

Fixed Income Investor Presentation

Western & Southern Financial Group
May 28, 2024



PROPRIETARY AND CONFIDENTIAL

Notice to Recipient: 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

Record Results

New highs were achieved for nearly every financial measure in 2023, including life and health premium, annuity sales, operating gain, assets owned, as well as assets owned and managed.

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 sales were a record \$10.9 billion in 2023, a 5% increase over prior year.

Interest Rates

Interest rates remained elevated in 2023, which boosted earnings due to increased returns on fixed income.

Digital DTC Investment

Our digital growth strategy continued to accelerate, focused on enhancing the customer experience and providing financial solutions to middle-market customers.



Investment Management

Launch of ETFs

Touchstone launched 3 new actively managed exchange traded funds in 2023, bringing its total to 7.

Outperformance

Nearly 90% of Fort Washington's investment strategies outperformed their respective benchmarks in 2023 despite the market volatility.

Industry-Leading CML Program

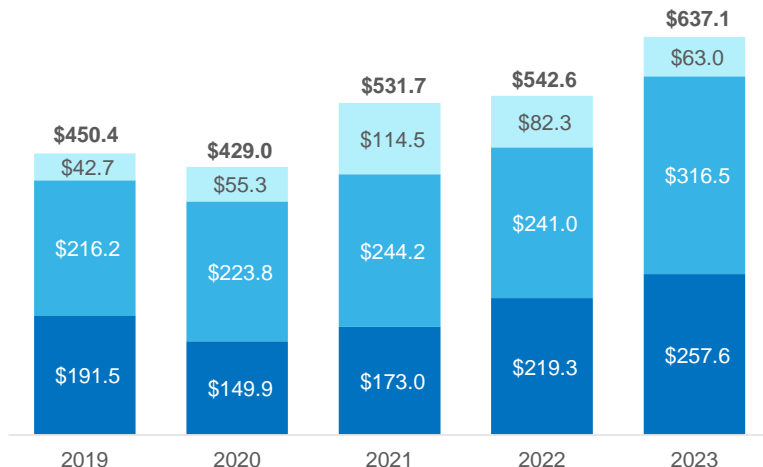
Exceptional lending practices, with an intentional overweight allocation to multi-family and only 3% allocation to office.

Growing Earnings and Capital Base

Strong operating performance, with earnings well-diversified across segments

Operating Earnings¹ (\$mm)

■ Protection ■ Retirement ■ Investment Management

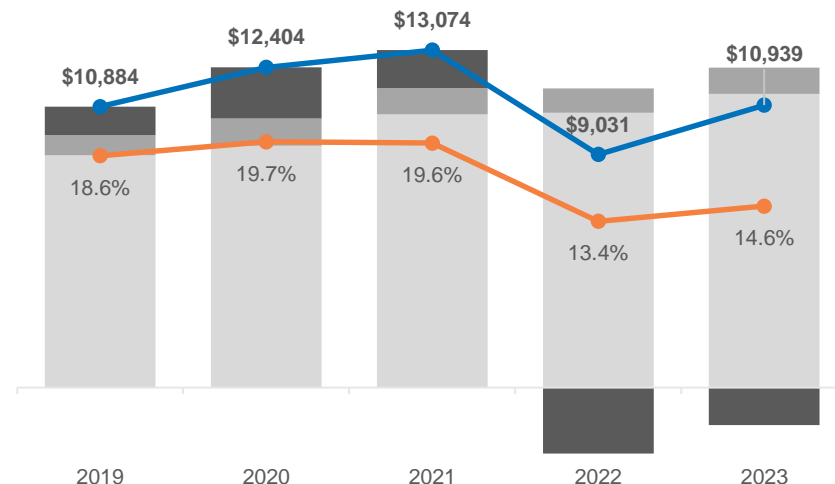


W&S Total²: **\$422.0** **\$336.9** **\$535.2** **\$508.7** **\$651.3**

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*

\$3.0B

2023 Revenue
(46% of total)

\$257.6M

2023 Earnings¹
(40% of total)

Key Products:

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

Highlights:

- ~85% of sales are from whole life and universal life products
- Deployed enhanced digital customer and producer portals as well as a new customer experience platform
- Distribution primarily through career agent, independent agent and direct-to-consumer channels

5.0M

Individuals and families
protected

\$1.6B

Policyholder claims
paid in 2023

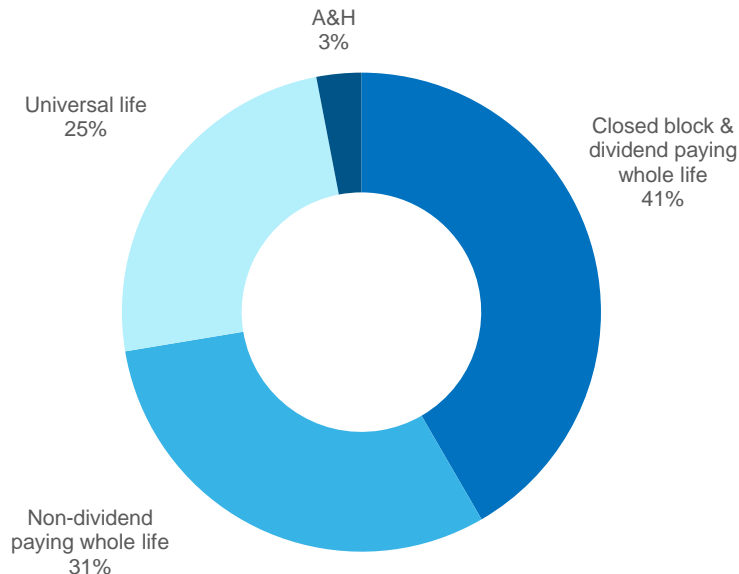
\$154.0B

Insurance in force

\$17.3B

Life and health reserves

Reserves by Product – Life and A&H



Total: \$17.3bn

Note: Data as of December 31, 2023; Policyholder claims paid are statutory, all other data is GAAP

¹ Operating earnings

Segment Highlights: *Retirement*

\$3.1B

2023 Revenue
(48% of total)

\$316.5M

2023 Earnings¹
(50% of total)

Key Products:

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

Highlights:

- Sales are primarily market value and fixed payout annuities (variable annuities are less than 1% of sales)
- Record annuity sales in 2023, mostly driven by a 3-year MVA product sold through Fidelity
- Distribution primarily through distribution partners, independent agents, and career agents

346K

Annuity clients served

\$5.7B

Annuity benefits paid in 2023

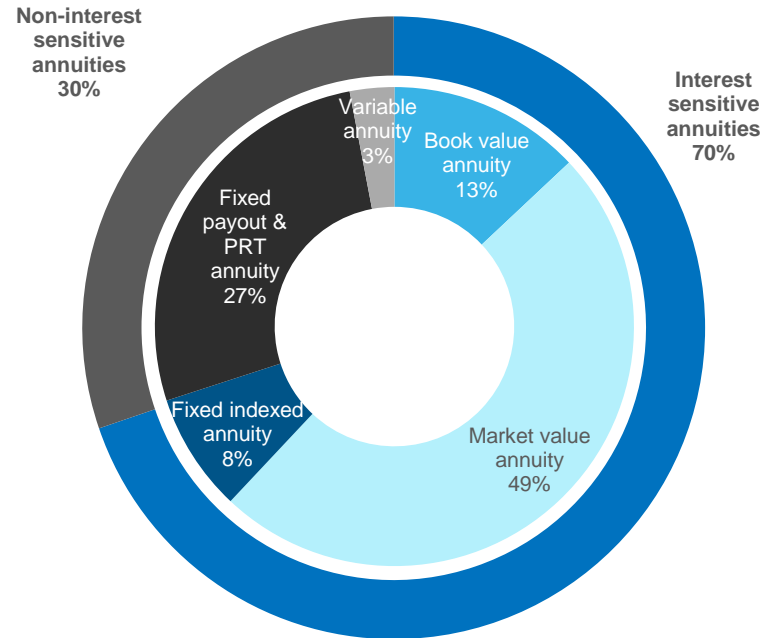
\$8.7B

Annuity sales

\$37.1B

Annuity reserves

Reserves by Product – Annuities



Total: \$37.1bn

Interest sensitive annuities: \$25.9bn

Non-interest sensitive annuities: \$11.2bn

Note: Data as of December 31, 2023; Annuity benefits paid are statutory, all other data is GAAP

¹ Operating earnings

Segment Highlights: *Investment Management*

\$350.7M

2023 Revenue
(6% of total)

\$63.0M

2023 Earnings¹
(10% of total)

Key Products:

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

Highlights:

- Touchstone launched 3 new actively managed ETFs in 2023, bringing its total to 7
- Third-party assets managed grew in 2023 and nearly 90% of Fort Washington's investment strategies outperformed their respective benchmarks

\$37.1B

Third-party assets managed (33.1%)

\$75.1B

Assets owned (66.9%)



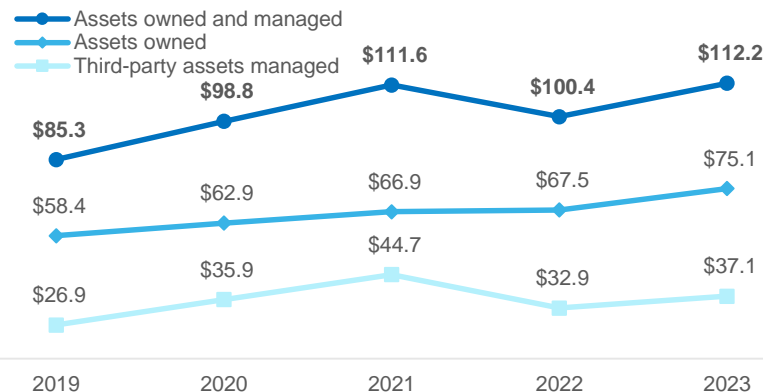
\$112.2B

Total AUM (assets owned and managed)

\$6.8B

Gross sales in 2023

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

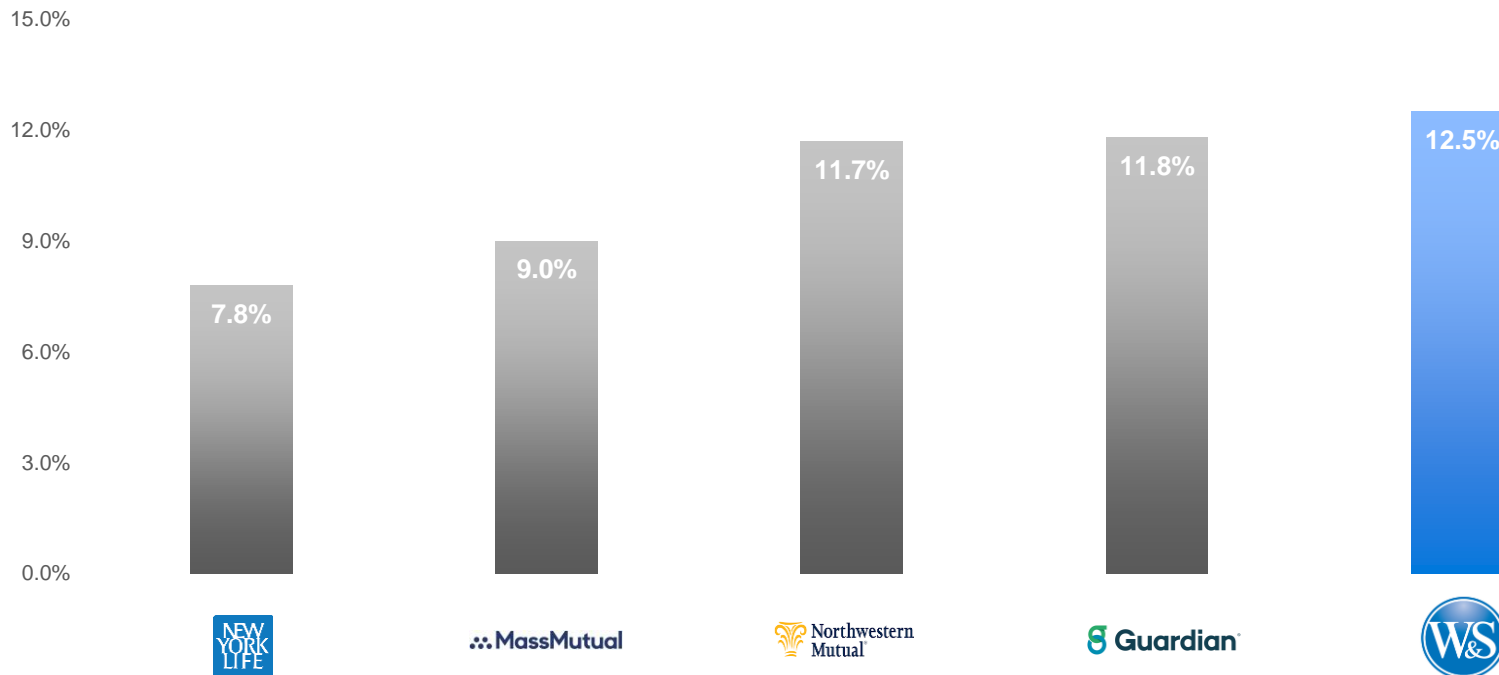
Focuses on real estate equity, debt and strategic investments

Note: GAAP data as of December 31, 2023

¹ Operating earnings

Capital-to-Asset Ratio

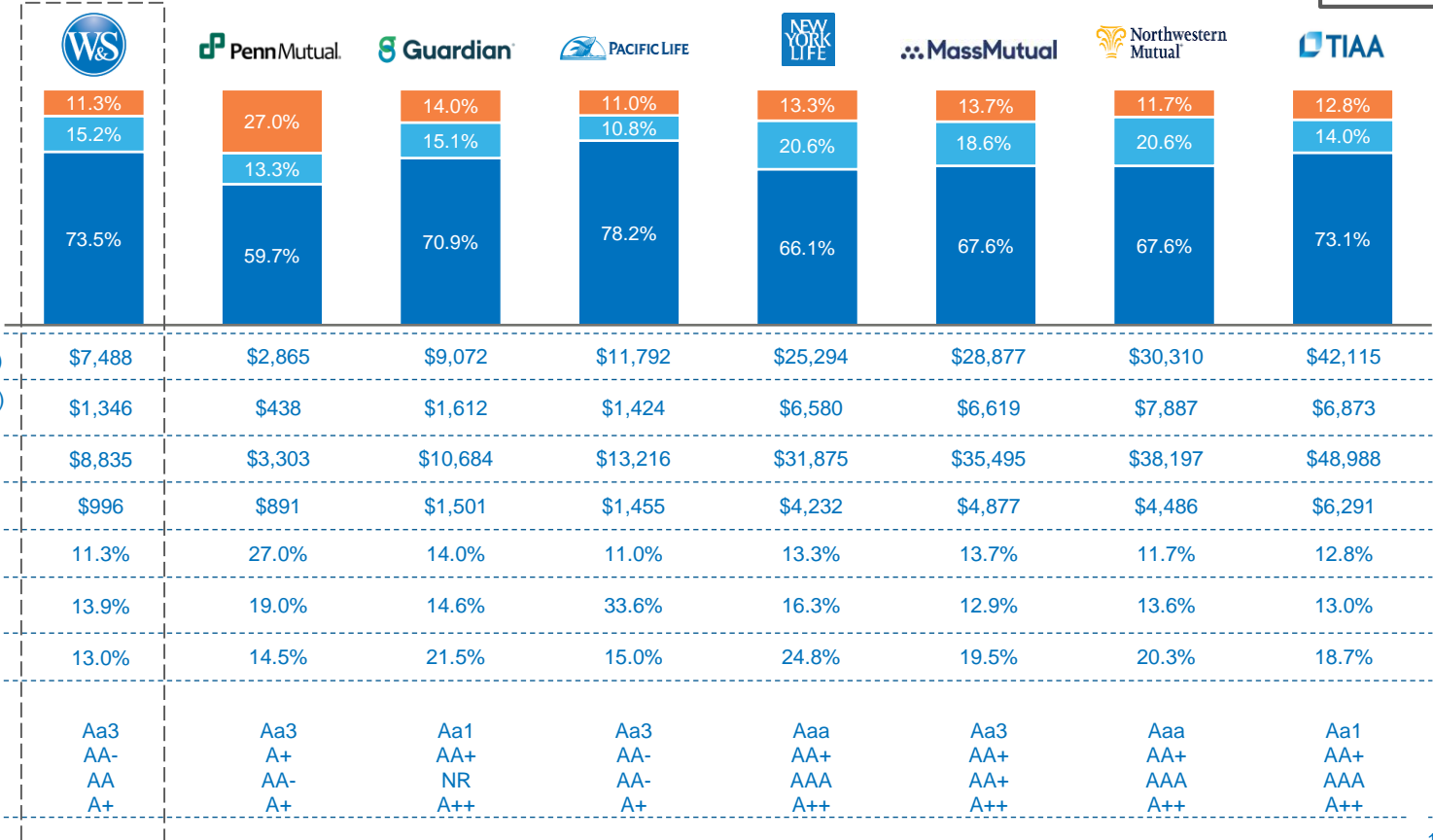
Statutory Capital-to-Asset Ratio Above Average of Peers



Surplus Note Leverage¹

■ C&S ■ AVR
■ Surplus Notes

Capitalization
(% of capital)



Source: SNL Financial, company filings, latest available ratings reports; Note: Financial data as of 12/31/2023 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 2023	Dec 2022
Fixed Charge Coverage Ratio		
Pre-Tax Operating Income	651	509
Interest Expense on Senior ⁽¹⁾ /Surplus Notes ⁽²⁾	73	73
EBIT Adjusted	724	582
Interest Expense on Senior ⁽¹⁾ /Surplus Notes ⁽²⁾	73	73
Fixed Charge Coverage Ratio	9.9	8.0
Cash Flow Coverage Ratio		
Dividend Capacity:		
The Western and Southern Life Ins Co	703	690
Lafayette Life Ins Co	46	44
Total Dividend Capacity	749	734
Interest Expense on Senior Note ⁽¹⁾	29	29
Cash Flow Coverage Ratio	25.8	25.3

(1) Interest Expense on Senior Note = \$500mm senior note x 5.75% = \$28.8mm for 2023 and 2022.

(2) Interest Expense on Surplus Notes = \$500mm surplus note x 5.15% = \$25.8mm + \$500mm surplus note x 3.75% = \$18.8mm for 2023 and 2022.

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>

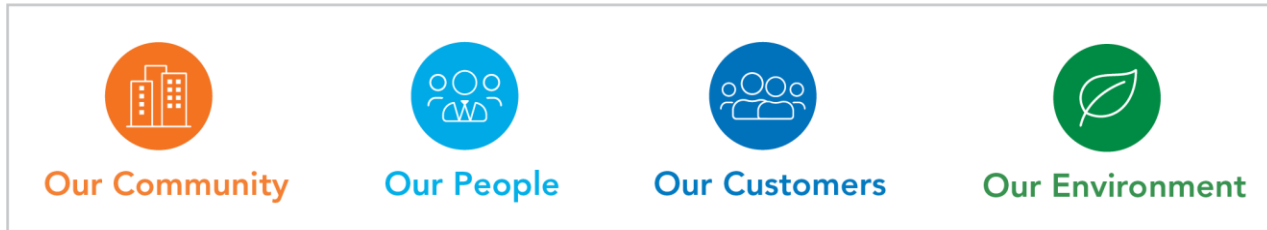
Corporate Responsibility

Governance

- Strong risk management is a part of our DNA, and we continue to **actively monitor material and emerging risk exposures**.
- Generative Artificial Intelligence was elevated to a material risk in our ERM framework in 2023.

Corporate Responsibility Report

- Since 2022, we publish a Corporate Responsibility Report each July, 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 **\$18 million in community support to hundreds of organizations** in 2023.
- Ranked **4th in United Way of Greater Cincinnati's Top 25 Workplaces that Care**.
- Joined the **University of Cincinnati's 1819 Innovation Hub**, furthering our commitment to inspire and grow innovation in our region.
- Invested more than **\$3 million to revitalize one of Cincinnati's most historic parks, Lytle Park**, and offer continued support for its regular maintenance.
- Annually **sponsor several major Cincinnati-based community events**.



Tennis Stays in Cincinnati

W&S helped keep world-class tennis in Cincinnati, its home for 125 years, after a year-long, multi-faceted competition with Charlotte, North Carolina.



\$80 million+

annual economic impact for our region (2001-2023)



\$1.04 million

for Freestore Foodbank



\$1.5 million

for cancer research and care



\$1 million

raised for programs, care and conservation



\$1 million+

since becoming title sponsor in 2013



\$126,000+

for The Salvation Army

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** – somewhere our associates can grow, lead, win and do good.
- **Ranked 29th** of 396 on the prestigious **American Opportunity Index** of best companies for career growth, ranked 2nd among 37 insurance companies.
- **Generous health and wellness benefits** provide security to associates and their families.



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 incorporates metrics related to **ESG factors**, which complement our overall evaluation of risk.

Western & Southern Financial Group

2023 Results

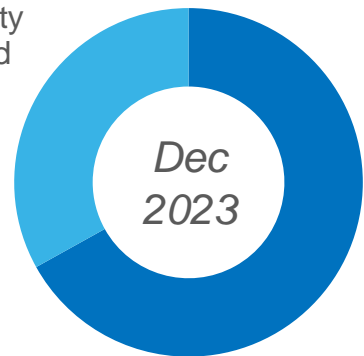
GAAP Balance Sheet Highlights

	Dec 2023	Dec 2022
Assets		
Invested Assets	66,899	59,026
DAC	2,160	2,211
Other Assets	3,615	3,895
Separate Accounts	2,401	2,351
Total Assets	75,075	67,483
Liabilities		
Life Reserves	17,302	16,599
Annuity Reserves	40,314	35,539
Other	6,520	6,314
Total Liabilities	64,136	58,452
Net Worth	10,939	9,031
Total Liabilities & Equity	75,075	67,483
Capital to Asset Ratio	14.6%	13.4%

Assets Under Management

Dec 2023	Dec 2022
112,182	100,396

Third-Party
Managed
37,107



W&S
75,075

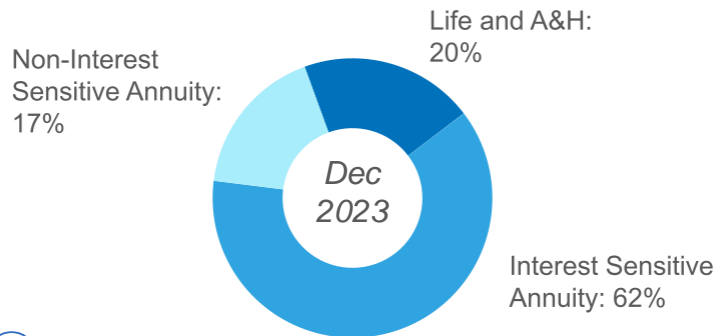
GAAP Income Statement Highlights

	Dec 2023	Dec 2022
Revenue		
Premiums & Product Charges	3,718	3,402
Investment Income	3,034	2,329
Fee Income & Other	447	448
Total	7,199	6,179
Benefits and Expenses		
Policyholder Benefits	3,765	3,479
Interest Credited	1,018	721
Expenses & DAC	1,765	1,470
Total	6,548	5,670
Operating Gain	651	509
Capital Gains and Other	261	(473)
Net Income Before Taxes	912	36
Income Tax	158	(23)
Net Income	754	59

Statutory Premium and Liability Mix

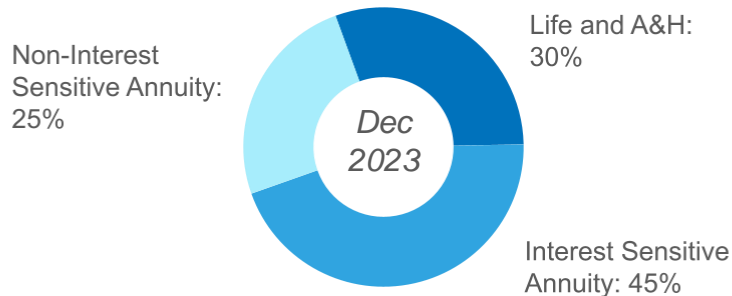
Premium Mix

	Dec 2023	Dec 2022
Life and A&H Premiums	2,207	2,140
Interest Sensitive Annuity Deposits	6,807	6,667
Non-Interest Sensitive Annuity Deposits	1,907	1,636
Total	10,921	10,443



Liability Mix

	Dec 2023	Dec 2022
Life and A&H Liabilities	17,441	16,712
Interest Sensitive Annuity Liabilities	25,858	22,613
Non-Interest Sensitive Annuity Liabilities	14,317	12,813
Total	57,616	52,138



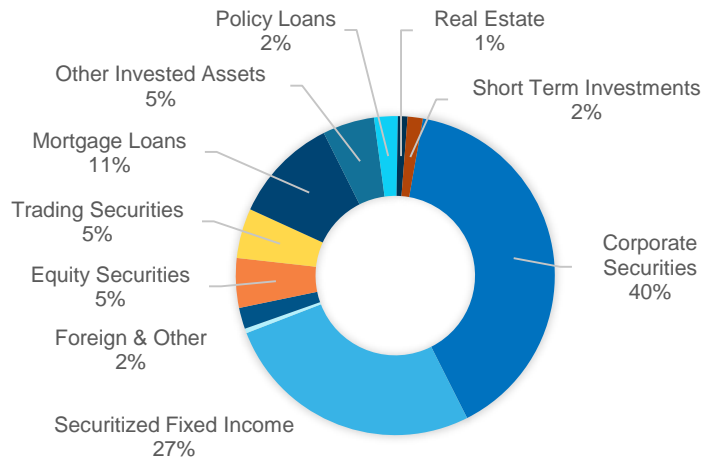
Statutory Premiums & Deposits by Insurance Product Type

(\$ in millions)		Dec 2023	Dec 2022
Life and A&H Premiums	Closed Block & Dividend Paying WL	851	785
	Non-dividend Life (WL, Term)	629	616
	Universal Life (UL, VUL)	393	416
	A&H	334	323
	<i>Total Life and A&H</i>	<i>2,207</i>	<i>2,140</i>
Interest Sensitive Annuities	Book Value Annuity	250	203
	Market Value Annuity	6,275	6,121
	Fixed Indexed Annuity	282	342
	<i>Total Interest Sensitive Annuities</i>	<i>6,807</i>	<i>6,666</i>
Non-Interest Sensitive Annuities	Fixed Payout Annuity	1,222	1,232
	Pension Risk Transfer	656	343
	Variable Annuity	29	62
	<i>Total Non-Interest Sensitive Annuities</i>	<i>1,907</i>	<i>1,637</i>
Total Premiums and Deposits		10,921	10,443

Highly Rated Investment Portfolio

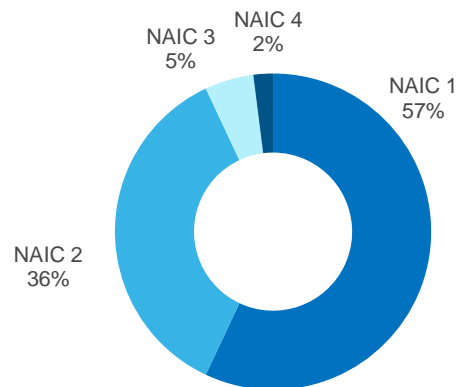
Western & Southern has a conservative, high quality, well diversified investment portfolio

Invested Assets by Type



Total: \$66.9bn

Fixed Income Portfolio by Rating



Diversified fixed-income portfolio with 93% investment grade

Total: \$46.1bn

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

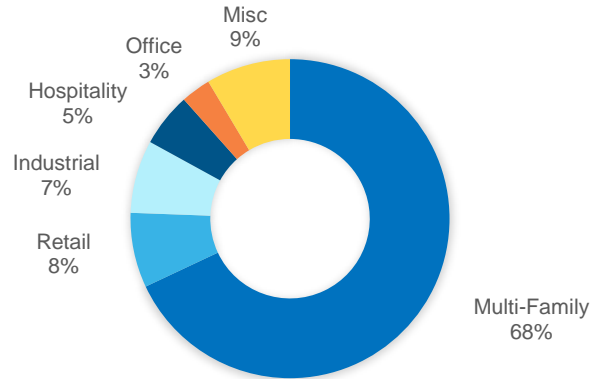
- Securitized fixed income run by seasoned portfolio management team with best-in-class processes and risk management
- Equity portfolio benefits from our tenured Fort Washington investment team that continues to provide superior return potential without undue risk
- Other uncorrelated assets (private equity partnerships, real estate) provide attractive return opportunities in inefficient asset classes

Commercial Mortgage Loan Portfolio

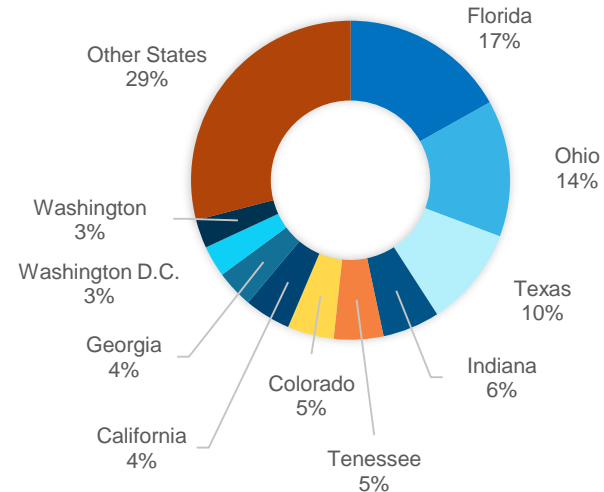
High-quality portfolio with only 2% below investment grade and only one loan impaired over the last 20 years

► **Total: \$7.2bn**

Mortgage Loans by Property Type



Mortgage Loans by State



The Western and Southern Life Insurance Company

Surplus Note Issuer 2023 Financial Results

Statutory Balance Sheet Highlights

	Dec 2023	Dec 2022
Assets		
Invested Assets	11,126	11,003
Other Assets	1,401	1,320
Total Assets	12,527	12,323
Liabilities		
Reserves	3,234	3,213
Other	2,260	2,209
Total Liabilities	5,494	5,422
Capital & Surplus	7,033	6,901
Total Liabilities & Equity	12,527	12,323
Company Action Level RBC	440%	424%

Statutory Income Statement Highlights

	Dec 2023	Dec 2022
Revenue		
Premiums & Other	220	223
Net Investment Income	591	481
Total Revenue	811	704
Benefits and Expenses		
Policyholder Benefits ¹	351	159
Expenses & Other	101	56
Total Benefits and Expenses	452	215
Gain Before Dividends, Taxes and Capital Gains / (Losses)	359	489
Policyholder Dividends	41	48
Federal Income Tax	(47)	34
Capital Gains / (Losses)	(16)	(4)
Net Income	349	403

Western & Southern Financial Group

Q1 2024 Update

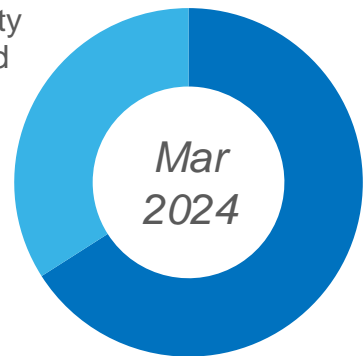
GAAP Balance Sheet Highlights

	Mar 2024	Dec 2023
Assets		
Invested Assets	67,757	66,899
DAC	2,209	2,160
Other Assets	3,698	3,615
Separate Accounts	2,551	2,401
Total Assets	76,215	75,075
Liabilities		
Life Reserves	17,458	17,302
Annuity Reserves	40,949	40,314
Other	6,558	6,520
Total Liabilities	64,965	64,136
Net Worth	11,250	10,939
Total Liabilities & Equity	76,215	75,075
Capital to Asset Ratio	14.8%	14.6%

Assets Under Management

Mar 2024	Dec 2023
115,538	112,182

Third-Party
Managed
39,323



W&S
76,215

GAAP Income Statement Highlights

	Mar 2024	Mar 2023
Revenue		
Premiums & Product Charges	802	671
Investment Income	838	691
Fee Income & Other	112	105
Total	1,752	1,467
Benefits and Expenses		
Policyholder Benefits	848	696
Interest Credited	298	229
Expenses & DAC	438	404
Total	1,584	1,329
Operating Gain	168	138
Capital Gains and Other	181	(28)
Net Income Before Taxes	349	110
Income Tax	63	15
Net Income	286	95

WSLIC Statutory Highlights

	Mar 2024	Dec 2023
Assets		
Invested Assets	11,027	11,126
Other Assets	1,473	1,401
Total Assets	12,500	12,527
Liabilities		
Reserves	3,235	3,234
Other	2,290	2,260
Total Liabilities	5,525	5,494
Capital & Surplus	6,975	7,033
Total Liabilities & Equity	12,500	12,527

Revenue

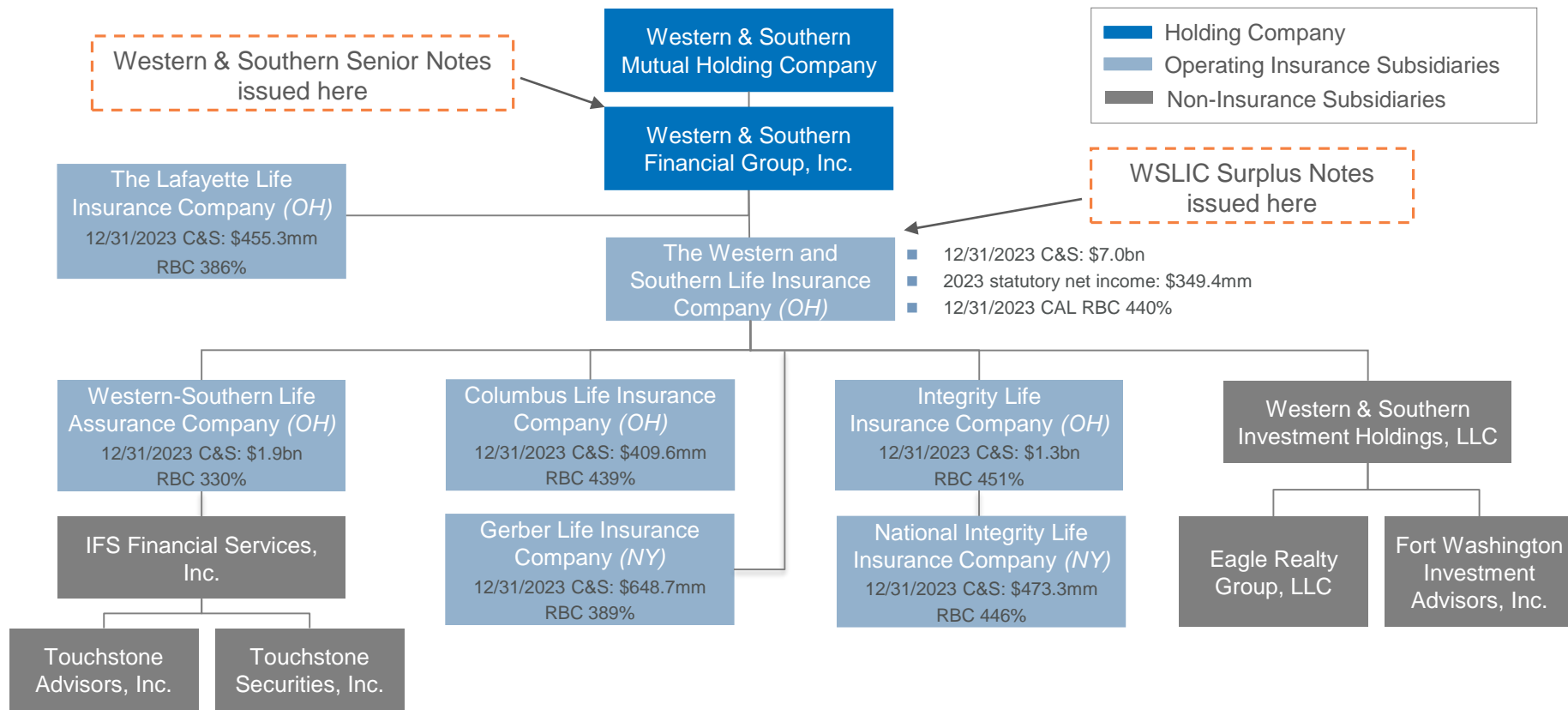
Premiums & Other	50	52
Net Investment Income	201	238
Total Revenue	251	290

Benefits and Expenses

Policyholder Benefits ¹	66	70
Expenses & Other	51	45
Total Benefits and Expenses	117	115
Gain Before Dividends, Taxes and Capital Gains / (Losses)	134	175
Policyholder Dividends	11	13
Federal Income Tax	(5)	14
Capital Gains / (Losses)	6	58
Net Income	134	206

Appendix

Simplified Organizational Structure



Disclosures

The ratings are current as of May 15, 2024, 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+, Superior - Superior ability to meet ongoing insurance obligations (second highest of 13 ratings; held since February 2024). The Lafayette Life Insurance Company is not rated by Moody's.

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Q & A