: \$13.2 billion

### Description

#### Key products

- **Annuities** – single premium deferred and immediate fixed annuities, variable annuities

#### Distribution model

- **Annuities** – fixed annuities sold through GIAC's wholesaling force and third-party registered broker-dealers; variable annuities are distributed primarily through Park Avenue Securities, a registered broker-dealer that Guardian indirectly wholly owns

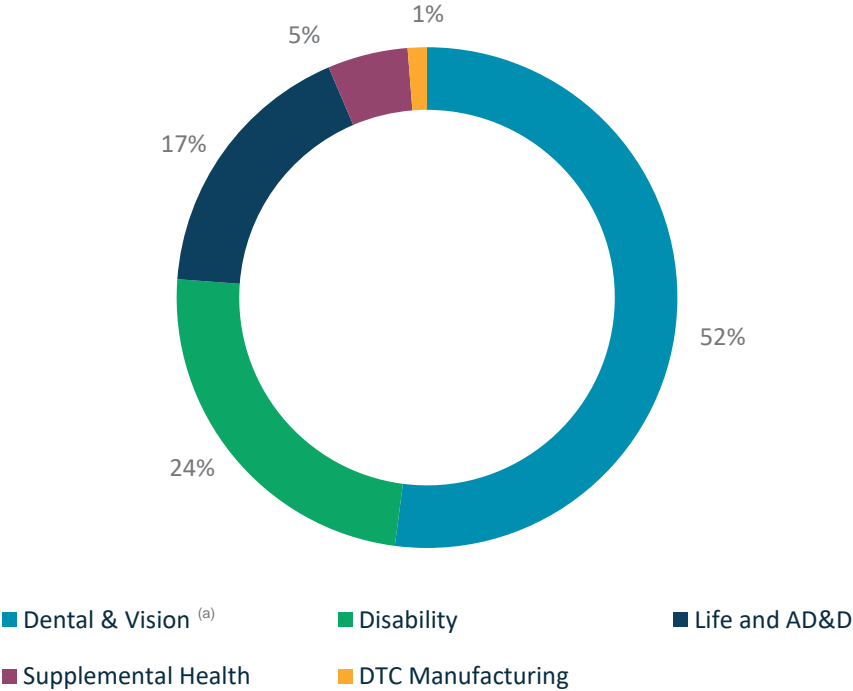
#### Strategy

- Maintain strong penetration in our career agencies while capturing increasing share of select independent distribution
- Manage product portfolio to remain competitive and profitable while continuing to support customers' needs for guaranteed income for life

# Group Benefits

## Group Insurance

### 2021 business mix by premium income



Total premium income<sup>(b)</sup>: \$4,435 million

### Description

#### Key products

- **Dental** – PPO and Dental HMO plans offered throughout the United States<sup>(c)</sup>
- **Disability** – short and long- term disability income protection
- **Life and AD&D** – death benefit for a fixed period
- **Vision** – Primarily a PPO product that provides comprehensive benefits
- **Supplemental Health** – Accident, Critical Illness, Cancer and Hospital Indemnity products

#### Distribution model

- Long-term relationships with independent brokers through highly trained sales reps and benefit advisors
- Currently over 170 group sales professionals and ~13,500 brokers with in-force group insurance product business

#### Strategy

- Focus primarily on employers with up to 5,000 employees
- Expand presence in dental, disability & absence management, and supplemental health lines
- Ongoing focus on high quality customer service, product leadership, and distribution effectiveness
- Majority of the business is re-priceable annually

#### Market position

- Dental business ranks third in in-force PPO cases according to 2020 LIMRA survey results

(a) Medical product not offered since 2011  
 (b) Premium income is net of reinsurance  
 (c) DHMO products are marketed in California, Florida, Illinois, Indiana, Michigan, Missouri, New Jersey, New York, Ohio, Colorado and Texas



# Financial Summary

| (\$ in Millions)                                   | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     | 2021     |
|--|----------|----------|----------|----------|----------|----------|----------|
| <b>Selected Income Statement Data</b>              |          |          |          |          |          |          |          |
| Premiums, Annuity Considerations and Fund Deposits | \$7,334  | \$7,768  | \$8,112  | \$8,381  | \$8,737  | \$8,951  | \$9,445  |
| Net Investment Income                              | 1,985    | 2,052    | 2,106    | 2,132    | 2,304    | 2,368    | 2,704    |
| Total Revenue                                      | 9,695    | 10,241   | 10,659   | 10,857   | 11,472   | 11,681   | 12,539   |
| Total Benefits and Expenses                        | 8,289    | 8,885    | 9,241    | 9,461    | 10,006   | 10,252   | 11,054   |
| Net Income   | 433      | 368      | 423      | 310      | 549      | 147      | 223      |
| <b>Selected Balance Sheet Data</b>                 |          |          |          |          |          |          |          |
| Total Invested Assets                              | \$43,180 | \$46,919 | \$50,455 | \$53,070 | \$56,602 | \$62,099 | \$66,044 |
| Total Assets                                       | 48,121   | 51,884   | 55,569   | 58,489   | 62,205   | 68,045   | 72,127   |
| Total Liabilities                                  | 42,031   | 45,711   | 48,885   | 51,317   | 54,589   | 60,285   | 63,538   |
| Surplus Notes                                      | 845      | 845      | 1,197    | 1,198    | 1,199    | 1,497    | 1,498    |
| Total Surplus                                      | 6,090    | 6,172    | 6,684    | 7,172    | 7,616    | 7,760    | 8,589    |

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