

Investor Update

June 8, 2022



National Life Group® is a trade name of National Life Insurance Company, founded in Montpelier, VT in 1848, Life Insurance Company of the Southwest, Addison, TX, chartered in 1955, and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. Life Insurance Company of the Southwest is not an authorized insurer in New York and does not conduct insurance business in New York.

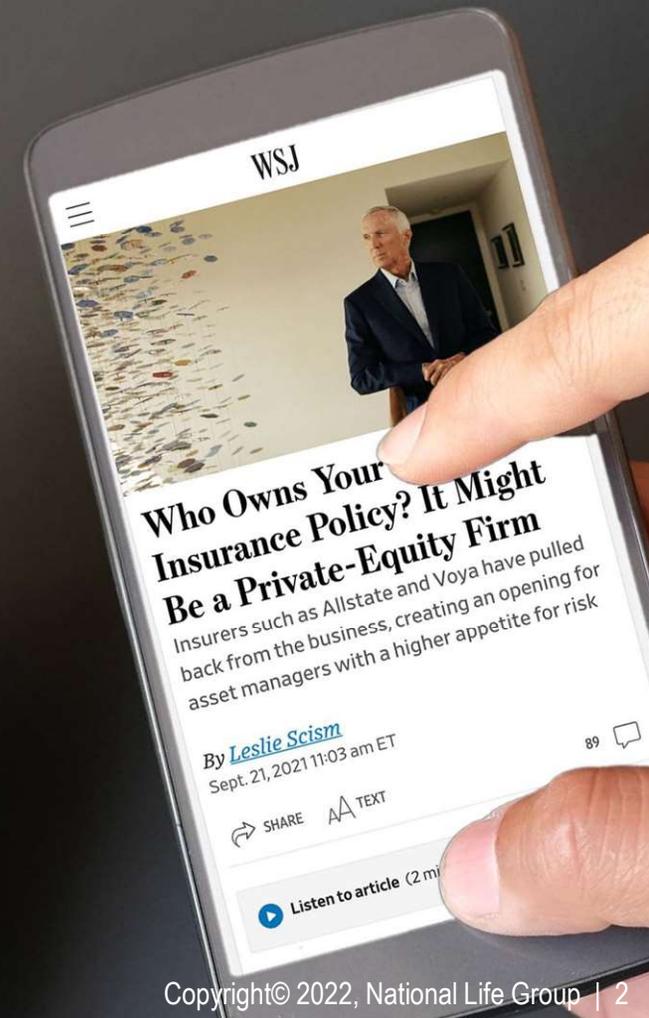
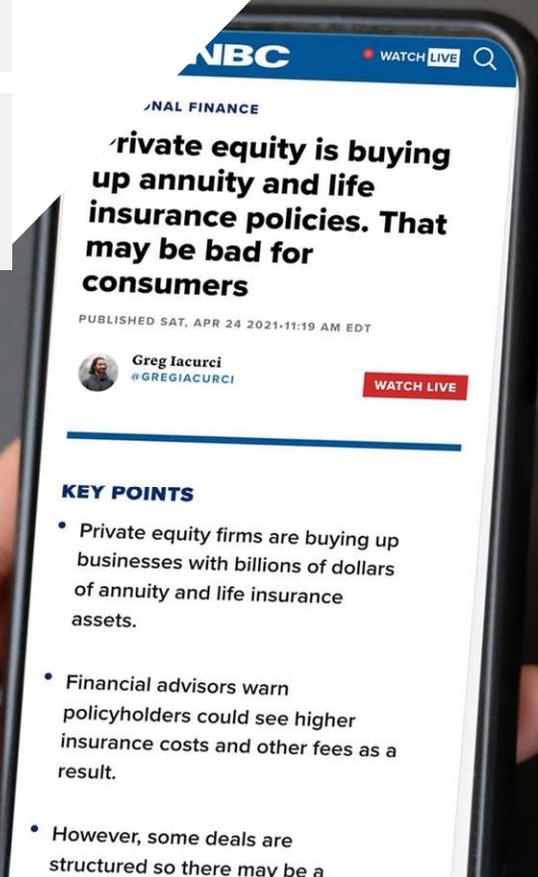
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Independent to Pursue Our Mission, Vision, and Values

We are a progressive mutual

The performance focus of a stock company

With the long-term perspective of a mutual company



Serving Main Street Drives Our Success

Customer-focused products
For protection, retirement and investment

A leader in the K-12 individual 403(b)
educator marketplace

Complete set of solutions for small
business owners

Embedded in the multicultural markets

Mission

Keeping Our Promises

Vision

Bring Peace of Mind
to Everyone We Touch

Values

Do good.
Be good.
Make good.

We had a Record 2021

Up
25%
from 2020

\$441M Life WNAP¹ Sales

Record Life Sales; \$87M above 2020

Up
28%
Over 2020

\$370M Core Earnings²

Record earnings; \$81M above 2020

Up
17%
Over 2020

\$3.4B Total Adjusted Capital³

Capital has grown at 10% 5-Year CAGR



NLG's Strength and Performance is Recognized



A.M. Best

Upgraded to A+

Financial Strength Rating citing:

- "balance sheet strength"*
- "strong operating performance"*
- "strong market position"*
- "well-developed risk framework"*



Standard & Poor's

Affirmed A+

Financial Strength Rating citing:

- "well-balanced product portfolio"*
- "excellent capital and earnings"*
- "strong competitive position"*
- "well-established distribution"*



Moody's

Upgraded to A1

Financial Strength Rating citing:

- "strong capital levels"*
- "diversified distribution network"*
- "rapidly growing market position"*
- "consistent operating profitability"*

Both **A.M. Best** and **Moody's** upgraded our financial strength ratings in June 2021

Financial strength ratings for NLIC and LSW as of 5/31/22.

A.M. Best: A+ (Superior) 2nd out of 16 ratings, Standard & Poor's: A+ (Strong) 5th out of 21 ratings, Moody's: A1 (Good) 5th out of 21 ratings

Ratings are subject to change.

Consistent Market Prominence

#1

for Fixed Indexed Annuities in Employer Sponsored Plans⁴

#1 for over 10 years

#3

for Indexed Universal Life Insurance Sales⁵

Up from #4 in 2016

#10

for individual life insurance sales out of all reporting U.S. life insurance companies⁵

Up from #18 in 2016

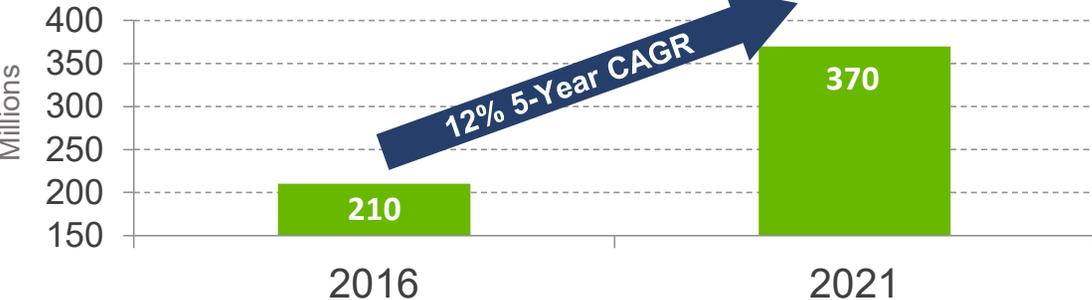
NLG produced a 5-year Life sales **growth of 128%** compared to industry growth of 20%⁶

NLG has Delivered Strong Performance

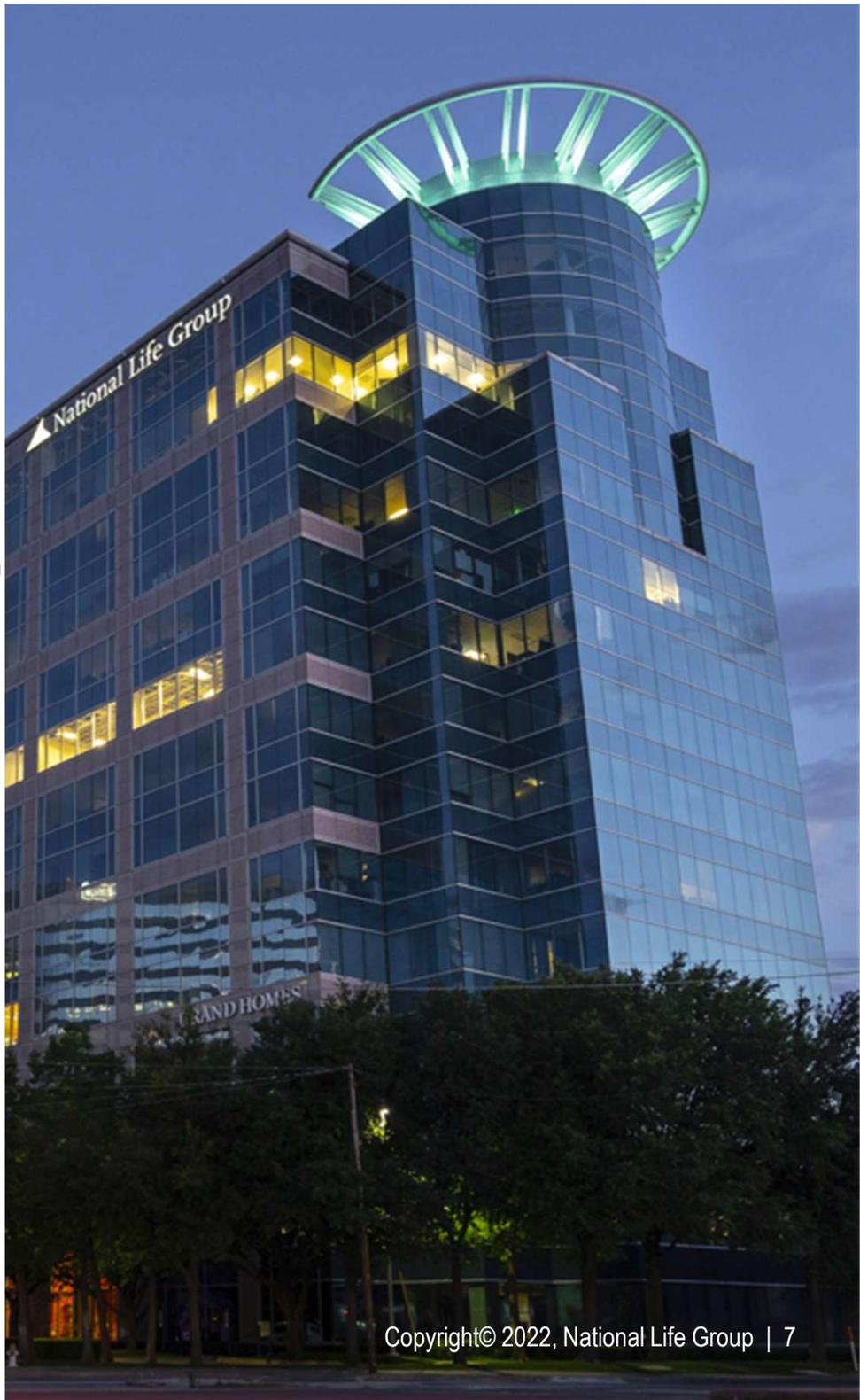
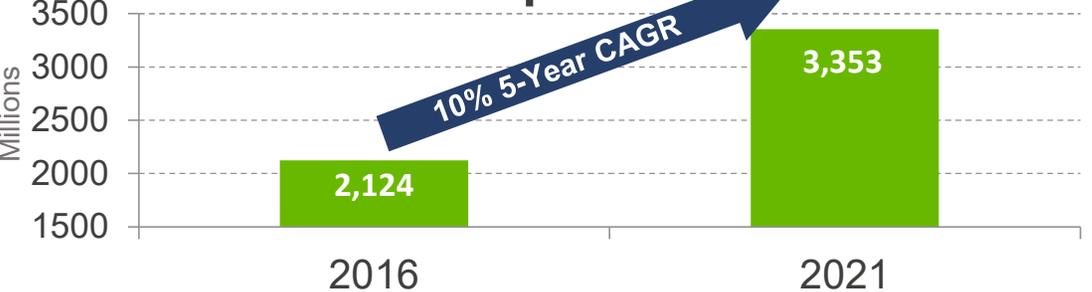
128% Increase in Life WNAP¹



76% Increase in Core Earnings²

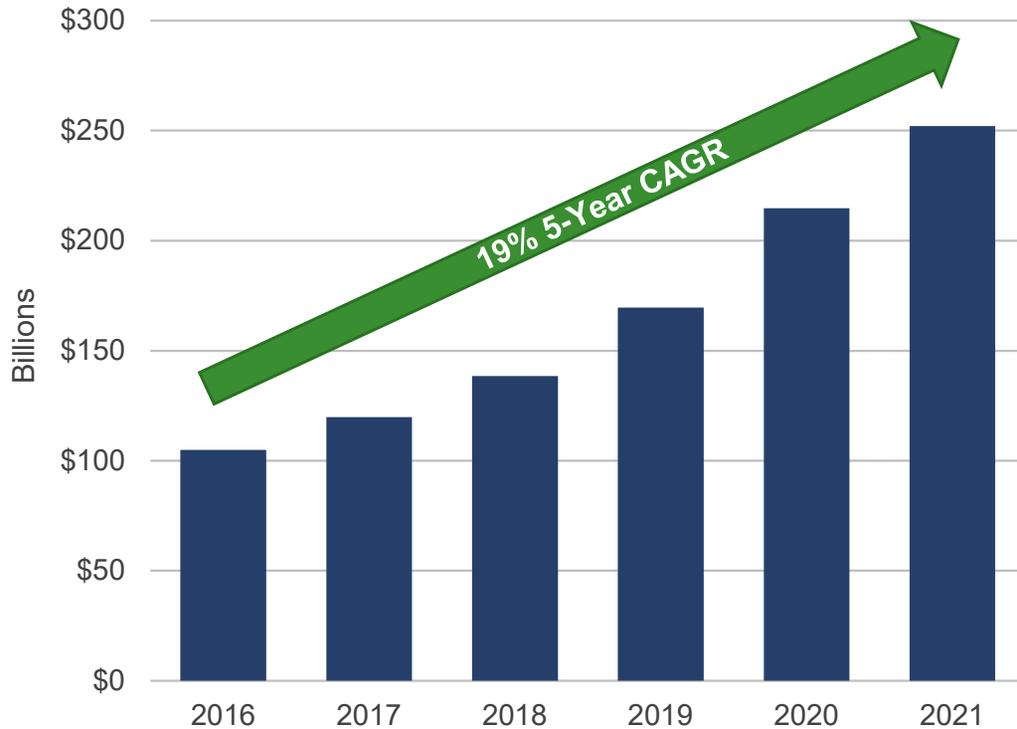


58% Increase in Total Adjusted Capital³

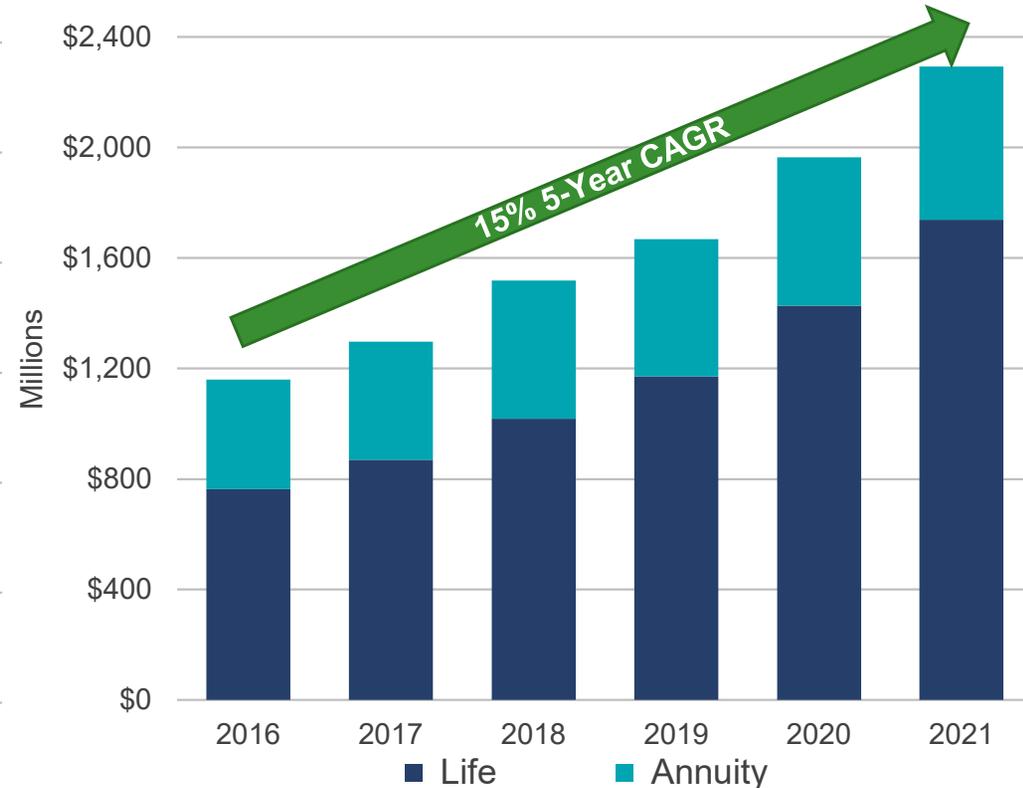


NLG's Robust Sales Drive In Force Growth

Life Face Amount In Force⁷



Renewal Premiums⁷

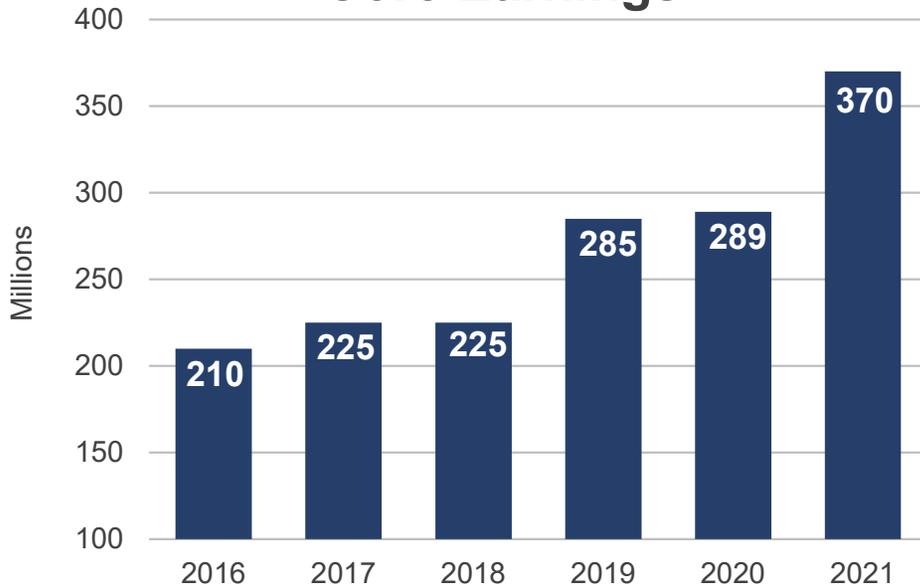


Life Face Amount In Force has increased 140% during the past 5 years

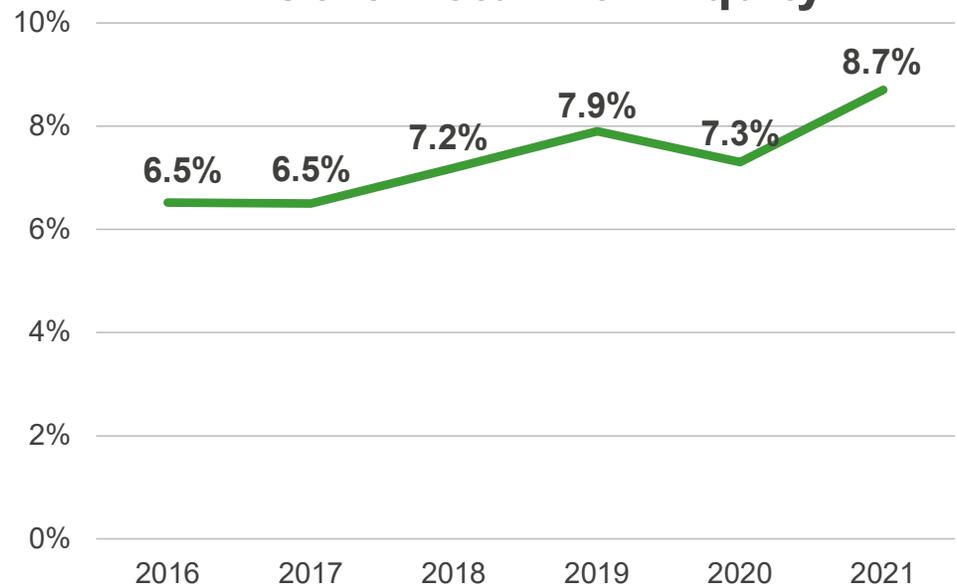
Renewal premiums have doubled over the past 5 years supporting our strong top-line statutory growth

Profitable Growth Drives Core Earnings

Core Earnings²



Core Return on Equity²



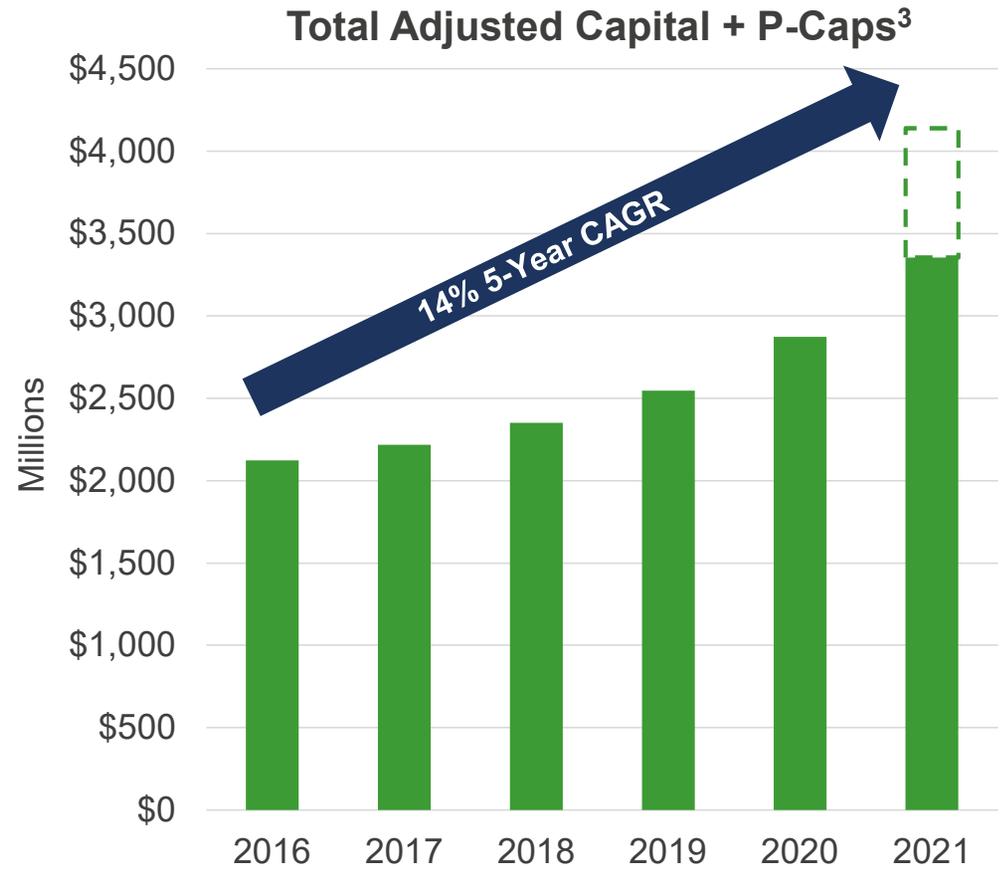
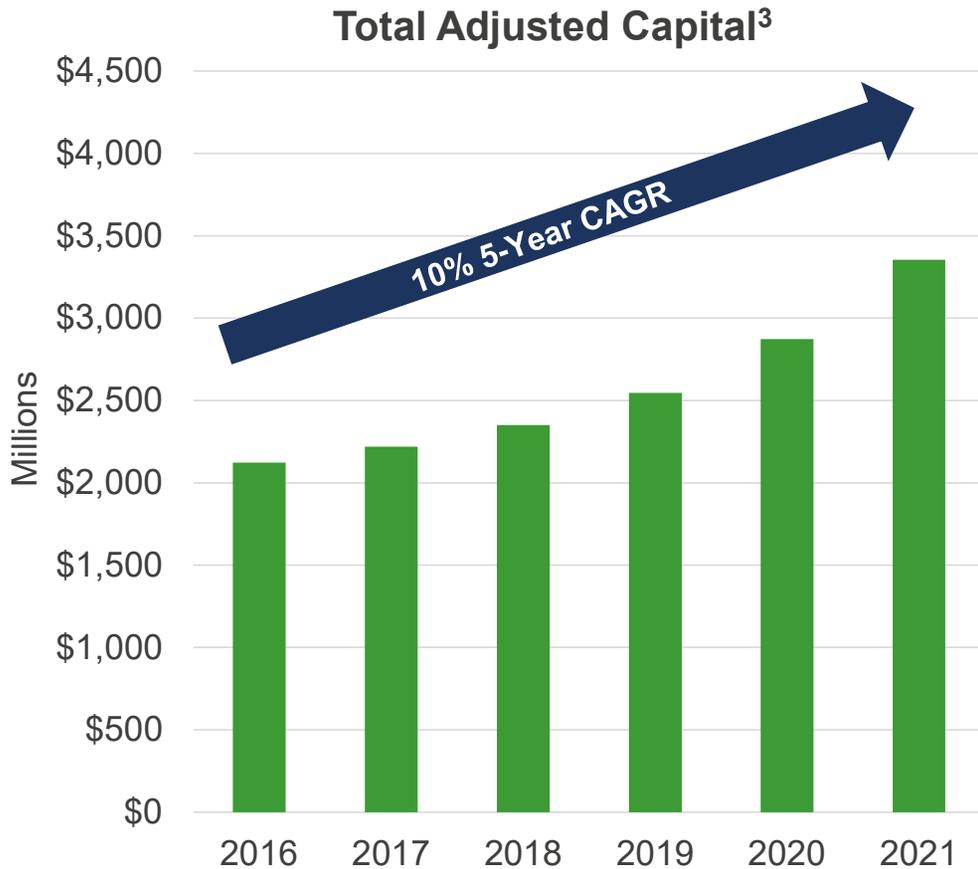
Strong life margins during pandemic despite increased mortality

Stable annuity results in low interest rate environment

Effective management of rates and caps while **balancing product competitiveness** with financial performance

Disciplined **expense management**

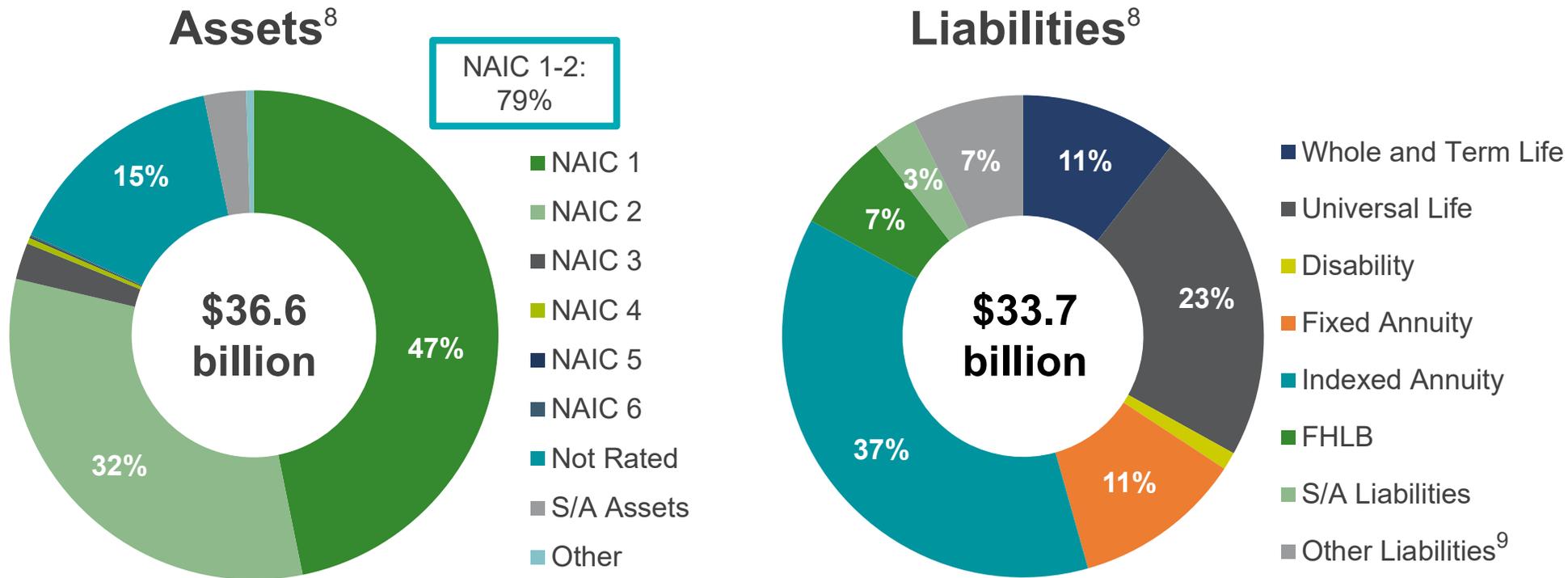
NLG has a History of Strong and Consistent Capital Growth



Capital levels remain **strong while growing** Life sales at 18% 5-Year CAGR

The \$750M 30-year Senior P-Caps issuance adds to our strong capital position and **enhances financial flexibility** in all market environments

Our High-Quality Investment Portfolio Supports a Diversified Product Portfolio

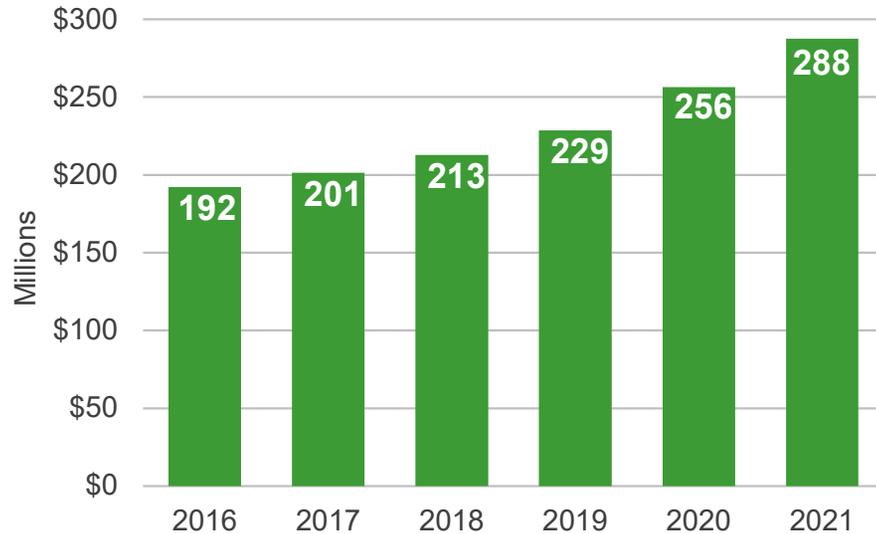


Over **96%** of rated fixed income securities are NAIC 1 or 2

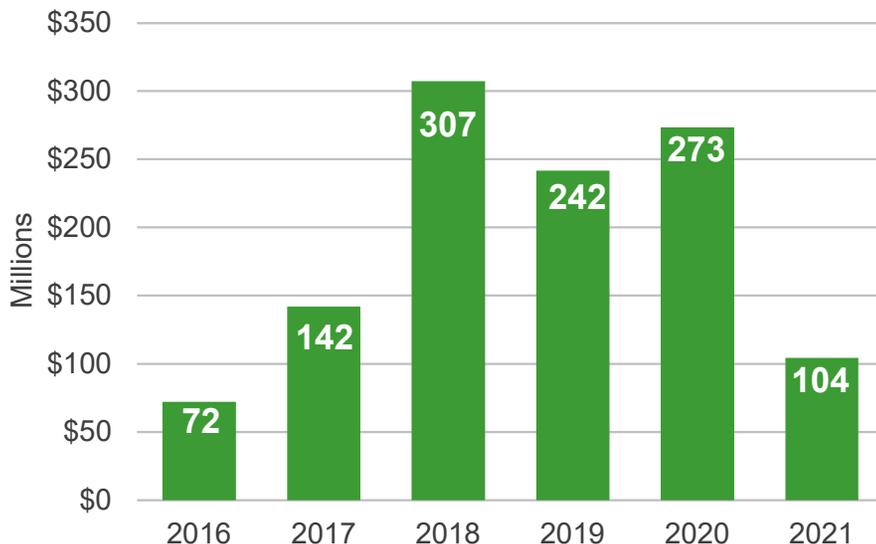
Our product portfolio is **well diversified** with a balance of life and annuities

NLG Maintains Significant Financial Flexibility and Very Strong Liquidity

Dividend Capacity



Statutory Cash and Cash Equivalents



- **In excess of \$1B in available liquidity** from FHLB Boston and Dallas as of 2021
- **2021 reduction in statutory cash and cash equivalents** from a focus on efficient use of investable cash
- **Additional financial flexibility** from:
 - Our ability to loan up to 3% of admitted assets to holding company (over \$330 million in capacity representing ~9 years of debt service coverage).
 - The \$750 million P-Caps issuance with a year-end market value of \$786 million

NLG is off to a **Solid Start** in 2022

Q1 2022 Results

Sales continue to be strong with \$93M Life WNAP¹

\$91M **Core Earnings**² reflects growth in Life revenues, disciplined expense management, and positive alternative investment returns

Total GAAP Assets¹⁰ without unrealized gains and losses are \$40B, and **Total Liabilities** are \$36B¹⁰

Capital, liquidity, and hedging remain strong through market volatility



Appendix



National Life
Group®

Our Core Earnings² Metric Removes Market Volatility

\$ Millions	For the year ended Dec 31			For the three months ended March 31	
	2019	2020	2021	1Q21	1Q22
Net income	\$223.5	\$193.6	\$392.1	\$82.7	\$68.0
Net investment (gains) losses	38.9	20.4	(175.3)	(55.4)	(37.4)
Other non-core adjustments related to net investment gains and losses	(0.5)	(1.6)	9.2	5.8	(4.7)
Income tax expense (benefit)	56.5	15.2	100.5	22.0	18.1
Pre-tax operating income	318.4	227.6	326.5	55.1	44.0
Non-core (earnings) losses	(33.0)	61.3	43.6	35.9	46.9
Core earnings²	\$285.5	\$289.0	\$370.1	\$91.0	\$90.9

NLG has a Strong and Flexibly Balance Sheet

\$ Millions	2017	2018	2019	2020	2021
Total debt (senior, surplus, trust)	453	791	915	915	916
Retained Earnings ¹¹	2,592	2,742	3,011	3,205	3,597
Total capitalization¹²	3,045	3,533	3,926	4,120	4,513
Debt / Total capitalization	14.9%	22.4%	23.3%	22.2%	20.3%
Core earnings coverage ¹³	6.7x	5.6x	5.5x	5.4x	6.6x

¹ Life sales include total weighted new annualized premium (“WNAP”) for National Life Insurance Company (“NLIC”) and Life Insurance Company of the Southwest (“LSW”). Flow annuity and single premium deferred annuity (“SPDA”) sales include total deposits for NLIC and LSW. For the year ended 12/31/21 NLIC life insurance WNAP were \$58M, flow annuity total deposits were \$8M, and SPDA total deposits were less than \$1M. For the three months ended 3/31/22, NLIC life insurance WNAP were \$12M and flow annuity total deposits were \$1M, and SPDA total deposits were less than \$1M.

² Core Earnings and Core Return on Equity (“ROE”) are group only non-GAAP measures (U.S. Generally Accepting Accounting Principles or “GAAP”) based on the consolidated financial position of NLV Financial Corporation (“NLVF”) and its subsidiaries and affiliates as of 12/31/21. Core Earnings is a non-GAAP, pre-tax measure we use to evaluate our financial performance. It excludes investment gains/losses and accounting volatility related to our indexed life and annuity products. We believe Core Earnings is a useful measure to analyze our results and trends because it excludes such short-term volatility and is more consistent with the economics and long-term performance of our indexed products. Core ROE is tax effected at the statutory tax rate. For additional information, refer to our quarterly financial statements by visiting: <https://www.NationalLife.com/OurStory-Financials>.

³ Statutory total adjusted capital (“TAC”) for National Life Insurance Company. TAC is an industry measure used by state regulators to measure a life insurer’s risk-based capital adequacy, and includes statutory capital and surplus adjusted for certain liabilities.

⁴ LIMRA US Individual Annuity Industry Sales Report, 4Q2021.

⁵ LIMRA US Retail Individual Sales Participant Report 4Q2021.

⁶ LIMRA US Retail Individual Life Insurance Sales Participant Report, 4Q2016 and 4Q2021.

⁷ Life Face Amount In Force and Renewal Premiums are based on consolidated results of NLIC and LSW for the year ended 12/31/21. NLIC Life Face Amount In Force was \$55.6B and Renewal Premiums were \$432M.

⁸ Comprises the combined portfolios of NLIC and LSW as of 12/31/21 on a statutory basis. Total statutory assets and liabilities for NLIC as of 12/31/21 were \$11.0B and \$8.1B, respectively.

⁹ Other Liabilities include derivatives (\$1.5B) and AVR/IVR (\$550M).

¹⁰ Based on the consolidated GAAP financial position as of 12/31/21. Total assets exclude bond unrealized gains and losses.

¹¹ Retained Earnings is defined as the equity value before other accumulated comprehensive income.

¹² Total capitalization = Debt + Retained Earnings

¹³ Core earnings Coverage = (Core earnings - Interest expense) / Interest expense.

This presentation may include forward-looking statements, which are not guarantees of future performance, and undue reliance should not be placed on them. Such forward-looking statements involve risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance, or any result expressed or implied by such forward-looking statements. Although any forward-looking statements contained in this presentation are based on assumptions that management of the Company believes are reasonable, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. National Life Group undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change, except as required by applicable securities laws.

National Life Group in Summary

An industry leading life insurer

- Top 10 Life Insurer⁵
- #3 in Indexed Universal Life⁵ with a 5-year Life sales CAGR of 18%¹

A Progressive Mutual

- 170+ year history
- Long term strategic lens, supporting buying and selling customers
- Short term financial performance standards with record top-line and bottom-line results in 2021

Robust growth with financial discipline

- Serving an underserved Middle America market
- Focus on quality of business and long-term distribution relationships
- Products that perform for policyholders and for the company across a range of economic scenarios

Balance sheet strength

- Strength and performance recognized by rating agencies
- Strong capital levels enhanced by access to contingent capital
- Integrated risk management function ingrained throughout business
- Clean balance sheet assets and liabilities

