



Protective Life Corporation Annual Company Update

March 30, 2022

Agenda | March 30, 2022

Welcome

Deep Banerjee (SVP, Treasurer)

Company Overview

Rich Bielen (President & CEO)

Financial Report

Steve Walker (EVP, Chief Financial Officer)

Retail Division Overview

Mike Temple (Vice Chairman, Chief Operating Officer)

Investments

Phil Passafiume (EVP, Chief Investment Officer)

Q&A

Welcome
Deep Banerjee
SVP, Treasurer



In addition to the information contained in this presentation, we have supplemental financial information available on our website at www.protective.com. The information found on our website is not incorporated by reference or made a part of this presentation. Unless context otherwise requires, “we,” “us,” and “our” refer to the consolidated group of the Protective Life Corporation (“PLC” or the “Company”) and its subsidiaries. This presentation includes forward-looking statements which express expectations of future events and/or results. Actual events and results may differ materially from these expectations. For more information about the risks, uncertainties, and other factors that could affect our future results, please refer to the “Risk Factors” sections of the most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q of the Company’s primary operating subsidiary, Protective Life Insurance Company (“PLICO”), which reports are available on our website.

After PLICO filed its Annual Report on Form 10-K for the year ended Dec. 31, 2021, it will now rely on the exemption provided by Rule 12h-7 under the Exchange Act to suspend filing reports with the SEC under the Exchange Act. Accordingly, for so long as PLICO meets all of the qualifications under Rule 12h-7, the Company will not file any further annual reports on Form 10-K, quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC. PLICO will continue to produce financials statements on a quarterly basis, which will be made publicly available on our website.

Certain information included in this presentation may contain non-GAAP financial measures. The preparation of Company financial statements requires management to make estimates and assumptions that impact the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

This presentation is not intended as, and should not be construed as, earnings guidance. This presentation is dated March 30, 2022. We assume no obligation to, and do not intend to update the information contained herein after such date.

Note: Amounts in this presentation are in USD, unless specified otherwise.

Company Overview

Rich Bielen

President & Chief Executive Officer



Protective in Review

As of Dec. 31, 2021




\$1 Trillion
Life insurance in force

12.8M+
Policies & contracts
in force



\$4.9B
Claims and payouts to
887,000 beneficiaries




\$875M
Cumulative COVID
claims paid to
13,512 beneficiaries



3,600
Employees



58
Acquisitions in
company history

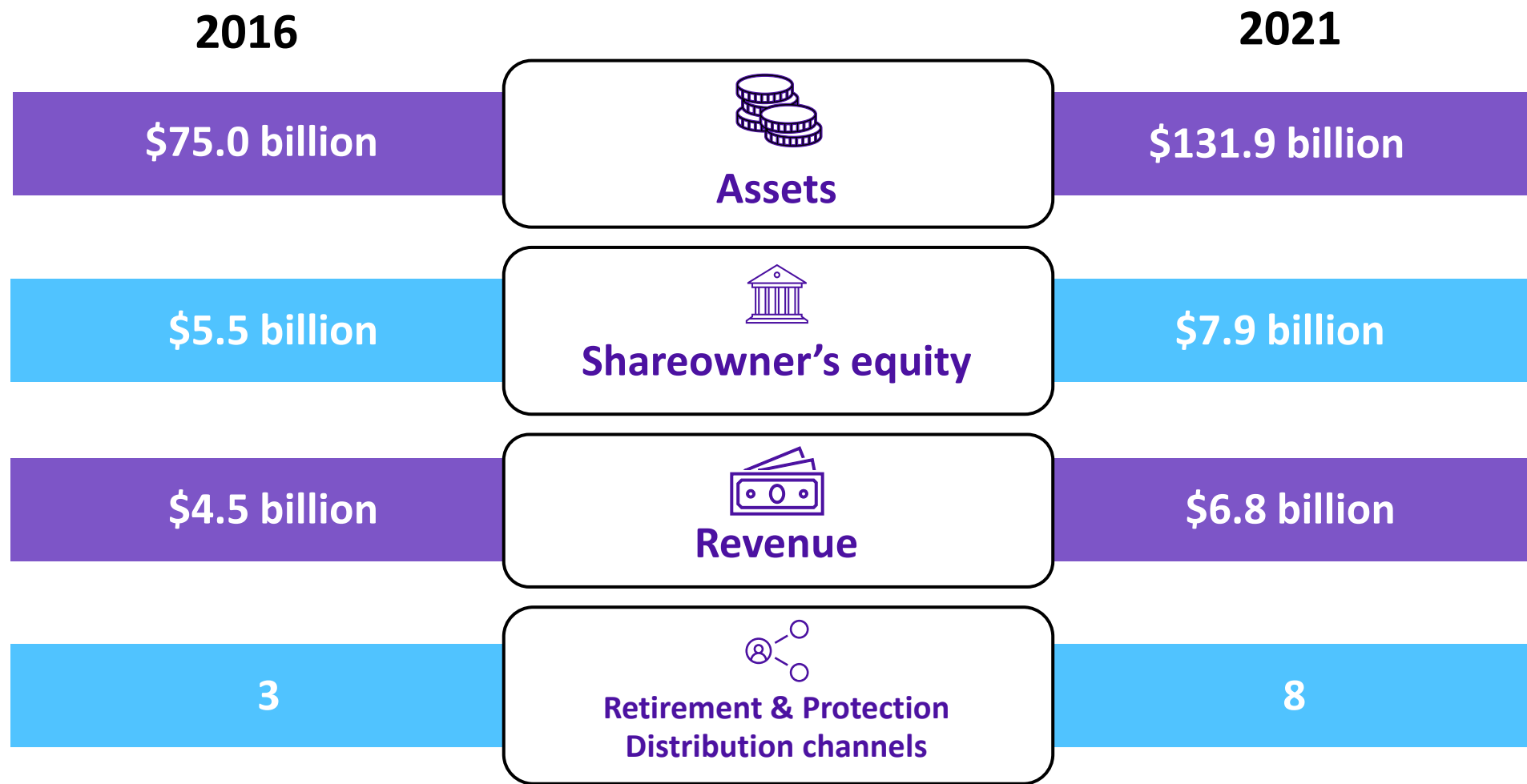


\$4.0M
Community
gifts

Diversified Profile
4 Core Segments

Retail Life & Annuity
Asset Protection
Acquisitions
Stable Value

We are a different company today.

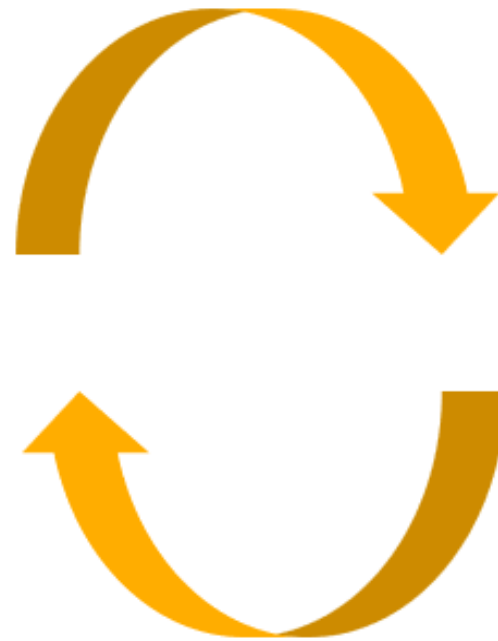


For the years ending 12/31/16 and 12/31/21 respectively. Shareowner's equity excludes AOCI and is calculated on a GAAP Basis.

Our unique, balanced business cycle

Stable earnings
stream

Retail Lines



Acquisitions

Earnings growth, scale,
organic retail growth
opportunities

Protective To Acquire AUL Corp.



- Protective has agreed to acquire AUL Corp, inclusive of its affiliated operating entities
- Expected to enable Protective Asset Protection to further enhance its suite of product offerings and strengthen its revenue.
- AUL is a market leader in the high mileage VSC space and a strong complement to Protective's business. It will contribute to the diversification of Protective's sales channels.
- AUL's main product of VSCs has a stable income and expenditure structure.
- Expected closing: Q2 2022
- Once closed, this will be Protective's 59th completed acquisition and its third Asset Protection Division acquisition in the last five years.

AUL Overview

Current Owner	Brookside Equity Partners (2017)
Transaction Structure	Stock purchase through PLICO
Employees	~130
Key Location	Napa, California
Distribution Channels	Independent & Franchise Dealers (~200 Independent Agents), Direct to Dealer, Fin. Institutions
Geographic Reach	50 states + DC

Highly Rated Insurer

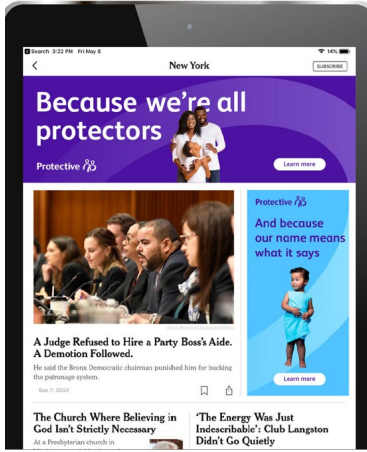
	Protective Life Corporation	Protective Life Insurance Company
	Senior Debt	Financial Strength
AM Best Company	a-	A+/Stable
Fitch Ratings	A-	AA-/Stable
Moody's Investors Service	Baa1	A1/Stable
S&P Global Ratings	A-	AA-/Stable

As of March 24, 2022

Launching Our New Brand Identity


Elevating our brand and strengthening our commitment as protectors

PURPOSE:
Because we're all protectors



Protective 
We're here to protect your retirement.



A Guaranteed Income Solution can provide steady income—and more peace of mind. 



How we do business: protect people first.

Acting with integrity. Pushing to do more for your business. Always doing what's right. Protective works as hard for you as you do for your customers. And for over a century, we've been keeping our promise and delivering reliable, straightforward protection for you and your clients. But we don't stop there; we're always looking for new ways to help you reach—and better serve—your customers. We're dedicated to making sure you have what you need to build and protect your business.



Why? Because we're all protectors.

- Focused on you**
We put you and your interests at the heart of everything we do. Making the right choices, in business.
- Promises delivered**
We provide honest, straightforward information. Making the right choices, in business. That we always deliver on.
- Tomorrow, together**
Delivering reliable performance for over 150 years, we're committed to you for the long haul.



Sustainability Highlights

BUSINESS



Birmingham headquarters powered by **100% renewable energy**

Sustainable investing

Enhance **supplier diversity**

GOVERNANCE



Developing **sustainability roadmap**

Investment in **cybersecurity**

COMMUNITY



Protecting Good initiative

Foundation gifts to **promote social equity**

PEOPLE



Diversity, equity and inclusion initiatives

Implemented a **Cultural Observance Day** for employees

Raised minimum wage to \$18/hr.

We Like What We See Ahead

- Our **focus** is on
 - Supporting our employees and serving our customers
 - Healthy retail sales in our chosen markets and product segments
 - Ability to leverage our distinctive M&A franchise
 - New capabilities to support growth and improve the customer experience
 - Leadership team and workforce are talented and engaged
- We have a track record of delivering **earnings growth**. While the pandemic brought headwinds, we have a **positive outlook for the future**.
- We have a **strong balance sheet**
 - High quality asset portfolio, low risk product portfolio, with disciplined asset-liability management
- Protective's **financial strength is robust**
 - High capital adequacy with strategic deployment, low debt/capital ratio with strong coverage metrics, and excellent liquidity
 - A strong and supportive parent

APPENDIX

Acquisitions | Fundamental to Our DNA...Critical to Our Future

\$6B+ Cumulative Capital Invested Since 1970

58 Transactions Closed



Key driver of growth, scale

Opportunity

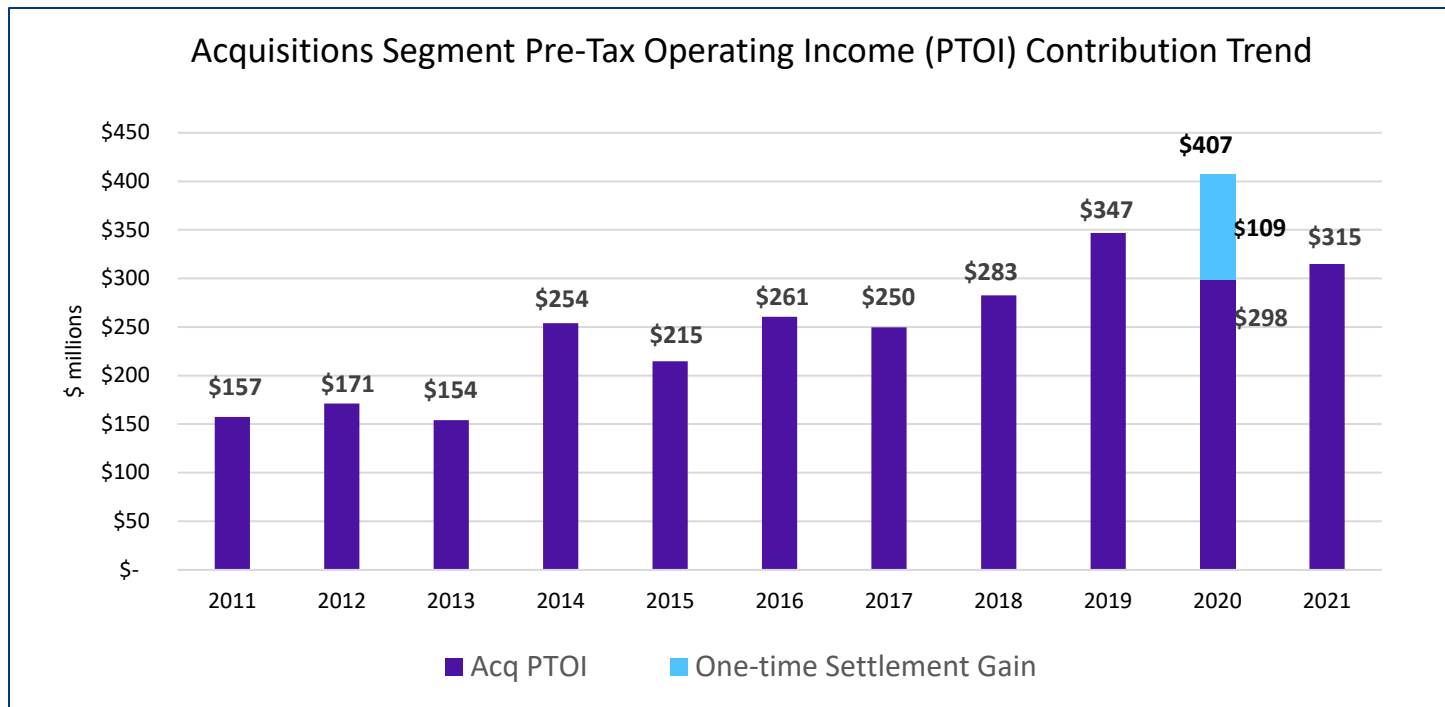


creator: existing businesses, new markets / capabilities, talent, technology

History of success, core institutional capability, competitive advantage



Recognize an evolving landscape surrounds us; highly competitive arena



Financial Report

Steve Walker

EVP & Chief Financial Officer



2021 Financial Highlights

Economic Environment Impact

- Favorable market conditions drove robust investment income
 - Investment income was better than plan mostly due to higher prepayments and participating mortgage income and called security income.
- Higher used car prices resulted in better APD loss ratios
- Credit loss reserves declined on both securities and mortgage loans
- Stable Value growth continues to positively impact earnings

Strong Capital, Sales, and VNB

- Statutory capitalization levels remain very strong
- Financial leverage remains stable and within our risk tolerance
- All segments report above YTD plan sales
 - Protection division continued growth in Term and VUL sales
 - Retirement division supported by retail Annuities and Executive Benefits growth
 - APD results positively impacted by strong sales momentum from improved customer acceptance rates
 - Stable Value benefitted from steepness of yield curve and favorable market conditions

Elevated Mortality

- Actual life claims were higher than 2021 plan.
- 2021 estimate of COVID claims accounts for 71% of life mortality variance.

2021 Full Year Financial Results

U.S. GAAP Basis

2021 after-tax adjusted operating income: \$357 million

(YOY decrease of \$54 million)

- The Retail Life and Annuity segment impacted by unfavorable mortality driven by COVID-19 and negative unlocking, partially offset by favorable investment income and VA fee income.
- The Acquisitions segment had positive one-time settlements for Great West & Liberty Mutual in 2020.
- The Asset Protection segment had higher expenses and lower investment yields in 2021
- The Stable Value segment benefitted from higher average balance and favorable spreads.

Net income: \$277 million

(YOY decrease of \$85 million)

- Non-operating loss was driven by goodwill impairment partially offset by reduced credit loss reserves on mortgage loans and favorable unlocking on FIA contracts.

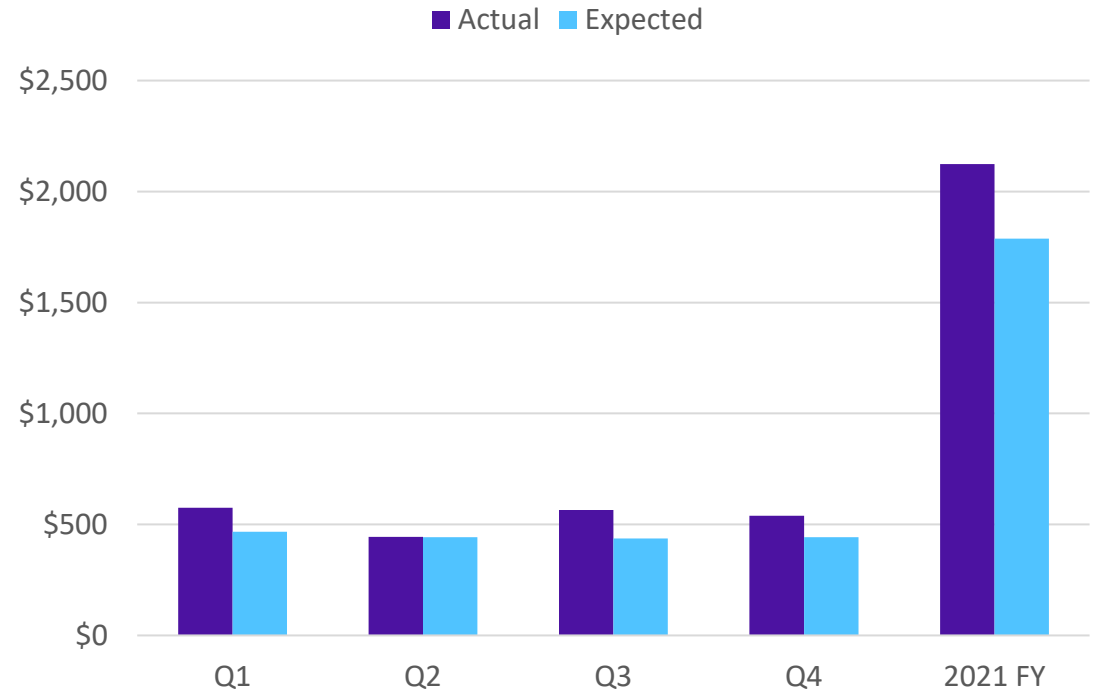
\$ IN MILLIONS	2020 FY ACTUAL*	2021 FY ACTUAL*
Retail Life & Annuity	98	(42)
Acquisitions	407	315
Asset Protection	46	41
Stable Value	90	171
Corp & Other	(118)	(63)
Pretax Adjusted Operating Income	\$523	\$422
Tax	(112)	(66)
After-tax Adjusted Operating Income	\$411	\$357
Non-operating income (loss)	(49)	(79)
Net Income	\$362	\$277

* Totals may not appear to foot due to rounding.

2021 Life Claims Overview

- Full year 2021 COVID pre-tax earnings impact was \$212 million, with over half in 2H21
- Claims* sensitivity to population COVID deaths increased in 2H21
 - Claims-per-10k-population-deaths were about \$5.6m in 2H21 vs. 3.7m in 1H21
- COVID population deaths in 2H21 were meaningfully above our expectations

2021 Incurred Claims*



U.S. COVID Deaths

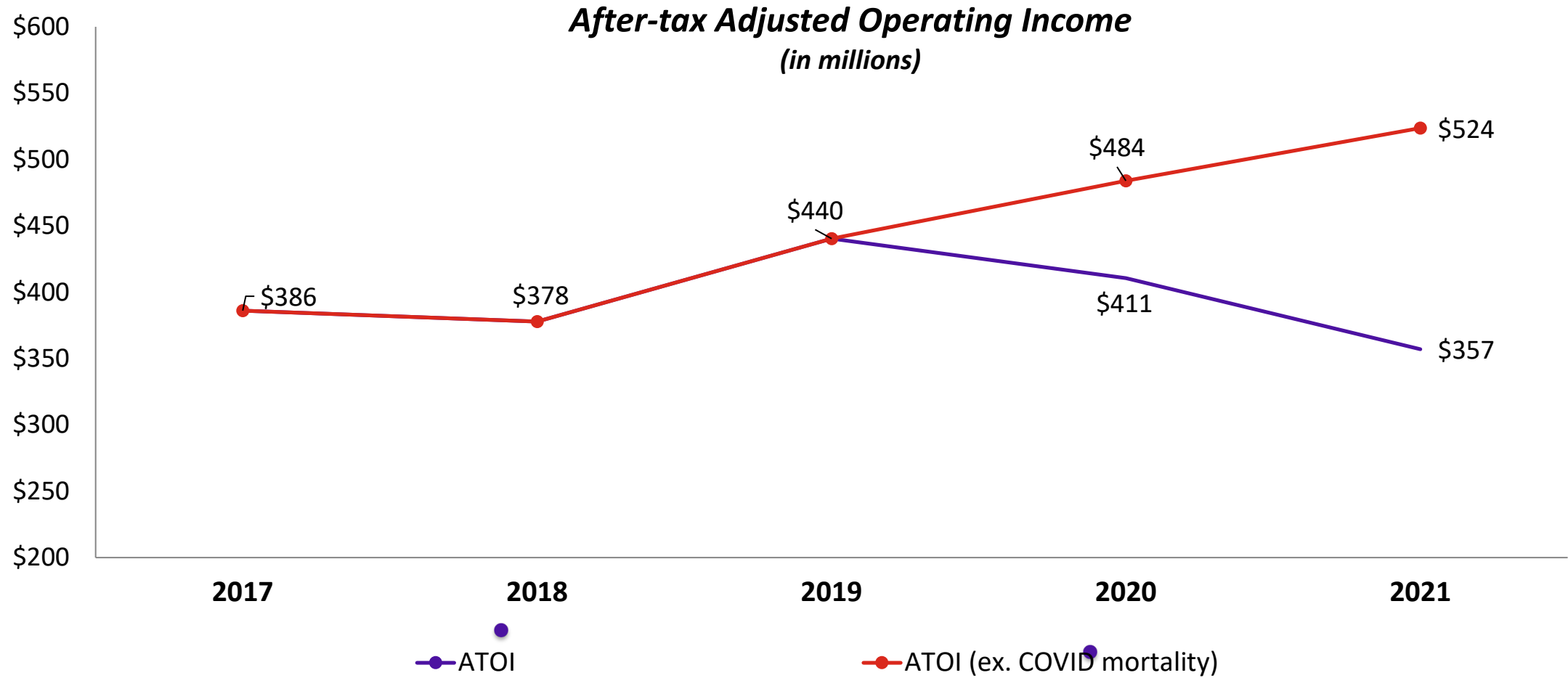
Actual	205K	50K	102K	119K	476K
Plan	187K	68K	15K	12K	282K

COVID Earnings Impact (pre-tax)

Actual	(\$69M)	(\$21M)	(\$66M)	(\$56M)	(\$212M)
Plan Variance	(\$42M)	(\$1M)	(\$58M)	(\$48M)	(\$149M)

* Claims are net of reinsurance but before reserve and other offsets

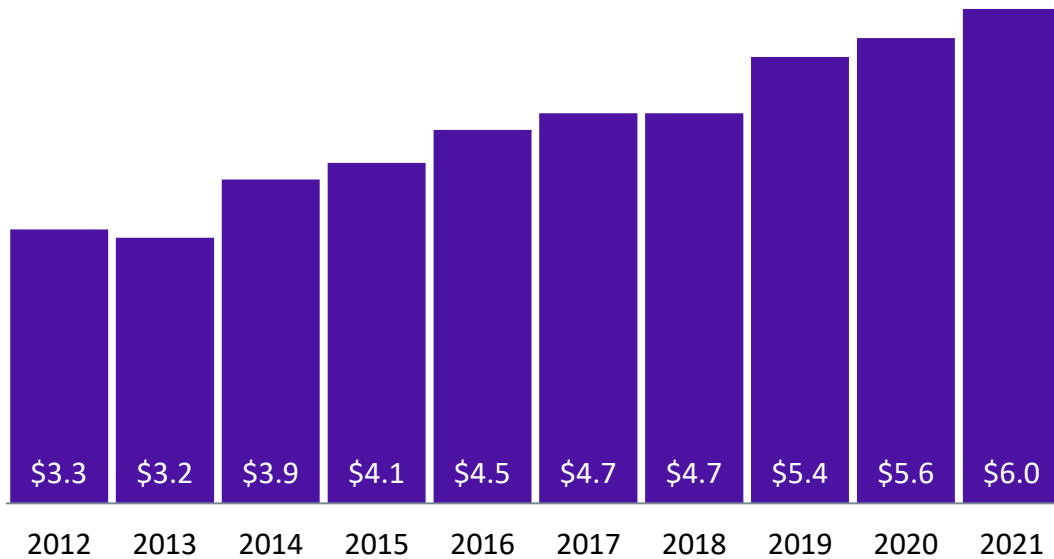
Historical Earnings Trend



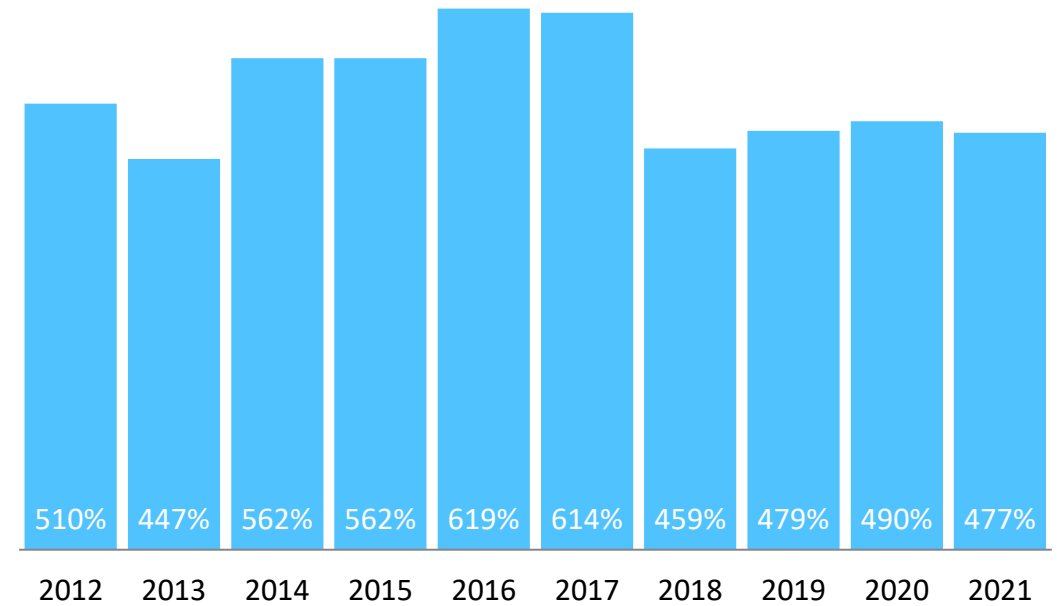
2017 excludes one-time gain from tax reform

Extremely Strong Capitalization

TOTAL ADJUSTED STATUTORY
CAPITAL (\$BLN)



RISK-BASED CAPITAL RATIO

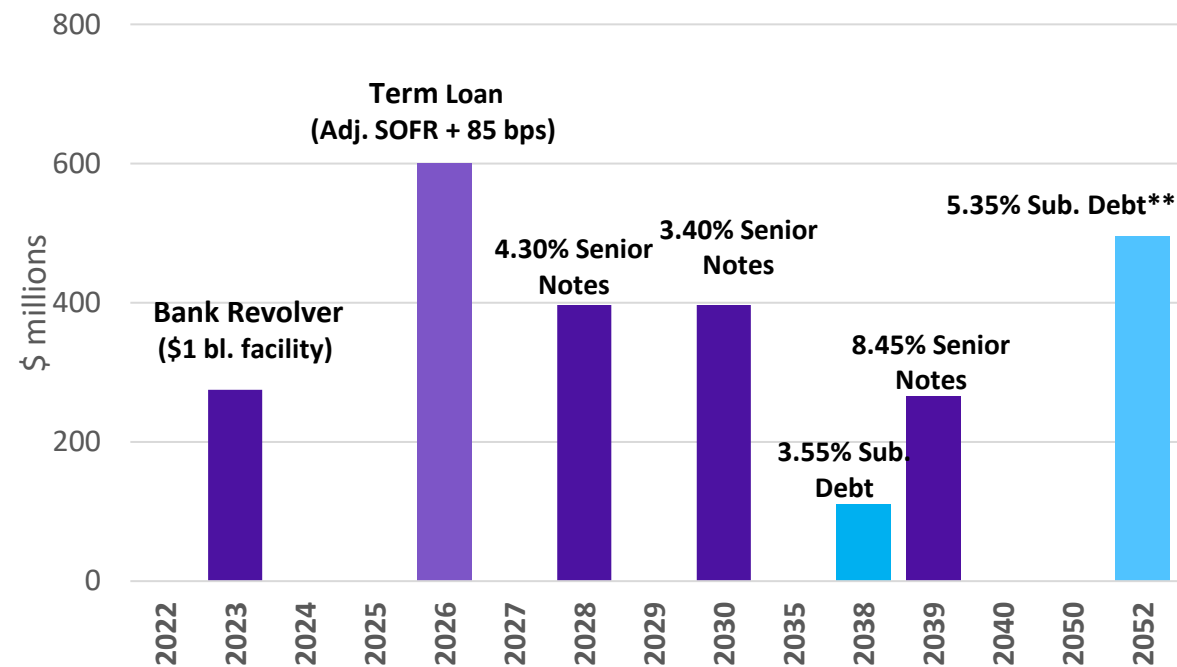


Disciplined approach to Financial Leverage

Stable Financial Leverage

- Financial leverage around 25%* at year-end 2021, remains within our risk tolerance
- Maintain a good mix of senior debt, term loan, and hybrids in capital structure
- Refinanced our current \$600 million term loan at a lower interest cost in 4Q21
 - Currently, in the process of refinancing and upsizing our credit facility.

Well Laddered Long-Term Debt Maturity Profile



Based on GAAP carrying values as of 12/31/21

*ex AOCI

**Callable 2022

2022-2024 Business Plan

Key Planning Assumptions

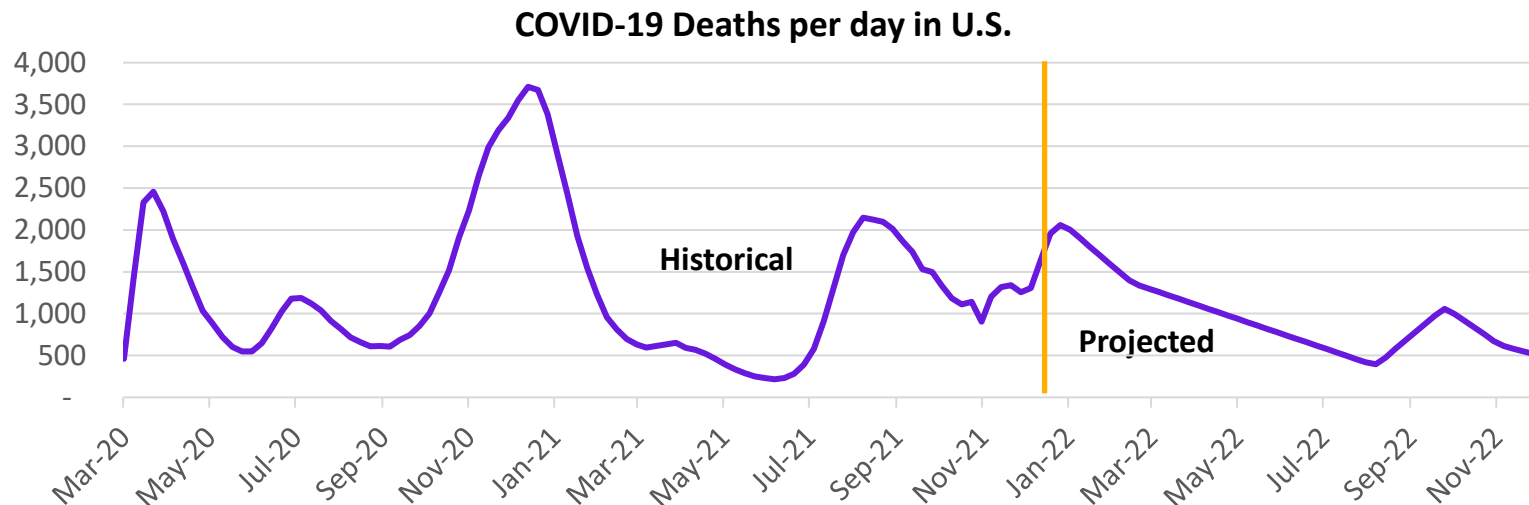
- Earnings continue to be affected by elevated mortality driven by COVID in the near term
- During the 3-year period, sales and new business returns consistent with 2022 VNB plan
- Reinvestment rates:
 - Current: 10 year 2.58%; 30 year 3.22%
 - Ultimate: 10 year 3.64%; 30 year 4.59%
- VA fund returns of 6.7%
- Extraordinary investment income* of \$30M per year pre-tax
- GAAP operating income effective tax rate 18% in 2022
- No DAC/VOBA unlocking or future acquisitions included in plan

*Planned extraordinary investment income represents mortgage loan participation income and leverage income

Key Planning Mortality Assumptions

- **COVID Mortality**

- 2022 has \$148M pre-tax impact of additional mortality from COVID-19 and excess deaths
- 2022 U.S. Deaths at 360K with Protective claims of 4K
- Assumes surge in early 2022 and a smaller surge later in the year, but less severe than previous surges
- Assumes continuation of trends observed in 2H21 with deaths at younger ages and larger face amounts with less reinsurance
- High-level estimate of COVID/excess deaths of \$17M and \$15M pre-tax in 2023 and 2024, respectively



New Business Assumptions

Sales	2021	2022	2023	2024
Protection	\$217M	\$210M	\$216M	\$223M
Retirement	\$3.6B	\$3.1B	\$3.3B	\$3.6B
APD	\$739M	\$701M	\$723M	\$745M

Stable Value	2021	2022	2023	2024
Average balance	\$7.7B	\$8.8B	\$9.2B	\$9.6B
Average spread	2.21%	1.94%	1.89%	1.74%
Sales	\$4.0B	\$2.7B	\$3.2B	\$3.2B

2021 Actual vs. 2022 Plan

After-tax Operating Earnings

2021 Actual	\$357
2021 unlocking impact	87
Stable Value growth*	26
Mortality	35
Lower extraordinary NII	(101)
Change in expenses	(25)
Interest expense	(10)
Other	(19)
2022 Plan	\$350

*Excludes extraordinary investment income

Key Drivers

- Unlocking impact was a drag on 2021 earnings
- Lower extraordinary investment income partly offset mostly by Stable Value growth
- Improving mortality with decline in COVID claims
- Expense variance is primarily due to key projects, incremental inflation, and retail growth in 2022
- Other is a combination of smaller one-time positives in 2021 and expected runoff of acquisition blocks

3-Year Forecast Metrics – Base Model

	2021	2022	2023	2024
After-Tax Operating Income	\$357M	\$350M	\$450M	\$475M
Net Income	\$277M	\$284M	\$386M	\$413M
RBC Ratio	477%	457%	452%	449%
Debt to Capital	24%	24%	24%	23%
Dividend to Dai-ichi	\$181M	\$239M	\$142M	\$193M
Capital available for acquisitions	\$1.4B	\$1.2B	\$1.3B	\$1.4B

APPENDIX

2021 Full Year Variance To Plan

- **After-tax adjusted operating income of \$356.8 million**, favorable to plan by \$8.6 million
 - Favorable effective tax rate driven by valuation allowance releases, non-taxable investment income, and separate account DRD adjustment
 - Pre-tax operating income of \$422.3 million, unfavorable to plan by \$18.0 million
- **Net income of \$277.5 million**, unfavorable to plan by (\$0.3) million
 - Net non-operating loss of (\$79.3) million, unfavorable to plan by (\$8.9) million
 - Primarily driven by \$200 million goodwill impairment partially offset by a decrease in credit loss reserves on mortgage loans and securities and favorable FIA unlocking

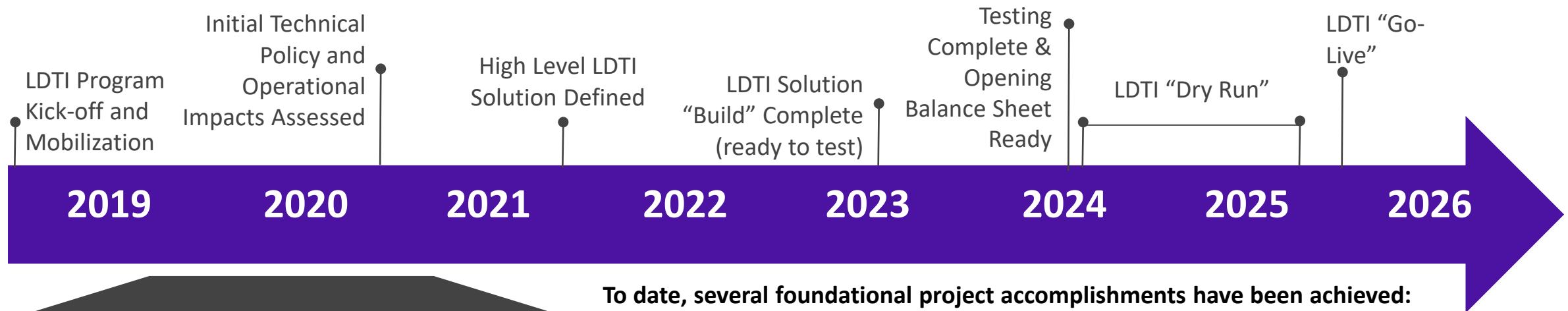
Variations to Plan (\$ in millions)	2021 YTD	Comments
Mortality	(\$159.5)	Life products (\$210.0MM), Annuity products \$50.5MM
Prospective unlocking	(\$110.3)	Mortality (\$90.5MM), UL persistency (\$60.7MM), partially offset by investment income \$70.2MM
Excess mortgage/security investment income	158.2	Higher mortgage loan prepayment and part. income, called security income, and other investment income/gains
SVP balance & spread	40.0	Higher balance and improved spreads
Net VA fees	17.4	Higher balance due to favorable fund returns & sales
Reinsurance	15.1	Primarily 2Q arbitration settlement
APD	10.1	Favorable GAP performance
Other	11.0	
Pre-tax operating income variance	(\$18.0)	

3 Year Forecast – Key Earnings Drivers

<i>\$ in millions</i>	2021A	2022F	2023F	2024F	Drivers
Retail Life & Annuity	(42)	75	169	217	<i>Mortality improvement and new business growth. 2022 lower extraordinary investment income; 2023+ VA growth</i>
Acquisitions	315	240	269	245	<i>2022 excess COVID mortality and lower extraordinary investment income; 2023+ lower yields and runoff</i>
Asset Protection	41	42	44	54	<i>Revolos and sales growth partly offset by higher GAP LR</i>
Stable Value	171	170	173	166	<i>Growth from favorable spreads on 2021 business, offset by lower spreads assumed on future sales</i>
Corporate & Other	(63)	(99)	(101)	(97)	<i>Lower investment income and higher interest expense</i>
Pre-tax Adjusted Operating Income	\$422	\$428	\$554	\$585	
Tax	(66)	(78)	(104)	(110)	<i>Higher pre-tax income</i>
After-tax Adjusted Operating Income	\$357	\$350	\$450	\$475	
Net non-operating income (loss)	(79)	(66)	(64)	(62)	
Net income	\$277	\$284	\$386	\$413	

Long-Duration Targeted Improvements Timeline

The significant impact of Long-Duration Targeted Improvements (LDTI) requires long-term preparation and planning to ensure delivery of critical future milestones. The foundation laid to date has positioned us well for success as we move into the assessment and integration of our LDTI solution.



To date, several foundational project accomplishments have been achieved:

Program Oversight

- Initial Governance Structure and Plan
- Training and Communication Sessions
- Regular Leadership and SteerCo Updates

Technical Policy

- Preliminary Working Assumptions
- Initial Technical Policy Impacts
- Product Scoping
- Preliminary Impact Modeling
- Reinsurance Partner Engagement
- Auditor Engagement

Systems, Data, Process

- Review and Testing of POLY LDTI Module Releases & Market Risk PoC
- Draft Disclosures Documented
- Data Validation for Actuals
- High Level Solution Design Approved

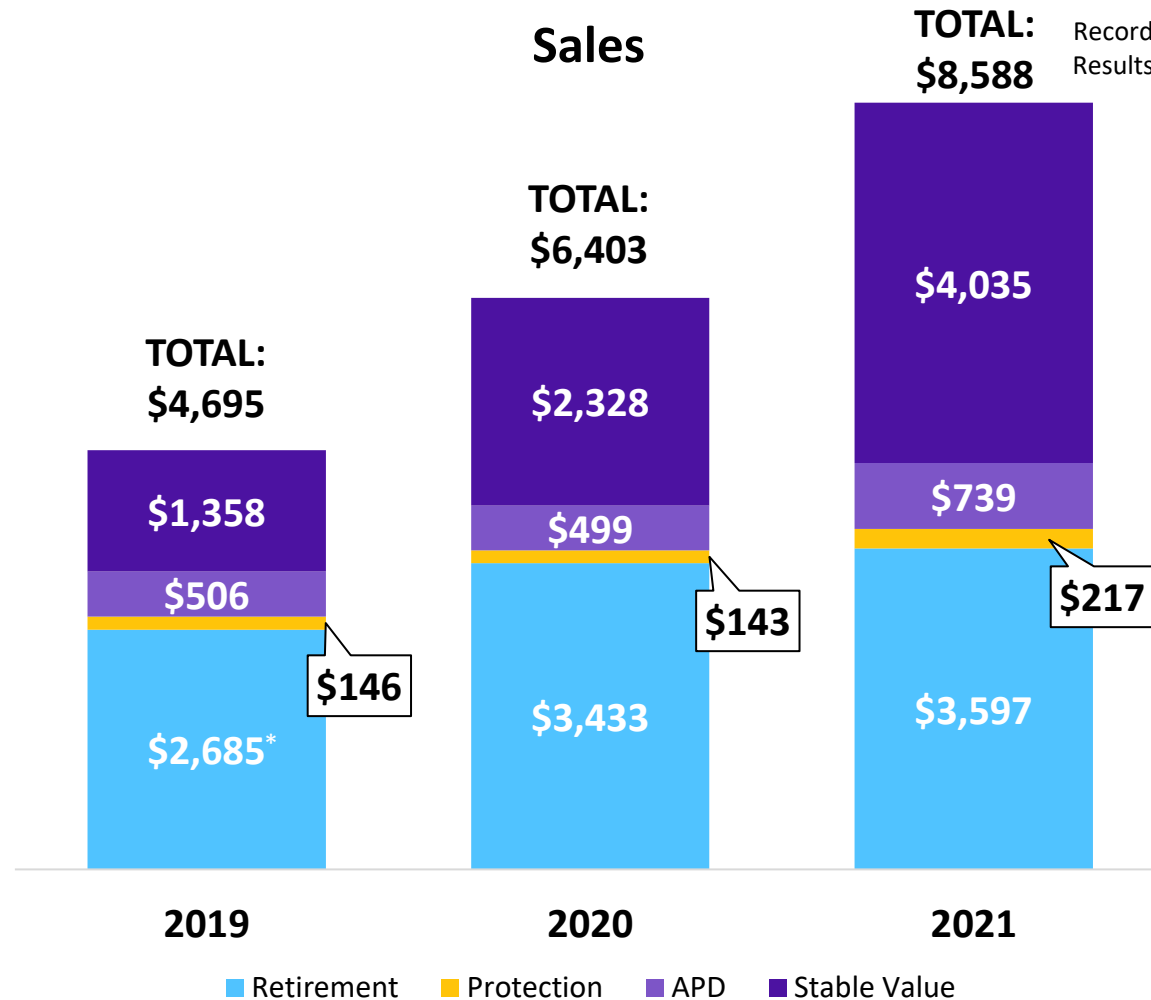
Retail Division Overview

Mike Temple

Vice Chairman, Chief Operating Officer

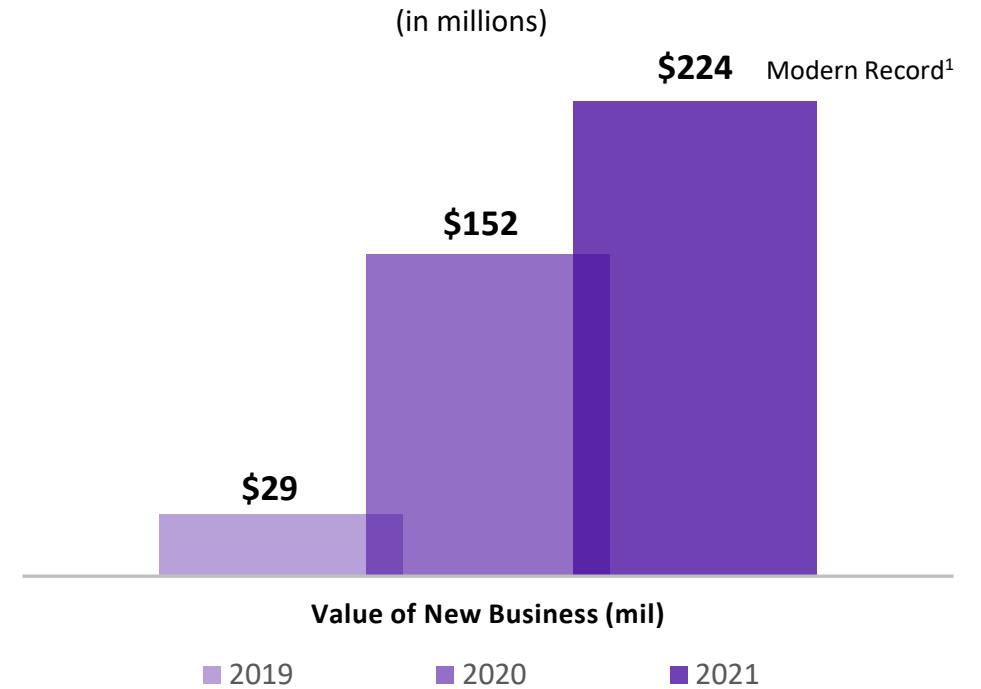


Profitable Growth



*The 2019 Retirement sales total of \$2,685M includes the GW sales from 6/1/2019-12/31/2019.

VNB Results

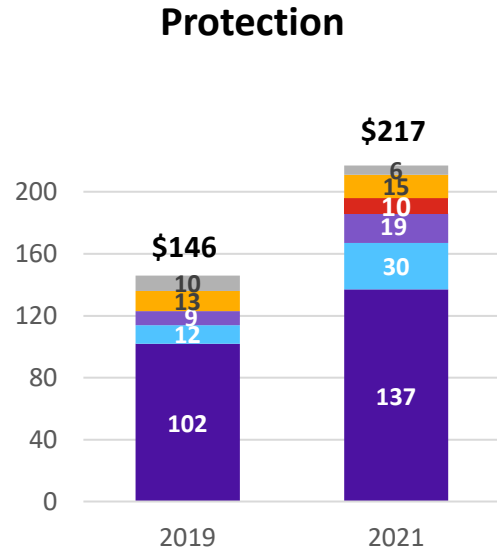


¹ Began tracking in 2015

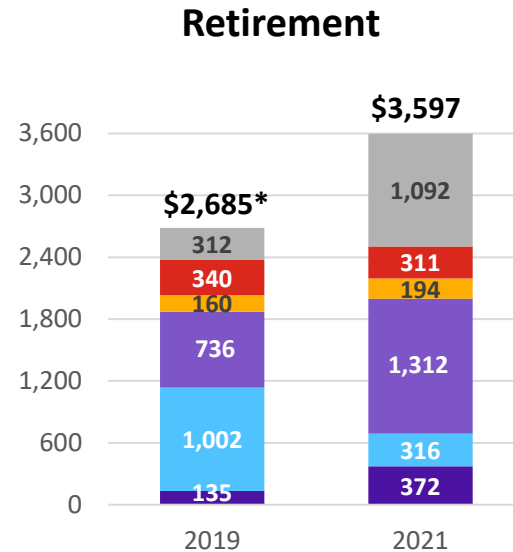
Expanded Distribution

2019-2021 Sales Breakdown

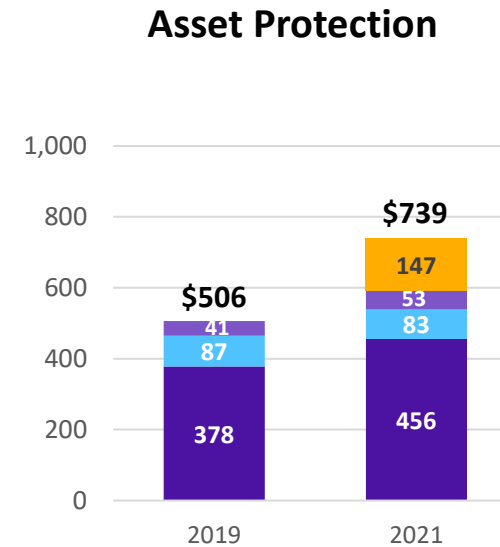
(in millions)



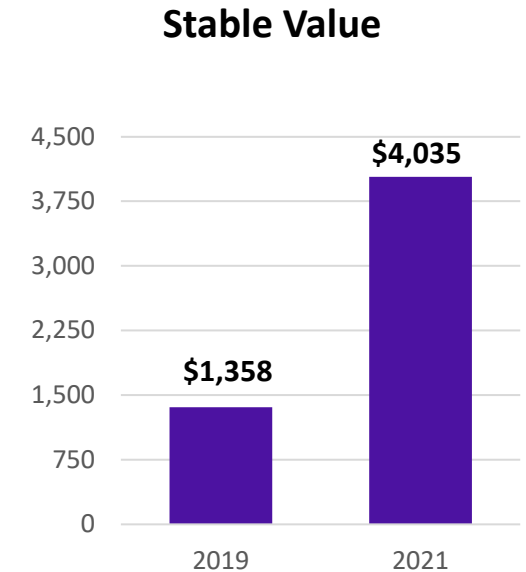
- Independent Distribution
- Edward Jones
- Direct Writers
- Allstate
- Liberty Mutual
- Affinity, Direct to Consumer



- Advisory
- Bank
- Broker Dealer
- BGA
- P&C
- Executive Benefits



- ESC
- GAP & Other
- DOWC Fee Income
- Revolos

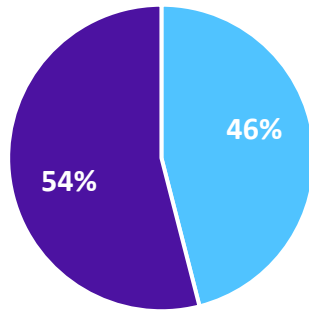


*The 2019 Retirement sales total of \$2,685M includes the GW sales from 6/1/2019-12/31/2019.

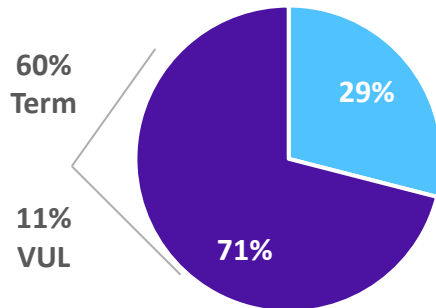
Shifting Product Mix

Protection

2018 Year-end



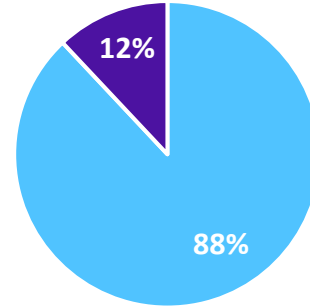
2021 Year-end



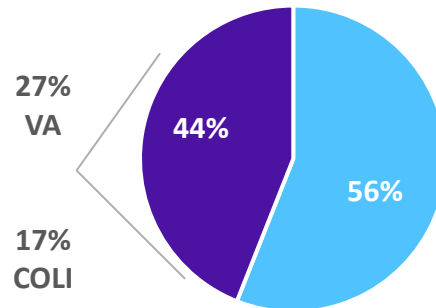
■ Interest Sensitive
■ Less Interest Sensitive

Retirement

2018 Year-end



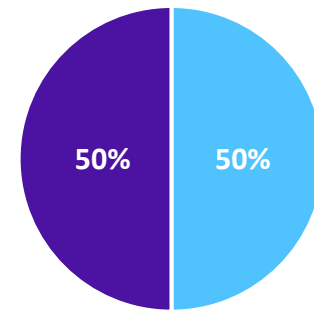
2021 Year-end



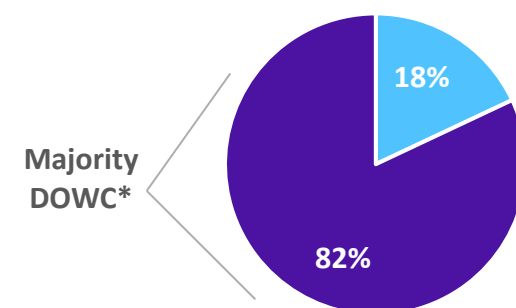
■ Interest Sensitive
■ Non Interest Sensitive

Asset Protection

2018 Year-end



2021 Year-end



■ Risk-based
■ Fee-based

*Dealer-Owned Warranty Companies

2022 Retail Business Priorities

External Challenges



Evolving competitive landscape



Inflation



Labor Market

Strategic Growth and Scale



Protection

- Advance Term position and grow VUL
- Expand P&C/affiliated agent sales
- Tech capabilities for new biz processes



Asset Protection

- Leverage current offering, market position
- Close and onboard AUL
- Integrate systems



Retirement

- Grow Separate Account sales
- Differentiated partnerships, add relationships
- Continue digital adoption to drive scale



Stable Value

- Increase account balance over 2-3 years
- Evaluate FABN opportunities in floating rate and non-USD markets

Enablers



Excellent customer and distributor experience



Advance key M&A capabilities



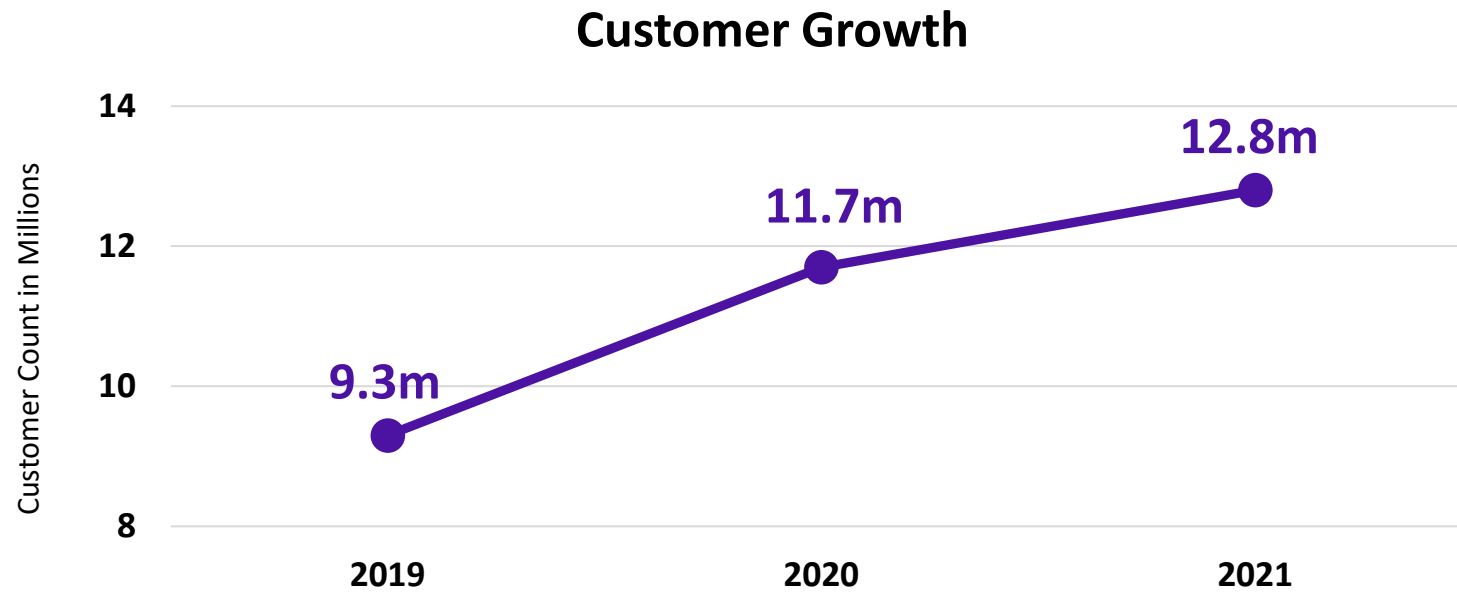
Increase technology investment



Leverage distributed workforce

Maintain pricing discipline and manage sales mix to optimize capital deployment

We are on a journey to become
America's most protective
insurance company.



Investments

Phil Passafiume

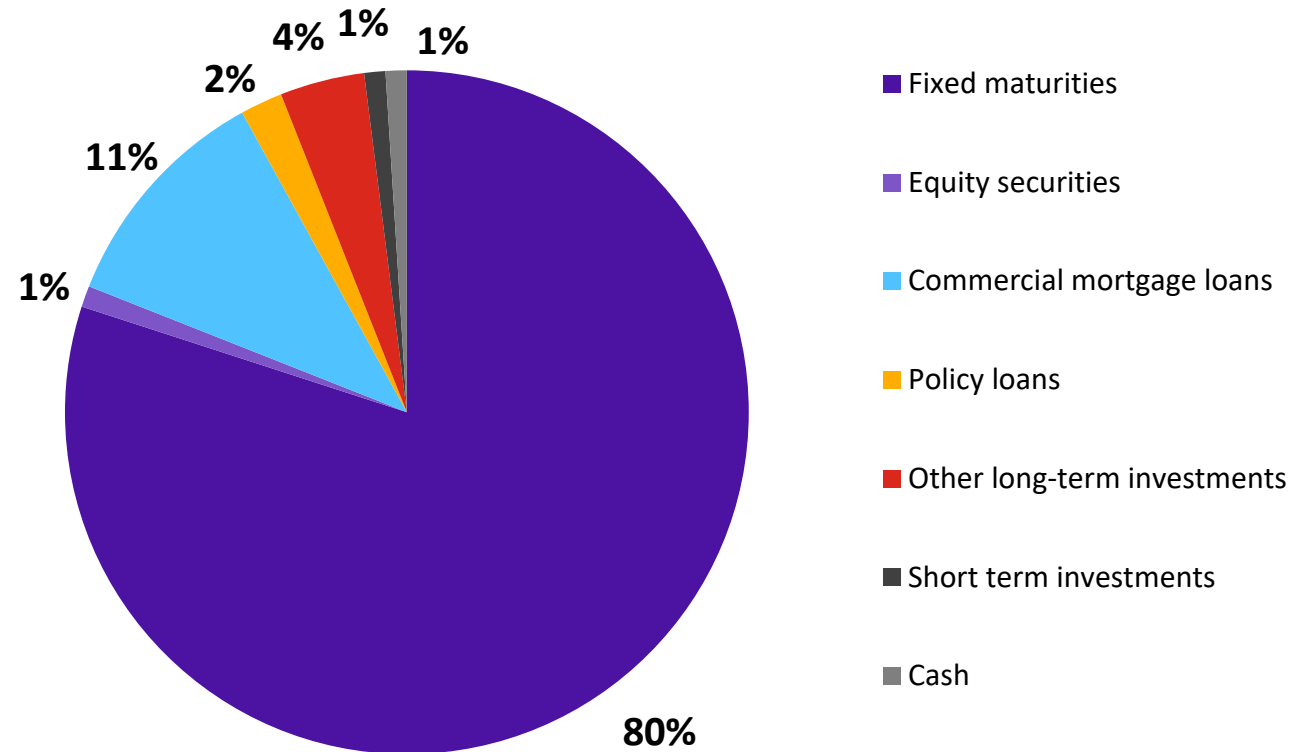
EVP & Chief Investment Officer



Prudent Investment Strategy

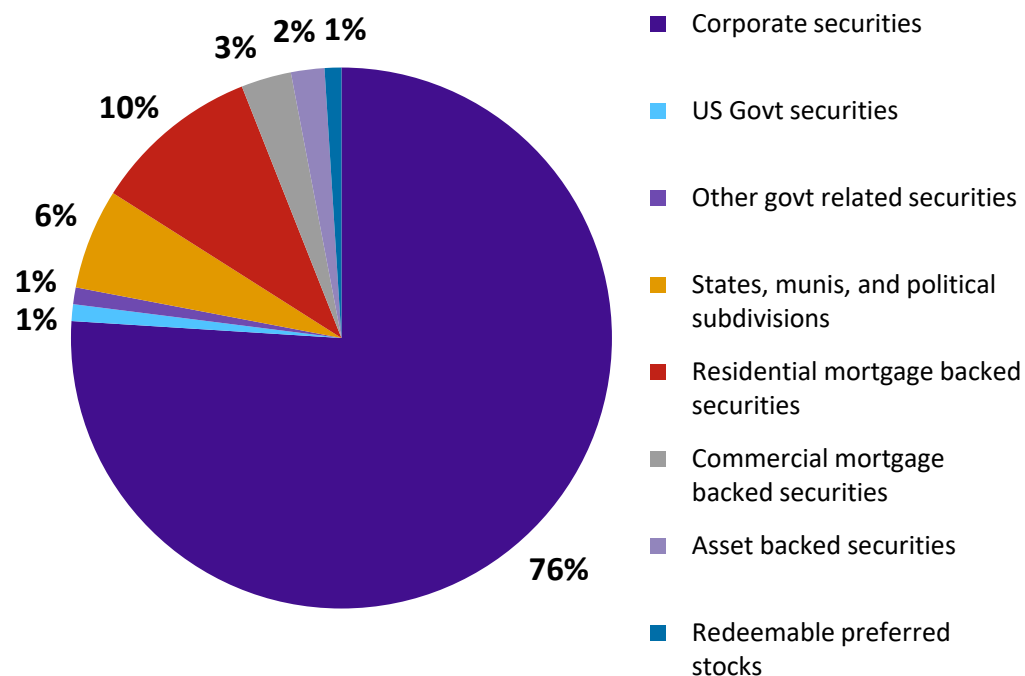
- High Quality investment grade assets
- Disciplined approach to ratings and diversification
- Maintain quality of commercial mortgage loan portfolio
- Disciplined Asset Liability Management (ALM)

December 31, 2021
Asset Allocation
\$91.6 billion fair value

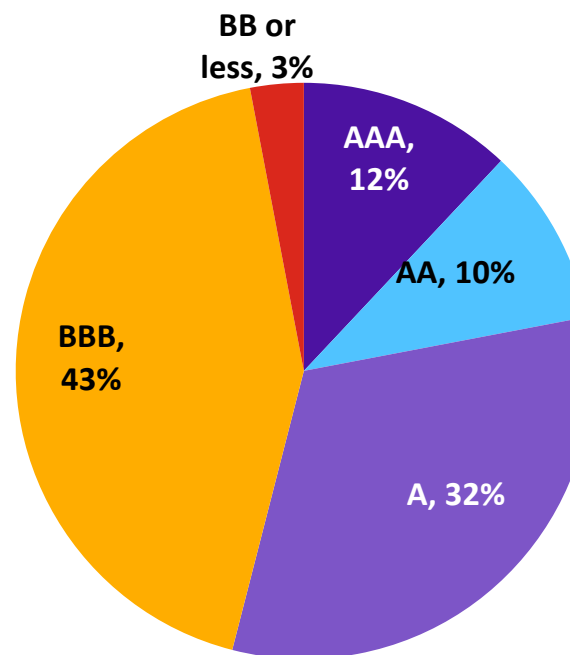


Strong Fixed Maturities Portfolio

Fixed Maturities Allocation



Credit Quality



- Credit quality remains **very robust** and **consistent**
- **Liquidity remain strong** with high allocation to public investment-grade corporates
- Average credit quality **very strong at A-**
- Exposure to high-yield bonds **remains limited at 3.4%**
- No direct exposure to Russia or Ukraine; No material direct sovereign exposure to Europe

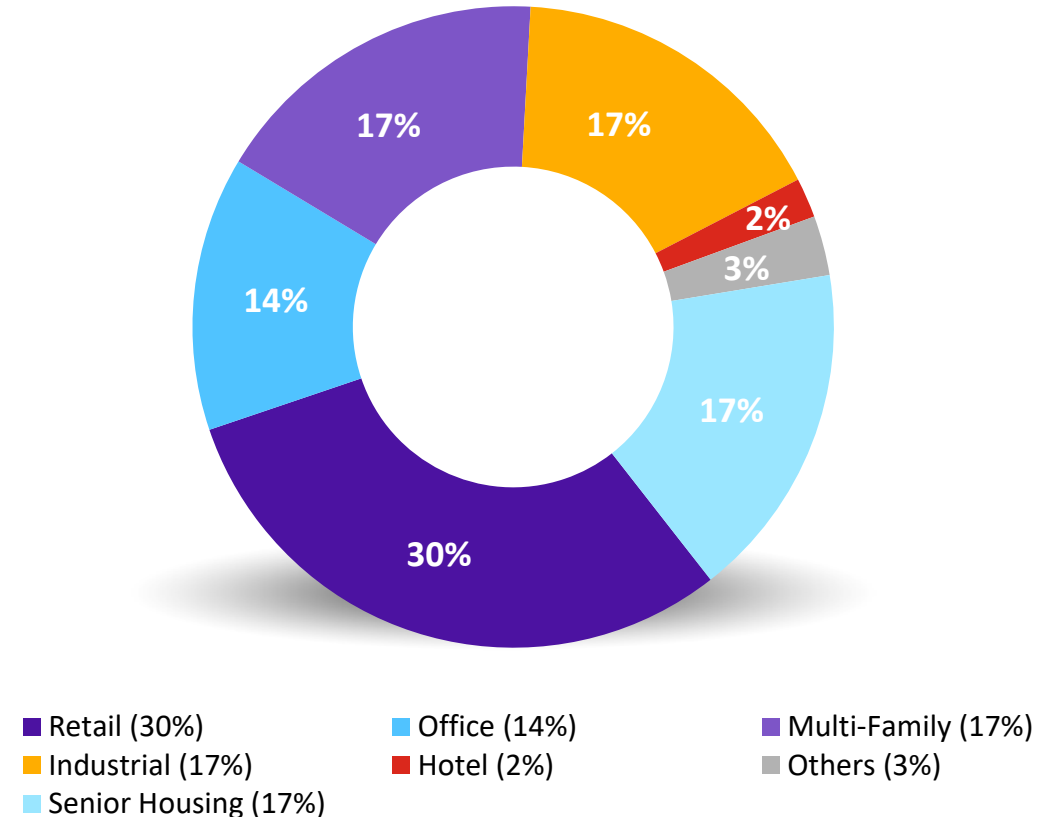
As of Dec. 31, 2021

Commercial Mortgage Portfolio Overview

Commercial Mortgage Loan Portfolio Profile

Total portfolio of 1,780 loans	\$10.9B*
Average Loan Size	\$5.9M
Wtd. Avg. Amortization	22 years
Wtd. Avg. Coupon	4.1%
Wtd. Avg. LTV	54%
Wtd. Avg. Debt Coverage Ratio	1.7x
Problem Loans**	None

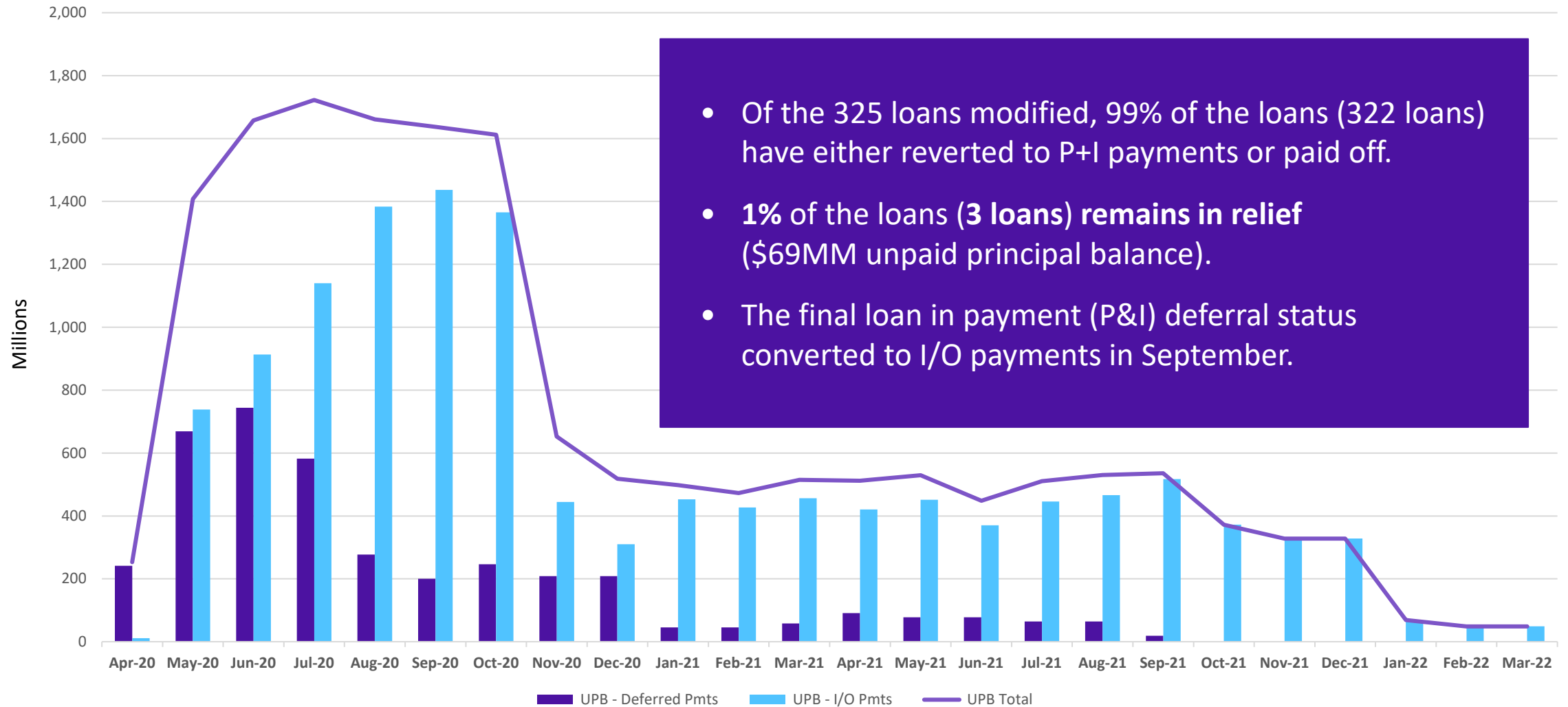
Mortgage Loans by Type



*GAAP Commercial Mortgage Loan balance is net of \$103 million allowance for credit losses as of Dec. 31, 2021.

**ACLI Problem Loan measurement includes +60-day delinquent, Restructured and Foreclosed.

CML COVID-19 relief modification aging well



APPENDIX

Mortgage Participation Portfolio - Highlights

\$283MM

Since 2010 – Total Participation Income has topped \$283 million

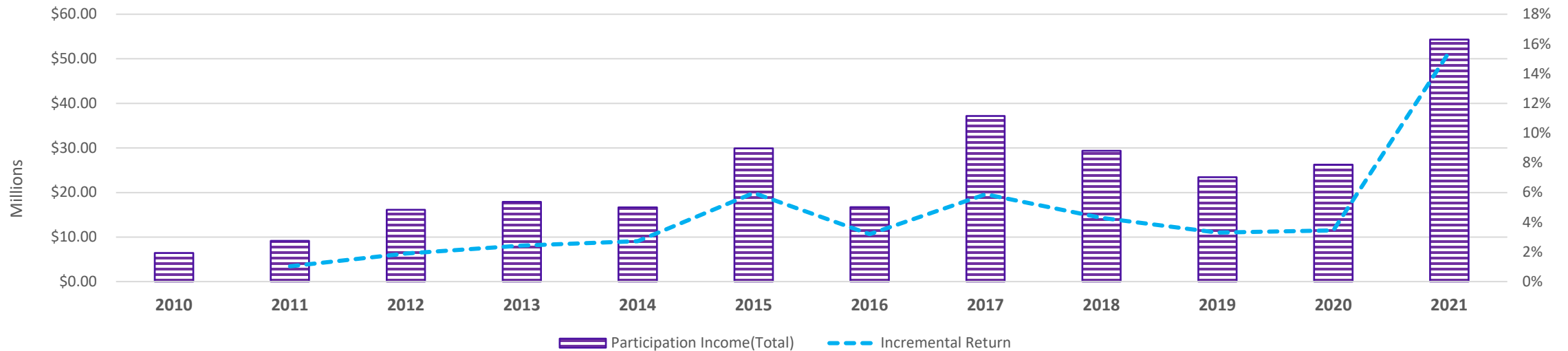
- Average participation income is **\$23.6 million** per year.
- 2021 was the **largest** year of total Participation Income at approximately **\$54 million**.

4.51%

The average incremental return (over the contract interest rate) on the Participation portfolio is **4.51%** since 2010. The average over the past 5 years is **6.48%**.

\$13.7MM

Participation Income from Lullwater at Athens is the **largest** ever received from a single deal in the Participation program.



Q&A

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