

GLOBE LIFE INC.
Operating Summary

(Unaudited)

(Dollar amounts in thousands, except per share data)

Six Months Ended June 30,			Q2	Q1	Q4	Q3	Q2
2021	2020		2021	2021	2020	2020	2020
		Underwriting income					
		Life:					
\$ 1,436,289	\$ 1,320,452	Premium	\$ 728,170	\$ 708,119	\$ 678,331	\$ 674,021	\$ 670,822
(653,682)	(537,102)	Net policy obligations	(315,976)	(337,706)	(290,722)	(283,437)	(286,637)
(425,003)	(403,046)	Non-deferred commissions and amortization	(211,555)	(213,448)	(204,287)	(200,974)	(203,476)
(42,203)	(39,802)	Non-deferred acquisition expense	(21,884)	(20,319)	(19,581)	(18,907)	(19,010)
315,401	340,502	Underwriting margin	178,755	136,646	163,741	170,703	161,699
		Health:					
589,759	563,082	Premium	295,586	294,173	290,220	287,795	282,877
(326,254)	(316,846)	Net policy obligations	(163,420)	(162,834)	(162,693)	(160,467)	(160,645)
(104,281)	(105,790)	Non-deferred commissions and amortization	(51,315)	(52,966)	(50,094)	(48,733)	(52,261)
(12,583)	(12,741)	Non-deferred acquisition expense	(6,390)	(6,193)	(5,629)	(5,735)	(5,731)
146,641	127,705	Underwriting margin	74,461	72,180	71,804	72,860	64,240
4,363	4,535	Annuity underwriting margin	2,176	2,187	2,241	2,253	2,265
466,405	472,742	Total underwriting margin	255,392	211,013	237,786	245,816	228,204
683	729	Other income	388	295	304	292	404
(133,679)	(125,186)	Administrative expense	(67,503)	(66,176)	(62,753)	(63,008)	(61,566)
333,409	348,285	Underwriting income	188,277	145,132	175,337	183,100	167,042
		Excess investment income					
474,128	460,559	Net investment income	238,308	235,820	235,071	231,432	231,568
(310,678)	(293,064)	Required interest on net policy liabilities	(156,580)	(154,098)	(152,438)	(150,432)	(147,618)
(42,947)	(43,621)	Interest on debt	(21,769)	(21,178)	(21,409)	(21,674)	(22,813)
120,503	123,874	Total excess investment income	59,959	60,544	61,224	59,326	61,137
(5,075)	(4,847)	Parent company expenses	(2,757)	(2,318)	(2,355)	(2,689)	(2,516)
448,837	467,312	Pre-tax operating income	245,479	203,358	234,206	239,737	225,663
(85,885)	(89,830)	Income tax	(47,323)	(38,562)	(44,546)	(45,945)	(43,070)
362,952	377,482	Net operating income before stock compensation expense	198,156	164,796	189,660	193,792	182,593
(9,878)	(11,906)	Stock compensation expense, net of tax	(5,173)	(4,705)	(5,441)	(5,995)	(5,761)
\$ 353,074	\$ 365,576	Net operating income	\$ 192,983	\$ 160,091	\$ 184,219	\$ 187,797	\$ 176,832
\$ 3.38	\$ 3.38	Per share	\$ 1.85	\$ 1.53	\$ 1.74	\$ 1.75	\$ 1.65
104,519	108,058	Average diluted shares outstanding	104,233	104,838	105,778	107,053	107,134
		Reconciling items, net of tax:					
\$ 29,081	\$ (24,401)	Realized gain (loss)—investments	\$ 6,841	\$ 22,240	\$ 20,021	\$ 2,465	\$ (3,784)
—	—	Realized loss—redemption of debt	—	—	—	(501)	—
—	—	Non-operating expenses	—	—	—	(816)	—
(4,020)	(2,587)	Legal proceedings	(206)	(3,814)	—	—	—
\$ 378,135	\$ 338,588	Net income	\$ 199,618	\$ 178,517	\$ 204,240	\$ 188,945	\$ 173,048
\$ 3.62	\$ 3.13	Per share	\$ 1.92	\$ 1.70	\$ 1.93	\$ 1.76	\$ 1.62

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).

GLOBE LIFE INC.
Insurance Operations—Quarter
(Unaudited)
(Dollar amounts in thousands)

	Three Months Ended June 30,							
	Life				Health			
	2021	%	2020	%	2021	%	2020	%
American Income Life Division								
Premium	\$ 347,696		\$ 308,675		\$ 28,789		\$ 25,554	
Net policy obligations	116,289	33	104,123	34	5,931	21	5,149	20
Non-deferred commission & amortization	111,846	32	101,168	33	5,434	19	5,008	20
Non-deferred acquisition expenses	11,556	3	9,930	3	707	2	622	2
Underwriting margin	108,005	31	93,454	30	16,717	58	14,775	58
Direct to Consumer Division								
Premium	249,440		235,201		18,450		19,060	
Net policy obligations	153,329	61	141,751	60	14,601	79	15,267	80
Non-deferred commission & amortization	55,944	22	60,541	26	1,029	6	991	5
Non-deferred acquisition expenses	5,737	2	4,761	2	15	—	—	—
Underwriting margin	34,430	14	28,148	12	2,805	15	2,802	15
Liberty National Division								
Premium	77,853		73,326		47,118		47,391	
Net policy obligations	30,288	39	25,011	34	22,893	49	23,920	50
Non-deferred commission & amortization	27,148	35	25,333	35	8,272	18	9,917	21
Non-deferred acquisition expenses	4,542	6	4,109	6	1,012	2	1,030	2
Underwriting margin	15,875	20	18,873	26	14,941	32	12,524	26
Family Heritage Division								
Premium	1,226		1,042		85,012		77,987	
Net policy obligations	645	53	529	51	43,594	51	40,807	52
Non-deferred commission & amortization	224	18	213	20	17,179	20	16,522	21
Non-deferred acquisition expenses	28	2	24	2	2,004	2	1,801	2
Underwriting margin	329	27	276	26	22,235	26	18,857	24
Other								
Premium	51,955		52,578		116,217		112,885	
Net policy obligations	15,425	30	15,223	29	76,401	66	75,502	67
Non-deferred commission & amortization	16,393	32	16,221	31	19,401	17	19,823	18
Non-deferred acquisition expenses	21	—	186	—	2,652	2	2,278	2
Underwriting margin	20,116	39	20,948	40	17,763	15	15,282	14
Total								
Premium	728,170		670,822		295,586		282,877	
Net policy obligations	315,976	43	286,637	43	163,420	55	160,645	57
Non-deferred commission & amortization	211,555	29	203,476	30	51,315	17	52,261	18
Non-deferred acquisition expenses	21,884	3	19,010	3	6,390	2	5,731	2
Underwriting margin	<u>\$ 178,755</u>	25	<u>\$ 161,699</u>	24	<u>\$ 74,461</u>	25	<u>\$ 64,240</u>	23
Three Months Ended June 30,								
2021								
2020								
Total Underwriting Margins:								
Life	\$ 178,755		\$ 161,699					
Health	74,461		64,240					
Annuity	2,176		2,265					
Other income	388		404					
Administrative & other expenses	(67,503)		(61,566)					
Underwriting income	<u>\$ 188,277</u>		<u>\$ 167,042</u>					

Note: The following divisions are exclusive agencies of Globe Life Inc.: American Income Life Division, Family Heritage Division, and Liberty National Division.

GLOBE LIFE INC.
Insurance Operations—Year-to-Date
(Unaudited)
(Dollar amounts in thousands)

	Six Months Ended June 30,							
	Life				Health			
	2021	%	2020	%	2021	%	2020	%
American Income Life Division								
Premium	\$ 682,591		\$ 611,527		\$ 56,140		\$ 51,281	
Net policy obligations	232,883	34	195,721	32	12,609	22	11,405	22
Non-deferred commission & amortization	221,620	32	201,667	33	10,955	20	10,262	20
Non-deferred acquisition expenses	<u>21,925</u>	3	<u>20,870</u>	3	<u>1,352</u>	2	<u>1,312</u>	3
Underwriting margin	206,163	30	193,269	32	31,224	56	28,302	55
Direct to Consumer Division								
Premium	493,468		455,244		37,810		38,856	
Net policy obligations	322,762	65	261,274	57	29,956	79	31,039	80
Non-deferred commission & amortization	116,653	24	117,587	26	2,060	5	2,075	5
Non-deferred acquisition expenses	<u>11,007</u>	2	<u>9,760</u>	2	<u>23</u>	—	<u>9</u>	—
Underwriting margin	43,046	9	66,623	15	5,771	15	5,733	15
Liberty National Division								
Premium	153,590		146,194		94,158		95,031	
Net policy obligations	65,243	42	49,063	34	46,183	49	48,012	51
Non-deferred commission & amortization	53,811	35	50,618	35	16,823	18	20,235	21
Non-deferred acquisition expenses	<u>8,769</u>	6	<u>8,701</u>	6	<u>2,046</u>	2	<u>2,361</u>	2
Underwriting margin	25,767	17	37,812	26	29,106	31	24,423	26
Family Heritage Division								
Premium	2,344		2,063		168,347		154,970	
Net policy obligations	1,207	51	1,061	51	84,181	50	78,337	51
Non-deferred commission & amortization	451	19	436	21	35,992	21	34,178	22
Non-deferred acquisition expenses	<u>54</u>	2	<u>53</u>	3	<u>3,914</u>	2	<u>4,013</u>	3
Underwriting margin	632	27	513	25	44,260	26	38,442	25
Other								
Premium	104,296		105,424		233,304		222,944	
Net policy obligations	31,587	30	29,983	28	153,325	66	148,053	66
Non-deferred commission & amortization	32,468	31	32,738	31	38,451	16	39,040	18
Non-deferred acquisition expenses	<u>448</u>	—	<u>418</u>	—	<u>5,248</u>	2	<u>5,046</u>	2
Underwriting margin	39,793	38	42,285	40	36,280	16	30,805	14
Total								
Premium	1,436,289		1,320,452		589,759		563,082	
Net policy obligations	653,682	46	537,102	41	326,254	55	316,846	56
Non-deferred commission & amortization	425,003	30	403,046	31	104,281	18	105,790	19
Non-deferred acquisition expenses	<u>42,203</u>	3	<u>39,802</u>	3	<u>12,583</u>	2	<u>12,741</u>	2
Underwriting margin	<u>\$ 315,401</u>	22	<u>\$ 340,502</u>	26	<u>\$ 146,641</u>	25	<u>\$ 127,705</u>	23
Six Months Ended June 30,								
2021								
2020								
Total Underwriting Margins:								
Life	\$ 315,401		\$ 340,502					
Health	146,641		127,705					
Annuity	4,363		4,535					
Other income	683		729					
Administrative & other expenses	<u>(133,679)</u>		<u>(125,186)</u>					
Underwriting income	<u>\$ 333,409</u>		<u>\$ 348,285</u>					

Note: The following divisions are exclusive agencies of Globe Life Inc.: American Income Life Division, Family Heritage Division, and Liberty National Division.

GLOBE LIFE INC.
Net Sales and First-Year Collected Premium
(Unaudited)
(Dollar amounts in thousands)

Net Sales ⁽¹⁾	Three Months Ended June 30,		Increase (Decrease) %	Six Months Ended June 30,		Increase (Decrease) %
	2021	2020		2021	2020	
Life						
American Income Life Division	\$ 73,233	\$ 51,414	42	\$ 142,856	\$ 114,283	25
Direct to Consumer Division	42,281	49,396	(14)	81,972	81,943	—
Liberty National Division	17,923	10,709	67	34,148	23,197	47
Other	2,947	2,610	13	5,635	5,319	6
Total Life	136,384	114,129	19	264,611	224,742	18
Health						
United American Division	12,082	12,001	1	25,027	26,465	(5)
Family Heritage Division	19,165	13,564	41	34,744	29,845	16
Liberty National Division	6,214	4,089	52	12,053	10,032	20
American Income Life Division	4,666	3,688	27	9,277	8,440	10
Direct to Consumer Division	584	522	12	1,226	1,112	10
Total Health	42,711	33,864	26	82,327	75,894	8
Total Net Sales	\$ 179,095	\$ 147,993	21	\$ 346,938	\$ 300,636	15

First-Year Collected Premium ⁽²⁾	Three Months Ended June 30,		Increase (Decrease) %	Six Months Ended June 30,		Increase (Decrease) %
	2021	2020		2021	2020	
Life						
American Income Life Division	\$ 62,835	\$ 51,306	22	\$ 121,432	\$ 101,975	19
Direct to Consumer Division	30,251	26,681	13	60,878	47,775	27
Liberty National Division	12,507	10,642	18	23,747	21,308	11
Other	2,433	2,673	(9)	4,763	5,325	(11)
Total Life	108,026	91,302	18	210,820	176,383	20
Health						
United American Division	14,396	20,848	(31)	28,702	39,853	(28)
Family Heritage Division	14,354	13,138	9	28,165	26,584	6
Liberty National Division	5,032	5,121	(2)	9,847	10,407	(5)
American Income Life Division	4,747	4,444	7	9,334	8,951	4
Direct to Consumer Division	822	741	11	1,581	1,508	5
Total Health	39,351	44,292	(11)	77,629	87,303	(11)
Total First-Year Collected Premium	\$ 147,377	\$ 135,594	9	\$ 288,449	\$ 263,686	9

Net sales and first-year collected premium are statistical measures utilized as indicators of future premium growth. Below are definitions:

(1) Net sales, a statistical performance measure, is calculated as annualized premium issued, net of cancellations in the first thirty days after issue, except in the case of Direct to Consumer, where net sales is annualized premium issued at the time the first full premium is paid after any introductory offer period has expired. Management considers net sales to be a better indicator of the rate of premium growth than annualized premium issued.

(2) First-year collected premium is defined as the premium collected during the reporting period for all policies in their first policy year. First-year collected premium takes lapses into account in the first year when lapses are more likely to occur, and thus is a useful indicator of how much new premium is expected to be added to premium income in the future.

Note: The following divisions are exclusive agencies of Globe Life Inc.: American Income Life Division, Family Heritage Division, and Liberty National Division.

GLOBE LIFE INC.
Condensed Consolidated Balance Sheet
(Unaudited)
(Dollar amounts in thousands, except per share data)

	June 30,	
	2021	2020
Assets:		
Investments:		
Fixed maturities—available for sale, at fair value (amortized cost: 2021—\$17,451,918; 2020—\$16,697,900, allowance for credit losses: 2021—\$0; 2020—\$32,719)	\$ 21,101,780	\$ 19,661,182
Policy loans	583,088	579,541
Other long-term investments (includes: 2021—\$533,658; 2020—\$264,246 under the fair value option)	698,188	432,325
Short-term investments	371,922	531,651
Total investments	<u>22,754,978</u>	<u>21,204,699</u>
Cash	138,072	114,031
Accrued investment income	254,587	251,595
Other receivables	484,392	445,539
Deferred acquisition costs	4,743,032	4,446,356
Goodwill	441,591	441,591
Other assets	763,405	630,369
Total assets	<u>\$ 29,580,057</u>	<u>\$ 27,534,180</u>
Liabilities:		
Future policy benefits	\$ 15,642,106	\$ 14,826,175
Unearned and advance premium	70,550	68,397
Policy claims and other benefits payable	375,823	380,178
Other policyholders' funds	98,316	96,708
Total policy liabilities	<u>16,186,795</u>	<u>15,371,458</u>
Current and deferred income taxes	1,773,524	1,631,817
Short-term debt	259,946	831,076
Long-term debt (estimated fair value: 2021—\$2,164,430; 2020—\$1,417,343)	1,986,116	1,272,104
Other liabilities	756,754	579,356
Total liabilities	<u>20,963,135</u>	<u>19,685,811</u>
Commitments and Contingencies		
Shareholders' equity:		
Preferred stock, par value \$1 per share—5,000,000 shares authorized; outstanding: 0 in 2021 and 2020	—	—
Common stock, par value \$1 per share—320,000,000 shares authorized; outstanding: (2021—113,218,183 issued; 2020—117,218,183 issued)	113,218	117,218
Additional paid-in-capital	524,647	528,060
Accumulated other comprehensive income (loss)	2,750,279	2,231,893
Retained earnings	6,185,966	5,838,930
Treasury stock, at cost: (2021—11,055,223 shares; 2020—10,767,653 shares)	(957,188)	(867,732)
Total shareholders' equity	<u>8,616,922</u>	<u>7,848,369</u>
Total liabilities and shareholders' equity	<u>\$ 29,580,057</u>	<u>\$ 27,534,180</u>
Diluted Basis:		
Shares outstanding	103,081	107,137
Book value per common share	\$ 83.59	\$ 73.26
Book value per common share excluding net unrealized gains on fixed maturities ⁽¹⁾	\$ 55.66	\$ 51.21

(1) ASC 320 includes guidance for treatment of unrealized gains and losses on available-for-sale fixed maturities previously included in FAS 115. This is considered a non-GAAP measure.

GLOBE LIFE INC.

Invested Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

Investment Portfolio at June 30, 2021

	Amortized Cost, net ⁽¹⁾	Fair Value	% of Total Amortized Cost, net	Life & Health Insurance Industry % ⁽¹⁾
Fixed maturities available for sale	\$ 17,451,918	\$ 21,101,780	91	78
Policy loans	583,088	583,088	3	2
Equities	2,760	3,688	—	1
Mortgage loans	160,639	160,639	1	12
Investment real estate	203	203	—	1
Other long-term investments	510,687	533,658	3	5
Short-term investments	371,922	371,922	2	1
Total	<u>\$ 19,081,217</u>	<u>\$ 22,754,978</u>	<u>100</u>	<u>100</u>

(1) Data available from SNL as of December 31, 2020.

Fixed Maturities Available-For-Sale by Amortized Cost, net and Fair Value at June 30, 2021

Summary	Amortized Cost, net	Net Unrealized Gain/(Loss)	Fair Value	Average Rating	% of Total Amortized Cost, net
Investment Grade	\$16,687,978	\$ 3,566,148	\$20,254,126	A-	96
Below Investment Grade ⁽¹⁾	763,940	83,714	847,654	BB-	4
Total	<u>\$17,451,918</u>	<u>\$ 3,649,862</u>	<u>\$21,101,780</u>	A-	<u>100</u>

By Type	Amortized Cost, net	Net Unrealized Gain/(Loss)	Fair Value	Average Rating	% of Total Amortized Cost, net
Corporates ⁽¹⁾	\$14,950,752	\$ 3,308,146	\$ 18,258,898	BBB+	86
Municipals	1,904,617	241,990	2,146,607	AA	11
Government, agencies & GSEs	439,153	67,229	506,382	AAA	2
Collateralized debt obligations (CDOs)	36,288	28,119	64,407	C+	—
Other asset-backed securities	121,108	4,378	125,486	BBB-	1
Total	<u>\$17,451,918</u>	<u>\$ 3,649,862</u>	<u>\$21,101,780</u>	A-	<u>100</u>

(1) Fixed maturities at amortized cost as of June 30, 2021 were \$17.5 billion less \$— for allowance for credit losses.

GLOBE LIFE INC.
Fixed Maturity Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

June 30, 2021

By Sector:	Amortized Cost, net	Net Unrealized Gain/(Loss)	Fair Value⁽¹⁾	Average Rating	% of Total Amortized Cost, net
Financial—life/health/PC insurance	\$ 2,314,258	\$ 516,476	\$ 2,830,734	BBB+	13
Financial—bank	969,497	213,614	1,183,111	BBB+	6
Financial—other	1,239,063	189,798	1,428,861	BBB+	7
Utilities	1,959,373	529,064	2,488,437	A-	11
Energy	1,629,246	362,948	1,992,194	BBB	9
Consumer, non-cyclical	2,224,277	478,991	2,703,268	BBB+	13
Consumer, cyclical	570,670	107,672	678,342	BBB	4
Communications	860,993	160,077	1,021,070	BBB+	5
Basic materials	1,141,312	289,285	1,430,597	BBB	7
Transportation	570,150	143,130	713,280	BBB+	3
Technology	196,022	20,450	216,472	A	1
Other industrials	1,275,891	296,641	1,572,532	BBB+	7
Governments (U.S., municipal, foreign)	2,343,770	309,219	2,652,989	AA	13
Collateralized debt obligations	36,288	28,119	64,407	C+	—
Other asset-backed securities	121,108	4,378	125,486	BBB-	1
Total	\$ 17,451,918	\$ 3,649,862	\$ 21,101,780	A-	100

(1) Amounts reported on the balance sheet.

June 30, 2021

Rating by Sector at Amortized Cost, net:	AAA	AA	A	BBB	BIG	Total
Financial—life/health/PC insurance	\$ —	\$ 160,726	\$ 833,191	\$ 1,262,776	\$ 57,565	\$ 2,314,258
Financial—bank	—	110,408	282,881	549,211	26,997	969,497
Financial—other	—	—	460,880	663,234	114,949	1,239,063
Utilities	—	25,949	1,015,938	867,992	49,494	1,959,373
Energy	—	112,238	148,582	1,182,453	185,973	1,629,246
Consumer, non-cyclical	10,720	10,221	627,927	1,491,134	84,275	2,224,277
Consumer, cyclical	—	5,034	64,714	386,400	114,522	570,670
Communications	—	60,900	144,906	626,392	28,795	860,993
Basic materials	—	16,471	115,968	1,008,873	—	1,141,312
Transportation	—	—	145,764	398,718	25,668	570,150
Technology	14,951	58,515	43,457	79,099	—	196,022
Other industrials	—	23,881	183,016	1,043,380	25,614	1,275,891
Governments (U.S., municipal, foreign)	710,670	1,277,491	355,609	—	—	2,343,770
Collateralized debt obligations	—	—	—	—	36,288	36,288
Other asset-backed securities	307	—	—	107,001	13,800	121,108
Total Amortized Cost, net	\$736,648	\$1,861,834	\$4,422,833	\$9,666,663	\$763,940	\$17,451,918
% of Total Amortized Cost, net	4%	11%	26%	55%	4%	100%

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).

GLOBE LIFE INC.
Fixed Maturity Assets

(Unaudited)

(Dollar amounts in thousands, except per share data)

<u>Below Investment Grade Bonds by Sector at Amortized Cost, net:</u>	June 30, 2021	March 31, 2021	Increase (Decrease) Amount
Financial—life/health/PC insurance	\$ 57,565	\$ 57,612	\$ (47)
Financial—bank	26,997	27,005	(8)
Financial—other	114,949	114,935	14
Utilities	49,494	50,079	(585)
Energy	185,973	186,014	(41)
Consumer, non-cyclical	84,275	84,358	(83)
Consumer, cyclical	114,522	150,885	(36,363)
Communications	28,795	28,842	(47)
Basic materials	—	—	—
Transportation	25,668	25,659	9
Technology	—	—	—
Other industrials	25,614	25,638	(24)
Governments (U.S., municipal, foreign)	—	—	—
Collateralized debt obligations	36,288	36,810	(522)
Other asset-backed securities	13,800	13,875	(75)
Total, net of credit losses	\$ 763,940	\$ 801,712	\$ (37,772)

Fixed Maturity Acquisitions:	Three Months Ended June 30,	
	2021	2020
Amount	\$ 116,284	\$ 351,034
Average annual effective yield	3.7%	4.4%
Average rating	A	A-
Average Life (in years) to:		
Next Call	29.2	16.1
Maturity	35.4	22.8

<u>Below Investment Grade Bonds By SVO⁽¹⁾ Class at Statutory Adjusted Carrying Value:</u>	June 30, 2021	March 31, 2021	Increase (Decrease) Amount
Asset Class 3	\$ 809,419	\$ 827,111	\$ (17,692)
Asset Class 4	140,895	111,504	29,391
Asset Class 5	—	—	—
Asset Class 6 (at lower of cost or market value)	36,288	36,810	(522)
	\$ 986,602	\$ 975,425	\$ 11,177

(1) NAIC Securities Valuation Office