

Q3 2024 Financial Supplement

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Financial Summary

Unaudited (In millions, except for percentages)

	Historical Data					Percentage Change		Year-to-Date		Percentage Change
	3Q24	2Q24	1Q24	4Q23	3Q23	QoQ	YoY	2024	2023	YTD
Income:										
GAAP net income	\$ 409	\$ 297	\$ 516	\$ 98	\$ 53	38 %	672 %	\$ 1,222	\$ 394	210 %
Pre-tax operating earnings ¹	305	380	335	252	289	(20)%	6 %	1,020	909	12 %
After-tax operating return on equity (ROE) ²	9.56 %	11.43 %	9.43 %	7.28 %	9.91 %			10.25 %	9.33 %	
Investment Spread										
Total core net investment spread (%) ³	2.21 %	2.35 %	2.31 %	2.18 %	2.29 %			2.28 %	2.34 %	
Balance Sheet:										
Total assets	\$ 135,671	\$ 129,068	\$ 127,325	\$ 123,866	\$ 116,641	5 %	16 %	\$ 135,671	\$ 116,641	16 %
Debt	2,780	2,779	2,780	2,036	2,036	— %	37 %	2,780	2,036	37 %
Total liabilities & redeemable noncontrolling interest	128,585	124,671	122,650	119,190	115,440	3 %	11 %	128,585	115,440	11 %
Total stockholder's equity	7,078	4,389	4,667	4,668	1,191	61 %	494 %	7,078	1,191	494 %
Less: accumulated other comprehensive income (AOCI)	(4,441)	(6,817)	(6,322)	(5,985)	(9,366)	(35)%	(53)%	(4,441)	(9,366)	53 %
Total stockholder's equity excluding AOCI ⁴	11,519	11,206	10,989	10,653	10,557	3 %	9 %	11,519	10,557	9 %
Debt to capital ratio (excluding AOCI)	19.44 %	19.87 %	20.19 %	16.05 %	16.17 %			19.44 %	16.17 %	

1 Represents a non-GAAP measure of operations utilized primarily to evaluate financial performance excluding market volatility

2 Represents a non-GAAP measure of operations (ROE based on adjusted after-tax operating earnings divided by average stockholder's equity excluding AOCI)

3 Represents a non-GAAP measure of performance measured as earnings on core net invested assets divided by core net invested assets

4 Represents a non-GAAP measure which removes AOCI from GAAP equity

GAAP Consolidated Statement of Income

Unaudited (In millions, except for percentages)

	Historical Data					Percentage Change		Year-to-Date		Percentage Change
	3Q24	2Q24	1Q24	4Q23	3Q23	QoQ	YoY	2024	2023	YTD
Revenues										
Premiums	\$ 453	\$ 291	\$ 519	\$ 253	\$ 160	56 %	183 %	\$ 1,263	\$ 689	83 %
Charges on interest-sensitive and investment-type products	355	342	351	312	278	4 %	28 %	1,048	847	24 %
Net investment income	1,406	1,425	1,277	979	999	(1)%	41 %	4,108	2,871	43 %
Net gains (losses) on derivatives and derivative instruments	23	(32)	347	(164)	(70)	NM	NM	338	(29)	NM
Net realized investment gains (losses)	(33)	(37)	44	26	(125)	NM	NM	(26)	(474)	NM
Other income	52	52	50	40	30	— %	73 %	154	97	59 %
Total revenue	2,256	2,041	2,588	1,446	1,272	11 %	77 %	6,885	4,001	72 %
Benefits and Expenses										
Index credits and interest credited to policyholder account balances	830	696	637	549	499	19 %	66 %	2,163	1,193	81 %
Benefits incurred	505	564	779	393	472	(11)%	7 %	1,848	1,431	29 %
Amortization of deferred sales inducements	40	58	62	70	(11)	(31)%	NM	160	54	197 %
Total benefits	1,375	1,318	1,478	1,012	960	4 %	43 %	4,171	2,678	56 %
Operating expenses, net of commissions and other expenses deferred	287	267	256	251	211	7 %	36 %	810	663	22 %
Amortization of deferred policy acquisition costs	132	120	216	132	51	10 %	159 %	468	238	97 %
Total benefits and expenses	1,794	1,705	1,950	1,395	1,222	5 %	47 %	5,449	3,579	52 %
Income before income taxes	462	336	638	51	50	38 %	824 %	1,436	422	240 %
Income tax provision	55	39	123	(43)	(5)	43 %	NM	217	26	733 %
Net income	407	297	515	94	55	37 %	640 %	1,219	396	208 %
Net (gain) loss attributable to noncontrolling interest	2	—	1	4	(2)	NM	NM	3	(2)	NM
Net income attributable to Sammons Financial Group	\$ 409	\$ 297	\$ 516	\$ 98	\$ 53	38 %	672 %	\$ 1,222	\$ 394	210 %

Pre-Tax Operating Earnings

Unaudited (In millions, except for percentages)

	Historical Data					Percentage Change		Year-to-Date		Percentage Change
	3Q24	2Q24	1Q24	4Q23	3Q23	QoQ	YoY	2024	2023	YTD
Income before income taxes	\$ 462	\$ 336	\$ 638	\$ 51	\$ 50			\$ 1,436	\$ 422	
Net (gain) loss attributable to noncontrolling interest	2	—	1	4	(2)			3	(2)	
Pre-tax income attributable to Sammons Financial Group	464	336	639	55	48	(47)%	(6)%	1,439	420	243 %
Adjustments to income before income taxes to arrive at adjusted pre-tax operating earnings:										
Tax credits on qualified tax credit bonds included in operating income	15	16	19	20	19	(14)%	(9)%	50	58	(13)%
Realized investment losses, net of offsets	86	11	15	69	89	(30)%	(97)%	111	527	(79)%
Unrealized (gains) losses on derivatives, trading securities, equity securities, and fair value option investments, net of offsets	(62)	18	(354)	84	109	NM	NM	(398)	(120)	NM
Non-operating ESOP incentive compensation expense	—	—	16	—	—	NM	NM	16	—	NM
Adjusted pre-tax operating earnings ¹	503	380	335	228	265	14 %	9 %	1,218	885	38 %
Assumption refinements and unlocking	(198)	—	—	24	24	NM	NM	(198)	24	NM
Adjusted pre-tax operating earnings excluding notable item ²	\$ 305	\$ 380	\$ 335	\$ 252	\$ 289	14 %	9 %	\$ 1,020	\$ 909	12 %

¹ Income before taxes is determined in accordance with GAAP. Adjusted pre-tax operating earnings is a non-GAAP measure of operations and is determined by adjusting income before income taxes (as determined in accordance with GAAP) to recognize the impact of certain tax credits as income and eliminate (a) net realized gains and losses on investments including allowances for credit losses, (b) unrealized gains and losses including fair value changes in derivatives, trading securities, equity securities with an investment objective to realize economic value through dividends and investments where the fair value option has been elected, (c) offsets to amortization of deferred policy acquisition costs ("DAC"), amortization of deferred sales inducements ("DSI") and other policy reserves related to realized gains and losses on investments and derivatives and (d) certain ESOP incentive compensation plan expenses as the Company is reimbursed by its parent, Sammons Enterprises. These items are not considered as core to our operations and management considers adjusted pre-tax operating earnings as a more accurate measure of performance. Adjusted pre-tax operating earnings is a non-GAAP measure and should not be considered as a replacement to income before income taxes and other earnings measures presented in accordance with GAAP.

² Income before taxes is determined in accordance with GAAP. Adjusted pre-tax operating earnings excluding notable item is a non-GAAP measure of operations and is determined by adjusting income before income taxes to recognize the impact of certain tax credits as income and eliminate (a) net realized gains and losses on investments including allowances for credit losses, (b) unrealized gains and losses including fair value changes in derivatives, trading securities, equity securities with an investment objective to realize economic value through dividends and investments where the fair value option has been elected, (c) offsets to amortization of deferred policy acquisition costs ("DAC"), amortization of deferred sales inducements ("DSI") and other policy reserves related to realized gains and losses on investments and derivatives and (d) certain ESOP incentive compensation plan expenses as the Company is reimbursed by its parent, Sammons Enterprises. These results are then adjusted to remove the impacts of actuarial unlocking of assumptions and model refinements. These items are not considered as core to our operations and management considers adjusted pre-tax operating earnings as a more accurate measure of performance. Adjusted pre-tax operating earnings excluding notable item is a non-GAAP measure and should not be considered as a replacement to income before income taxes and other earnings measures presented in accordance with GAAP.

Investment Spread

Unaudited (In millions, except for percentages)

	Historical Data					Percentage Change		Year-to-Date		Percentage Change
	3Q24	2Q24	1Q24	4Q23	3Q23	QoQ	YoY	2024	2023	YTD
Net investment income (core) ¹	\$ 1,127	\$ 1,120	\$ 1,079	\$ 1,036	\$ 1,034	1 %	9 %	\$ 3,326	\$ 3,102	7 %
Net investment income (alternatives) ²	87	175	119	29	66	(50)%	32 %	381	265	44 %
Total net investment income	1,215	1,295	1,198	1,065	1,100	(6)%	10 %	3,708	3,367	10 %
Cost of money ³	(661)	(632)	(610)	(602)	(577)	5 %	15 %	(1,904)	(1,681)	13 %
Total net investment spread	\$ 554	\$ 663	\$ 588	\$ 463	\$ 523	(16)%	6 %	\$ 1,804	\$ 1,686	7 %
Yield (core) ¹	4.80 %	4.88 %	4.82 %	4.69 %	4.71 %			4.83 %	4.69 %	
Yield (alternatives) ²	4.46 %	8.80 %	6.12 %	1.50 %	3.49 %			6.47 %	4.86 %	
Total yield on net invested assets ¹	4.76 %	5.20 %	4.92 %	4.43 %	4.61 %			4.96 %	4.70 %	
Aggregate cost of money ³	(2.59)%	(2.54)%	(2.51)%	(2.50)%	(2.42)%			(2.55)%	(2.35)%	
Total net investment spread	2.17 %	2.66 %	2.41 %	1.93 %	2.19 %			2.41 %	2.35 %	
Average invested assets (core) ¹	\$ 94,145	\$ 91,765	\$ 89,563	\$ 88,421	\$ 87,872	3 %	7 %	\$ 91,867	\$ 88,272	4 %
Average invested assets (alternatives) ²	7,846	7,936	7,779	7,693	7,571	(1)%	4 %	7,859	7,285	8 %
Total average invested assets	\$ 101,992	\$ 99,701	\$ 97,342	\$ 96,114	\$ 95,443	2 %	7 %	\$ 99,725	\$ 95,557	4 %

¹ Net investment income (core), a non-GAAP measure, is defined as net investment income excluding income on derivatives and alternative investments and including tax credits. The yield (core), a non-GAAP measure, is calculated by dividing the net investment income (core) by the average invested assets excluding alternative investments (based on GAAP book value of investments, net of securities lending, FHLB borrowings and modified coinsurance and funds withheld liabilities).

² Net investment income (alternatives), a non-GAAP measure, represent earnings on investments deemed to have more volatility but have higher yields over the long-term than core investments. These investments include limited partnerships, residual tranches of debt securities, securities with returns linked to an underlying index and investments in company owned life insurance. The yield (alternatives), non-GAAP measure, is calculated by dividing alternative investment income by the average book value of alternative investments.

³ Cost of Money, a non-GAAP measure, represents interest credited on fixed annuity and investment-type life insurance products and cost of hedging for indexed annuities and indexed universal life products. Aggregate cost of money, a non-GAAP measure, is calculated by dividing the cost of money by average invested assets (based on GAAP book value of investments, net of securities lending, FHLB borrowing and modified coinsurance and funds withheld liabilities).

Rollforward of Assets Under Management (AUM)

Unaudited (In millions, except for percentages)

	Historical Data					Percentage Change		Year-to-Date		Percentage Change
	3Q24	2Q24	1Q24	4Q23	3Q23	QoQ	YoY	2024	2023	YTD
Spread Based Products										
Beginning AUM ²	\$ 94,226	\$ 91,991	\$ 90,109	\$ 89,285	\$ 89,937	2 %	5 %	\$ 90,109	\$ 88,201	2 %
Premiums and deposits	5,005	4,625	4,006	3,570	2,710	8 %	85 %	13,636	8,361	39 %
Benefits and outflows - MYGA ¹	(343)	(505)	(441)	(715)	(1,646)	(32)%	(79)%	(1,289)	(2,240)	(74)%
Benefits and outflows - CM ¹	(459)	(276)	(250)	(446)	(545)	66 %	(16)%	(985)	(1,392)	(41)%
Benefits and outflows - other ¹	(2,311)	(2,402)	(2,252)	(2,203)	(1,841)	(4)%	26 %	(6,965)	(5,292)	24 %
Interest credited / index credits	823	693	636	549	498	19 %	65 %	2,152	1,192	45 %
Other ³	6	100	183	69	172	(94)%	(97)%	289	455	NM
Ending AUM ²	<u>\$ 96,947</u>	<u>\$ 94,226</u>	<u>\$ 91,991</u>	<u>\$ 90,109</u>	<u>\$ 89,285</u>	3 %	9 %	<u>\$ 96,947</u>	<u>\$ 89,285</u>	8 %
Fee Based Products										
Beginning AUM ²	\$ 18,713	\$ 18,763	\$ 17,606	\$ 12,268	\$ 12,783	— %	46 %	\$ 17,606	\$ 12,222	31 %
Inflows	468	520	969	144	299	(10)%	57 %	1,957	1,131	42 %
Acquisition of NorthRock	—	—	—	5,267	—	NM	NM	—	—	NM
Outflows	(617)	(864)	(865)	(602)	(465)	(29)%	33 %	(2,346)	(1,430)	39 %
Market performance	1,000	294	1,053	529	(349)	240 %	(387)%	2,347	345	85 %
Ending AUM ²	<u>\$ 19,564</u>	<u>\$ 18,713</u>	<u>\$ 18,763</u>	<u>\$ 17,606</u>	<u>\$ 12,268</u>	5 %	59 %	<u>\$ 19,564</u>	<u>\$ 12,268</u>	37 %

¹ Benefits and outflows consists of claims, surrenders, withdrawals, and COI charges.

² AUM includes account values of life, fixed annuity, variable annuity and mutual funds products in our four primary business units plus assets under management at Beacon Capital Management, LLC and NorthRock Partners HoldCo, LLC. FAS 133 reserves have been excluded from the roll forward to show cash flows, liquidity and growth in core business

³ Other includes changes in benefit reserves and the PRT reserve increase in excess of premiums.

GAAP Consolidated Balance Sheets

Unaudited (In millions, except for percentages)

	September 30, 2024	December 31, 2023	Percentage Change
Assets			
Investments			
Fixed maturities, available-for-sale, at fair value	\$ 87,372	\$ 83,019	5 %
Fixed maturities, trading, at fair value	333	350	(5)%
Equity securities, at fair value	1,076	1,232	(13)%
Mortgage loans	7,901	6,413	23 %
Policy loans	813	724	12 %
Short-term investments	5,098	2,318	120 %
Derivative instruments	4,673	3,072	52 %
Other invested assets	8,040	7,484	7 %
Total investments	115,306	104,612	10 %
Cash	1,951	1,269	54 %
Accrued investment income	967	882	10 %
Deferred policy acquisition costs and present value of future profits of acquired businesses	7,626	7,342	4 %
Deferred sales inducements	1,711	1,257	36 %
Other receivables, other assets and property, plant and equipment	1,297	1,291	— %
Reinsurance receivables	2,738	2,848	(4)%
Deferred income tax asset	849	1,424	(40)%
Separate account assets	3,226	2,941	10 %
Total assets	\$ 135,671	\$ 123,866	10 %

GAAP Consolidated Balance Sheets, cont.

Unaudited (In millions, except for percentages)

	September 30, 2024	December 31, 2023	Percentage Change
Liabilities			
Policyholder account balances	\$ 95,934	\$ 89,496	7 %
Policy benefit reserves	8,171	7,027	16 %
Policy claims and benefits payable	584	651	(10)%
Notes payable	2,780	2,036	37 %
Repurchase agreements, other borrowings and collateral on derivative instruments	13,278	12,584	6 %
Derivative instruments	1,980	1,393	42 %
Other liabilities	2,490	2,920	(15)%
Separate account liabilities	3,226	2,941	10 %
Total liabilities	128,443	119,048	8 %
Redeemable noncontrolling interest	142	142	— %
Stockholder's Equity			
Common stock, \$1 par value, 1,000 shares authorized, issued and outstanding	—	—	— %
Additional paid-in capital	1,829	1,813	1 %
Retained earnings	9,690	8,840	10 %
Accumulated other comprehensive income	(4,441)	(5,985)	(26)%
Total SFG stockholder's equity	7,078	4,668	52 %
Noncontrolling interest	8	8	— %
Total stockholder's equity	7,086	4,676	52 %
Total liabilities and stockholder's equity	\$ 135,671	\$ 123,866	10 %

Invested Assets

Unaudited (In millions)

	September 30, 2024				December 31, 2023			
	GAAP Carrying Value ²	Book Value	Unrealized Gain/(Loss)	% of GAAP Carrying Value	GAAP Carrying Value ²	Book Value	Unrealized Gain/(Loss)	% of GAAP Carrying Value
Invested Assets								
U.S. government and agencies	\$ 9,429	\$ 10,348	\$ (919)	8.2 %	\$ 9,110	\$ 10,330	\$ (1,220)	8.7 %
Municipal securities	7,992	8,820	(828)	6.9 %	8,153	9,142	(989)	7.8 %
Corporate securities	45,743	49,806	(4,063)	39.7 %	43,360	48,401	(5,041)	41.4 %
RMBS	5,857	6,281	(424)	5.1 %	5,685	6,243	(558)	5.4 %
CMBS	1,861	2,084	(223)	1.6 %	1,682	1,957	(275)	1.6 %
ABS	16,018	16,320	(302)	13.9 %	14,424	15,308	(884)	13.8 %
Other debt obligations	472	508	(36)	0.4 %	605	662	(57)	0.6 %
Total fixed maturities- available-for-sale	87,372	94,167	(6,795)	75.8 %	83,019	92,043	(9,024)	79.4 %
Common & preferred stock- financial services	1,073	1,193	(120)	0.9 %	1,194	1,388	(194)	1.1 %
Common & preferred stock- other	3	7	(4)	— %	38	57	(19)	— %
Total equity securities	1,076	1,200	(124)	0.9 %	1,232	1,445	(213)	1.2 %
Municipal securities	5	6	(1)	— %	5	5	—	— %
Corporate securities	248	262	(14)	0.2 %	237	258	(21)	0.2 %
RMBS	12	13	(1)	— %	14	15	(1)	— %
CMBS	17	21	(4)	— %	19	23	(4)	— %
ABS	51	53	(2)	— %	75	78	(3)	0.1 %
Total trading securities	333	355	(22)	0.2 %	350	379	(29)	0.3 %
Mortgage loans ¹	7,901	7,901	—	6.9 %	6,413	6,413	—	6.1 %
Policy loans	813	813	—	0.7 %	724	724	—	0.7 %
Short-term investments	5,098	5,098	—	4.4 %	2,318	2,318	—	2.2 %
Derivative instruments	4,673	4,673	—	4.1 %	3,072	3,072	—	2.9 %
Other invested assets	8,040	8,024	16	7.0 %	7,484	7,434	50	7.2 %
Total investments	\$ 115,306	\$ 122,231	\$ (6,925)		\$ 104,612	\$ 113,828	\$ (9,216)	

¹ Total is net of mortgage loan loss allowance

² GAAP carrying value is market value for investments required to be held at market value such as fixed maturities, equity securities, trading securities and derivative instruments. For investments such as mortgages and policy loans, carrying value is equal to amortized cost

Credit Quality of Investments

Unaudited (In millions, except for percentages)

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
Assets with NAIC Designation				
Fixed maturities, available-for-sale, at fair value				
1	\$ 53,348	46.3 %	\$ 51,069	48.8 %
2	30,400	26.4 %	27,997	26.8 %
3	2,185	1.9 %	2,177	2.1 %
4	1,017	0.9 %	1,220	1.2 %
5	254	0.2 %	268	0.3 %
6	168	0.1 %	288	0.3 %
Total fixed maturities, available-for-sale ¹	87,372	75.8 %	83,019	79.4 %
Assets without NAIC Designation				
Fixed maturities, trading, at fair value	333	0.3 %	350	0.3 %
Equity securities, at fair value	1,076	0.9 %	1,232	1.2 %
Mortgage loans	7,901	6.9 %	6,413	6.1 %
Policy loans	813	0.7 %	724	0.7 %
Short-term investments	5,098	4.4 %	2,318	2.2 %
Derivative instruments	4,673	4.1 %	3,072	2.9 %
Other invested assets	8,040	7.0 %	7,484	7.2 %
Total investments	\$ 115,306		\$ 104,612	

¹ See breakout of fixed maturities, available-for-sale on the next two pages

Credit Quality of Investments (Fixed Maturities, Available-for-Sale)

Unaudited (In millions, except for percentages)

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
Available-for-sale				
U.S. Government and agencies	\$ 9,429	10.8 %	\$ 9,110	11.0 %
Municipal securities	7,992	9.1 %	8,153	9.8 %
Corporate securities	45,743	52.4 %	43,360	52.2 %
RMBS	5,857	6.7 %	5,685	6.8 %
CMBS	1,861	2.1 %	1,682	2.0 %
ABS	16,018	18.3 %	14,424	17.4 %
Other Debt Obligations	472	0.5 %	605	0.7 %
Total Fixed Maturities, Available-for-Sale	\$ 87,372	100.0 %	\$ 83,019	100.0 %

NAIC Designation	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
1	\$ 7,898	98.8 %	\$ 8,056	98.8 %
2	74	0.9 %	84	1.0 %
3	7	0.1 %	13	0.2 %
4	13	0.2 %	—	— %
5	—	— %	—	— %
6	—	— %	—	— %
Total Municipal Securities	\$ 7,992	100.0 %	\$ 8,153	100.0 %

NAIC Designation	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
1	\$ 16,760	36.6 %	\$ 16,274	37.5 %
2	26,110	57.1 %	23,985	55.3 %
3	1,793	3.9 %	1,730	4.0 %
4	810	1.8 %	1,040	2.4 %
5	245	0.5 %	245	0.6 %
6	25	0.1 %	86	0.2 %
Total Corporate Securities	\$ 45,743	100.0 %	\$ 43,360	100.0 %

Credit Quality of Investments (Fixed Maturities, Available-for-Sale, cont.)

Unaudited (In millions, except for percentages)

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
RMBS				
NAIC Designation				
1	\$ 5,834	99.6 %	\$ 5,664	99.6 %
2	11	0.2 %	—	— %
3	4	0.1 %	9	0.2 %
4	3	— %	3	0.1 %
5	4	0.1 %	7	0.1 %
6	1	— %	2	— %
Total RMBS	\$ 5,857	100.0 %	\$ 5,685	100.0 %

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
CMBS				
NAIC Designation				
1	\$ 1,817	97.6 %	\$ 1,637	97.3 %
2	42	2.3 %	43	2.6 %
3	1	0.1 %	2	0.1 %
4	—	— %	—	— %
5	1	— %	—	— %
6	—	— %	—	— %
Total CMBS	\$ 1,861	100.0 %	\$ 1,682	100.0 %

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
ABS				
NAIC Designation				
1	\$ 11,137	69.5 %	\$ 9,774	67.8 %
2	4,164	26.0 %	3,839	26.6 %
3	380	2.4 %	418	2.9 %
4	191	1.2 %	177	1.2 %
5	4	— %	16	0.1 %
6	142	0.9 %	200	1.4 %
Total ABS	\$ 16,018	100.0 %	\$ 14,424	100.0 %

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
CLO				
NAIC Designation				
1	\$ 4,311	89.5 %	\$ 4,045	86.7 %
2	187	3.9 %	209	4.5 %
3	142	2.9 %	151	3.2 %
4	104	2.2 %	109	2.3 %
5	—	— %	—	— %
6	79	1.6 %	155	3.3 %
Total CLO	\$ 4,823	100.0 %	\$ 4,669	100.0 %

Mortgage Loans, Office Exposure, and Agency Ratings

Unaudited (In millions, except for percentages)

	September 30, 2024		December 31, 2023	
	GAAP Carrying Value	% of GAAP Carrying Value	GAAP Carrying Value	% of GAAP Carrying Value
Commercial Mortgage Loans				
Office	\$ 2,239	38.5 %	\$ 2,324	40.6 %
Retail	1,150	19.7 %	1,185	20.7 %
Hotel	1,140	19.5 %	1,099	19.2 %
Industrial	624	10.7 %	517	9.0 %
Multi-family	322	5.5 %	395	6.9 %
Other	343	5.9 %	183	3.2 %
Medical	14	0.2 %	15	0.3 %
Total commercial mortgage loans	\$ 5,832	100.0 %	\$ 5,718	100.0 %

Non-performing Mortgage Loans ³

Total non-performing mortgage loans	\$ 73	1.3 %	\$ 57	1.0 %
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Office Exposure

Commercial mortgage loans	\$ 2,239	91.3 %	\$ 2,324	94.7 %
Real estate equity	165	6.7 %	29	1.2 %
Senior mezzanine real-estate fund	28	1.1 %	77	3.1 %
CMBS / CRE-CLO	23	0.9 %	23	0.9 %
Total office exposure	\$ 2,455	100.0 %	\$ 2,453	100.0 %

Agency Ratings

	FSR ¹ Rating	Sr Debt ² Rating	Outlook
S&P	A+	BBB+	Stable
A.M. Best	A+	N/A	Stable
Fitch	A+	BBB+	Stable

¹ Financial Strength Ratings are based on the insurance company subsidiaries Midland and North American.

² Senior Unsecured Debt Rating of SFG

³ Non-performing loans defined as loans delinquent over 60 days