

GLOBE LIFE INC.
Operating Summary

(Unaudited)

(Dollar amounts in thousands, except per share data)

Nine Months Ended September 30,			Q3	Q2	Q1	Q4	Q3
2021	2020		2021	2021	2021	2020	2020
		Underwriting income					
		Life:					
\$ 2,165,213	\$ 1,994,473	Premium	\$ 728,924	\$ 728,170	\$ 708,119	\$ 678,331	\$ 674,021
(984,583)	(820,539)	Net policy obligations	(330,901)	(315,976)	(337,706)	(290,722)	(283,437)
(639,644)	(604,020)	Non-deferred commissions and amortization	(214,641)	(211,555)	(213,448)	(204,287)	(200,974)
(63,591)	(58,709)	Non-deferred acquisition expense	(21,388)	(21,884)	(20,319)	(19,581)	(18,907)
477,395	511,205	Underwriting margin	161,994	178,755	136,646	163,741	170,703
		Health:					
888,902	850,877	Premium	299,143	295,586	294,173	290,220	287,795
(488,301)	(477,313)	Net policy obligations	(162,047)	(163,420)	(162,834)	(162,693)	(160,467)
(157,567)	(154,523)	Non-deferred commissions and amortization	(53,286)	(51,315)	(52,966)	(50,094)	(48,733)
(19,415)	(18,476)	Non-deferred acquisition expense	(6,832)	(6,390)	(6,193)	(5,629)	(5,735)
223,619	200,565	Underwriting margin	76,978	74,461	72,180	71,804	72,860
6,541	6,788	Annuity underwriting margin	2,178	2,176	2,187	2,241	2,253
707,555	718,558	Total underwriting margin	241,150	255,392	211,013	237,786	245,816
1,004	1,021	Other income	321	388	295	304	292
(201,715)	(188,194)	Administrative expense	(68,036)	(67,503)	(66,176)	(62,753)	(63,008)
506,844	531,385	Underwriting income	173,435	188,277	145,132	175,337	183,100
		Excess investment income					
713,103	691,991	Net investment income	238,975	238,308	235,820	235,071	231,432
(469,533)	(443,496)	Required interest on net policy liabilities	(158,855)	(156,580)	(154,098)	(152,438)	(150,432)
(63,833)	(65,295)	Interest on debt	(20,886)	(21,769)	(21,178)	(21,409)	(21,674)
179,737	183,200	Total excess investment income	59,234	59,959	60,544	61,224	59,326
(7,251)	(7,536)	Parent company expenses	(2,176)	(2,757)	(2,318)	(2,355)	(2,689)
679,330	707,049	Pre-tax operating income	230,493	245,479	203,358	234,206	239,737
(129,143)	(135,775)	Income tax	(43,258)	(47,323)	(38,562)	(44,546)	(45,945)
550,187	571,274	Net operating income before stock compensation expense	187,235	198,156	164,796	189,660	193,792
(14,623)	(17,901)	Stock compensation expense, net of tax	(4,745)	(5,173)	(4,705)	(5,441)	(5,995)
\$ 535,564	\$ 553,373	Net operating income	\$ 182,490	\$ 192,983	\$ 160,091	\$ 184,219	\$ 187,797
\$ 5.16	\$ 5.14	Per share	\$ 1.78	\$ 1.85	\$ 1.53	\$ 1.74	\$ 1.75
103,789	107,705	Average diluted shares outstanding	102,381	104,233	104,838	105,778	107,053
		Reconciling items, net of tax:					
\$ 44,714	\$ (21,936)	Realized gain (loss)—investments	\$ 15,633	\$ 6,841	\$ 22,240	\$ 20,021	\$ 2,465
(7,358)	(501)	Realized loss—redemption of debt	(7,358)	—	—	—	(501)
(1,894)	(816)	Non-operating expenses	(1,894)	—	—	—	(816)
(4,020)	(2,587)	Legal proceedings	—	(206)	(3,814)	—	—
\$ 567,006	\$ 527,533	Net income	\$ 188,871	\$ 199,618	\$ 178,517	\$ 204,240	\$ 188,945
\$ 5.46	\$ 4.90	Per share	\$ 1.84	\$ 1.92	\$ 1.70	\$ 1.93	\$ 1.76

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 September 30,							
	Life				Health			
	2021	%	2020	%	2021	%	2020	%
American Income Life Division								
Premium	\$ 356,456		\$ 318,917		\$ 29,070		\$ 27,029	
Net policy obligations	119,102	33	104,453	33	5,594	19	6,226	23
Non-deferred commission & amortization	114,981	32	104,410	33	5,530	19	5,295	20
Non-deferred acquisition expenses	11,234	3	9,841	3	697	2	615	2
Underwriting margin	111,139	31	100,213	31	17,249	59	14,893	55
Direct to Consumer Division								
Premium	240,578		227,734		18,192		19,017	
Net policy obligations	167,037	69	134,403	59	14,466	80	15,099	79
Non-deferred commission & amortization	56,048	23	54,373	24	955	5	1,005	5
Non-deferred acquisition expenses	5,410	2	4,833	2	8	—	10	—
Underwriting margin	12,083	5	34,125	15	2,763	15	2,903	15
Liberty National Division								
Premium	78,528		73,815		46,716		47,199	
Net policy obligations	30,209	38	29,433	40	22,201	48	23,373	50
Non-deferred commission & amortization	27,762	35	25,652	35	8,495	18	8,278	18
Non-deferred acquisition expenses	4,384	6	4,031	5	985	2	938	2
Underwriting margin	16,173	21	14,699	20	15,035	32	14,610	31
Family Heritage Division								
Premium	1,286		1,081		86,925		80,225	
Net policy obligations	592	46	583	54	41,702	48	39,864	50
Non-deferred commission & amortization	273	21	185	17	18,590	21	16,138	20
Non-deferred acquisition expenses	33	3	24	2	2,226	3	1,757	2
Underwriting margin	388	30	289	27	24,407	28	22,466	28
Other								
Premium	52,076		52,474		118,240		114,325	
Net policy obligations	13,961	27	14,565	28	78,084	66	75,905	66
Non-deferred commission & amortization	15,577	30	16,354	31	19,716	17	18,017	16
Non-deferred acquisition expenses	327	1	178	—	2,916	2	2,415	2
Underwriting margin	22,211	43	21,377	41	17,524	15	17,988	16
Total								
Premium	728,924		674,021		299,143		287,795	
Net policy obligations	330,901	45	283,437	42	162,047	54	160,467	56
Non-deferred commission & amortization	214,641	29	200,974	30	53,286	18	48,733	17
Non-deferred acquisition expenses	21,388	3	18,907	3	6,832	2	5,735	2
Underwriting margin	<u>\$ 161,994</u>	22	<u>\$ 170,703</u>	25	<u>\$ 76,978</u>	26	<u>\$ 72,860</u>	25
Three Months Ended September 30,								
2021								
2020								
Total Underwriting Margins:								
Life	\$ 161,994		\$ 170,703					
Health	76,978		72,860					
Annuity	2,178		2,253					
Other income	321		292					
Administrative & other expenses	(68,036)		(63,008)					
Underwriting income	<u>\$ 173,435</u>		<u>\$ 183,100</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)

	Nine Months Ended September 30,							
	Life				Health			
	2021	%	2020	%	2021	%	2020	%
American Income Life Division								
Premium	\$ 1,039,047		\$ 930,444		\$ 85,210		\$ 78,310	
Net policy obligations	351,985	34	300,174	32	18,203	21	17,631	23
Non-deferred commission & amortization	336,601	32	306,077	33	16,485	19	15,557	20
Non-deferred acquisition expenses	33,159	3	30,711	3	2,049	2	1,927	2
Underwriting margin	317,302	31	293,482	32	48,473	57	43,195	55
Direct to Consumer Division								
Premium	734,046		682,978		56,002		57,873	
Net policy obligations	489,799	67	395,677	58	44,422	79	46,138	80
Non-deferred commission & amortization	172,701	24	171,960	25	3,015	5	3,080	5
Non-deferred acquisition expenses	16,417	2	14,593	2	31	—	19	—
Underwriting margin	55,129	8	100,748	15	8,534	15	8,636	15
Liberty National Division								
Premium	232,118		220,009		140,874		142,230	
Net policy obligations	95,452	41	78,496	36	68,384	49	71,385	50
Non-deferred commission & amortization	81,573	35	76,270	35	25,318	18	28,513	20
Non-deferred acquisition expenses	13,153	6	12,732	6	3,031	2	3,299	2
Underwriting margin	41,940	18	52,511	24	44,141	31	39,033	27
Family Heritage Division								
Premium	3,630		3,144		255,272		235,195	
Net policy obligations	1,799	50	1,644	52	125,883	49	118,201	50
Non-deferred commission & amortization	724	20	621	20	54,582	21	50,316	21
Non-deferred acquisition expenses	87	2	77	2	6,140	2	5,770	2
Underwriting margin	1,020	28	802	26	68,667	27	60,908	26
Other								
Premium	156,372		157,898		351,544		337,269	
Net policy obligations	45,548	29	44,548	28	231,409	66	223,958	66
Non-deferred commission & amortization	48,045	31	49,092	31	58,167	17	57,057	17
Non-deferred acquisition expenses	775	—	596	—	8,164	2	7,461	2
Underwriting margin	62,004	40	63,662	40	53,804	15	48,793	14
Total								
Premium	2,165,213		1,994,473		888,902		850,877	
Net policy obligations	984,583	45	820,539	41	488,301	55	477,313	56
Non-deferred commission & amortization	639,644	30	604,020	30	157,567	18	154,523	18
Non-deferred acquisition expenses	63,591	3	58,709	3	19,415	2	18,476	2
Underwriting margin	<u>\$ 477,395</u>	22	<u>\$ 511,205</u>	26	<u>\$ 223,619</u>	25	<u>\$ 200,565</u>	24
Nine Months Ended September 30,								
2021								
2020								
Total Underwriting Margins:								
Life	\$ 477,395		\$ 511,205					
Health	223,619		200,565					
Annuity	6,541		6,788					
Other income	1,004		1,021					
Administrative & other expenses	(201,715)		(188,194)					
Underwriting income	<u>\$ 506,844</u>		<u>\$ 531,385</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 September 30,		Increase (Decrease) %	Nine Months Ended September 30,		Increase (Decrease) %
	2021	2020		2021	2020	
Life						
American Income Life Division	\$ 73,649	\$ 67,808	9	\$ 216,505	\$ 182,091	19
Direct to Consumer Division	33,069	44,253	(25)	115,041	126,196	(9)
Liberty National Division	18,209	13,669	33	52,357	36,866	42
Other	2,726	2,369	15	8,361	7,688	9
Total Life	127,653	128,099	—	392,264	352,841	11
Health						
United American Division	11,849	12,870	(8)	36,876	39,335	(6)
Family Heritage Division	19,367	19,469	(1)	54,111	49,314	10
Liberty National Division	6,890	5,788	19	18,943	15,820	20
American Income Life Division	4,500	6,140	(27)	13,777	14,580	(6)
Direct to Consumer Division	481	496	(3)	1,707	1,608	6
Total Health	43,087	44,763	(4)	125,414	120,657	4
Total Net Sales	\$ 170,740	\$ 172,862	(1)	\$ 517,678	\$ 473,498	9

First-Year Collected Premium ⁽²⁾	Three Months Ended September 30,		Increase (Decrease) %	Nine Months Ended September 30,		Increase (Decrease) %
	2021	2020		2021	2020	
Life						
American Income Life Division	\$ 64,711	\$ 55,203	17	\$ 186,143	\$ 157,178	18
Direct to Consumer Division	26,257	28,418	(8)	87,135	76,193	14
Liberty National Division	13,237	10,645	24	36,984	31,953	16
Other	2,499	2,492	—	7,262	7,817	(7)
Total Life	106,704	96,758	10	317,524	273,141	16
Health						
United American Division	14,336	20,095	(29)	43,038	59,948	(28)
Family Heritage Division	14,670	13,841	6	42,835	40,425	6
Liberty National Division	5,202	4,992	4	15,049	15,399	(2)
American Income Life Division	4,886	4,908	—	14,220	13,859	3
Direct to Consumer Division	795	748	6	2,376	2,256	5
Total Health	39,889	44,584	(11)	117,518	131,887	(11)
Total First-Year Collected Premium	\$ 146,593	\$ 141,342	4	\$ 435,042	\$ 405,028	7

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)

	September 30,	
	2021	2020
Assets:		
Investments:		
Fixed maturities—available for sale, at fair value (amortized cost: 2021—\$17,622,028; 2020—\$16,892,054, allowance for credit losses: 2021—\$0; 2020—\$4,387)	\$ 21,160,866	\$ 20,277,056
Policy loans	585,791	581,211
Other long-term investments (includes: 2021—\$586,223; 2020—\$326,641 under the fair value option)	733,177	492,884
Short-term investments	93,364	263,879
Total investments	22,573,198	21,615,030
Cash	96,325	80,101
Accrued investment income	264,257	259,697
Other receivables	485,475	458,359
Deferred acquisition costs	4,837,409	4,517,255
Goodwill	481,791	441,591
Other assets	758,123	669,860
Total assets	\$ 29,496,578	\$ 28,041,893
Liabilities:		
Future policy benefits	\$ 15,837,212	\$ 15,045,864
Unearned and advance premium	64,900	64,703
Policy claims and other benefits payable	395,914	367,453
Other policyholders' funds	98,151	97,463
Total policy liabilities	16,396,177	15,575,483
Current and deferred income taxes	1,749,427	1,682,060
Short-term debt	393,593	279,758
Long-term debt (estimated fair value: 2021—\$1,680,536; 2020—\$1,842,164)	1,546,194	1,667,506
Other liabilities	803,036	612,178
Total liabilities	20,888,427	19,816,985
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	533,683	536,727
Accumulated other comprehensive income (loss)	2,661,619	2,550,619
Retained earnings	6,353,261	6,002,407
Treasury stock, at cost: (2021—12,078,358 shares; 2020—12,160,518 shares)	(1,053,630)	(982,063)
Total shareholders' equity	8,608,151	8,224,908
Total liabilities and shareholders' equity	\$ 29,496,578	\$ 28,041,893
Diluted Basis:		
Shares outstanding	101,848	105,986
Book value per common share	\$ 84.52	\$ 77.60
Book value per common share excluding net unrealized gains on fixed maturities ⁽¹⁾	\$ 57.11	\$ 52.39

(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 September 30, 2021

	Amortized Cost, net ⁽¹⁾	Fair Value	% of Total Amortized Cost, net	Life & Health Insurance Industry % ⁽²⁾
Fixed maturities available for sale	\$ 17,622,028	\$ 21,160,866	93	78
Policy loans	585,791	585,791	3	2
Equities	8,751	9,679	—	1
Mortgage loans	137,072	137,072	1	12
Investment real estate	203	203	—	1
Other long-term investments	561,668	586,223	3	5
Short-term investments	93,364	93,364	—	1
Total	<u>\$ 19,008,877</u>	<u>\$ 22,573,198</u>	<u>100</u>	<u>100</u>

1) Fixed maturities at amortized cost as of September 30, 2021 were \$17.6 billion less \$— for allowance for credit losses.

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

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

Summary	Amortized Cost, net	Net Unrealized Gain/(Loss)	Fair Value	Average Rating	% of Total Amortized Cost, net
Investment Grade	\$16,839,577	\$ 3,440,447	\$20,280,024	A-	96
Below Investment Grade	782,451	98,391	880,842	BB-	4
Total	<u>\$17,622,028</u>	<u>\$ 3,538,838</u>	<u>\$21,160,866</u>	A-	<u>100</u>

By Type

Corporates	\$14,970,304	\$ 3,233,039	\$ 18,203,343	BBB+	85
Municipals	2,068,436	212,512	2,280,948	AA	12
Government, agencies & GSEs	441,496	61,890	503,386	AAA	2
Collateralized debt obligations (CDOs)	36,088	27,073	63,161	C+	—
Other asset-backed securities	105,704	4,324	110,028	BBB-	1
Total	<u>\$17,622,028</u>	<u>\$ 3,538,838</u>	<u>\$21,160,866</u>	A-	<u>100</u>

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)

September 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	\$ 2,334,750	\$ 514,991	\$ 2,849,741	BBB+	13
Financial—bank	969,030	211,203	1,180,233	BBB+	6
Financial—other	1,259,954	188,753	1,448,707	BBB+	7
Utilities	1,935,489	508,294	2,443,783	A-	11
Energy	1,603,163	362,768	1,965,931	BBB	9
Consumer, non-cyclical	2,248,326	466,283	2,714,609	BBB+	13
Consumer, cyclical	570,868	108,157	679,025	BBB	4
Communications	870,847	148,509	1,019,356	BBB+	5
Basic materials	1,145,641	281,767	1,427,408	BBB	6
Transportation	570,212	138,732	708,944	BBB+	3
Technology	197,142	14,731	211,873	A+	1
Other industrials	1,264,882	288,851	1,553,733	BBB+	7
Governments (U.S., municipal, foreign)	2,509,932	274,402	2,784,334	AA	14
Collateralized debt obligations	36,088	27,073	63,161	C+	—
Other asset-backed securities	105,704	4,324	110,028	BBB-	1
Total	\$ 17,622,028	\$ 3,538,838	\$ 21,160,866	A-	100

(1) Amounts reported on the balance sheet.

September 30, 2021

Rating by Sector at Amortized Cost, net:	AAA	AA	A	BBB	BIG	Total
Financial—life/health/PC insurance	\$ —	\$ 174,412	\$ 832,979	\$1,269,841	\$ 57,518	\$ 2,334,750
Financial—bank	—	110,319	287,895	543,828	26,988	969,030
Financial—other	—	—	493,206	668,568	98,180	1,259,954
Utilities	—	25,910	1,009,485	850,743	49,351	1,935,489
Energy	—	111,988	148,422	1,156,823	185,930	1,603,163
Consumer, non-cyclical	10,714	13,269	632,526	1,507,626	84,191	2,248,326
Consumer, cyclical	—	5,034	85,155	329,975	150,704	570,868
Communications	—	60,877	144,820	636,401	28,749	870,847
Basic materials	—	16,459	115,828	1,013,354	—	1,145,641
Transportation	—	—	211,534	333,133	25,545	570,212
Technology	14,956	58,526	53,280	70,380	—	197,142
Other industrials	—	23,882	182,598	1,032,813	25,589	1,264,882
Governments (U.S., municipal, foreign)	713,988	1,458,285	337,659	—	—	2,509,932
Collateralized debt obligations	—	—	—	—	36,088	36,088
Other asset-backed securities	274	—	—	91,812	13,618	105,704
Total Amortized Cost, net	\$739,932	\$2,058,961	\$4,535,387	\$9,505,297	\$782,451	\$17,622,028
% of Total Amortized Cost, net	4%	12%	26%	54%	4%	100%

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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>	September 30, 2021	June 30, 2021	Increase (Decrease) Amount
Financial—life/health/PC insurance	\$ 57,518	\$ 57,565	\$ (47)
Financial—bank	26,988	26,997	(9)
Financial—other	98,180	114,949	(16,769)
Utilities	49,351	49,494	(143)
Energy	185,930	185,973	(43)
Consumer, non-cyclical	84,191	84,275	(84)
Consumer, cyclical	150,704	114,522	36,182
Communications	28,749	28,795	(46)
Basic materials	—	—	—
Transportation	25,545	25,668	(123)
Technology	—	—	—
Other industrials	25,589	25,614	(25)
Governments (U.S., municipal, foreign)	—	—	—
Collateralized debt obligations	36,088	36,288	(200)
Other asset-backed securities	13,618	13,800	(182)
Total, net of credit losses	\$ 782,451	\$ 763,940	\$ 18,511

<u>Fixed Maturity Acquisitions:</u>	<u>Three Months Ended September 30,</u>	
	2021	2020
Amount	\$ 325,255	\$ 342,583
Average annual effective yield	3.2%	3.2%
Average rating	A+	A+
Average Life (in years) to:		
Next Call	19.3	17.8
Maturity	29.2	29.2

<u>Below Investment Grade Bonds By SVO⁽¹⁾ Class at Statutory Adjusted Carrying Value:</u>	September 30, 2021	June 30, 2021	Increase (Decrease) Amount
Asset Class 3	\$ 863,641	\$ 809,419	\$ 54,222
Asset Class 4	105,763	140,895	(35,132)
Asset Class 5	—	—	—
Asset Class 6 (at lower of cost or market value)	36,088	36,288	(200)
	\$ 1,005,492	\$ 986,602	\$ 18,890

(1) NAIC Securities Valuation Office

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