

2021 SASB Index

We are providing disclosures aligned with the Sustainability Accounting Standards Board Insurance Industry Standard. This report covers data for the 2021 calendar year.

<i>SASB Activity Metric</i>	<i>Code</i>
Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A
<p>Response: As of 12/31/2021, Globe Life had 14,318,726 life insurance policies in force. The break down by product line is:</p> <p>Whole Life - 9,155,310 Term - 4,731,044 Other - 432,372</p>	

Transparent Information & Fair Advice for Customers

<i>SASB Accounting Metric</i>	<i>Code</i>						
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	FN-IN-270a.1						
<p>Response: Globe Life discloses all material legal proceedings in accordance with the Securities and Exchange Commission (SEC) requirements. Please see Note 6, Commitments and Contingencies, in Globe's Form 10-K for the year ended December 31, 2021. Losses and/or legal proceedings related to marketing and communications, if any, were immaterial.</p>							
Complaints-to-claims ratio	FN-IN-270a.2						
<p>Response: Globe Life does not track claims data in the manner specified for this metric.</p>							
Customer retention rate	FN-IN-270a.3						
<p>Response: We calculate a retention rate based on annualized premium. The percentages below are reflective of a quarterly average for 2021 for our three major life insurance divisions, American Income, Liberty National and Globe Life And Accident. Together, the premiums generated by these three entities comprise 93% of Globe Life's in force premium.</p> <table border="0"> <tr> <td>First year</td> <td>90.32%</td> </tr> <tr> <td>Renewal year</td> <td>98.11%</td> </tr> <tr> <td>Total</td> <td>96.96%</td> </tr> </table>		First year	90.32%	Renewal year	98.11%	Total	96.96%
First year	90.32%						
Renewal year	98.11%						
Total	96.96%						

Response: Globe Life’s subsidiary companies provide a wide variety of insurance products focused on the customer. Our product mix is balanced between life and supplemental health products for both individuals and groups. Our mission is to Make Tomorrow Better by helping to protect working families. In a marketplace where people have an extensive range of choice in insurance products and providers, we strive to be the company people choose for better financial protection. Our central focus surrounds our customers.

We believe each customer has their own journey and experience, so we consistently work to enhance our products and distribution in an effort to meet customers’ specific needs and preferences. Through our clear and concise marketing approach, we make our products accessible and easy to understand. Our materials plainly outline product features, pricing and application methods so our customers can make informed decisions with confidence. We reach our customers in personalized and convenient ways, primarily through one-on-one advisement whether in person or virtual with our independent contractor sales agents, as well as through the mail, email, digital media, and in-bound call centers.

We communicate with our current customers to inform them of the terms of their coverage as well as to educate them regarding additional product offerings that may meet their needs. The same attention is also given to our prospective customers through marketing communications that serve to educate and inform them of our product offerings including cost structures and specific policy features. We have processes in place to manage the entire customer lifecycle, ensuring our customers’ needs are met and complaints are managed swiftly and efficiently. We monitor digital and social media channels to track customer feedback in order to consistently foster positive customer experiences.

Both marketing and policyholder communications are evaluated on a regular cadence to continue to improve the effectiveness of how we market our products. We comply with all state regulatory guidelines and oversight that requires insurers to consider product suitability and ethical customer practices.

Our goal is to serve our customers proactively and relevantly. We have continued to expand our virtual capabilities with the addition of electronic signatures and enhanced video technologies to provide opportunities for customers to learn about our products from an advisor in the comfort of their own homes. Our products are available on demand through our digital competencies that allow customers to inquire about or apply for coverage from any of their devices at any time.

We offer convenient payment methods including automatic payments, consolidated billing for multi-policy households, and an E-service digital platform for customer convenience. Claims are processed with integrity and urgency in order to reduce the number of days needed to process the claim, and therefore take care of the customer during their greatest time of financial need. In addition, we have dedicated teams committed to customer retention, through their expertise we ensure policies remain in force year after year.

Incorporation of Environmental, Social, and Governance Factors in Investment Management

<i>SASB Accounting Metric</i>	<i>Code</i>
Total invested assets, by industry and asset class	FN-IN-410a.1

Response: Globe Life discloses investment information in U.S. dollars by asset type, industry exposures, and credit quality in [Note 4, Investments](#), in Globe’s Form 10-K for the year ended December 31, 2021 as well as in the Supplemental Financial Information found on our [Investor Relations Website](#).

Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2
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Response: Due to the types of products we sell and the strength of our underwriting margins, Globe Life does not need to invest in high-risk assets such as derivatives, public equities, residential mortgages, collateralized loan obligations (CLO), and other asset-backed securities. We have a conservative investment philosophy which emphasizes preservation of capital. We invest primarily in investment-grade, long-dated fixed maturities which provide the best match for our long-term fixed liability products. These assets have historically provided attractive risk-adjusted, capital-adjusted returns due in large part to our ability to hold securities to maturity regardless of fluctuations in interest rates or equity markets. Since we expect to hold our investments to maturity, we take special care to invest in entities that have the ability to survive multiple economic cycles. However, our work doesn’t end there, as we continue to evaluate the holdings in our portfolio on an ongoing basis.

In keeping with our conservative investment philosophy, we focus on the long-term sustainability of our investments. We believe ESG factors can impact our investment portfolio performance and are necessary considerations for long-term investing. In determining where to place our investments, we incorporate a robust risk management process in which we carefully evaluate the risks and opportunities inherent in each investment, including those related to pertinent environmental, social, and governance issues, which includes climate change. For our fixed maturity investments, we incorporate relevant ESG risk impacts into the credit outlook for issuers to develop a complete view of the long-term default and downgrade risk. As part of our process, we also monitor the ESG ratings from external providers to understand how these may impact our investments.

Policies Designed to Incentivize Responsible Behavior

<i>SASB Accounting Metric</i>	<i>Code</i>
Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1

Response: This topic is not relevant for Globe Life.

Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2
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Response: At Globe Life, our purpose is to help low to middle income families achieve financial protection from adverse circumstances. With a product offering that caters to a market that is otherwise underserved by insurance carriers, we encourage financial responsibility and help our customers build financial certainty. Our financial protection-oriented life and supplemental health products are designed to offer basic protection that fits within a consumer's budget.

Our life insurance products are designed to:

- Ease the financial burden caused by a death; relieving stress and anxiety for their loved ones
- Provide important funds to a family when a primary wage-earner dies prematurely, ensuring a family's financial well-being
- Encourage non-smoking by providing a discounted premium for non-tobacco users
- Include an accelerated death benefit option to provide cash to care for those with terminal illness (*certain policies only*)

Our supplemental health products are designed to:

- Remove cash-flow constraints to make it easier for people to seek care as soon as they need it, leading to better outcomes and lowering overall healthcare costs
- Encourage policyholders to take ownership of their health needs so that they qualify for the best rates available to healthier persons
- Include monetary incentives for persons to seek screening for illnesses like cancer and heart disease on a regular basis. Screening encourages early diagnosis which results in more favorable long-term health outcomes and lower total healthcare costs (*certain policies only*).
- Include a return of premium benefit which returns premiums to the policyholder, less any claims payments made, after a specified period of time. These policies can encourage a more responsible long-term approach to a family's financial needs (*certain policies only*).
- Provide funds that can be used for any needs that a family may have that are not covered by their primary insurance, including paying for time-off from work to help a loved one or paying for respite care
- Help pay for the costs of a family member to travel with a sick or injured spouse or child when specialized out-of-town care is necessary. Additionally, the Family Education Benefit available on certain policies pays a specified amount for college expenses when the child of a covered person dies.

Environmental Risk Exposure

<i>SASB Accounting Metric</i>	<i>Code</i>
Probable Maximum Loss (PML) of insured products from weather-related natural catastrophe	FN-IN-450a.1
Response: This topic is not relevant for Globe Life.	
Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	FN-IN-450a.2
Response: This topic is not relevant for Globe Life.	
Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3
<p>Response: For the past sixty years, Globe Life has marketed low-face amount, basic life protection products to working families. We view the data accumulated over this timeframe as an instrumental tool that informs our approach to underwriting and pricing. To the extent that environmental factors impact mortality and morbidity over time, that experience is reflected in our pricing assumptions. The diversified nature of our inforce block is also a mitigating factor with respect to environmental risks due to the lack of concentration risk. Our inforce block is comprised of a large number of low face amount policies that are widely-dispersed geographically.</p> <p>We monitor and evaluate the impact of environmental risks to our business as part of our enterprise risk management process. In 2022, we plan to further expand our approach to addressing climate risk within our risk management activities in alignment with the TCFD recommendations and other applicable regulatory requirements.</p>	

Systemic Risk Management

<i>SASB Accounting Metric</i>	<i>Code</i>
Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1
Response: Globe Life does not have exposure to derivative instruments.	
Total fair value of securities lending collateral assets	FN-IN-550a.2
Response: Globe Life does not participate in securities lending transactions.	

Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities

FN-IN-550a.3

Response: Our products are not sensitive to movements in interest rates and we hold excess capital and liquidity at the holding company for unexpected events or liquidity needs. We have no exposure to systemic non-insurance activities such as repo, securities lending, or derivative contracts. The risks for which a potential capital or liquidity impact could be determined are identified and various stress scenarios are tested to model potential impacts to liquidity and capital. Our liquidity is primarily derived from multiple sources including positive cash flow from operations, a portfolio of marketable securities, a revolving credit facility, commercial paper and membership in the Federal Home Loan Bank. For additional information regarding the Company's capital and liquidity management related to its insurance activities, see the *Financial Condition* section of the *Management's Discussion and Analysis* in the Company's Form 10-K.