








2021

**Environmental,  
Social &  
Governance  
Report**

# Table of Contents

	<b>About Globe Life</b> .....	<b>3</b>
	<b>Developing Our ESG Strategy and Disclosures</b> .....	<b>4</b>
	<b>Protecting Our Environment</b> .....	<b>5</b>
	<b>People, Culture, and Community</b> .....	<b>10</b>
	<b>Corporate Governance</b> .....	<b>18</b>

## Appendices

Appendix A: ESG Data Summary.....	26
Appendix B: Sustainability Accounting Standards Board (SASB) Disclosures.....	29

## ABOUT GLOBE LIFE

At Globe Life, our mission is to help families *Make Tomorrow Better* by working to protect their financial future.

We encourage financial responsibility and help our customers build financial certainty by offering products that cater to a market that is underserved by most insurance carriers. We believe financial inclusion for the underserved market is an urgent business need and a moral imperative for the insurance industry. To support that need, we provide affordable life and supplemental health products to the low-to-middle income market. Our products are designed to be accessible to this market through a diversified distribution platform and a simplified underwriting process.

Since our inception, Globe Life has focused on long-term sustainability to fulfill our financial promises to our customers. With a history of both strong and solid operating performance, we issue more traditional life policies annually than any other insurance group. We make decisions prudently to advance the long-term interests of our policyholders, employees, field representatives, and shareholders. We endeavor to have a positive impact in the communities where we live, work, and serve.





## DEVELOPING OUR ESG STRATEGY AND DISCLOSURES

We continue to advance the Company's ESG strategy and disclosures and are committed to alignment with the Sustainability Accounting Standards Board (SASB) standards and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. **In support thereof, a SASB Index is included as an appendix to this report.** Additionally, we have completed an ESG gap analysis and are in the process of conducting a materiality assessment to evaluate our current ESG program and strategically guide our ESG management and reporting.

Consistent with our focus on sustainable business practices, we are working with a third-party consultant to engage with stakeholders and identify key areas of potential ESG impact, risk, and opportunity for our business. Our consultant is conducting focused interviews with key business functions and stakeholders, reviewing our recent ESG disclosures and documentation, and creating a framework for evaluating potential future areas of ESG focus and disclosure. Through our ESG gap analysis and materiality assessment process,

we seek to facilitate an increased understanding of the ESG issues that are most important to our business and stakeholders and most likely to drive long-term performance. In 2022, we intend to engage with our consultant to draft potential metrics, targets, and actions to address our priority ESG focus areas.

As we continue to make progress on these important initiatives to enhance our ESG strategy and disclosures, we have updated this ESG Report with existing data available as of year-end 2021. An ESG Data Summary that provides year-over-year ESG data for 2019, 2020, and 2021 is attached as an appendix to this Report for reference.

We are pleased to announce that our future lead independent director ("Lead Director"), who steps into that role in April of 2022, recently earned the Climate Leadership Certificate from Diligent, which will be an asset in supporting and facilitating conversations at the Board level to address climate-related risk.





## PROTECTING OUR ENVIRONMENT

Environmental responsibility and sustainability are key components of our overall corporate responsibility efforts. We recognize the potential impacts of climate change and the importance of this issue to investors, the communities we serve, and the health of our planet. We strive to reduce our impact on the environment by implementing various green building initiatives at our corporate facilities, continuing our company-wide emphasis on recycling and waste reduction efforts, prioritizing the reduction of paper and water usage, and developing processes to report data on our greenhouse gas emissions.

### **Green Building Initiatives**

As a financial services holding company, our corporate office facilities account for a substantial portion of our energy and water consumption. We routinely look for innovative ways to “green” the operation of the buildings we own to reduce our environmental footprint. Some of these efforts are highlighted below.

#### **Energy Efficiency**

Approximately 55% of the lighting at our corporate headquarters (HQ) in McKinney, Texas, utilizes light-emitting diode (LED) technology rather than traditional fluorescent or incandescent lighting. Our long-term goal is to transition to 100% energy-efficient LED lighting at this facility. Further, many areas of the HQ facility utilize motion-detecting light sensors so that no energy is wasted when these areas are unoccupied, and many of our printers

are EnergyStar compliant. It is worth noting that through the installation of light-harvesting and motion controls, as of December 2021 we reduced our outdoor energy consumption at our corporate headquarters by 125.36 MWh since 2018.

In addition, all of the windows at our HQ facility are double paned and tinted, which drastically increases energy efficiency when operating the heating, ventilation, and air conditioning (HVAC) system during hot Texas summers. Recently, we replaced several HVAC systems with new, more energy-efficient units. To further decrease the energy utilized by our HVAC system, we adjusted the data center set-point temperature for our data center operations upward from a 68-degree to a 73-degree set point. These improvements are just a few of the many energy efficiency initiatives we have implemented at our HQ facility over the last three years. Such initiatives led to a reduction in per-employee megawatt usage at our HQ facility of 7% from the year 2016 to 2021.

As of June 2021, the EnergyStar Score for our HQ facility was 86. A building’s EnergyStar Score measures how well the property is performing relative to similar properties when normalized for climate and operational characteristics. Our EnergyStar Score of 86 indicates that our HQ facility is a top performer and is better in terms of energy consumption than 86% of industry peer properties nationwide. While we are proud of our HQ facility’s EnergyStar Score, we continue our

efforts to identify opportunities to improve our energy efficiency in ways that will be both sustainable and cost-effective.

### **Water Reduction**

We are focused on reducing water usage. This focus on water conservation led us to make the following upgrades in recent years:

- We have incorporated approximately 1,800 trees and shrubs into the landscape at our HQ property that are native or adaptive to North Texas and are considered drought tolerant.
- Our sprinkler system operates on a timer and is equipped with an auto-shutoff rain sensor so water is not wasted during wet weather events.
- Approximately 70% of all Globe Life-owned facilities utilize touchless restroom faucet technology. We expect to complete bathroom renovations to utilize environmentally-friendly touchless restroom faucet technology on the remaining Globe Life-owned facilities over the next two years. In addition, we have installed touchless restroom faucets in many of our leased facilities, and we strongly encourage our leased property managers and property owners to install environmentally-friendly technology where possible.

Reducing our water consumption will continue to be a key focus area as we endeavor to improve the sustainability of our corporate operations.

### **Sustainability of Leased Facilities**

Because we own our HQ building, we have the freedom to implement improvements like those described above. However, when it comes to our leased office space, we are more limited in our ability to make facility-wide enhancements to improve the sustainability of the buildings.

Notwithstanding, we strongly encourage the landlords and property management to make environmentally-friendly improvements to the facilities we lease and we use this information in our decision to continue leasing a property. For example, we strongly considered the improvements the building owner planned to make when we decided to renew our lease at our office in downtown Oklahoma City, Oklahoma. Such improvements include new windows throughout the building and an updated HVAC system, which should help to reduce the amount of energy we use at that location. When renegotiating the



**1,800**

drought tolerant trees  
and shrubs have been  
incorporated into  
the landscape

Oklahoma City lease we ensured the inclusion of an allowance to make environmentally-conscious choices, such as installing LED lighting and touchless water-conserving faucets.

### **Work-From-Home Initiatives**

We maintain a robust work-from-home program that allows eligible employees at all of our corporate offices to work from their homes on either a full or part-time basis. In addition to improving employee morale and helping us attract and retain great employees, these initiatives also have a positive environmental impact. Employees who work from home reduce greenhouse gases and other emissions from vehicular travel by avoiding the daily commute to and from the office. Remote working employees also utilize fewer resources at our offices. One example of our work-from-home program involves the employees in our Customer Service Department in McKinney, Texas.

### **Waste Reduction and Recycling**

Our ongoing commitment to sustainability is shared by our employees. Daily recycling of paper, cardboard, and cans exemplifies our employees' efforts to incorporate environmental responsibility and sustainability into our day-to-day operations. Our corporate leadership has helped facilitate such recycling practices on an individual employee level by ensuring that easily accessible recycling bins are placed throughout our HQ facility and other office locations. These efforts helped us recycle more than 1,808 tons of paper, cardboard, and other recyclable items in 2020.

### **Paper-Use Reduction**

Reducing the amount of paper we use at our office locations is another key focus. We continually monitor our office operations for opportunities to reduce or eliminate the use of paper.

We also encourage the policyholders of our insurance subsidiaries to interact with us electronically, which serves



#### Recycling

We maintain a secure recycling program within Globe Life.

We have easily accessible recycle bins throughout our corporate headquarters and routine processes that increase our recycling.



## Facility Management

Globe Life is committed to maintaining an environmentally friendly facility.

We continue to modernize our facilities to reduce our impact on the environment.



to extend our paper reduction efforts beyond the borders of our office locations. For example, we have developed an electronic mobile application (“app”) for the policyholders of our insurance subsidiaries to access information about their policies. This digital solution is used by more than half of such policyholders. Additionally, policyholders can elect to receive an electronic bill rather than a paper bill. Approximately 90% of our insurance subsidiaries’ premiums are received via an electronic format.

Our insurance subsidiaries also utilize paperless technologies to market and sell their products. For example, the sales agents of our insurance subsidiaries complete potential policyholder applications electronically, avoiding the need for paper copies. Further, consumers can apply for our Direct-to-Consumer products online, without having to fill out and mail in a paper application. These efforts help us limit our carbon footprint, by reducing the amount of paper required to operate our business.

## ***Sustainability Through Operational Efficiencies***

We are unique among our peers in that, for many years, we have owned and operated our own printing and mailing facilities in Oklahoma City, Oklahoma, and Waco, Texas. By managing our printing operations in-house, we have been able to implement several measures that are both cost effective and environmentally friendly. Examples of these measures include the following:

- We have a robust in-house recycling program at both printing facilities. In 2020, we recycled approximately 1,581 tons of paper at our Oklahoma City printing facility alone.
- Since 1990, we have used only water and soy-based inks, as opposed to solvent-based inks that can be more harmful to the environment.



- We are transitioning away from fluorescent lights in favor of more energy-efficient LED lighting in our office locations across the country. As of December 2021, 69% of our total office space utilizes LED lighting.
- Our goal is to upgrade the restrooms in both our Oklahoma City and Waco printing facilities within the next two years. When we implement these upgrades, we plan to consider environmentally-friendly improvements, such as touchless faucets, similar to our approach to restroom remodels in our HQ and leased office locations.
- Much of our high-voltage equipment has been sourced to utilize smart motors that drastically reduce energy use when the equipment is not operating at maximum capacity. These energy-saving improvements have helped us

achieve significant decreases in energy consumption at our printing facilities. As our older machines reach the end of their useful lives, we intend to implement smart-motor technology where appropriate.

### ***Make Tomorrow Greener***

We are committed to the ongoing enhancement of environmental responsibility and sustainability practices throughout our operations, and we will continue to consider ways in which we can preserve invaluable natural resources and reduce waste. We believe that such a commitment is necessary to our continued success, as well as to the long-term health of our planet. We will update this Report periodically to track the progress we make and to share new ideas and initiatives to help make tomorrow greener.



## ***Empowering and Engaging Our People***

Our focus continues to be on fostering a culture that is inclusive and attractive for all of our employees and independent sales agents. This section provides details about some of the key initiatives that we have undertaken to cultivate such an environment.

### **Culture of Engagement**

We conduct a confidential survey biennially to give our employees the opportunity to provide candid feedback about their experiences at the Company including, but not limited to, confidence in the Company and leadership, competitiveness of our compensation and benefits package, and departmental relationships. The results are shared with our employees, reviewed by senior leadership, and used to identify areas for improvement and create action plans based on the employee feedback received.

In 2021, we launched an enterprise-wide formalized diversity, equity, and inclusion strategy branded Mosaic@GlobeLife that focuses on awareness, influence, and advocacy. We believe this platform empowers a culture in which everyone feels safe to be their full, authentic selves and where differences are celebrated and valued as assets for personal growth. We are committed to maintaining a diverse workforce that reflects the communities in which we work. We believe that employee engagement starts with feeling included, respected, and appreciated. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, we expect that all relationships among persons in the workplace to be professional and free of bias, prejudice, and harassment. We prohibit and will not tolerate any such discrimination or harassment.

As of 12/31/2021

### **Globe Life Workforce Demographics**



#### **Gender:**

66% Female  
34% Male

#### **Generations:**

20% Baby Boomer (1946–1964)  
31% Generation X (1965–1977)  
41% Generation Y/Millennials (1978–1995)  
8% Generation Z (1996–present)

#### **Race/Ethnicity:**

56% White  
21% Black or African American  
12% Hispanic or Latino  
9% Asian  
1% American Indian or Alaskan Native  
1% Two or more races

## Culture of Engagement

We strive to provide an inclusive and welcoming environment for all members of our community.



We have a policy of equal opportunity free from discrimination including with respect to hiring or promotion because of race, sex, marital status, age, color, religion, creed, national origin, physical, sensory or mental disability, veteran status, sexual orientation, gender identity, gender expression, or other protected status or characteristic protected by law. This policy also applies to the engagement of independent sales agents by our insurance subsidiaries. We are committed to a work environment in which all individuals are treated with respect and dignity.

We strive to provide an inclusive and welcoming environment for all members of our community and to ensure that employment, promotion, workplace advancement decisions, and agent-contracting decisions are based on the individual's abilities and qualifications. We are morally and legally committed to give all persons equal opportunities based solely on their individual qualifications and the valid requirements of the position. We provide reasonable accommodations to qualified individuals with disabilities, as required by the Americans with Disabilities Act. Additionally, we encourage individuals with disabilities to come forward and request reasonable accommodations.

We maintain an enterprise-level Human Rights and Labor Policy, which can be found on our corporate website at [Human-Rights-and-Labor-Policy-Jan-2020.pdf](https://www.globelifeinsurance.com/Human-Rights-and-Labor-Policy-Jan-2020.pdf) (globelifeinsurance.com).

### **Culture of Accountability**

We believe in the importance of maintaining a culture of accountability. This culture is driven by our Co-Chairmen and Chief Executive Officers and senior leadership, but all of our employees play a role in ensuring that we perform our work and conduct our business with integrity and in accordance with the highest ethical standards. We are committed to maintaining a business atmosphere and work environment based on honesty, fair dealing, and sound business ethics.

Our Code of Business Conduct and Ethics (“Code of Ethics”) expresses the standards of integrity and business conduct that every employee, contractor, officer, and director must uphold and follow. Adherence to honesty and integrity in our actions only further enhances our Company, employees, policyholders, and shareholders.

We incorporate a culture of accountability into our hiring and engagement activities by clearly specifying expectations and standards for all of our employees. Additionally, all employees are required to take annual training on our Code of Ethics. Lastly, depending on their job responsibilities, certain employees are required to take training courses on the following topics, among others:

- Anti-Fraud
- Part D Compliance (Fraud, Waste, and Abuse)
- Anti-Money Laundering
- Health Insurance Portability & Accountability Act
- Workplace Harassment Prevention

### **Culture of Health and Safety**

We strive to provide a safe and healthy work environment for all employees. Each of us has a responsibility to maintain a safe and healthy workplace for everyone by following safety and health rules and practices and reporting accidents, injuries, unsafe equipment, practices, and conditions. Violence and threatening behavior are not permitted.

Our Employee Handbook includes our policy on occupational health and safety, which applies to all employees. We also publish our quantitative Occupational Safety and Health Act metrics on bulletin boards in all our office locations, and on the company intranet, as required by law.

The Company remains committed to the well-being and safety of its employees, agents, customers, guests, vendors, and shareholders in our resolve to maintain a stable and secure business environment. In response to the COVID-19 pandemic, our crisis management and incident response teams guided the Company through an expedited, yet smooth, transition towards working remotely. We efficiently transitioned approximately 80–85% of the Company’s total workforce, excluding agents, to working remotely and continued to operate in a mostly remote capacity throughout 2021 allowing individuals to return to our facilities on a voluntary basis. Agency operations mostly remained a virtual experience this year providing limited opportunities for in-person exposure as well.

### **Culture of Wellness**

We are committed to helping our employees live healthy and active lives. To help ensure the health of our employees, we provide them with a comprehensive benefits package that includes, but is not limited to, the following:

- Fitness center reimbursement
- Private rooms in all of our Facilities for use by nursing mothers

- On-site flu shots each fall (except when prohibited due to pandemic related conditions and policy)
- Health insurance
- Dental and vision insurance

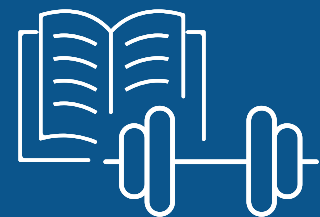
We have also taken steps to create an office environment that promotes wellbeing. The following are some of the wellness initiatives we have implemented:

- Walking trail maps for interior and exterior walks at our corporate HQ
- An employee assistance program designed to support employees with the everyday challenges of life
- Annual on-site mammogram screenings (except when prohibited due to pandemic related conditions and policy)
- Participation in an annual Wellness Week, including a blood drive, a mindfulness and meditation experience, a heart walk, and a 5K race, among other activities (except when prohibited due to pandemic related conditions and policy)
- Periodic webinars related to mental health concepts

### **Culture of Balance**

Time away from work to relax and pursue special interests is important to everyone. We recognize that allowing our employees to have breaks from work and devote time to fun, friends, and family is critical to maintaining their exceptional performance. Our various time-off and leave policies allow our employees to relax and tend to personal matters.

We also recognize a flexible work schedule may make it easier for employees to meet their family/personal needs or responsibilities. Flexible work schedules may be available depending on the specific job requirements.



Time away from work to relax and pursue special interests is important to everyone.

As part of our efforts to ensure that our employees have the opportunity to live balanced lives, we offer the following benefits:

- Health savings accounts
- Flexible spending accounts
- Voluntary life and disability
- Retirement planning programs
- Educational assistance program
- Personal finance programs
- Paid-time off
- Job-protected time off under the Family and Medical Leave Act and other leave programs

### **Culture of Learning & Development**

At Globe Life, we believe in continuous learning. We know that our most valuable resource is our employees, and we want to provide opportunities to continue employee development.

One avenue for our employees' development is our Learn@Globe.Life platform, a learning management system and program that maintains a multitude of professional development opportunities, including online, self-directed, and instructor-led courses on topics ranging from courageous conversations to technical training. An education assistance program is also offered for employees who are continuing their education through an accredited college or curriculum that offers growth in an area related to his or her current position. This can include college credit courses,

continuing education unit courses, seminars, and certification tests. An assortment of formal and informal leadership development opportunities through programs, mentoring, coaching, and assessment based interventions are provided, at no cost to the employee, based on role, proficiency level, and succession planning initiatives.

Additionally, we offer training in communication, public speaking, and leadership development.

We participate in the global Employee Learning Week by celebrating our employees who have made developmental achievements during the year, including the following:

- Participation in learning-related programs
- Receipt of degrees and/or professional certifications
- Attendance at professional conferences and/or career-focused professional development courses
- Learning new languages

We have also implemented a succession planning and talent development program to facilitate the growth of the Company's next generation of leaders.

### **Commitment to Community: Make Tomorrow Better**

Since our roots began in 1900, we have remained fully committed to our beliefs and values. We strive to Make Tomorrow Better, in part by giving financial and service contributions to programs

## Commitment to Community

We focus our charitable giving on organizations that help children, families, and seniors,

as well as those that strive to ensure that all people are able to live full, healthy lives.



that provide hands-on assistance in the communities where we live, work, serve, and visit.

We focus our charitable giving on organizations that support children, families, and seniors, as well as those that work to ensure that people are able to live full, healthy lives. These categories align with our mission to help families make tomorrow better by working to protect their financial future. In 2021, we donated approximately \$2.6 million to organizations within that focus, including charities that support underserved communities, women, and equity and diversity efforts.

Below are some of the organizations we support:

- Alex's Lemonade Stand, Foundation for Childhood Cancer
- American Heart Association
- Caritas of Waco Food Bank
- Children's Advocacy Center for Collin County
- Community Connections
- Community Garden Kitchen
- Empty Bowls McKinney
- Feeding America
- Greater Cleveland Food Bank
- Make-A-Wish
- Meals on Wheels
- New View Oklahoma
- North Texas Food Bank
- Oklahoma City Police Department FACT Program
- Operation Gratitude
- Regional Food Bank of Oklahoma
- Senior Source

- Smile-A-Mile
- Special Olympics of Texas
- Texas Rangers Baseball Foundation
- UT Southwestern Medical
- WiNGS for Women and Families

In addition to Company donations, members of our executive management team as well as employees also personally donate to several of these organizations throughout the year.

We continue to give back to our employees by awarding eight \$2,500 college scholarships to employee dependents each year, as selected by our Charitable Contribution Subcommittee.

We also encourage our employees to volunteer in our communities. Individual departments volunteer their time at organizations that support the needs of children, families, and seniors. The following organizations offer opportunities for our employees to volunteer their time:

- Dallas Area American Heart Association Heart Walk
- Community Garden Kitchen
- Greater Cleveland Food Bank
- Meals on Wheels
- North Texas Food Bank
- Regional Food Bank of Oklahoma

### **Make Tomorrow Better Program**

In addition to volunteer opportunities, the Company supports Meals on Wheels Collin County

by providing printing and marketing services free of charge to help alleviate higher outside costs of direct mail fundraising campaigns.

Our charitable giving extends throughout the organization. The local agency offices of the respective sales divisions of American Income Life Insurance Company, Family Heritage Life Insurance Company of America, and Liberty National Life Insurance Company also strive to make an impact through our Make Tomorrow Better program, an important social responsibility initiative through which we contribute time and financial support to organizations in the communities in which we work, serve, and visit.

When we visit other communities for meetings and conventions, we collaborate with local charities through the Make Tomorrow Better program. We collect donations to directly impact organizations and, whenever possible, we engage in hands-on volunteer opportunities. Our community impact in 2021 spread from Texas to Oklahoma to Ohio, throughout Latino communities in Florida, and across the United States through national organizations, with donations reaching as far as Jamaica.

The following examples show the impact of the Make Tomorrow Better program:

- American Income Life raised over \$106,000 for Waco Habitat for Humanity to help a family change their lives for the better. Company representatives also volunteered their time and efforts to assist with the build.



- Globe Life Family Heritage Division Agency Owners, executives, and staff donated \$35,000 to C5 Youth Foundation of Texas to impact youth in the community, inspiring them to pursue personal success.
- Globe Life Liberty National Division Agency Owners, executives, and staff donated \$22,500 to the Birthday Party Project to support children who have been displaced. Together they engaged in hands-on activities to create cards, videos and gift bags for hundreds of kids.
- American Income Life Agency Owners, executives and staff donated over \$40,000 to the Jaylon Smith Minority Entrepreneurship Institute (MEI) to support minority communities through entrepreneurship.
- Together with funds from Globe Life, Globe Life Family Heritage Division and Globe Life Liberty National Division donated a total of \$18,000 to purchase a new convention oven for Meals on Wheels Collin County to continue support of hungry seniors in the community.
- Globe Life Liberty National Division Agency Owners, executives and staff donated over \$20,000 to the American Nurses Foundation to support nurses across the country in their continued fight against the COVID-19 pandemic.
- Globe Life Family Heritage Division donated thousands of dollars to Liga Contra el Cancer to provide cancer treatment to Latino communities, while Globe Life Liberty National Division donated thousands to Jamaica Youth Education Support to support the education needs of Jamaican children.

## Make Tomorrow Better

Our goal is to help others make tomorrow better,

in part by giving financial and service contributions to programs that provide hands-on assistance in the communities where we live, work, serve, and visit.





We strive to operate with the highest level of integrity and ethics.

## **Code of Ethics**

As we work to meet individual and Company-wide business goals at Globe Life, we must ensure that the work we perform and the business we conduct is done with integrity and in accordance with the highest ethical standards. Globe Life Inc. and its subsidiaries are committed to maintaining a business atmosphere and work environment based on honesty, fair dealing, and sound business ethics.

Our Code of Ethics expresses the standards of integrity and business conduct that every Company employee, contractor, officer, and director must uphold and follow. Adherence to honesty and integrity in our actions only further enhances our company, employees, policyholders, and shareholders. The Code of Ethics can be found on our corporate website at [https://investors.globelifeinsurance.com/MediaLibraries/GlobeLifeInvestorRelations/pdfs/Code-of-Business-Conduct-and-Ethics-\(Ed-Aug-2019\).pdf](https://investors.globelifeinsurance.com/MediaLibraries/GlobeLifeInvestorRelations/pdfs/Code-of-Business-Conduct-and-Ethics-(Ed-Aug-2019).pdf).

## **Board of Directors**

### **Director Responsibilities**

Our directors' activities consist primarily of two basic functions: decision-making and oversight. In the discharge of these functions, it is a director's responsibility to exercise his or her duty of care (by exercising appropriate diligence in making decisions and taking other actions, as well as

overseeing the management of the corporation) and his or her duty of loyalty (by exercising his or her powers as a director in good faith in the best interests of the corporation and not in his or her own interest, or in the interest of another person or organization with which he or she is associated).

Accordingly, a director should become generally familiar with and knowledgeable about our business, including the economic and competitive environment in which we operate. A director is not, however, expected or required to become an expert regarding all areas of our business or any specific aspects thereof.

Directors are expected to attend and participate in Board meetings and the meetings of all Board committees to which they have been appointed, either in person or by teleconference or other electronic means. Directors will receive Board and committee meeting agendas and related meeting materials sufficiently in advance of meetings to allow them to review and enable them to participate in an informed manner at all meetings. Directors receive and are expected to review minutes of Board meetings and the committees on which they serve. Directors will be kept informed of the activities of those Board committees on which they do not serve through the circulation of committee minutes or written or oral reports from such committees to the full Board. Directors may inspect the books and records of Globe Life Inc. and its subsidiaries and may inspect

Company facilities as reasonably appropriate for the performance of their duties.

### **Board Membership Criteria**

We believe there should be wide latitude in the selection of new candidates for membership on the Board. Potential candidates should be assessed in the context of the then-current composition of the Board and the particular needs of the Company.

### **Selection of Directors**

The selection of directors, both for initial election and re-nomination as incumbents, is a crucial part of Globe Life Inc.'s corporate governance.

The development of a broad, inclusive pool of potential director candidates based on the director's independence and qualification standards is at the core of the selection process. Recommendations of potential Board candidates may come from the existing directors, the Co-Chairmen and Chief Executive Officers, the Lead Director, other members of management, shareholders, or external resources used to identify prospective candidates. The Governance and Nominating Committee, in conjunction with the Co-Chairmen and Chief Executive Officers and the Lead Director, reviews the qualifications and attributes of candidates for membership on the Board from whatever source such candidates are received and thereafter reports its recommendations regarding director nominees to the full Board. The Board reviews all candidates proposed for nomination by the Governance and Nominating Committee and may choose to elect such person(s) to the Board in the interim periods between Annual Meetings of Shareholders or to submit such nominees to

the shareholders for election or re-election to the Board at an Annual Meeting of Shareholders.

### **Director Tenure**

Directors will be elected annually for one-year terms, subject the Board's Retirement and Tenure Policy. This policy provides that, absent extraordinary circumstances, non-employee directors will retire at the Annual Meeting of Shareholders of Globe Life Inc. immediately following the earlier of their 74th birthday or their completion of 18 years of service on the Board. Management directors retire at the Annual Meeting of Shareholders immediately following their 70th birthday.

### **Size of the Board**

Our By-Laws provide that the Board will have not less than seven nor more than 15 members. The By-Laws further state that the exact number of directors will be established from time to time by a resolution of the Board.

Maintaining Board membership in this numerical range provides Globe Life Inc. the flexibility to accommodate the availability of an outstanding candidate without hindering effective discussion or diminishing individual accountability.

### **Independence**

At least a majority of the members of the Board shall at all times be "independent" within the guidelines and regulations of the New York Stock Exchange and Securities and Exchange Commission, as then currently set forth. The Board, with the subject director abstaining, shall, after considering all of the relevant circumstances, make an affirmative determination that the director has no material

relationship with Globe Life Inc. or its subsidiaries (either directly or as a partner, has a relationship with Globe Life Inc. or its subsidiaries) before a director will be qualified as independent. Annually, the Governance and Nominating Committee as well as the Board will review the relationships that each director has with Globe Life Inc. and its subsidiaries to ensure compliance with NYSE and SEC requirements.

The Board may adopt and disclose additional categorical standards to assist it in determining director independence. We disclose these independence determinations in our annual disclosure documents.

### **Committees**

The Board is vested with the authority to create such committees as it deems necessary and appropriate. Currently, there are three standing Committees of the Board: (a) Audit, (b) Compensation, and (c) Governance and Nominating. The Board may also from time to time establish certain special purpose committees, designating the duties and members of such committees. Each Committee Chair, in consultation with other committee members, determines the frequency and length of committee meetings.

### **Environmental, Social and Governance Committee**

Our Environmental, Social and Governance Committee, formed in March 2018 as the Sustainability Committee, is comprised of key personnel from our management team, including our Executive Vice President, General Counsel and Chief Risk Officer; Executive Vice President and

Chief Investment Officer; Executive Vice President – Administration and Investor Relations; Corporate Senior Vice President and Chief Talent Officer; Corporate Senior Vice President, Associate Counsel and Corporate Secretary; Divisional Vice President, Enterprise Risk; and our Director of Facilities.

Through the participation of such individuals, this Committee is able to ensure that environmental responsibility and sustainability remain a constant focus for our leadership. The Committee's responsibilities include, but are not limited to:

- Identifying and reviewing all factors (e.g., facility management, disaster recovery, climate risk impacts, data security, investments, corporate expenditures, workplace issues, diversity, equity, and inclusion) that could affect the Company's sustainability agenda;
- Continually scrutinizing our operations for areas in which we can improve our environmental responsibility and sustainability practices, alongside our purpose to help low-to-middle income families achieve financial protection from adverse circumstances;
- Developing policies and procedures that promote sustainable business practices at the Company and tracking the progress achieved through those policies and procedures; and
- Regularly reviewing and updating, as appropriate, this Environmental, Social & Governance Report.

The Committee is a sub-committee of our Enterprise Risk Management (ERM) Committee, described in more detail below. The Chair of the

Committee, our Executive Vice President, General Counsel and Chief Risk Officer provides regular reports on our sustainability practices and agenda to our ERM Committee.

### **Enterprise Risk Management Committee**

Over ten years ago we created an Enterprise Risk Management (ERM) Committee. This committee identifies and reviews all major risks to the Company, develops processes and plans to monitor, address, and mitigate such risks, and establishes risk tolerance levels. Additionally, by receiving regular reports from the Chair of the Environmental, Social and Governance (ESG) Committee, the ERM Committee helps ensure that major environmental and sustainability risks to the Company are identified, and that processes and plans to monitor and mitigate such risks are implemented as appropriate. The ERM Committee consists of senior-level executives such as our Chief Financial Officer, General Counsel and Chief Risk Officer, Chief Investment Officer, Executive Vice President – Administration and Investor Relations, Chief Strategy Officer, Chief Accounting Officer, Chief Information Officer, Chief Actuary, Chief Executive Officers/Presidents of each agency division, Chief Security Officer, Chief Information Security Officer, Chief Compliance

Officer, Divisional Vice President – Internal Audit, Divisional Vice President – Enterprise Risk, Chief Talent Officer, Chief Marketing Officer, and the designated ORSA liaison for the company. The Chair of the Audit Committee also serves as a non-voting member of the ERM Committee and the official liaison of the Board of Directors to the Committee.

The ERM Committee regularly reports to Globe Life Inc.'s Co-Chairmen and Chief Executive Officers and to the Board of Directors following Committee meetings and makes such recommendations, as the Committee deems necessary or appropriate.

We also established an Enterprise Risk Management (ERM) Department to aid the ERM Committee's efforts to identify, assess, and prioritize the Company's most significant risks. The ERM Department supports the Company's business units in evaluating and managing risk in their respective areas, partners with senior management to facilitate appropriate and timely risk reporting from the business units to the ERM Committee and/or ultimately to the Board as necessary, and supports the effort to integrate risk considerations into the strategic planning process.

## Investment Management

Globe Life maintains a conservative investment philosophy.

## **Investment Management**

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 does not 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.

As discussed above, we are actively developing the Company's ESG strategy and disclosures and intend to align with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

## **Impact Investments**

As of December 31, 2021, our portfolio included approximately \$3.2 billion of impact investments as follows:

- Municipal bonds, government agency, and infrastructure: \$2.7 billion
- Limited partnerships that develop low-income housing: \$328 million (since 2010, we have committed to invest \$514 million)
- Renewable energy: \$144 million

## **Corporate Expenditures**

We are well known for our operating expense management. We require employees to use prudence in determining the appropriateness of any corporate expenditure. We have policies and procedures that manage expenditures and ensure appropriate management oversight.

## **Information Security**

Properly gathering, maintaining, and protecting personal information of our customers, agents and employees is critical to our business. The Board of Directors and management considers Information Security to be an enterprise-wide risk management issue and every employee is required to comply with privacy laws and regulations when processing this information.

As a key enterprise risk, Information Security is addressed under the leadership of our Chief Information Security Officer (CISO). Our CISO reports to our Chief Security Officer (CSO) who chairs our Security Risk Committee (SRC), a subcommittee of our Enterprise Risk Management

Committee, where important policy and risk decisions are made by accountable executives. The SRC provides executive direction with respect to our Information Security program and reviews risks associated with the confidentiality, integrity, and availability of critical business systems and sensitive customer and Company data. Our CISO and CSO also provide quarterly reports on Information Security to the Audit Committee, as well as annual reports to the full Board.

This strong top-down management direction aids in the development and maintenance of physical, electronic, and procedural safeguards to comply with applicable regulations and to protect the personal information of our customers, independent agents, and employees. These measures, as set forth in enterprise-wide security policies and procedures, are designed to help prevent the loss, misuse, unauthorized access or disclosure, alteration, or destruction of such personal information.

Our Information Security Program is aligned with applicable laws, regulations, and generally accepted practices from the International Standards Organization (ISO) and the National Institute of Standards and Technology (NIST) Cybersecurity Framework. We use an independent benchmarking service twice each year to ensure that our Information Security capabilities are evolving at the pace necessary to counteract the rapidly evolving threat environment and remain in sync with industry security practices and emerging best practices. Our Information Security policies, processes and performance is also audited each year by independent external auditors as a part of our Sarbanes-Oxley compliance program.

While our Board and management team sets the tone for our Information Security program, we understand that all of our team members play a role in appropriately safeguarding personal information of our customers, agents and employees. All employees receive awareness training on Information Security each year to help them maintain good secure practices. We also provide awareness materials and best practices to our independent agents. Consistent with our practice of operationalizing threat intelligence, the awareness program addresses the human aspect of emerging threats by training on topics like phishing, social engineering, and personal device updates. Lastly, access to personal information is restricted to those team members who “need to know” such information is a part of delivering the products and services requested.

Third-party vendors who store or access consumer information are subject to a vetting and review process consistent with the amount of data held and operational resiliency requirements. This vetting is necessary to provide assurance that third-parties comply with the stringent privacy and security requirements of the insurance industry.

We have an Information Security Incident Response Plan that outlines the process for handling information security incidents. This plan includes the steps necessary to identify, respond, and recover from an incident. We train and assess our response preparations through drills designed to prepare for specific attacks. Material cyber incidents and potential breaches are escalated to executive leadership and managed with our Crisis Management Program.

## **Business Continuity and Crisis Management**

Our resiliency capabilities work to proactively identify contingencies and works to mitigate significant events that may adversely affect our business operations, cash flow, and reputation. These plans identify the priorities of various business processes and prioritizes recovery via our Crisis Management Program.

Our Crisis Management Program is based on the Incident Command System and designed to manage the impacts of high severity events. These hazards may affect our operations, consumer information, or employee safety.

Our Company could potentially be impacted by a natural disaster, ransomware attack, or other potential threat. We have developed a disaster recovery plan to prevent or help lessen the impact of these events. This plan is updated and tested on a recurring timeframe to verify that all information is accurate and operations can be continued in a safe and orderly manner.

The consumer information we retain as a necessary part of our business operations may be the target of threat actors who seek to obtain and sell this nonpublic information. We have developed response playbooks and incident management plans to respond and recover from these attacks. These plans include steps to provide protection for the identities of consumers who may be affected by a data breach. A cyber insurance policy is also in place to mitigate the financial impact of this type of event.



Additionally, we proactively plan mitigation for hazards like severe weather, and infectious diseases, which may affect the health and safety of our employees. We maintain a mass notification process to proactively communicate to employees and a business continuity hotline for more extensive updates so that employees can be kept up to date regarding recovery from these events.

Given this proactive focus on employee safety and business continuity, our response to COVID-19 enabled us rapidly reducing our in-office workers during waves of high infection in order to continue to focus on the health and wellbeing of our employees.

### **Consumer Privacy**

In addition to implementing processes and procedures designed to maintain the security of customer and consumer personal information, we recognize that privacy is a significant concern for both companies and consumers. We are committed to maintaining the privacy of this information and

ensuring it is handled appropriately. We have developed a Privacy program designed to ensure that we are handling personal information appropriately and being transparent regarding the ways we collect, share, and protect such information. Our online Privacy Policy, which explains the ways we collect and use personal information from our websites and mobile applications, can be found at <https://investors.globelifeinsurance.com/privacypolicy>. We also send a printed Privacy Notice to our customers, explaining how we collect and use their information, and how they may contact us.

In addition, we are committed to ensuring that our practices regarding the privacy of customer and consumer personal information align with industry norms and comply with contractual obligations and all applicable laws such as the Gramm-Leach-Bliley Act, Health Insurance Portability and Accountability Act, and the California Consumer Privacy Act. We routinely review and improve our policies and procedures to ensure that we are using confidential information appropriately.

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# **ESG Data Summary**

Data presented in this report is on a consolidated basis for all of Globe Life's operating entities as of year-end.

		2021	2020	2019
<b>ECONOMIC HIGHLIGHTS</b>				
<b>Financial Performance</b>	Total Revenues (\$ in thousands)	\$ 5,112,869	\$ 4,737,921	\$ 4,527,532
	Net Income (\$ in thousands)	\$ 744,959	\$ 731,773	\$ 760,790
	Diluted Net Income Per Share	\$ 7.22	\$ 6.82	\$ 6.83
	Dividends Declared Per Share	\$ 0.79	\$ 0.75	\$ 0.69
	Total Assets (\$ in thousands)	\$ 29,768,048	\$ 29,046,731	\$ 25,977,460
	Net Operating Income (\$ in thousands)	\$ 707,497	\$ 737,592	\$ 752,102
	Net Investment Income (\$ in thousands)	\$ 952,477	\$ 927,062	\$ 910,459
<b>Life Insurance</b>	<i>Number of Policies in Force</i>			
	Whole Life -Traditional	8,963,774	8,717,785	8,477,406
	Whole Life - Interest Sensitive <sup>1</sup>	191,536	199,975	208,822
	Term	4,731,044	4,526,172	4,313,709
	Other	432,372	408,859	399,365
	Total Number of Policies in Force	14,318,726	13,852,791	13,399,302
	Average Face Amount (\$ in thousands)	\$ 15.3	\$ 14.9	\$ 14.5
	Life Insurance in Force (\$ in thousands)	\$ 219,073,057	\$ 205,777,167	\$ 193,346,916
<b>Supplemental Health</b>	<i>Annualized Premium in Force</i>			
	Limited Benefit Plans (\$ in thousands)	\$ 700,767	\$ 617,759	\$ 581,056
	Medicare Supplement (\$ in thousands)	\$ 585,311	\$ 575,603	\$ 557,982
<b>ENVIRONMENTAL</b>				
<b>Climate</b>	TCFD Disclosure (note: Globe Life intends to align with TCFD recommendations and expects to make significant progress towards alignment in 2022 .)	no	no	no
<b>GHG Emissions (Metric tons CO2E)<sup>2</sup></b>	Scope 1 Emissions	1,166		
	Scope 2 Emissions (Location-based)	6,381	5,309	6,904
	Scope 2 Emissions (Market-based)	7,441		
	<b>TOTAL Scope 1 &amp; 2 (Location-based)</b>	<b>7,547</b>		
	<b>TOTAL Scope 1 &amp; 2 (Market-based)</b>	<b>8,607</b>		
	<i>Scope 3 Emissions</i>			
	Category 1: Purchased goods and services	22,457		
	Category 4: Upstream transportation and distribution	11,148		
	Category 6: Business travel	995	427	1,439
	Category 7: Employee commuting (incl. Teleworking)	3,820		
Category 13: Downstream Leased Assets	5,707			
<b>TOTAL Scope 3 (calculated for Cat 1, 4, 6, 7 and 13)</b>	<b>44,127</b>			
<b>Electricity<sup>3</sup></b>	Total Electricity Consumption (MWh)	16,376	14,195	14,682
<b>Water</b>	Total Water Usage (million cubic meters)	0.0768692	0.0683380	0.0843473
<b>Waste (Metric tons)</b>	Total Waste Recycled/Reused	1,880	1,808	1,363
	Total Waste Disposed	124	87	110


1. The Company does not currently sell interest-sensitive whole life products.

2. In 2021, we improved our processes to gather GHG data; we intend to use 2021 as a baseline year. Prior year data has been included if available. For Scope 3, we have included significant sources of GHG emissions in our value chain, excluding Category 15 (Investments).

3. 2021 electricity consumption figure includes data from Globe Life's leased sites.

		2021	2020	2019
<b>SOCIAL</b>				
<b>Workforce Data</b> <sup>4</sup>	Total Headcount	3222	3261	3196
	<i>Gender</i>			
	Female	66%	67%	66%
	Male	34%	33%	34%
	<i>Generations</i>			
	Traditionalist (1945 & before)	-	-	-
	Baby Boomer (1946-1964)	20%	23%	25%
	Generation X (1965-1977)	31%	31%	31%
	Generation Y/Millennials (1978-1995)	41%	41%	40%
	Generation Z (1996-present)	8%	5%	4%
	<i>Race/Ethnicity</i>			
	Black or African American	21%	21%	23%
	Hispanic or Latino	12%	11%	12%
	Asian	9%	9%	9%
	American Indian or Alaskan Native	1%	1%	1%
	Native Hawaiian or Pacific Islander	-	-	-
	Two or more races	1%	5%	2%
	White	56%	53%	53%
	Not Specified	-	5%	-
Women in Leadership Roles	42%	40%	40%	
People of Color in Leadership Roles	21%	20%	21%	
<b>Sales Force Data</b>	Number of Exclusive Producing Agents	13,376	13,897	11,497
	<i>Gender</i>			
	Female	50%	50%	51%
	Male	50%	50%	49%
<b>GOVERNANCE</b>				
<b>Board Composition &amp; Independence</b>	Total Directors	13	11	11
	Percent Independent Directors	85%	82%	82%
	Board Average Age	65.2	65.2	64.2
	Retirement Age and Tenure Policy (yes/no)	yes	yes	yes
	Average Director Tenure	8.3	8.8	7.8
	Independence of Standing Board Committees (yes/no)	yes	yes	yes
	Independent Chairman (yes/no)	no	no	no
	Independent Lead Director (yes/no)	yes	yes	yes
<b>Board Diversity</b>	Number of Women on the Board	5	5	5
	Percent of Directors Who Are Women	38%	45%	45%
	Percent of Independent Directors Who are Women	45%	56%	56%
	Number of Directors with Racial/Ethnic Diversity	2	2	2
	Percent of Directors with Racial/Ethnic Diversity	15%	18%	18%
<b>Board &amp; Committee Meetings</b>	Number of Board and Committee Meetings During the Calendar Year	22	27	27
	Number of Directors Attending Less than 75 Percent of Meetings During the Calendar Year	0	0	0
	Executive Session (yes/no)	yes	yes	yes
	Executive Session of Independent Directors(yes/no)	yes	yes	yes
<b>Stockholder Rights</b>	Annual Election of Directors (yes/no)	yes	yes	yes
	Majority Voting Standard for Director Elections (yes/no)	yes	yes	yes
	Single Voting Class (yes/no)	yes	yes	yes
	Proxy Access (yes/no)	yes	no	no
	Poison Pill (yes/no)	no	no	no
<b>Executive Compensation</b>	Clawback Provision for Executive Compensation (yes/no)	yes	yes	yes
	Double-Trigger Vesting Upon Change in Control (yes/no)	yes	yes	yes
	Stock Ownership Guidelines (yes/no)	yes	yes	yes
	CEO Stock Ownership Multiple of Base Salary	6x	6x	6x
	Non-Management Director Stock Ownership Guidelines (yes/no)	yes	yes	yes
	Non-Management Director Stock Ownership Multiple of Annual Cash Retainer	5x	5x	5x
<b>POLICIES THAT PROMOTE RESPONSIBLE BUSINESS PRACTICES</b>				
<b>Supplier Management</b>	Third Party Code of Conduct		<input checked="" type="checkbox"/>	Links to our corporate governance policies can be found in the Corporate Governance section of our Investor Relations page at: <a href="https://investors.globelifeinsurance.com">https://investors.globelifeinsurance.com</a>
<b>Human Rights &amp; Ethics</b>	Code of Business Conduct and Ethics		<input checked="" type="checkbox"/>	
	Code of Ethics for CEO and Sr. Financial Officers		<input checked="" type="checkbox"/>	
	Human Rights and Labor Policy		<input checked="" type="checkbox"/>	
	Anti-Bribery & Anti-Corruption Policy		<input checked="" type="checkbox"/>	
	Complaint Procedures/Ethics Hotline		<input checked="" type="checkbox"/>	

4. For additional Workforce metrics see Globe Life's Consolidated 2020 and 2019 EEO-01 filings posted to the ESG Report section of our Investor Relations website.

A stylized, semi-transparent globe is centered in the background of the slide. The globe is rendered in a lighter shade of blue than the background, showing the outlines of continents and latitude/longitude lines. The text is overlaid on the left side of the globe.

# **Sustainability Accounting Standards Board (SASB) Disclosures**

## 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><b>Response:</b> 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><b>Response:</b> 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><b>Response:</b> Globe Life does not track claims data in the manner specified for this metric.</p>							
Customer retention rate	FN-IN-270a.3						
<p><b>Response:</b> 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> <tbody> <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> </tbody> </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
<b>Response:</b> 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
<b>Response:</b> 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><b>Response:</b> 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
<b>Response:</b> Globe Life does not have exposure to derivative instruments.	
Total fair value of securities lending collateral assets	FN-IN-550a.2
<b>Response:</b> 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.

