

Fixed Income Investor Presentation

Western & Southern Financial Group
May 25, 2023



PROPRIETARY AND CONFIDENTIAL

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Forward-Looking Statements

This presentation may contain certain statements that constitute "forward-looking statements". Forward-looking statements are statements not based on historical information and that relate to future operations, strategies, financial results, or other developments. Statements using verbs such as "expect," "anticipate," "believe" or words of similar import generally involve forward-looking statements. Forward-looking statements include statements that are based on the beliefs and assumptions of Western & Southern and WSLIC concerning future levels of sales and redemptions of Western & Southern's and WSLIC's products, investment spreads and yields, or the earnings and profitability of Western & Southern's and WSLIC's activities.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Western & Southern's and WSLIC's control and many of which are subject to change. These uncertainties and contingencies could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Western & Southern and WSLIC. Whether or not actual results differ materially from forward-looking statements may depend on numerous foreseeable and unforeseeable developments. Some may be global or national in scope, such as general economic conditions, changes in tax law and changes in interest rates. Some may be related to the insurance industry generally, such as pricing competition, regulatory developments and industry consolidation. Others may relate to Western & Southern and/or WSLIC specifically, such as expected operating and non-operating relationships, ability to meet debt service obligations and financing plans, product sales, distribution channels, retention of business, investment yields and spreads, investment portfolio and ability to manage asset/liability cash flows. Any forward-looking statements reflect Western & Southern's and WSLIC's views and assumptions as of the date of this presentation and WSLIC disclaims any obligation to update forward-looking information, whether as a result of new information, future events, or otherwise. It is further noted that, while information included in this report is believed to be accurate in all material respects, the information presented herein was not necessarily prepared in accordance with disclosure rules as promulgated by the U.S. Securities and Exchange Commission designed for public reporting.

Western & Southern Participants

- Bradley Hunkler – Senior Vice President & Chief Financial Officer
- Todd Henderson – Senior Vice President, Chief Actuary, Risk and Data Officer
- Brendan White – Senior Vice President & Co-Chief Investment Officer
- Jeff Stainton – Vice President & Associate General Counsel
- Shelly Rice – Vice President of Finance

Key Highlights



Enterprise

Strong Results

New highs were achieved for many key business metrics in 2022, including life and health premium, annuity sales, total revenue, and assets owned. Operating gain surpassed \$500 million and AUM exceeded \$100 billion for the second consecutive year.

Broad Business Diversification

Western & Southern earnings sources are diversified across products, distribution channels, markets and brands, offering balance and strength.



Protection and Retirement

Premium Growth

Life and health premiums and annuity deposits were a record \$10.4 billion in 2022, a 76% increase over prior year.

Mortality

Mortality remained elevated in early 2022 but improved in the last half of the year.

Digital DTC Investment

Developed and launched a new and completely digital term product sold exclusively through Fabric.



Investment Management

Launch of ETFs

Touchstone launched 4 actively managed exchange traded funds in July 2022.

Outperformance

More than 75% of Fort Washington's investment strategies outperformed their respective benchmarks in 2022 despite the market volatility.

Industry-Leading CML Program

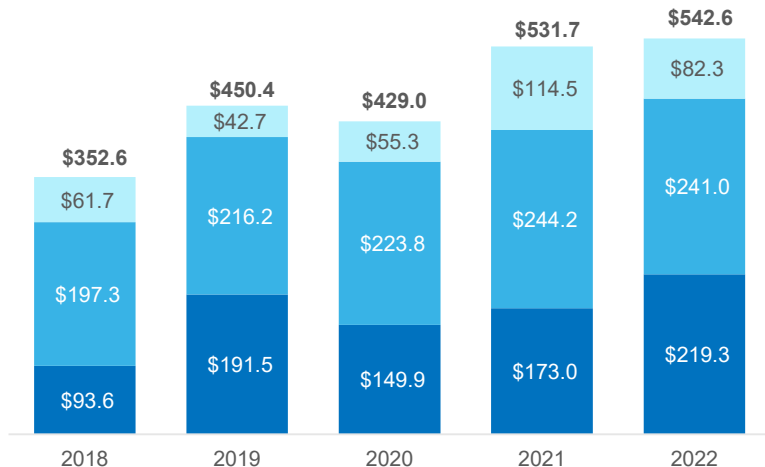
Exceptional lending practices, with an intentional overweight allocation to multi-family and only 3% allocation to office¹.

Growing Earnings and Capital Base

Strong operating performance, with earnings well-diversified across segments

Operating Earnings¹ (\$mm)

■ Protection ■ Retirement ■ Investment Management



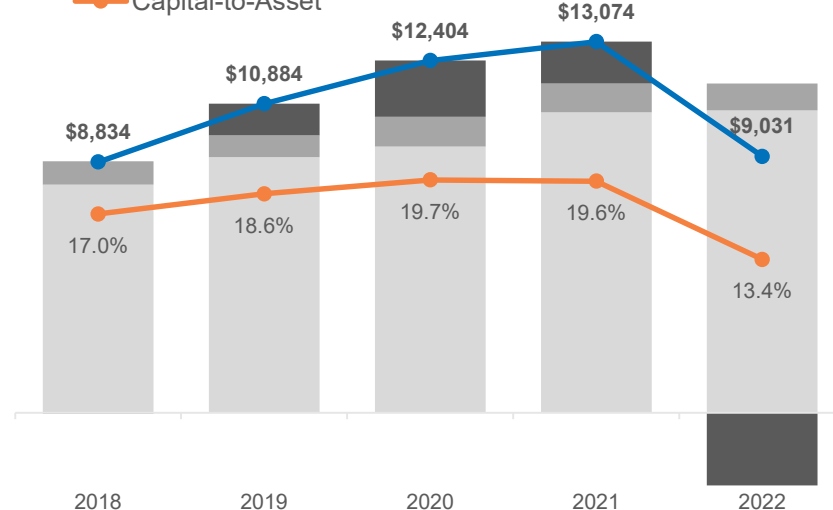
W&S Total²: **\$415.1** **\$422.0** **\$336.9** **\$535.2** **\$508.7**

Note: GAAP data shown; ¹ Defined as net income, excluding federal income tax, net realized investment gains or losses, non-controlling interest related to capital gains, one-time structuring charges and discontinued operations; Does not include corporate segment; ² Western & Southern total operating earnings, including the corporate segment.



Industry leading capital position and financial flexibility with conservative leverage

■ Retained Earnings ■ Noncontrolling Interest
■ AOCI ● Total Capital
— Capital-to-Asset



Note: GAAP data shown

Segment Highlights: *Protection*

\$2.8B

2022 Revenue
(49% of total)

\$219.3M

2022 Earnings¹
(40% of total)

Key Products:

- Whole life
- Universal life
- Term life
- Accident & health
- Wealth transfer
- Institutional solutions

Highlights:

- ~85% of sales from whole life and universal life products
- Continue to invest in digital direct-to-consumer distribution – launched a digital term product sold through Fabric in 2022
- Distribution primarily through career agent, independent agent and direct-to-consumer channels

5.1M

Individuals & families
protected

\$150.0B

Insurance in force

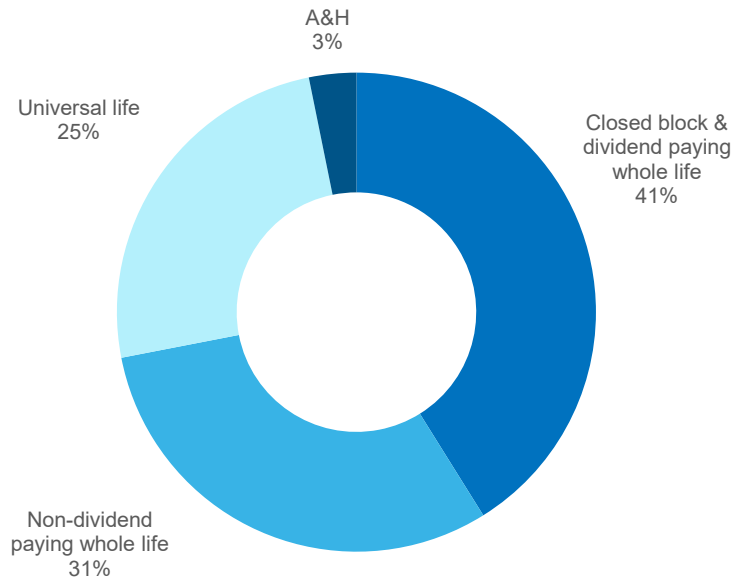
\$1.5B

Policyholder claims paid in
2022

\$16.6B

Life and Health reserves

Reserves by Product – Life and A&H



Total: \$16.6bn

Segment Highlights: *Retirement*

\$2.5B

2022 Revenue
(44% of total)

\$241.0M

2022 Earnings¹
(45% of total)

Key Products:

- Fixed annuities
- Indexed annuities
- Variable annuities
- Immediate annuities
- Pension products & services
- Wealth planning

Highlights:

- Sales are primarily market value and fixed payout annuities (variable annuities only 1% of sales)
- Record annuity sales in 2022, consistent with industry growth, mostly driven by a 3-year MVA product sold through Fidelity
- Distribution primarily through distribution partners, independent agents, and career agents

339K

Annuity clients

\$3.6B

Annuity benefits paid in 2022

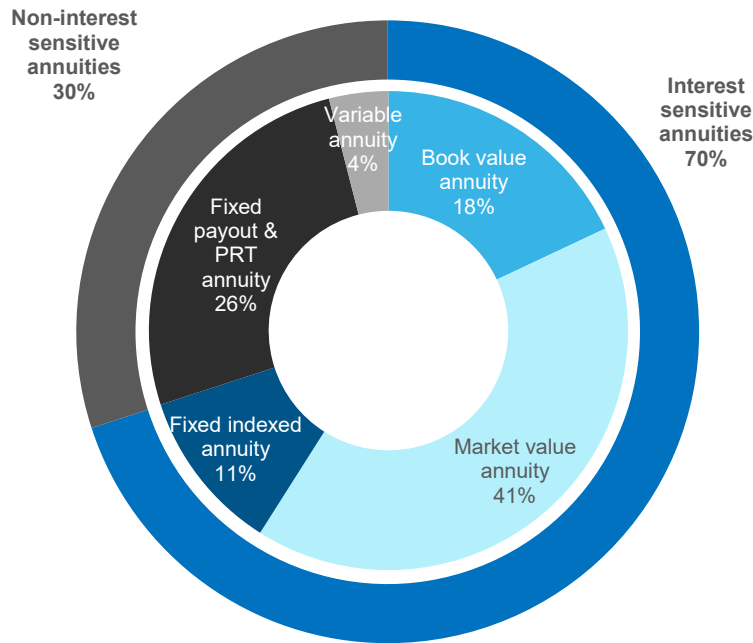
\$8.3B

Annuity sales

\$32.4B

Annuity reserves

Reserves by Product – Annuities



Total: \$32.4bn

Interest sensitive annuities: \$22.6bn
Non-interest sensitive annuities: \$9.8bn

Segment Highlights: *Investment Management*

\$366.7M

2022 Revenue
(7% of total)

\$82.3M

2022 Earnings¹
(15% of total)

Key Products:

- Mutual funds
- Fixed income
- Public equity
- Private equity
- Real estate
- Asset allocation

Highlights:

- Continue to expand investment management business – Touchstone launched a new line of ETFs in 2022
- Third-party assets managed fell in 2022 due to market volatility; however, more than 75% of Fort Washington's investment strategies outperformed their respective benchmarks

\$32.9B

Third-party assets managed (32.8%)

\$67.5B

Assets owned (67.2%)

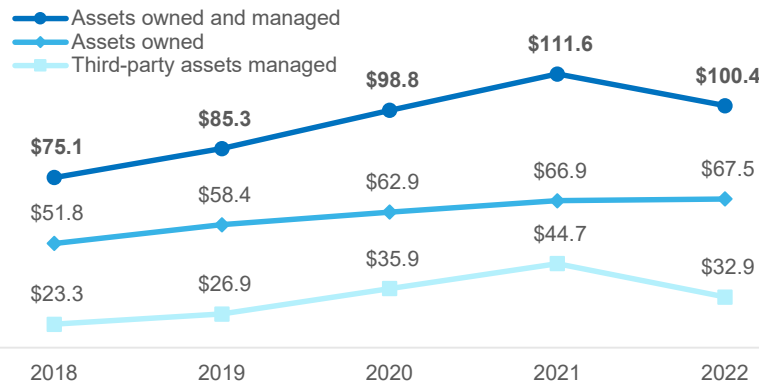
\$100.4B

Total AUM (assets owned & managed)

\$8.9B

Gross sales in 2022

Assets Under Management



Investment Management Companies



Fort Washington Investment Advisors, Inc.

Provides investment management to Western & Southern and third-parties across multiple strategies



Touchstone Investments

Manages third-party assets through various mutual fund offerings

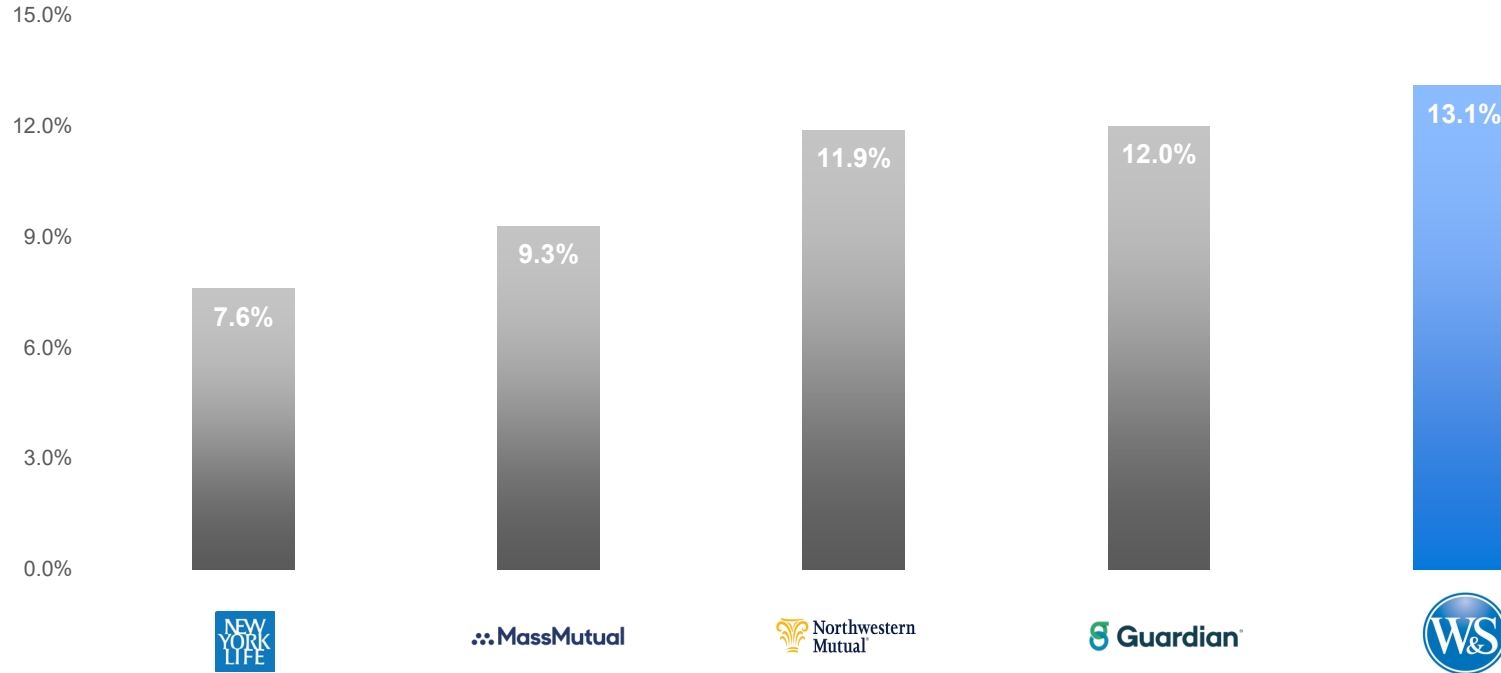


Eagle Realty Group

Focuses on real estate equity, debt and strategic investments

Capital-to-Asset Ratio

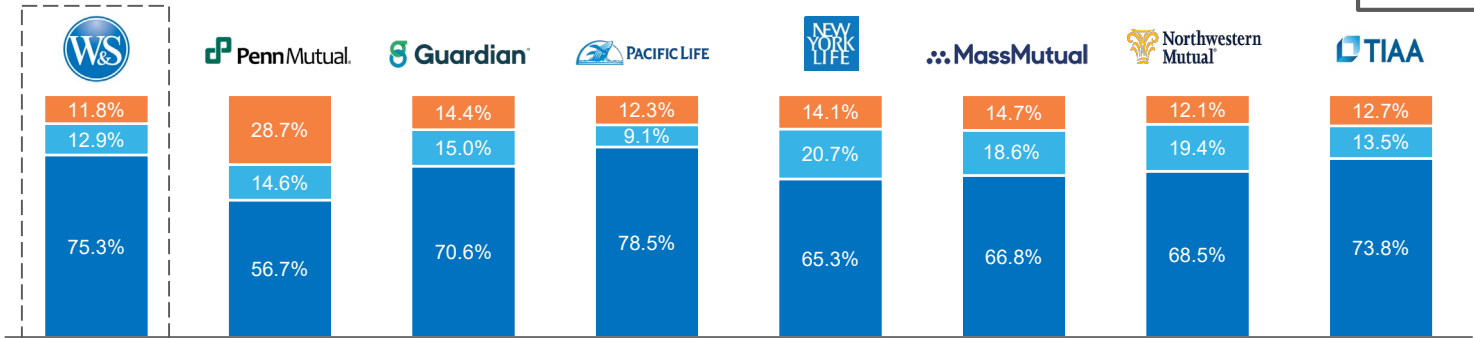
Statutory Capital-to-Asset Ratio Above Average of Peers



Surplus Note Leverage¹

■ C&S ■ AVR
■ Surplus Notes

Capitalization
(% of capital)



Capital & Surplus (C&S) (\$mm)	\$7,345	\$2,650	\$8,845	\$11,702	\$23,887	\$27,933	\$29,885	\$42,729
Asset Valuation Reserve (AVR) (\$mm)	\$1,090	\$453	\$1,565	\$1,173	\$6,224	\$6,370	\$7,177	\$6,647
C&S + AVR (\$mm)	\$8,435	\$3,103	\$10,410	\$12,875	\$30,111	\$34,303	\$37,062	\$49,376
Surplus Notes (\$mm)	\$995	\$891	\$1,500	\$1,588	\$4,232	\$5,026	\$4,480	\$6,291
Surplus Notes Leverage	11.8%	28.7%	14.4%	12.3%	14.1%	14.7%	12.1%	12.7%
Moody's adjusted financial leverage ²	6.7%	19.0%	17.3%	14.4%	10.6%	11.5%	12.9%	12.5%
S&P financial leverage ²	11.5%	14.5%	24.1%	15.0%	11.5%	19.5%	20.3%	18.2%
Financial Strength Ratings								
Moody's	Aa3	Aa3	Aa1	Aa3	Aaa	Aa3	Aaa	Aa1
S&P	AA-	A+	AA+	AA-	AA+	AA+	AA+	AA+
Fitch	AA	AA-	NR	AA-	AAA	AA+	AAA	AAA
AM Best	A+	A+	A++	A+	A++	A++	A++	A++

Source: SNL Financial, company filings, latest available ratings reports; Note: Financial data as of 12/31/2022 unless otherwise stated;

Note: ¹ Excludes senior subordinated note at Western & Southern, whose proceeds haven't been contributed to the insurance company subsidiaries; ² Financial leverage as presented by rating agencies

Western & Southern Coverage Ratios

(\$ in millions)

	Dec 2022	Dec 2021
Fixed Charge Coverage Ratio		
Pre-Tax Operating Income	509	535
Interest Expense on Senior ⁽¹⁾ /Surplus Notes ⁽²⁾	73	67
EBIT Adjusted	582	602
Interest Expense on Senior ⁽¹⁾ /Surplus Notes ⁽²⁾	73	67
Fixed Charge Coverage Ratio	8.0	9.0
Cash Flow Coverage Ratio		
Dividend Capacity:		
The Western and Southern Life Ins Co	690	676
Lafayette Life Ins Co	44	40
Total Dividend Capacity	734	716
Interest Expense on Senior Note ⁽¹⁾	29	29
Cash Flow Coverage Ratio	25.3	24.7

(1) Interest Expense on Senior Note = \$500mm senior note x 5.75% = \$28.8mm for 2022 and 2021.

(2) Interest Expense on Surplus Notes = \$500mm surplus note x 5.15% = \$25.8mm for 2022 and 2021 + \$500mm surplus note x 3.75% = \$18.8mm for 2022, but since the surplus note was issued April 28, 2021 = \$12.6mm for 2021.

Financial Strength

	AM Best	S&P	Fitch	Moody's
Financial Strength Rating	A+	AA-	AA	Aa3
<i>Western & Southern Senior Notes</i>	<i>a</i>	<i>A</i>	<i>A+</i>	<i>A3</i>
<i>WSLIC Surplus Notes</i>	<i>a+</i>	<i>A</i>	<i>A+</i>	<i>A2</i>

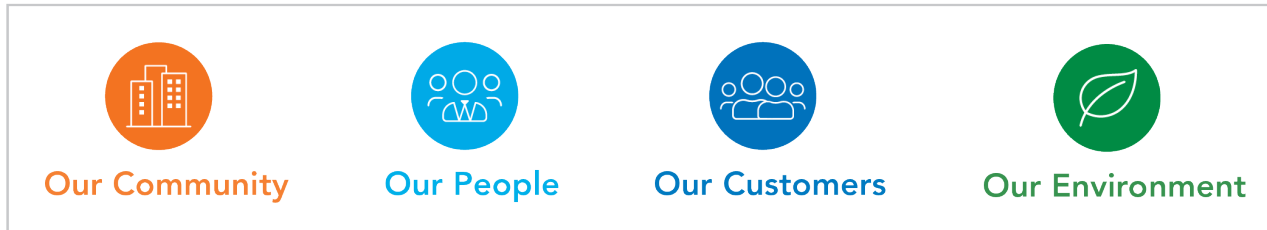
Corporate Responsibility

Governance

- Strong risk management is a part of our DNA, and we continue to **actively monitor material and emerging risk exposures**.
- Climate change was elevated to a material risk in our ERM framework in 2022.

Corporate Responsibility Report

- We published our first annual Corporate Responsibility Report in 2022, which showcases that **Western & Southern is a company that cares**, putting our customers, people, community and the environment at the center of everything we do.



Corporate Responsibility



Our Community

- Provided **\$16.6M in community support to over 300 organizations** in 2022.
- Ranked **4th in United Way of Greater Cincinnati's Top 25 Workplaces that Care.**
- Fort Washington and Touchstone joined 26 other asset management firms to form **The Equity Collective**, created to develop and recruit diverse talent for the financial services industry.
- Annually **sponsor six major Cincinnati-based community events.**



\$80.1 million
to local economy



\$975,000
for Freestore Foodbank



\$1 million+
for cancer research



\$1 million+
raised through Zoofari



\$500,000+
over five years for
local charities



\$112,000
for The Salvation Army

**A 15-Year Look: Western
& Southern Impact¹**

\$27.4 Billion
Total Economic Impact

\$103.2 Million
Total Philanthropic Support

681
Local Organizations Supported

Corporate Responsibility



Our People

- A unique **culture and 10 guiding principles** sets us apart.
- We invest in our associates' success and strive to be the **ideal place for a career**.
- **Generous health and wellness benefits** provide security to associates and their families.
- Associate development through award-winning training programs and **recognition of their contributions and talents**.



Our Customers

- The **Heart of the Customer®** program focuses on **improving customers' experiences**.
- Customer service teams continue to win awards for **providing top-notch service**.
- Investing in technology to streamline processes and **optimize the digital experience** for our customers, producers and associates.
- Best-in-class **governance, privacy and information security practices** are at the center of everything we do.



Our Environment

- The **Sustainable Practices Committee** drives implementation of sustainable practices.
- Our facilities are run efficiently, including **LEED certified buildings** and a new **sustainable data center**.
- Fort Washington uses reputable third party data to **assess exposures to ESG factors** and is governed by a **Responsible Investment Policy**.

Western & Southern Financial Group

2022 Results

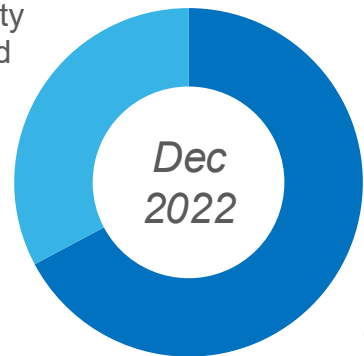
GAAP Balance Sheet Highlights

	Dec 2022	Dec 2021
Assets		
Invested Assets	59,026	59,810
DAC	2,211	1,208
Other Assets	3,895	3,022
Separate Accounts	2,351	2,822
Total Assets	67,483	66,862
Liabilities		
Life Reserves	16,599	16,735
Annuity Reserves	35,539	30,216
Other	6,314	6,837
Total Liabilities	58,452	53,788
Net Worth	9,031	13,074
Total Liabilities & Equity	67,483	66,862
Capital to Asset Ratio	13.4%	19.6%

Assets Under Management

Dec 2022	Dec 2021
100,396	111,620

Third-Party
Managed
32,913



W&S
67,483

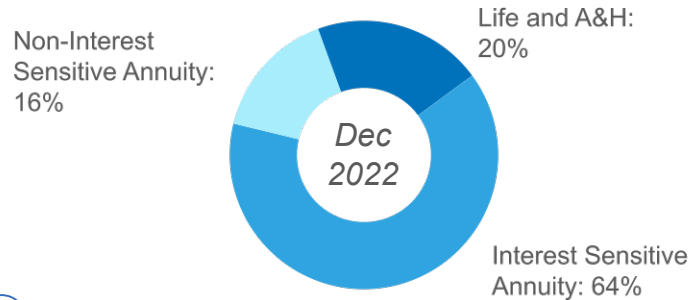
GAAP Income Statement Highlights

	Dec 2022	Dec 2021
Revenue		
Premiums & Product Charges	3,402	2,645
Investment Income	2,329	2,291
Fee Income & Other	448	456
Total	6,179	5,392
Benefits and Expenses		
Policyholder Benefits	3,479	2,779
Interest Credited	721	595
Expenses & DAC	1,470	1,483
Total	5,670	4,857
Operating Gain	509	535
Capital Gains and Other	(473)	960
Net Income Before Taxes	36	1,495
Income Tax	(23)	279
Net Income	59	1,216

Statutory Premium and Liability Mix

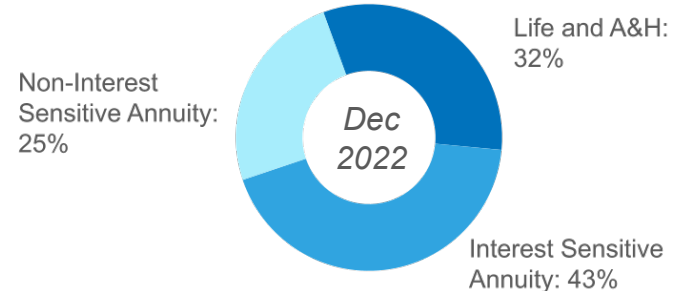
Premium Mix

	Dec 2022	Dec 2021
Life and A&H Premiums	2,140	2,115
Interest Sensitive Annuity Deposits	6,667	2,870
Non-Interest Sensitive Annuity Deposits	1,636	951
Total	10,443	5,936



Liability Mix

	Dec 2022	Dec 2021
Life and A&H Liabilities	16,712	16,864
Interest Sensitive Annuity Liabilities	22,613	18,102
Non-Interest Sensitive Annuity Liabilities	12,813	11,985
Total	52,138	46,951



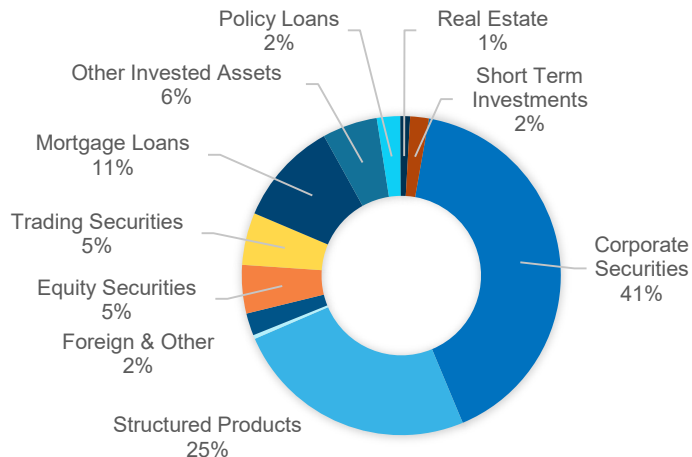
Statutory Premiums & Deposits by Insurance Product Type

(\$ in millions)		Dec 2022	Dec 2021
Life and A&H Premiums	Closed Block & Dividend Paying WL	785	761
	Non-dividend Life (WL, Term)	616	607
	Universal Life (UL, VUL)	416	436
	A&H	323	311
	<i>Total Life and A&H</i>	<i>2,140</i>	<i>2,114</i>
Interest Sensitive Annuities	Book Value Annuity	203	235
	Market Value Annuity	6,121	2,353
	Fixed Indexed Annuity	342	282
	<i>Total Interest Sensitive Annuities</i>	<i>6,666</i>	<i>2,870</i>
Non-Interest Sensitive Annuities	Fixed Payout Annuity	1,232	645
	Pension Risk Transfer	343	201
	Variable Annuity	62	105
	<i>Total Non-Interest Sensitive Annuities</i>	<i>1,637</i>	<i>951</i>
Total Premiums and Deposits		10,443	5,936

Highly Rated Investment Portfolio

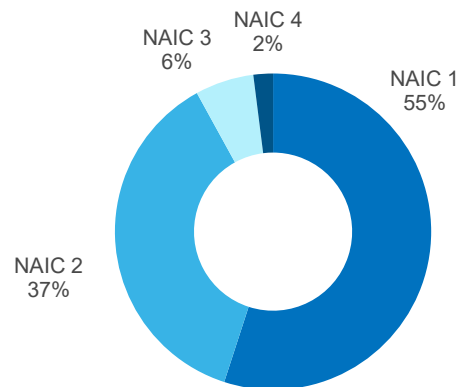
Western & Southern has a conservative, high quality, well diversified investment portfolio

Invested Assets by Type



Total: \$59.0bn

Fixed Income Portfolio by Rating



Total: \$40.4bn

Diversified fixed-income portfolio with 92% investment grade

Strong capital base and stable participating liabilities allow for strategic surplus investing and allocation to higher-risk assets (equities, real estate, private equity)

- High-quality CML portfolio with only 0.7% below investment grade and only one loan impaired over the last 20 years
- Structured products (CMBS, RMBS, ABS) run by seasoned portfolio management team with best-in-class processes and risk management
- Equity portfolio benefits from our tenured Fort Washington investment team that continues to provide superior return potential without undue risk
- Other uncorrelated assets (private equity partnerships, real estate) provide attractive return opportunities in inefficient asset classes

The Western and Southern Life Insurance Company

Surplus Note Issuer
2022 Financial Results

Statutory Balance Sheet Highlights

	Dec 2022	Dec 2021
Assets		
Invested Assets	11,003	11,237
Other Assets	1,320	1,445
Total Assets	12,323	12,682
Liabilities		
Reserves	3,213	3,318
Other	2,209	2,607
Total Liabilities	5,422	5,925
Capital & Surplus	6,901	6,757
Total Liabilities & Equity	12,323	12,682
Company Action Level RBC	424%	480%

Statutory Income Statement Highlights

	Dec 2022	Dec 2021
Revenue		
Premiums & Other	223	228
Net Investment Income	481	543
Total Revenue	704	771
Benefits and Expenses		
Policyholder Benefits ¹	159	304
Expenses & Other	56	220
Total Benefits and Expenses	215	524
Gain Before Dividends, Taxes and Capital Gains / (Losses)	489	247
Policyholder Dividends	48	43
Federal Income Tax	34	30
Capital Gains / (Losses)	(4)	(75)
Net Income	403	99

Western & Southern Financial Group

Q1 2023 Update

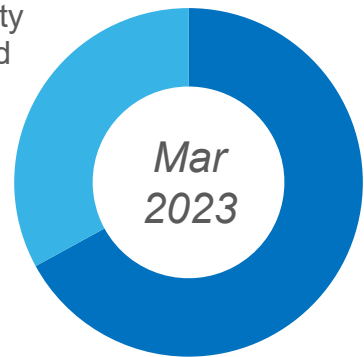
GAAP Balance Sheet Highlights

	Mar 2023	Dec 2022
Assets		
Invested Assets	61,208	59,026
DAC	2,181	2,211
Other Assets	3,974	3,895
Separate Accounts	2,407	2,351
Total Assets	69,770	67,483
Liabilities		
Life Reserves	16,819	16,599
Annuity Reserves	36,479	35,539
Other	6,724	6,314
Total Liabilities	60,022	58,452
Net Worth	9,748	9,031
Total Liabilities & Equity	69,770	67,483
Capital to Asset Ratio	14.0%	13.4%

Assets Under Management

Mar 2023	Dec 2022
104,092	100,396

Third-Party
Managed
34,322



W&S
69,770

GAAP Income Statement Highlights

	Mar 2023	Mar 2022
Revenue		
Premiums & Product Charges	671	713
Investment Income	691	526
Fee Income & Other	105	114
Total	1,467	1,353
Benefits and Expenses		
Policyholder Benefits	696	736
Interest Credited	229	149
Expenses & DAC	404	350
Total	1,329	1,235
Operating Gain	138	118
Capital Gains and Other	(28)	11
Net Income Before Taxes	110	129
Income Tax	15	18
Net Income	95	111

WSLIC Statutory Highlights

	Mar 2023	Dec 2022
Assets		
Invested Assets	10,782	11,003
Other Assets	1,375	1,320
Total Assets	12,157	12,323
Liabilities		
Reserves	3,219	3,213
Other	2,283	2,209
Total Liabilities	5,502	5,422
Capital & Surplus	6,655	6,901
Total Liabilities & Equity	12,157	12,323

Revenue

Premiums & Other

Net Investment Income

Total Revenue

Benefits and Expenses

Policyholder Benefits¹

Expenses & Other

Total Benefits and Expenses

**Gain Before Dividends, Taxes
and Capital Gains / (Losses)**

Policyholder Dividends

Federal Income Tax

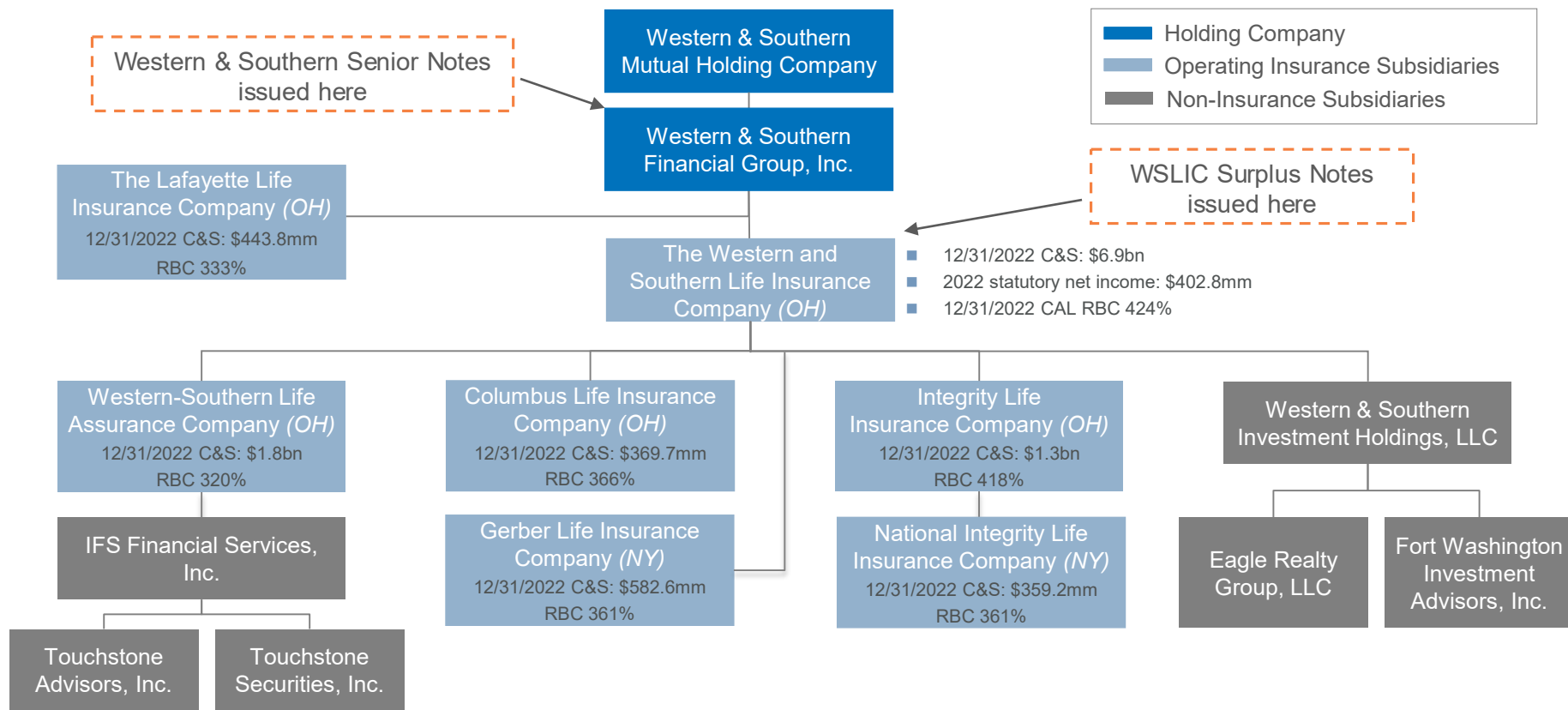
Capital Gains / (Losses)

Net Income

Mar 2023	Mar 2022
52	54
238	97
290	151
70	74
45	15
115	89
175	62
13	15
14	13
58	19
206	53

Appendix

Simplified Organizational Structure



Disclosures

The ratings are current as of May 10, 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 are independent of each other and use proprietary evaluation criteria and rating scales.

AM Best: A+, Superior – Superior ability to meet ongoing insurance obligations (second highest of 13 ratings; rating held since June 2009)

S&P: AA-, Very Strong – Very strong financial security characteristics (fourth highest of 21 ratings; rating held since August 2018)

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

Moody's: Aa3, Excellent – Excellent financial security (fourth highest of 21 ratings; rating held since February 2009)

Gerber Life is rated only by AM Best with a rating of A, Excellent - Excellent ability to meet ongoing insurance obligations (third highest of 13 ratings; held since January 2019). The Lafayette Life Insurance Company is not rated by Moody's.

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Q & A