



Thoughtfully Designed Protection

2021 FINANCIAL SUMMARY



Lafayette Life
Insurance Company

A member of Western & Southern Financial Group

Thoughtfully Designed Protection

The President's Message



John H. Bultema III

President and Chief Executive Officer
The Lafayette Life Insurance Company

Over the course of 2021, The Lafayette Life Insurance Company worked to equip its independent producers with whole life insurance, annuity, retirement and business-planning solutions to help serve the needs of individuals and businesses. All of this is delivered through the efforts of an expanding distribution base composed of more than 9,200 appointed independent producers. The insurance solutions are thoughtfully designed by Lafayette Life to continue to help protect the future well-being of policyowners and their families.

Results achieved by year-end 2021 demonstrated increasing success. Lafayette Life's GAAP operating income from our life and annuity business reached an all-time high of \$67.6 million. That total represents an increase of more than 10% over 2020 and marked the seventh consecutive year of record operating gain. New life insurance sales grew by 20% for the third consecutive year.

In keeping with the company's tradition of paying dividends on its whole life products—one dating to its 1905 origin—it expensed record dividends of \$79.3 million to eligible policyholders in 2021.*

Further validation of Lafayette Life's financial strength and stability came early in 2021 as its Comdex ranking increased to 96. That ranking, a composite of all the ratings received from major rating agencies, is the company's best ever.

To help producers better serve customers, Lafayette Life continued to expand and enhance its presence in retirement services. For over three decades, the company has worked to support the growing pension and planning needs of small businesses with employer-sponsored retirement plans and business planning strategies.

Producers value the advantages of partnering with Lafayette Life as a convenient, single resource for plan design, document services, administrative services, funding options and distribution planning.

Lafayette Life's mission since its founding has been to maintain itself as a financially sound, quality-driven, growth-oriented company. Today, it remains dedicated to delivering

* Dividends not guaranteed and may change at any time. Dividend expenses are reported on a statutory basis.

products that demonstrate value and performance in providing life insurance protections and small business solutions.



Life Portfolio: Mission Accomplished

Federal legislation enacted Dec. 27, 2020, started a 12-month clock ticking for redesign and reinstallation of Lafayette Life's entire life insurance product portfolio. Teams called into action were Project Management, Product Management, Law, Compliance, Actuarial, Sales, Marketing, Information Technology and Insurance Operations.

The team delivered the products to market on Oct. 23, putting Lafayette Life among the first insurers to introduce an updated portfolio. The accelerated completion supported a successful transition process and provided a competitive advantage. The benefit of this effort will be realized in 2022, but based on customer and producer reception, sales appear poised to surpass 2021's strong results.

Lafayette Life Board of Directors

John F. Barrett

Chairman, President and CEO,
Western & Southern Financial Group

John H. Bultema III

President and CEO, The Lafayette Life Insurance Company;
President and CEO, Columbus Life Insurance Company

Jill T. McGruder

Senior Vice President and Enterprise Chief Marketing Officer,
Western & Southern Financial Group

Jonathan D. Niemeyer

Senior Vice President, Chief Administrative Officer
and General Counsel, Western & Southern Financial Group

Lafayette Life Senior Management

John H. Bultema III

President and Chief Executive Officer

Lawrence R. Silverstein

Senior Vice President and Senior Distribution Officer

James H. Acton Jr.

Vice President and Chief Financial Officer

Daniel E. Haneline

Vice President, Independent and Enterprise Product Officer

Warner Off

Vice President, Retirement Services

Johan Sund

Vice President, Sales

Max Hackmann

Sales and Marketing Program Manager

Have a question? Need to contact us? Visit our website or call our home office toll-free at 800.243.6631. Lafayette Life is an Equal Opportunity Employer.



Lafayette Life
Insurance Company

A member of Western & Southern Financial Group

The Lafayette Life Insurance Company
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www.llic.com

The Lafayette Life Insurance Company

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2021

Assets

Debt securities	\$4,421,786
Equity securities	172,761
Other invested assets	1,893,107
Total invested assets	6,487,654
Other assets	320,764
Total assets	\$6,808,418

Liabilities and equity

Future policy benefits and claims	\$5,610,124
Other liabilities	237,057
Total liabilities	5,847,181
Total equity	961,237
Total liabilities and equity	\$6,808,418

Consolidated and Condensed GAAP Income Statement

\$ Thousands | Year ended December 31, 2021

Revenue

Insurance premiums and product charges	\$ 546,891
Net investment income	251,018
Net realized investment gains	10,136
Commissions, fees and other income	174
Total revenue	808,219

Benefits and expenses

Policyholder benefits, interest credited and dividends to policyholders	619,498
Other operating expenses	126,988
Total benefits and expenses	746,486

Income before income tax expense (benefit)	61,733
Income tax expense	(8,562)
Net income	\$ 70,295

Western & Southern Financial Group

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2021

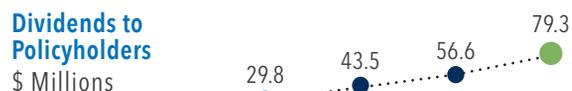
Assets

Debt securities	\$41,700,175
Equity securities	3,439,994
Other invested assets	14,669,564
Other general account assets	4,230,310
Assets held in separate accounts	2,822,399
Total assets	\$66,862,442

Liabilities and equity

Future policy benefits and claims	\$45,412,568
Notes payable	1,480,584
Other general account liabilities	4,072,486
Liabilities related to separate accounts	2,822,399
Total liabilities	53,788,037
Total equity	13,074,405
Total liabilities and equity	\$66,862,442

Lafayette Life 2021 Financial Highlights**



** Statutory accounting principles

Outstanding Strength

A+ SUPERIOR A.M. Best

Superior ability to meet ongoing insurance obligations (second highest of 13 ratings; held since June 2009)

AA- VERY STRONG Standard & Poor's

Very strong financial security characteristics (fourth highest of 21 ratings; rating held since August 2018)

AA VERY STRONG Fitch

Very strong capacity to meet policyholder and contract obligations on a timely basis (third highest of 21 ratings; rating held since June 2009)

96 OUT OF 100 Comdex

The Comdex Ranking is a composite of all the ratings a company has received from the major rating agencies. It ranks insurers on a scale of 1 to 100 (where 1 is the lowest) in an effort to reduce confusion over ratings because each rating agency uses a different scale.*

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The ratings are current as of June 1, 2022, and are subject to change. Ratings refer to the claims-paying ability of the insurance company and do not reflect the performance or safety of any investment product. The rating agencies listed above are independent of each other and use proprietary evaluation criteria and rating scales. *The Lafayette Life Insurance Company is not rated by Moody's.