

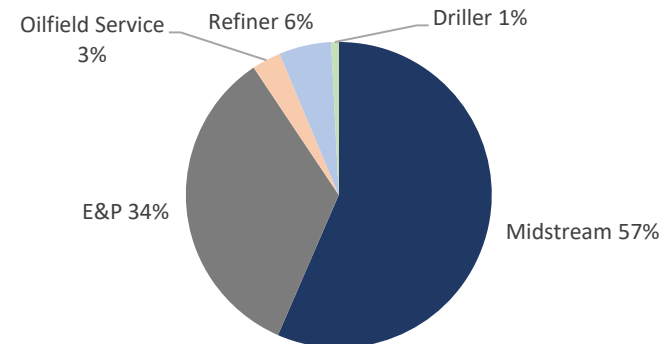
Energy Portfolio- Q1 2020



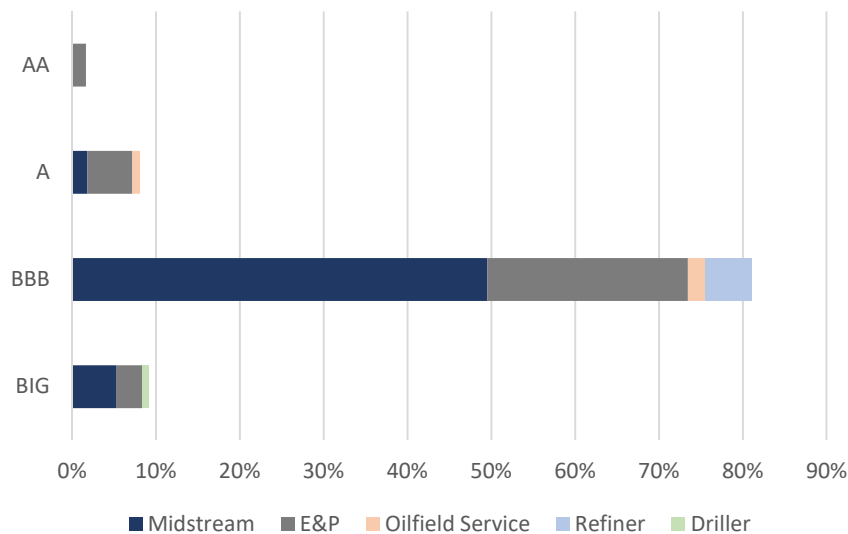
Overview

- ~10% of Globe Life’s fixed maturity portfolio
 - In-line with ICE BofA US Corporate Index (10%) and Less than ICE BofA 15+ Year US Corporate Index (11.4%)
- 91% of Energy exposure rated BBB or higher
- Well-diversified portfolio
 - Exposure across energy value chain with a focus on the more defensive midstream subsector
 - Top 20 energy exposures < 8% of fixed maturity portfolio

Subsector Composition



Limited BIG Exposure



Defensively Positioned

- **Midstream (57%)**
 - Well positioned to manage commodity price volatility
 - GL’s exposure focused on large cap, higher quality issuers
 - Expect issuers to adjust capital allocation policies to defend credit quality
 - Anticipate limited downgrades and view default risk as limited
- **Exploration and Production (34%)**
 - Exposure weighted towards US independent issuers with good scale and resource play diversification as well as adequate liquidity
 - Generally, issuers are reducing capital investments, dividends, buybacks, and headcount to mitigate impact of lower oil prices
 - Primary risk is potential downgrades from NAIC 2 to 3 with limited risk of default