2020 Ward’s 50 L&H Top Performers

Annually, we analyze the financial performance of nearly 700 life-health insurance companies domiciled in the United States and identify the top performers. Each Ward’s 50 company has passed all safety and consistency screens and achieved superior performance over the five years analyzed.

Ward’s 50 benchmarks outperform the industry (2015-2019)

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>Ward’s 50</th>
<th>Total Industry</th>
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</thead>
<tbody>
<tr>
<td>More favorable statutory return on average equity</td>
<td>17.4%</td>
<td>9.5%</td>
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<tr>
<td>Lower Lapse Ratio</td>
<td>5.5%</td>
<td>6.1%</td>
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<tr>
<td>Greater growth in policyholder surplus</td>
<td>19.0%</td>
<td>18.1%</td>
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<tr>
<td>Lower expenses relative to net premiums</td>
<td>10.9%</td>
<td>11.6%</td>
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Ward’s 50 five-year return on equity 1.8x higher than the industry

In selecting the Ward’s 50, we identified companies that pass financial stability requirements and measure their ability to grow while maintaining strong capital positions and underwriting results.

Nearly 700 life-health insurance companies are analyzed based on objective data and subjective quality measures.

For more information about the Ward’s 50 analysis and to order a customized Ward’s 50 comparison report, go to ward.aon.com.
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Methodology

Insurance companies are evaluated and must pass minimum thresholds to be considered for the Ward’s 50 designation.

Safety and Consistency Tests
Each company must pass primary safety and consistency tests, including:
- Surplus and premiums of at least $50 million for each of the five years analyzed
- Adjusted net income in at least four of the last five years
- Compound annual growth in premiums between -10 percent and +40 percent

Performance Measurements
Companies that pass the safety and consistency tests are measured and scored on the following elements:
- Five Year Average Return on Average Equity
- Five Year Average Return on Average Assets
- Five Year Average Return on Total Revenue
- Five Year Growth in Revenue
- Five Year Growth in Surplus