A resource for individuals, families, and business owners

Guardian®

Our investment in your financial future

Understanding Guardian's portfolio structure

Why investing wisely is critical for insurers

When you buy insurance, you want to be confident that the company you've chosen will be there when you need them.

Life insurance is a promise to pay a benefit to you at some point in the future. When an insurance company invests its money appropriately, that helps the company keep its promise to you that your expectations will be met. Investing its money wisely is one key factor that helps an insurer stay in business for the long run. And it's an important consideration when comparing companies.

Our investment vision and philosophy

Guardian's investment philosophy focuses on maintaining a well-diversified portfolio for the long term. This helps us provide an attractive dividend[1] to our policyholders.

The drivers of our investment vision

To help ensure that Guardian will be there when you need us most, we strive to:

- Pay a competitive dividend to our policyholders
- Protect our capital, financial strength,[2] and ratings
- Develop products that meet your needs and match our assets and obligations to you, a practice known as asset/liability management

Guardian's investment guidelines

We follow these customs when executing our investment vision:

- Create well-diversified portfolios with risk limits
- Actively manage credit and portfolio risks
- Use a best-practices approach to asset/liability and total rate of return management
- Hedge to protect capital
- Attract and retain high-quality investment professionals

How we strive to achieve our investment objectives

We start with sound, long-term asset allocation and prudent diversification.[3] Then, we include attractive institutional investments — like private placements, commercial mortgages, private equity, and real estate — that are typically unavailable to individual investors. This can help us improve returns, provide additional investment income, and increase diversification.

Our ratings[4]	
A.M. Best	**A++** (Superior – highest of 15 ratings)
Fitch Ratings	**AA+** (Very strong – 2nd highest of 21 ratings)
Moody's Investors Service	**Aa2** (High quality – 3rd highest of 21 ratings)
Standard & Poor's	**AA+** (Very strong – 2nd highest of 20 ratings)
COMDEX[5]	**98** (out of 100)

1 Dividends are not guaranteed. They are declared annually by Guardian's Board of Directors. In addition, the Board established a minimum amount of the dividend allocation — no less than $1.014 billion, to be distributed in 2022 to participating life policyholders with policy dates of January 1, 1984 and later.

2 Financial information concerning Guardian as of December 31, 2021, on a statutory basis: Admitted assets = $72.1 billion; liabilities = $63.5 billion (including $51.8 billion of reserves); and surplus = $8.6 billion.

3 Diversification does not guarantee a profit or protect against market loss.

4 Ratings are as of December 31, 2021 and are subject to change.

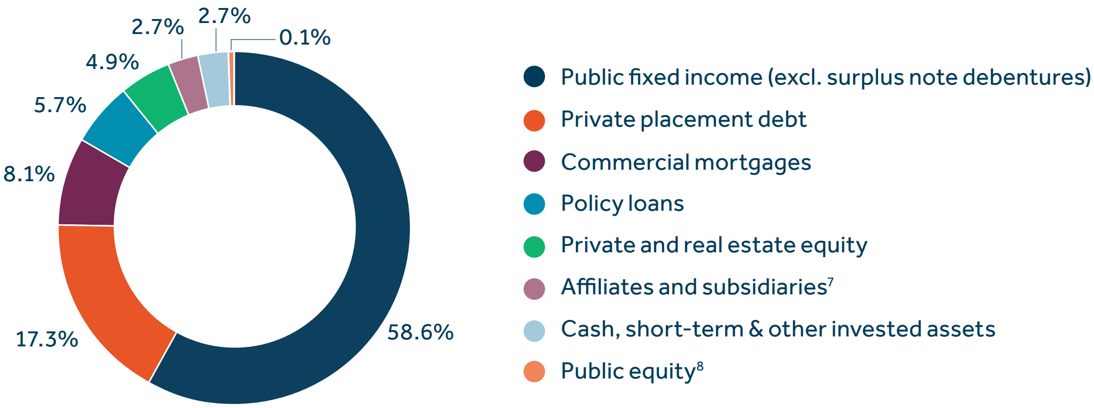
5 Comdex is not a rating, but a composite of all ratings that a company has received from the four major ratings agencies (A.M. Best, Standard & Poor's, Moody's, and Fitch). Comdex represents a company's percentile standing, on a scale of 1 to 100 (with 100 being the best), in relation to other companies that have been rated by the major agencies.

How Guardian's investment portfolio[6] performed in 2021

We attribute the success of our investment strategy to our portfolio and risk management practices, which are executed by a team of investment professionals who average over 20 years of experience. The team vets every investment decision and closely monitors all macroeconomic, political, and competitive developments.

Our portfolio managers use a disciplined decision-making process based on our research and in-depth analysis. Additionally, Guardian practices careful asset/liability matching that seeks to align the timing of investment income with the expected payment schedules for claims and other liabilities.

Guardian's $66 billion investment portfolio as of 12/31/21:



Guardian's 2021 key accomplishments

- Guardian declared one of the highest total dividends in company history — $1.1 billion.
- Guardian approved $7.4 billion in total benefits and dividends, demonstrating our ability to continuously operate for the benefit of our policyholders.
- We ended the year with $90.2 billion in assets under management.
- We increased life insurance in force to $776 billion, reflecting our overall business growth.
- All four major credit rating agencies reaffirmed our strong ratings.

[6] All investments contain risk and may lose value.

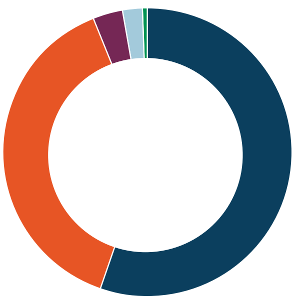
[7] Affiliates and subsidiaries includes $560 million in affiliates classified as LLCs on the annual statement that are not private equity.

[8] Public equity excludes bond and cash mutual funds.

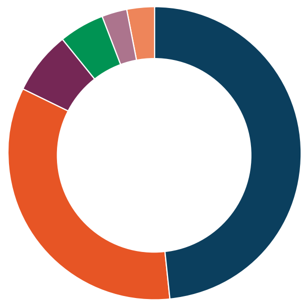
Our risk management process

Active risk management is a key component of all our investment decisions. Our team seeks to minimize capital losses by constantly assessing emerging risks. They also "stress test" our holdings to understand how they could react in a variety of market conditions, including changes in interest rates. We also employ time-tested hedging strategies to help protect capital in volatile markets.

Our portfolio is of excellent credit quality with strong liquidity; 93.8% of our bonds are investment grade. The ratings distribution of our fixed income investments underscores our focus on securities that are higher in quality, but have the potential to provide returns that will help us keep our long-term promises to you.



- **52.9%** NAIC 1 (Aaa-A/AAA-A)[9]
- **40.9%** NAIC 2 (Baa/BBB)
- **3.5%** NAIC 4 (B)
- **2.2%** NAIC 3 (Ba/B)
- **0.5%** NAIC 5 & 6 (Caa/CCC and below)



- **58.6%** Investment grade public corporate debt[10]
- **17.3%** Private placement debt
- **8.3%** Structured finance
- **5.9%** Municipal securities
- **3.5%** U.S. governments
- **3.5%** High yield debt and bank loans

At the heart of who we are — our people and our company structure

At Guardian, our people make the difference. And the talented professionals who bring our products and services to you are the right people to guide you toward financial confidence. Our product managers, underwriters, and portfolio managers are some of the best in the insurance industry. Our investment team is backed by cutting-edge technology, outstanding sales support, and award-winning customer service.

All of these professionals demonstrate our ongoing commitment to serving our customers. Guardian remains committed to performing as a well-run mutual company, because we believe it's the best way to deliver our products and services to you. Likewise, we believe our mutual ownership provides our company with the best way to serve the long-term goals of our customers.

Guardian

The Guardian Life Insurance Company of America

guardianlife.com

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[9] The National Association of Insurance Commissioners (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories. (Hyperlink 'The National Association of Insurance Commissioners' at the beginning of this disclosure to: **https://content.naic.org/sites/default/files/about-naic.pdf**

[10] Excludes surplus note debentures.