



Earnings Supplement

Third Quarter 2024

October 31, 2024

Forward-Looking Statements – Cautionary Language



Certain statements made in this presentation and in other written or oral statements made by Lincoln or on Lincoln's behalf are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). A forward-looking statement is a statement that is not a historical fact and, without limitation, includes any statement that may predict, forecast, indicate or imply future results, performance or achievements. Forward-looking statements may contain words like: "anticipate," "believe," "estimate," "expect," "project," "shall," "will" and other words or phrases with similar meaning in connection with a discussion of future operating or financial performance. In particular, these include statements relating to future actions, trends in Lincoln's businesses, prospective services or products, future performance or financial results and the outcome of contingencies, such as legal proceedings. Lincoln claims the protection afforded by the safe harbor for forward-looking statements provided by the PSLRA.

Forward-looking statements are subject to risks and uncertainties. Actual results could differ materially from those expressed in or implied by such forward-looking statements due to a variety of factors, including:

- Weak general economic and business conditions that may affect demand for our products, account balances, investment results, guaranteed benefit liabilities, premium levels and claims experience;
- Adverse global capital and credit market conditions that may affect our ability to raise capital, if necessary, and may cause us to realize impairments on investments and certain intangible assets, including goodwill and the valuation allowance against deferred tax assets, which may reduce future earnings and/or affect our financial condition and ability to raise additional capital or refinance existing debt as it matures;
- The inability of our subsidiaries to pay dividends to the holding company in sufficient amounts, which could harm the holding company's ability to meet its obligations;
- Legislative, regulatory or tax changes, both domestic and foreign, that affect: the cost of, or demand for, our subsidiaries' products; the required amount of reserves and/or surplus; our ability to conduct business and our captive reinsurance arrangements as well as restrictions on the payment of revenue sharing and 12b-1 distribution fees;
- Changes in tax law or the interpretation of or application of existing tax laws that could impact our tax costs and the products that we sell;
- The impact of regulations adopted by the Securities and Exchange Commission ("SEC"), the Department of Labor or other federal or state regulators or self-regulatory organizations that could adversely affect our distribution model and sales of our products and result in additional disclosure and other requirements related to the sale and delivery of our products;
- The impact of new and emerging rules, laws and regulations relating to privacy, cybersecurity and artificial intelligence that may lead to increased compliance costs, reputation risk and/or changes in business practices;
- Increasing scrutiny and evolving expectations and regulations regarding ESG matters that may adversely affect our reputation and our investment portfolio;
- Actions taken by reinsurers to raise rates on in-force business;
- Declines in or sustained low interest rates causing a reduction in investment income, the interest margins of our businesses and demand for our products;
- Rapidly increasing or sustained high interest rates that may negatively affect our profitability, value of our investment portfolio and capital position and may cause policyholders to surrender annuity and life insurance policies, thereby causing realized investment losses;
- The impact of the implementation of the provisions of the European Market Infrastructure Regulation relating to the regulation of derivatives transactions;
- The initiation of legal or regulatory proceedings against us, and the outcome of any legal or regulatory proceedings, such as: adverse actions related to present or past business practices common in businesses in which we compete; adverse decisions in significant actions including, but not limited to, actions brought by federal and state authorities and class action cases; new decisions that result in changes in law; and unexpected trial court rulings;
- A decline or continued volatility in the equity markets causing a reduction in the sales of our subsidiaries' products; a reduction of asset-based fees that our subsidiaries charge on various investment and insurance products; and an increase in liabilities related to guaranteed benefit riders, which are accounted for as market risk benefits, of our subsidiaries' variable annuity products;
- Ineffectiveness of our risk management policies and procedures, including our various hedging strategies;
- A deviation in actual experience regarding future policyholder behavior, mortality, morbidity, interest rates or equity market returns from the assumptions used in pricing our subsidiaries' products and in establishing related insurance reserves, which may reduce future earnings;
- Changes in accounting principles that may affect our consolidated financial statements;
- Lowering of one or more of our debt ratings issued by nationally recognized statistical rating organizations and the adverse effect such action may have on our ability to raise capital and on our liquidity and financial condition;
- Lowering of one or more of the insurer financial strength ratings of our insurance subsidiaries and the adverse effect such action may have on the premium writings, policy retention, profitability of our insurance subsidiaries and liquidity;
- Significant credit, accounting, fraud, corporate governance or other issues that may adversely affect the value of certain financial assets, as well as counterparties to which we are exposed to credit risk, requiring that we realize losses on financial assets;
- Interruption in telecommunication, information technology or other operational systems or failure to safeguard the confidentiality or privacy of sensitive data on such systems, including from cyberattacks or other breaches of our data security systems;
- The effect of acquisitions and divestitures, including the inability to realize the anticipated benefits of acquisitions and dispositions of businesses and potential operating difficulties and unforeseen liabilities relating thereto, as well as the effect of restructurings, product withdrawals and other unusual items;
- The inability to realize or sustain the benefits we expect from, greater than expected investments in, and the potential impact of efforts related to, our strategic initiatives;
- The adequacy and collectability of reinsurance that we have obtained;
- Pandemics, acts of terrorism, war or other man-made and natural catastrophes that may adversely impact liabilities for policyholder claims, affect our businesses and increase the cost and availability of reinsurance;
- Competitive conditions, including pricing pressures, new product offerings and the emergence of new competitors, that may affect the level of premiums and fees that our subsidiaries can charge for their products;
- The unknown effect on our subsidiaries' businesses resulting from evolving market preferences and the changing demographics of our client base; and
- The unanticipated loss of key management or wholesalers.

The risks and uncertainties included here are not exhaustive. Our most recent Form 10-K, as well as other reports that we file with the SEC, include additional factors that could affect our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the effect of all risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, Lincoln disclaims any obligation to correct or update any forward-looking statements to reflect events or circumstances that occur after the date of this presentation.

The reporting of Risk-Based Capital ("RBC") measures is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.

3Q24 Key Messages

Highest earnings quarter in over two years; achieving targeted outcomes through strong execution

- Sustained momentum in every business supported by strong underlying fundamentals and continued progress toward strategic objectives.
- Group Protection earnings more than doubled YOY and Annuities earnings grew 15%².
- Annual assumption review resulted in a modest benefit to operating earnings for the quarter.

Accelerating sales trajectory as product and segment strategies gain traction

- Annuities sales increased nearly 25% YOY, with spread-based products representing two-thirds of total Annuities sales.
- RPS YTD first-year sales increased nearly 80% YOY, driven by strong execution against segment strategy.
- Life Insurance generated sequential sales growth for the second quarter in a row.

Capital position continued to strengthen, supported by improving free cash flow generation

- RBC ratio remained above 420% as capital position continues to strengthen.
- Leverage ratio continued to decline, driven by organic equity growth.
- Expense discipline and operational efficiencies are driving operating leverage.

	After-tax	Per share
Adjusted Operating Income, ex. significant and normalizing items	\$343M	\$1.97
<i>Significant items</i>		
Assumption review benefit	\$8M	\$0.05
<i>Normalizing items</i>		
Alternative investment income compared to our 10% long-term return target	\$7M	\$0.04
Total items impact	\$15M	\$0.09
Adjusted Operating Income¹	\$358M	\$2.06

¹ Represents Adjusted Operating Income Available to Common Stockholders. See Non-GAAP Financial Measures Appendix for definition and reconciliation.

² Not including the impact of the annual assumption review.

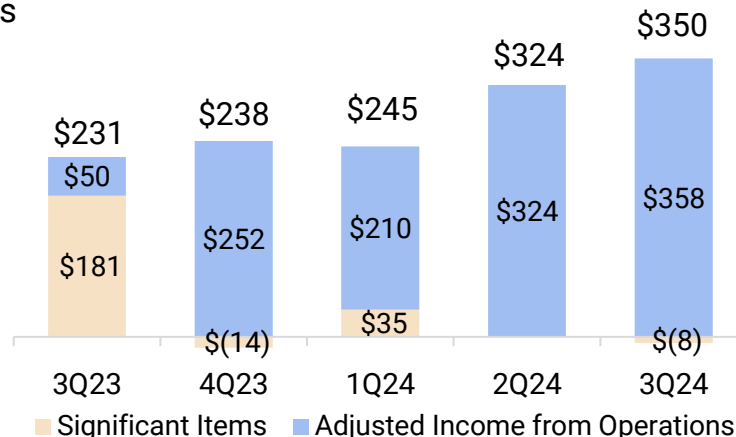
3Q24 Metrics



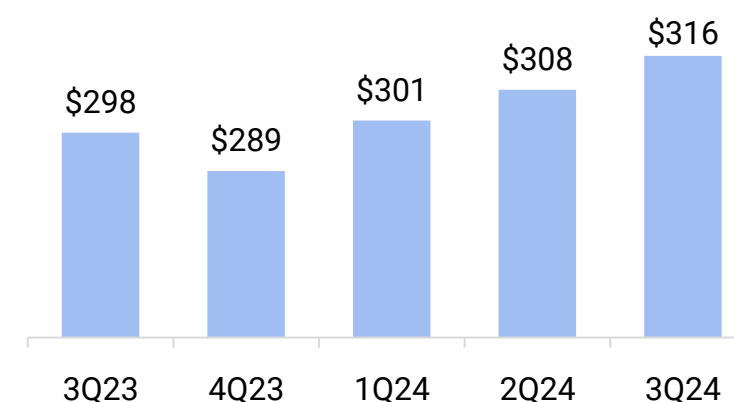
Key Highlights

- Quarterly adjusted operating income increased to its highest level in over two years, driven by strong underlying performance in all businesses.
- Average account balances grew 6% YOY, further supporting profitable growth.
- Capital continues to improve, increasing our RBC ratio and decreasing leverage ratio.

Adjusted Income from Operations Excluding Significant Items¹ (\$M)



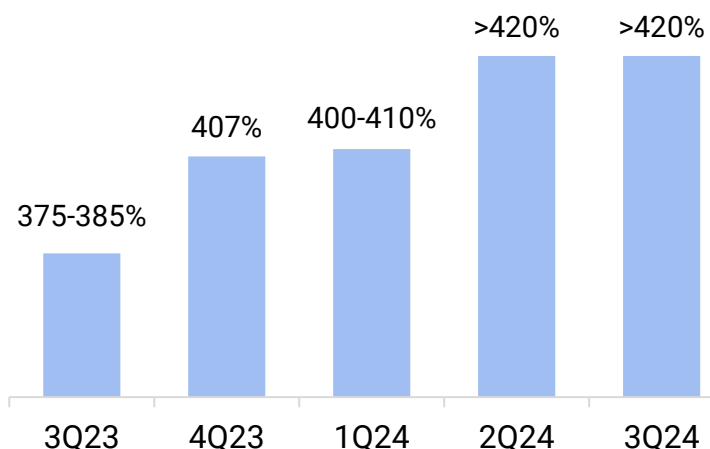
Average Account Balances (\$B)



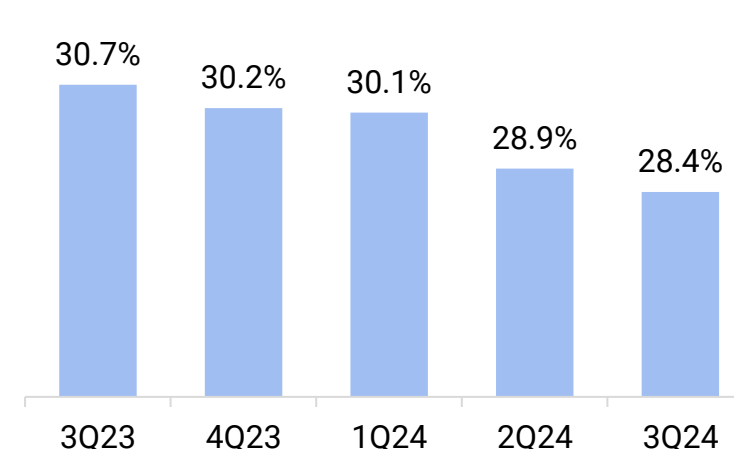
Key Priorities

- Maintain foundational capital required to ensure enterprise stability across market cycles and support investment for growth.
- Advance a scalable framework, managing the enterprise's resources to maximize cost efficiency, general account optimization, and capital allocation.
- Shift towards businesses and products with more stable cash flows, focusing on maximizing risk-adjusted returns while decreasing sensitivity to equity markets.

Risk-Based Capital²



Leverage Ratio³



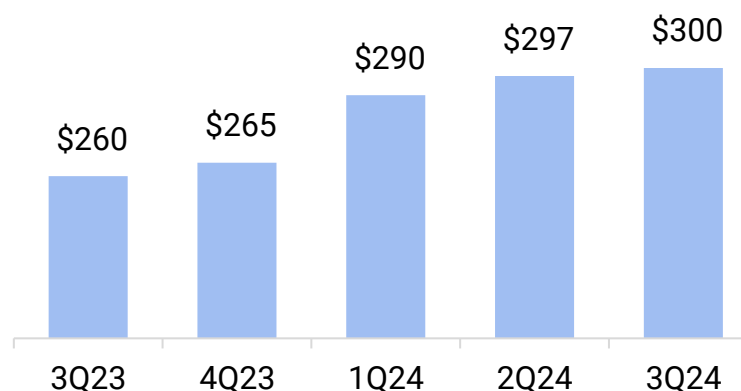
¹ Represents Adjusted Operating Income Available to Common Stockholders, excluding Significant Items. Prior period amounts have been recast to conform to our revised definition of Adjusted Income from Operations. See Non-GAAP Financial Measures Appendix for revised definition and reconciliations. ² The RBC ratio is calculated as of December 31 annually, but is reported in the March statutory reporting, and as such, the quarterly ratios presented for 9/30/2023, 3/31/2024, 6/30/2024, and 9/30/2024 are considered estimates based on information known at the time of reporting. ³ See Non-GAAP Financial Measures Appendix for definition and reconciliations.

Annuities

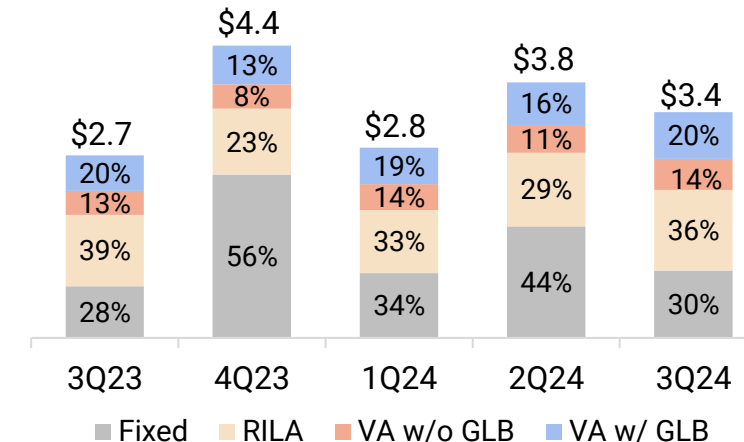
Key Highlights

- Operating income of \$300 million increased 15% YOY, reflecting account balance growth, increased spread income, and expense discipline¹.
- Sales grew nearly 25% YOY with increases in all major product categories, reflecting our product diversification.
- RILA sales increased 13% YOY and 10% sequentially, following the successful launch of our second-generation RILA product in Q2 2024.

Operating Income¹ (\$M)



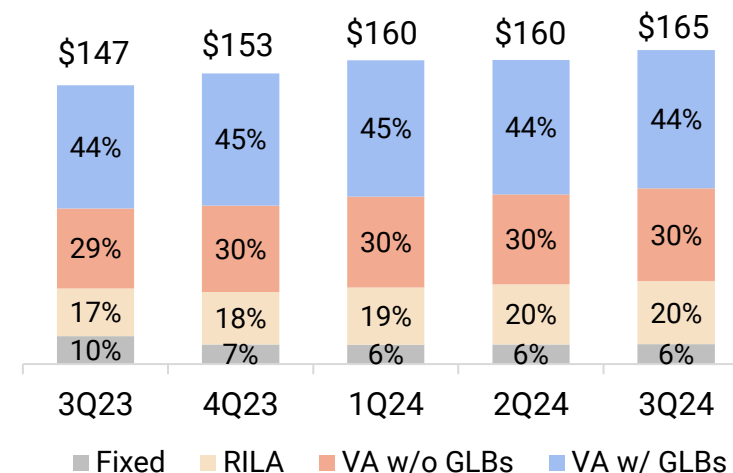
Sales (\$B)



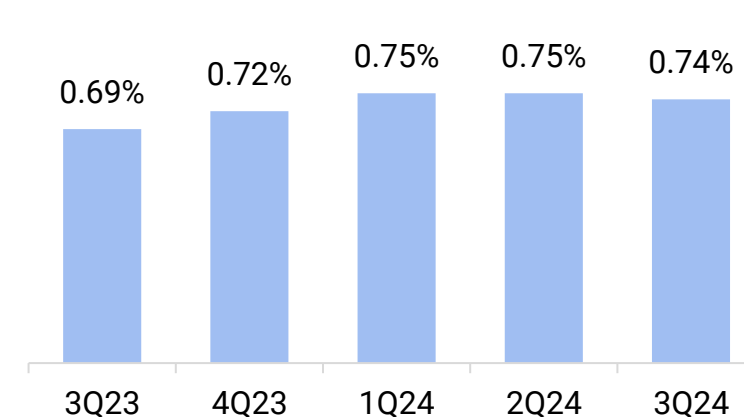
Key Priorities

- Grow our addressable market by extending reach to spread-based products.
- Increase market competitiveness through development of new product features.
- Optimize general account to support spread expansion.

Ending Account Balances (\$B)



Return on Average Account Balances¹



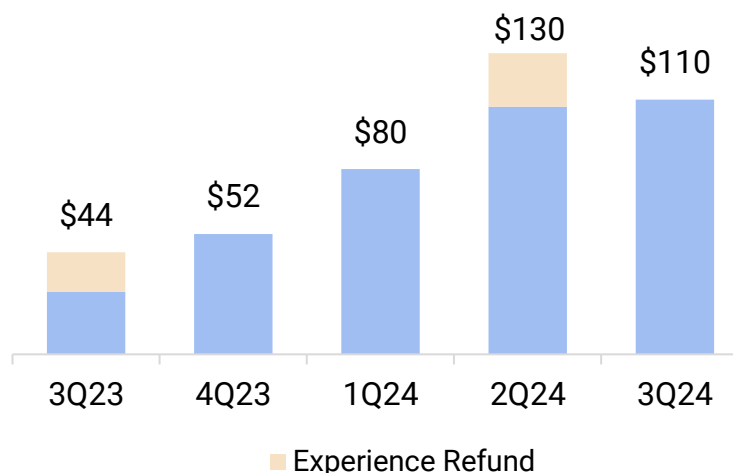
¹ Excludes the following impacts: 3Q23: \$(12)M assumption review; 4Q23: \$14M model refinement; 1Q24: \$(19)M balance sheet true-up in preparation for the close of the sale of the wealth management business and \$(12)M tax-related items; 3Q24 \$1M assumption review.

Group Protection

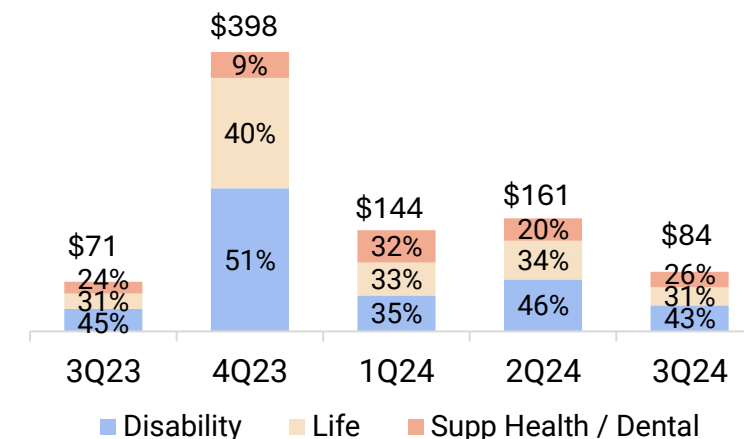
Key Highlights

- Operating income of \$110 million more than doubled YOY, resulting in a 500 bp margin increase to 8.5%¹. These results were driven by favorable LTD experience and improving mortality in Life.
- Premium growth remained at approximately 3% YOY, reflecting continued pricing discipline on new sales and persistency in line with expectations.
- Sales increased 18% compared to the prior-year quarter with Supplemental Health sales doubling YOY.

Operating Income¹ (\$M)



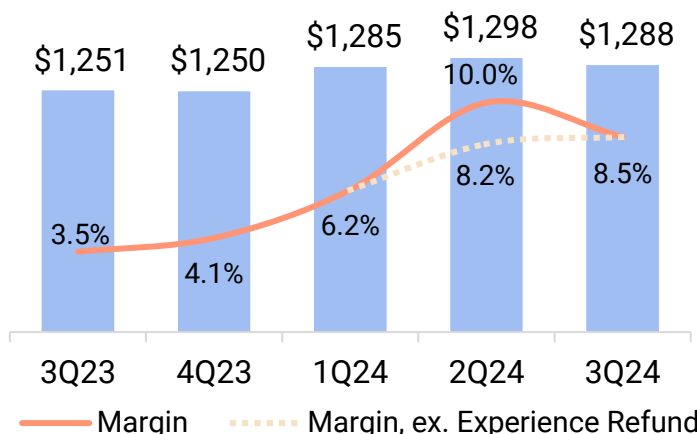
Sales (\$M)



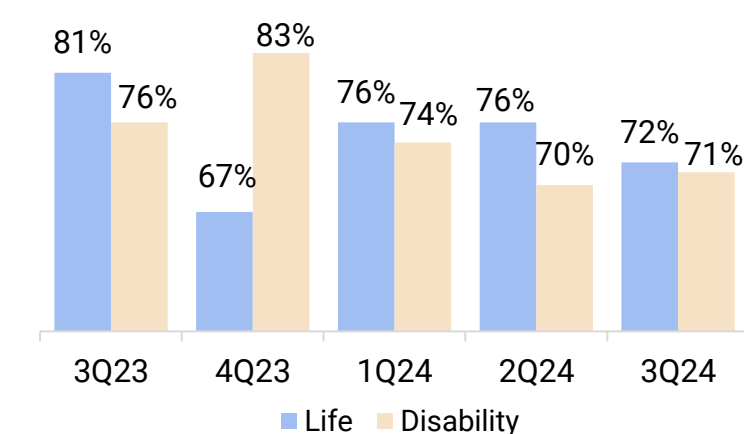
Key Priorities

- Diversify across market segments with an emphasis on growing local markets.
- Expand and deepen product portfolio with a focus on growth in supplemental health.
- Continued pricing discipline focused on profitable growth while investing in capabilities to improve the customer experience.

Premiums & Margin¹ (\$M)



Loss Ratios^{1,2}



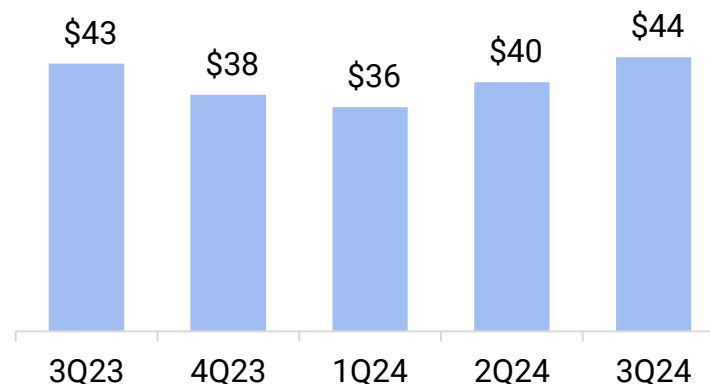
Retirement Plan Services



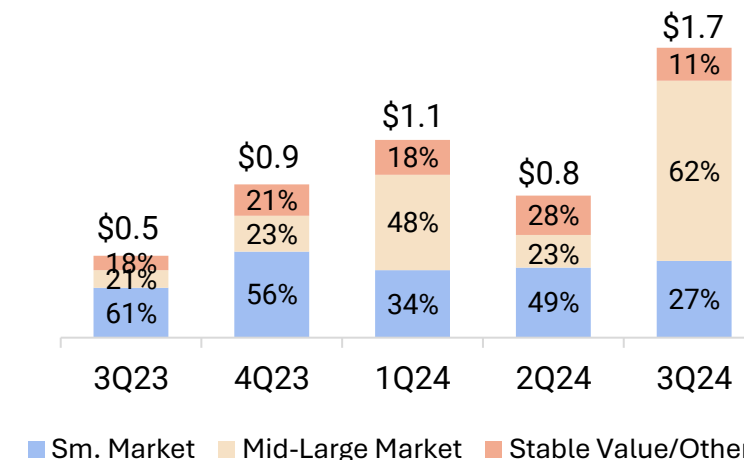
Key Highlights

- Operating income of \$44 million increased 10% sequentially, reflecting higher account balances.
- First-year sales more than tripled YOY, driven in part by increased sales growth in RPS's full-service segments.
- Ending account balances increased 21% YOY reflecting favorable market conditions and positive net flows.

Operating Income (\$M)



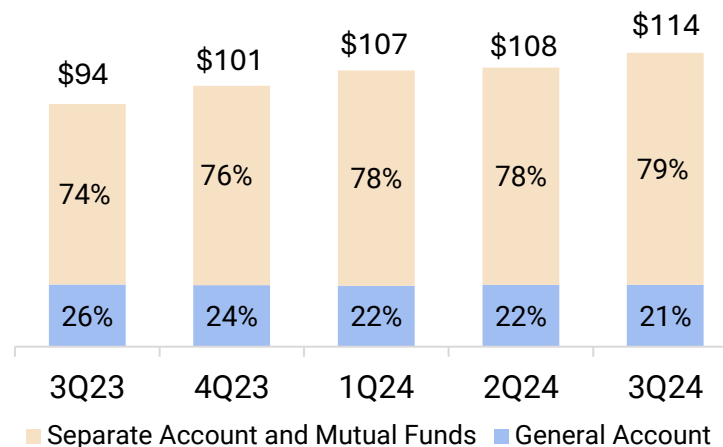
Sales (\$B)



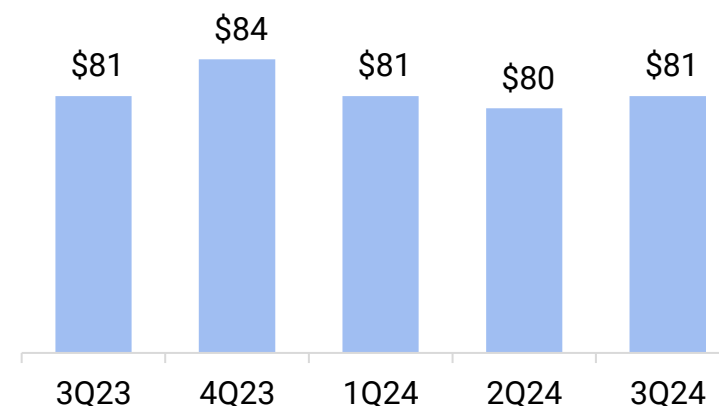
Key Priorities

- Growth in core recordkeeping and institutional market segments through our differentiated service model.
- Expand access to retirement solutions by leveraging distribution relationships and product innovation.
- Increase operational and expense efficiencies to drive down our cost per participant and improve profitability.

Ending Account Balances (\$B)



Net G&A Expenses (\$M)



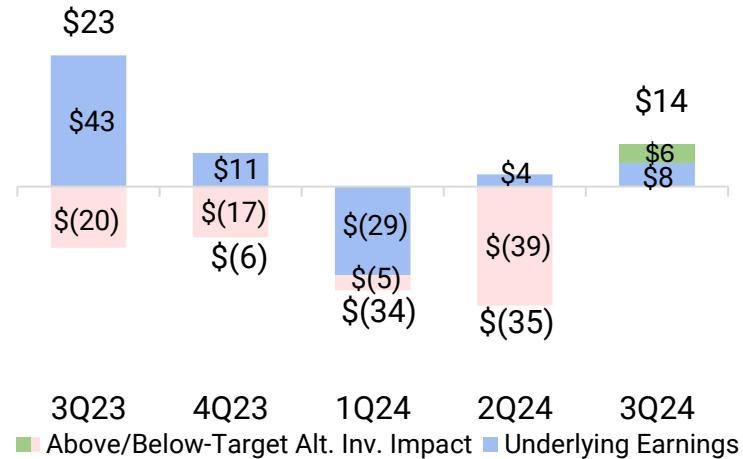
Life Insurance



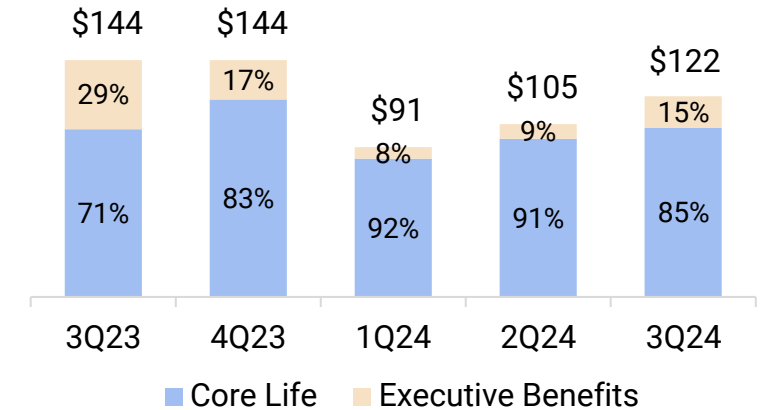
Key Highlights

- Operating income of \$14 million decreased YOY, reflecting a lower run-rate post the Fortitude Re transaction¹.
- Sales grew 16% sequentially as our ongoing strategic realignment gains traction.
- Continued expense discipline resulting in a 9% reduction in net G&A YOY.

Operating Income¹ (\$M)



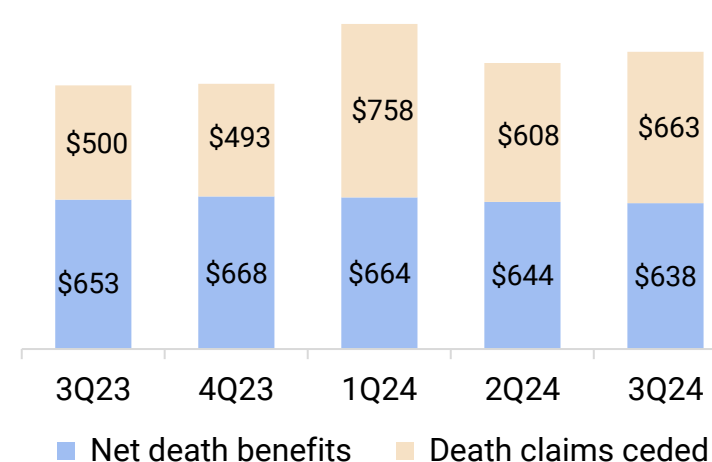
Sales (\$M)



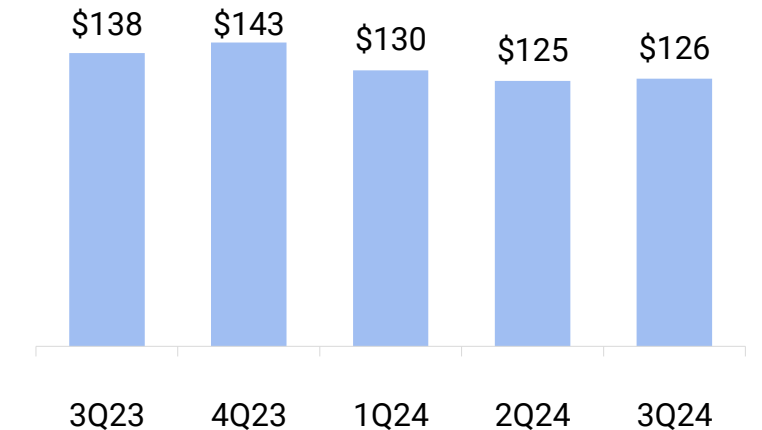
Key Priorities

- Optimize product portfolio to support pivot toward products with more stable cash flows and higher risk-adjusted returns.
- Continue efforts to reduce expense base to drive cost efficiency and earnings growth.
- Maintain focus on optimizing the legacy in force and increase earnings.

Net Death Benefits (\$M)



Net G&A Expenses (\$M)



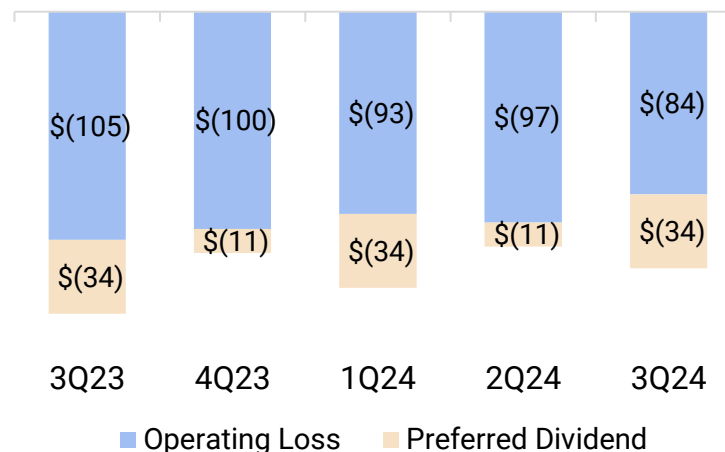
¹ Excludes the following impacts: 3Q23: \$(156)M assumption review, \$(25)M unclaimed property, and \$(15)M surrender benefit program, 1Q24: \$(1) related to Dividend Received Deduction true-up, and 3Q24: \$8M assumption review.

Other Operations

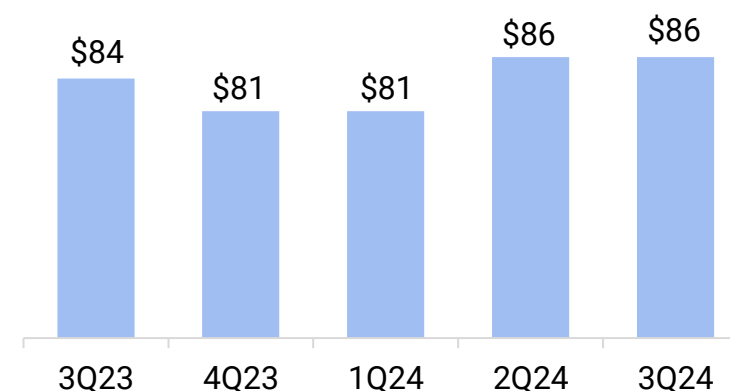
Key Highlights

- Operating loss was \$(84) million, a 20% improvement year over year.¹
- Non-Spark G&A expenses increased by \$3 million YOY driven by project spend.
- Spark G&A expenses declined by 25% YOY, reflecting the planned reduction of program expense.

Operating Loss^{1,2} and Preferred Dividend (\$M)



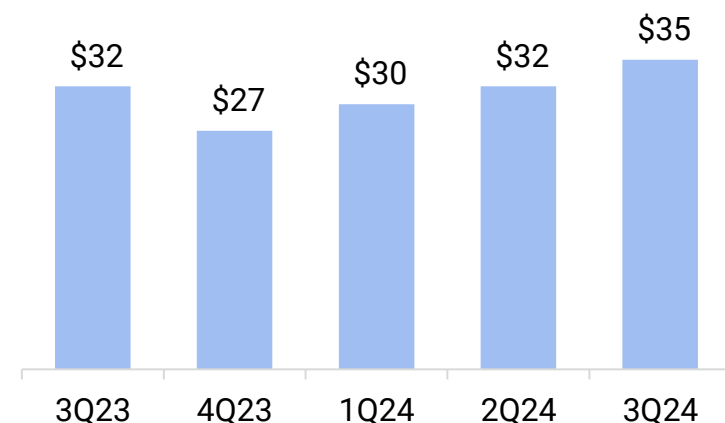
Interest Expense (\$M)



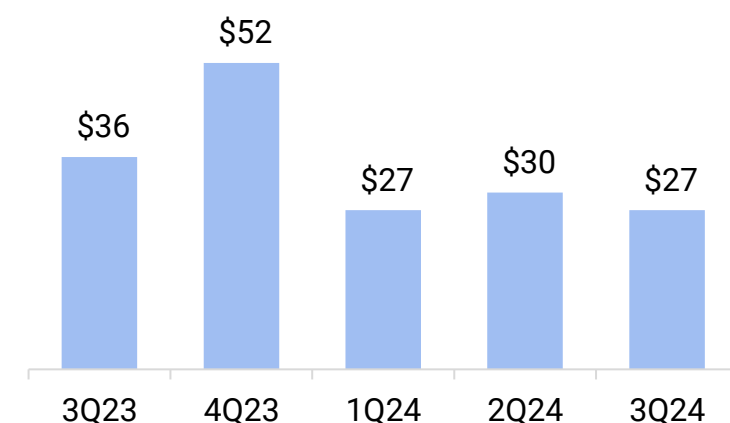
Key Priorities

- Reduce leverage ratio through continued growth in capital and opportunistic deleveraging.
- Continued focus on operational efficiency, including the conclusion of Spark Initiative-related projects in 2025.

Non-Spark G&A Expenses^{2,3} (\$M)



Spark Initiative Expenses (\$M)



¹ Excludes the following impacts: 3Q23: \$3M in unclaimed property; 1Q24: Excess tax true-up impact of \$(3)M.

² Prior period amounts have been recast to conform to our revised definition of income (loss) from operations.

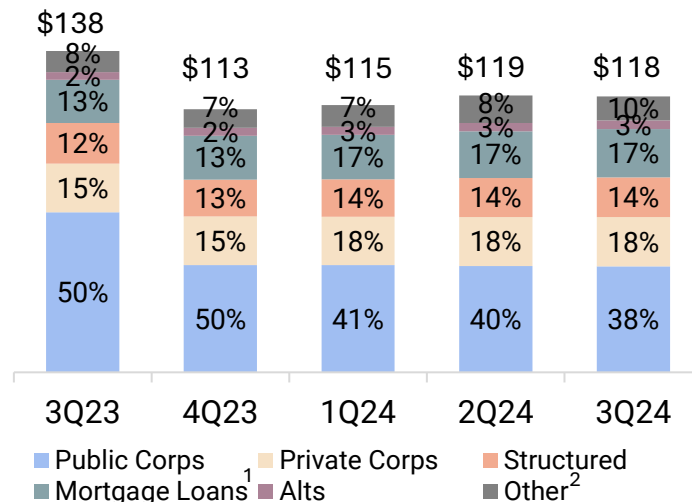
³ 2Q24 and 3Q24 excludes the impact of expenses related to Other Operations associated with the sale of the wealth management business. These expenses are directly offset in Other Revenues.

Investment Portfolio

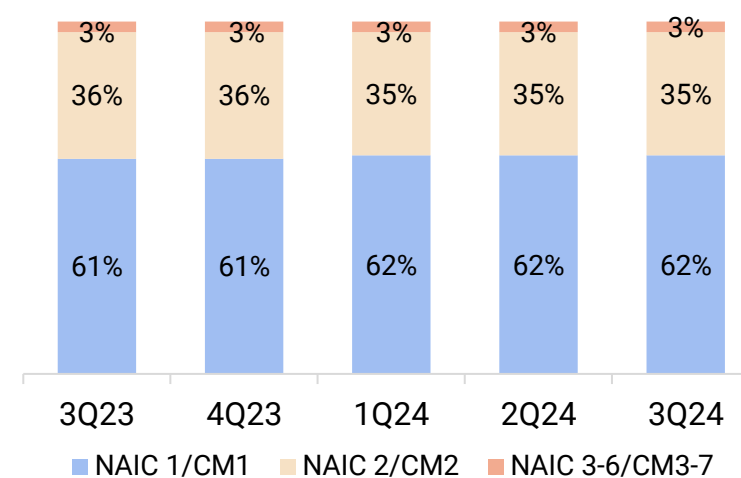
Key Highlights

- Well-diversified portfolio with 97% investment grade securities.
- New money yield pick-up of 1.6% increased 70 bps YOY.
- Our diversified alternatives portfolio delivered a 2.7% quarterly return, above our long-term expectation of 2.5%.

General Account (\$B)



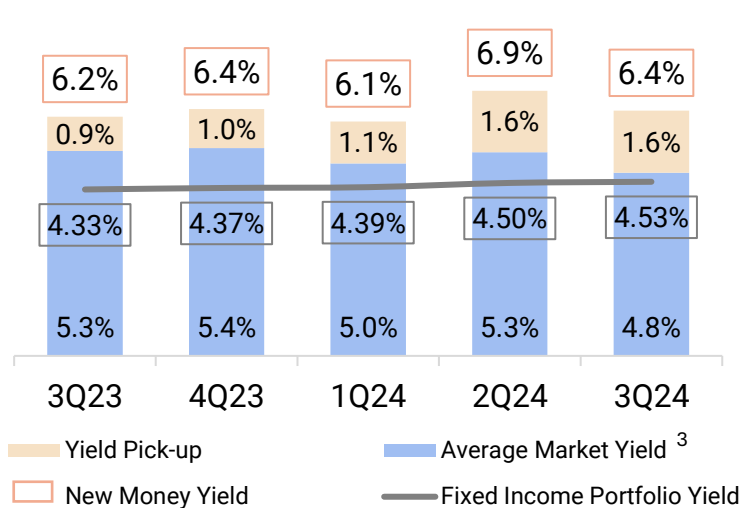
Portfolio Quality



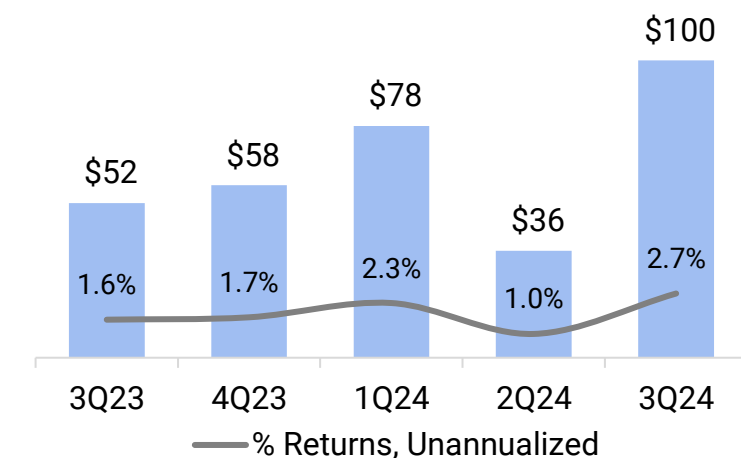
Key Priorities

- Optimize new money strategies by leveraging the sourcing capabilities of our multi-manager platform.
- New money strategy focused on maintaining diversification and high quality while capitalizing on less liquid assets and structured asset class premiums.
- Achieve attractive risk-adjusted alternative returns.

New Money



Alternative Investment Income (\$M), Pre-Tax



¹ Mortgage Loans include CMLs and RMLs.

² Other includes cash, COLI, common and preferred stock, municipals, sovereign government and UST/agency.

³ Defined as the yield on the 7-year US Treasury note plus the Barclay's Public Corp Industrial Spreads Weighted 50% A and 50% BBB.

Appendix



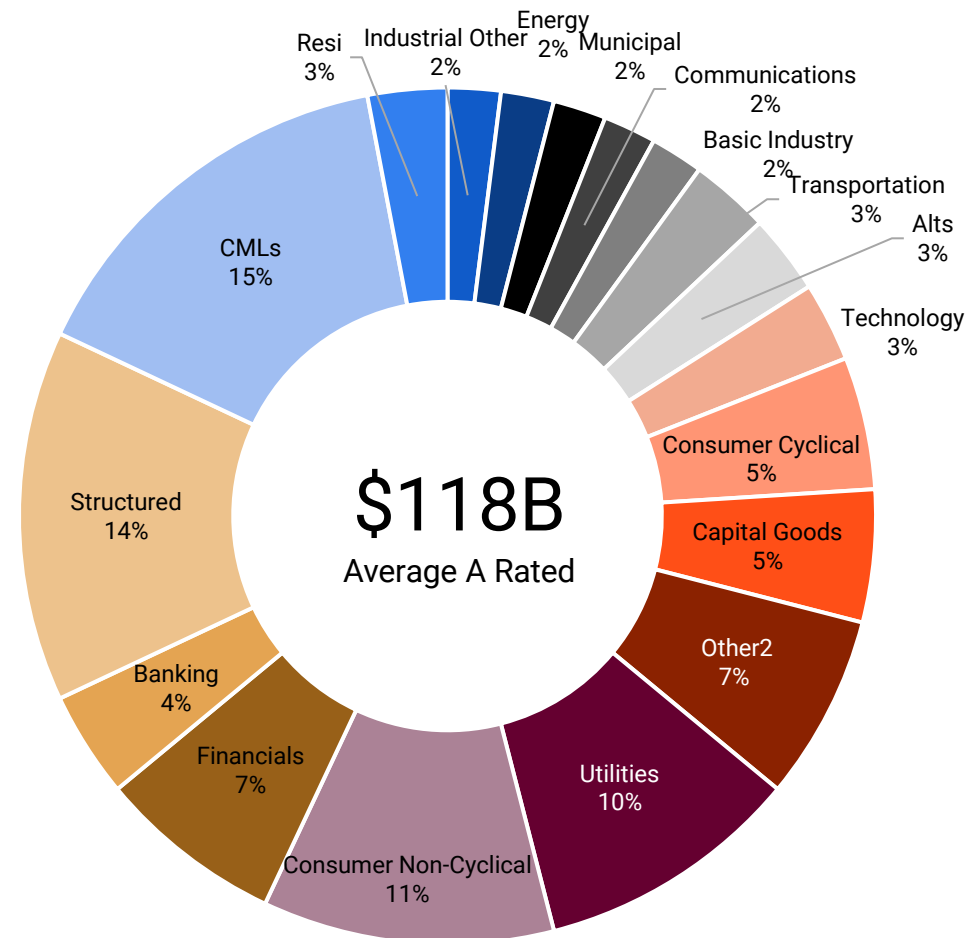
Investment portfolio

High quality and well-diversified portfolio¹

The portfolio is well-positioned

- Long-term investment strategy is tightly aligned with our liability profile and positioned for various economic cycles.
- 97% investment grade, the portfolio is up in quality providing flexibility to further add incremental yield.
- Well positioned to further optimize the portfolio given high-quality asset mix and shift toward shorter duration liabilities.

Portfolio allocation by asset class



¹ Data on slide is as of September 30, 2024. ² Other asset classes primarily include quasi-sovereign, cash/collateral, and UST/agency.

Note: All information regarding LNC's investment portfolio in this earnings supplement excludes assets related to certain modified coinsurance and coinsurance with funds withheld transactions. The modified coinsurance and funds withheld reinsurance agreements investment portfolio has counterparty protections in place including investment guidelines, as well as additional support including trusts and letters of credit that were established to meet LNC's risk management

Commercial mortgage loan portfolio

Conservatively positioned CML portfolio¹

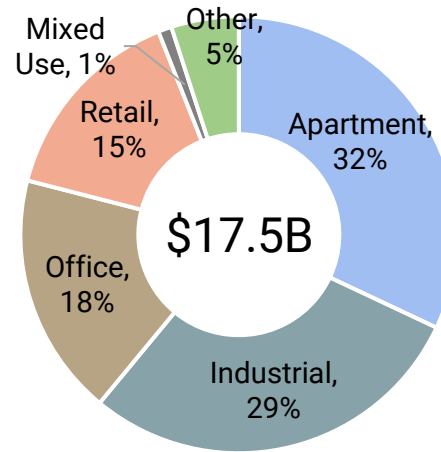
Overall CML exposure

- Disciplined portfolio construction delivering consistent loan performance.
- Robust surveillance process (e.g. loan level financial review, rent roll analysis, stress testing, etc.).
- Manageable near-term portfolio maturities in 2024 (1%), 2025 (3%) and 2026 (6%).
 - \$9M² average loan size across 2024-2026 maturity pool.

Office exposure

- CML office loans reduced by 5% since 2020; 3% of total invested assets well diversified by geography.
- Limited maturities and conservatively positioned with average office loan size of \$12 million².
 - Maturities 2024-2025 = ~1% of our CML portfolio
 - 2024: \$63 million with WA DSC 4.2x.
 - 2025: \$169 million with WA DSC 3.4x.

Property types



Portfolio LTV & DSC

- Loan-to-values remain strong.
- Strong debt service coverage reflecting recent property-level performance.
- Diversified by property type, borrower, and geography.

Portfolio Statistics		
	Total CMLs	Office
Invested Asset %	15%	3%
Avg Loan Size ²	\$12M	\$17M
Fixed Rate	100%	100%
Remaining Term	8 Years	8 Years
Debt Service Coverage	2.4x	2.3x
Occupancy	93%	84%
Credit Quality ³		
CM1	78%	82%
CM2	22%	18%
CM3-7	<1%	<1%

Property Type	Book Value (\$B)	Debt Service Coverage	Loan to Value (3 rd Party Appraisal at Funding)	Lincoln Underwritten Loan to Value ⁴
Apartment	\$5.6	2.8x	44%	43%
Industrial	\$5.0	2.2x	45%	49%
Office	\$3.2	2.3x	43%	69%
Retail	\$2.6	2.9x	41%	45%
Other ³	\$0.9	2.5x	41%	43%
Mixed Use	\$0.2	2.1x	47%	49%
Portfolio	\$17.5	2.4x	44%	50%

¹ Data on slide is as of September 30, 2024.

² Excludes loans managed by non-LFG third-party managers and fully amortizing loans.

³ Includes CMLs in LP funds.

⁴ Lincoln underwritten LTV is an internal estimate that considers the most recent financial reporting of each property and conservative cap rate assumptions.

Non-GAAP Financial Measures Appendix



Non-GAAP Financial Measures



Non-GAAP Financial Measures

Reconciliations of the following non-GAAP financial measures to the most directly compared GAAP financial measures or calculations of such measures, as applicable, are presented herein beginning on slide 17.

In the third quarter of 2024, we revised our definition of adjusted income (loss) from operations to exclude the impact of certain items that are not indicative of the ongoing operations of the business and may obscure trends in the underlying performance of the Company. The revised definition now excludes, as applicable, certain legal accruals, severance expense related to initiatives that realign the workforce, the mark-to-market adjustment related to the LNC stock component of our deferred compensation plans, impacts from the settlement or curtailment of defined benefit obligations and the effect of tax adjustments such as changes to deferred tax valuation allowances from the definition of adjusted income (loss) from operations. The presentation of prior period adjusted income (loss) from operations has been recast to conform to the current period presentation.

Adjusted Income (Loss) From Operations

Adjusted income (loss) from operations is GAAP net income excluding the effects of the following items, as applicable:

- Items related to annuity product features, which include changes in market risk benefits ("MRBs"), including gains and losses and benefit payments ("MRB-related impacts"), changes in the fair value of the derivative instruments we hold to hedge guaranteed living benefit ("GLB") and guaranteed death benefit ("GDB") riders, net of fee income allocated to support the cost of hedging them, and changes in the fair value of the embedded derivative liabilities of our indexed annuity contracts and the associated index options we hold to hedge them, including collateral expense associated with the hedge program (collectively, "net annuity product features");
- Items related to life insurance product features, which include changes in the fair value of derivatives we hold as part of variable universal life insurance ("VUL") hedging, changes in reserves resulting from benefit ratio unlocking associated with the impact of capital markets, and changes in the fair value of the embedded derivative liabilities of our indexed universal life insurance ("IUL") contracts and the associated index options we hold to hedge them (collectively, "net life insurance product features");
- Credit loss-related adjustments on fixed maturity available-for-sale ("AFS") securities, mortgage loans on real estate and reinsurance-related assets ("credit loss-related adjustments");
- Changes in the fair value of equity securities, certain derivatives, certain other investments and realized gains (losses) on sales, disposals and impairments of financial assets (collectively, "investment gains (losses)");
- Changes in the fair value of reinsurance-related embedded derivatives, trading securities and mortgage loans on real estate electing the fair value option ("changes in the fair value of reinsurance-related embedded derivatives, trading securities and certain mortgage loans");
- Income (loss) from the initial adoption of new accounting standards, accounting policy changes and new regulations, including changes in tax law;
- Income (loss) from reserve changes, net of related amortization, on business sold through reinsurance;
- Losses from the impairment of intangible assets and gains (losses) on other non-financial assets;
- Income (loss) from discontinued operations.
- Other items, which include the following: certain legal accruals; severance expense related to initiatives that realign the workforce; transaction and integration costs related to mergers and acquisitions including the acquisition or divestiture, through reinsurance or other means, of businesses or blocks of business; mark-to-market adjustment related to the LNC stock component of our deferred compensation plans ("deferred compensation mark-to-market adjustment"); gain (losses) on modification or early extinguishment of debt; and impacts from settlement or curtailment of defined benefit obligations; and
- Income tax benefit (expense) related to the above pre-tax items, including the effect of tax adjustments such as changes to deferred tax valuation allowances.

Adjusted income (loss) from operations available to common stockholders is defined as after-tax adjusted income (loss) from operations less preferred stock dividends and the adjustment for deferred units of LNC stock in our deferred compensation plans.

Non-GAAP Financial Measures, Cont'd



Adjusted Stockholders' Equity

Adjusted stockholders' equity is stockholders' equity, excluding AOCI, preferred stock, MRB-related impacts, GLB and GDB hedged instruments gains (losses) and the difference between amounts recognized in net income (loss) on reinsurance-related embedded derivatives and the underlying asset portfolios ("reinsurance-related embedded derivatives and portfolio gains (losses)").

Management believes this metric is useful to investors because it eliminates the effect of market movements that are unpredictable and can fluctuate significantly from period to period, primarily related to changes in equity markets and interest rates.

Leverage Ratio

Leverage ratio is a measure that we use to monitor the level of our debt relative to our total capitalization. Debt used in this metric reflects total debt and preferred stock adjusted for certain items.

Total capitalization reflects debt used in the numerator of this ratio and stockholders' equity adjusted for certain items.

Reconciliation of Net Income Available to Common Stockholders to Adjusted Income from Operations Available to Common Stockholders

Unaudited (millions of dollars, except per share data)



	For the Three Months Ended ⁽¹⁾				
	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Net Income					
Net income (loss) available to common stockholders – diluted	\$ 819	\$ (1,246)	\$ 1,191	\$ 884	\$ (562)
Less:					
Preferred stock dividends declared	(34)	(11)	(34)	(11)	(34)
Adjustment for deferred units of LNC stock in our deferred compensation plans	—	—	3	—	—
Net income (loss)	853	(1,235)	1,222	895	(528)
Less:					
Net annuity product features, pre-tax	1,322	(1,008)	1,450	252	(381)
Net life insurance product features, pre-tax	108	(225)	(130)	4	(125)
Credit loss-related adjustments, pre-tax	(27)	(27)	(1)	(34)	(88)
Investment gains (losses), pre-tax ⁽²⁾	(400)	167	(81)	(230)	(105)
Changes in the fair value of reinsurance-related embedded derivatives, trading securities and certain mortgage loans, pre-tax ⁽³⁾	(29)	(776)	194	201	(446)
Gains (losses) on other non-financial assets – sale of subsidiaries/businesses, pre-tax ⁽⁴⁾	—	—	—	584	(2)
Other items, pre-tax ⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾	(12)	(32)	(186)	(33)	(19)
Income tax benefit (expense) related to the above pre-tax items	(193)	403	(268)	(184)	246
Total adjustments	769	(1,498)	978	560	(920)
Adjusted income (loss) from operations	84	263	244	335	392
Add:					
Preferred stock dividends declared	(34)	(11)	(34)	(11)	(34)
Adjusted income (loss) from operations available to common stockholders	\$ 50	\$ 252	\$ 210	\$ 324	\$ 358
Earnings (Loss) Per Common Share – Diluted					
Net income (loss)					\$ (3.29)
Adjusted income (loss) from operations (diluted)					2.06

⁽¹⁾ Prior period impacts have been recast to conform to the current period presentation. See slide 15 for further information.

⁽²⁾ Includes intent to sell impairments during the second and third quarters of 2023 of certain fixed maturity AFS securities in an unrealized loss position, resulting from the Company's intent to sell these securities as part of the fourth quarter 2023 reinsurance transaction.

⁽³⁾ Includes primarily changes in the fair value of the embedded derivative related to the fourth quarter 2023 reinsurance transaction.

⁽⁴⁾ Relates to the sale of our wealth management business, which provided approximately \$650 million of statutory capital benefit.

⁽⁵⁾ Includes certain legal accruals of \$(12) million in the third quarter of 2023 and \$(114) million primarily related to the settlement of cost of insurance litigation in the first quarter of 2024.

⁽⁶⁾ Includes severance expense related to initiatives that realign the workforce of \$(3) million, \$(3) million, \$(49) million, \$(7) million and \$(16) million in the first quarter of 2023, second quarter of 2023, first quarter of 2024, second quarter of 2024 and third quarter of 2024, respectively.

⁽⁷⁾ Includes transaction and integration costs related to mergers, acquisitions and divestitures of \$(9) million, \$(1) million, \$(26) million, \$(10) million, \$(27) million and \$(2) million for the second quarter of 2023, third, quarter of 2023, fourth quarter of 2023, first quarter of 2024, second quarter of 2024 and third quarter of 2024, respectively.

⁽⁸⁾ Includes deferred compensation mark-to-market adjustment of \$12 million, \$(8) million, \$1 million, \$(6) million, \$(13) million, \$1 million and \$(1) million in the first quarter of 2023, second quarter of 2023, third quarter of 2023, fourth quarter of 2023, first quarter of 2024, second quarter of 2024 and third quarter of 2024, respectively.

Reconciliation of Adjusted Income from Operations Available to Common Stockholders to Adjusted Income from Operations Available to Common Stockholders, excluding Significant Items

Unaudited (millions of dollars)



	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Adjusted income from operations available to common stockholders ^{1,2}	\$50	\$252	\$210	\$324	\$358
Significant items:					
Tax-related items ³	--	--	16	--	--
Assumption review	144	--	--	--	(8)
Model refinement	--	(14)	--	--	--
Unclaimed property	22	--	--	--	--
Surrender benefit program	15	--	--	--	--
Balance sheet true-up related to the sale of the wealth management business	--	--	19	--	--
Total significant items	181	(14)	35	--	(8)
Adjusted income from operations available to common stockholders, excluding significant items	\$231	\$238	\$245	\$324	\$350

¹ See reconciliation to Net Income Available to Common Stockholders on slide 17.

² Prior period amounts have been recast to conform to our revised definition of Adjusted Income from Operations. See slide 15 for further information.

³ For the quarter ended 3/31/2024, primarily reflects a Dividend Received Deduction true-up, partially offset by an Uncertain Tax Position release.

Leverage Ratio

Unaudited (millions of dollars)



	As of or For the Three Months Ended				
	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Leverage Ratio					
Short-term debt ⁽¹⁾	\$ —	\$ 250	\$ 503	\$ 450	\$ 300
Long-term debt	5,905	5,699	5,726	5,716	5,897
Total debt ⁽²⁾	5,905	5,949	6,229	6,166	6,197
Preferred stock	986	986	986	986	986
Total debt and preferred stock	6,891	6,935	7,215	7,152	7,183
Less:					
Operating debt ⁽³⁾	867	867	867	867	867
Pre-funding of upcoming debt maturities	—	—	300	300	300
25% of capital securities and subordinated notes	302	302	302	302	302
50% of preferred stock	493	493	493	493	493
Carrying value of fair value hedges and other items	111	154	133	123	153
Total numerator	\$ 5,118	\$ 5,119	\$ 5,120	\$ 5,067	\$ 5,068
Adjusted stockholders' equity ⁽⁴⁾	\$ 10,778	\$ 11,023	\$ 11,087	\$ 11,698	\$ 11,967
Add:					
25% of capital securities and subordinated notes	302	302	302	302	302
50% of preferred stock	493	493	493	493	493
Total numerator	5,118	5,119	5,120	5,067	5,068
Total denominator	\$ 16,691	\$ 16,937	\$ 17,002	\$ 17,560	\$ 17,830
Leverage ratio	30.7 %	30.2 %	30.1 %	28.9 %	28.4 %

⁽¹⁾ As of September 30, 2024, consists of \$300 million principal amount of our 3.35% Senior Notes due March 9, 2025.

⁽²⁾ Excludes obligations under finance leases and certain financing arrangements of \$559 million that are reported in other liabilities on our Consolidated Balance Sheets.

⁽³⁾ We have categorized as operating debt the senior notes issued in October 2007 and June 2010 because the proceeds were used as a long-term structured solution to reduce the strain on increasing statutory reserves associated with secondary guarantee UL and term policies.

⁽⁴⁾ See reconciliation to stockholders' equity on following slide.

Reconciliation of Stockholders' Equity to Adjusted Stockholders' Equity

Unaudited (millions of dollars)



	As of or For the Three Months Ended				
	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Stockholders' Equity, End-of-Period					
Stockholders' equity	\$ 3,199	\$ 6,893	\$ 7,546	\$ 7,949	\$ 9,013
Less:					
Preferred stock	986	986	986	986	986
AOCI	(8,480)	(3,476)	(3,951)	(4,369)	(2,682)
Stockholders' equity, excluding AOCI and preferred stock	10,693	9,383	10,511	11,332	10,709
MRB-related impacts	1,545	1,083	2,575	2,673	2,147
GLB and GDB hedge instruments gains (losses)	(1,630)	(2,085)	(2,675)	(2,770)	(2,763)
Reinsurance-related embedded derivatives and portfolio gains (losses) ⁽¹⁾	NM	(638)	(476)	(269)	(642)
Adjusted stockholders' equity ⁽¹⁾	<u>\$ 10,778</u>	<u>\$ 11,023</u>	<u>\$ 11,087</u>	<u>\$ 11,698</u>	<u>\$ 11,967</u>

⁽¹⁾ This measure has been updated, effective beginning with the fourth quarter of 2023, to exclude reinsurance-related embedded derivatives and the underlying portfolio gains (losses), given the size of the impact of the fourth quarter 2023 reinsurance transaction. Such amounts in the prior periods presented, and the impact of this change to such prior periods, were not meaningful ("NM").