

A photograph of three Assurity employees sitting on a wide, light-colored stone staircase. In the foreground, a woman with dark hair and a white lace-up shirt sits on the left, and a man with brown hair in a blue button-down shirt sits on the right. Behind them, a woman with glasses and a grey cardigan sits on a higher step. All three are smiling at the camera. The background shows a modern interior with large windows and a fireplace.

Assurity®

# Living Our Values

2018 Annual Report

*Integrity*

*Generosity*

*Agility*

*Inclusion*

*Wellness*

“Creating strong values,  
and sticking with them,  
takes real guts.”

*Ingenuity*

*Accountability*

*Vibrancy*

*Sustainability*

*Connectedness*

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## Customers and friends,

Renowned economist Milton Friedman said, “The sole social responsibility of business is to increase its profits.” In the late 20th century, many companies took this theory literally, focusing solely on maximizing profits for their shareholders. The consequences included environmental degradation, corporate financial scandals, abuse of women and minorities, unhappy customers and a general mistrust of business.

**Today, people look for companies who not only deliver a great product or service, but provide a positive contribution to society** — benefiting our customers, associates and the communities in which they operate.



More than ever it's important for every business to have an established set of core values so current and prospective customers know what the business stands for. Effectively articulating your values and demonstrating to your customers your “why” has become critical for any business's success.

At Assurity, our values and our mission statement, “To help people through difficult times,” truly drive day-to-day and strategic decisions. While we can't stop all the pain, **we are there for people when they need help the most**, such as after the death of a loved one or at the onset of a physical disability or dreaded disease.

In 2018, we engaged in a nearly yearlong process to revise our values and express them in a more contemporary and succinct language. There is an old saying, “We first make our habits, and then our habits make us.” For companies, another way to put it is, **“First we choose our values, and then our values establish our culture.”** For most companies, their culture is their defining difference. Values become the compass that guides associates in making decisions.

**Throughout the rest of this annual report, we will highlight our values and how Assurity aspires to live them every day.** We believe a company which lives its mission and values creates a powerful connection with all of its stakeholders. In doing this, we'll also share with you the excellent sales results we achieved and how in 2018 we continued to build the company's financial strength.

In closing, I want to thank our Board of Directors and all my colleagues at Assurity for making our company values come alive every day.

Sincerely,

**Thomas E. Henning, CLU, ChFC, CFA**  
Chairman, President & CEO

# Inclusion

By including our distribution in how we do business now and in the future, we're able to better serve our customers.

**Paula Marshall**, *Worksite Regional Sales Manager, Assurity*

**Tanya Mulder**, *Vice President, SilverStone Group*

# We make it personal

For our business to thrive, we know the people we work with need to reflect our values. They're an extension of who we are — people who share our mission. Our most successful brokers and agents connect our values to their clients. It's our goal to reinvent the traditional service model by dedicating three team members to each distributor, not one. Together, we make doing business easier.



Assurity Individual Regional Sales Manager David Everly  
with Health Connect agents

# Connectedness

# Where we thrive

In 2011, we planted our flag in Lincoln's Antelope Valley. Today, Assurity Center remains a bright light in Nebraska's capital city. From its unique collaboration spaces and open floor plan to the Q Street Café, our home was not only designed for doing business, but as a setting where we learn and grow. It fosters communication, the flow of ideas and the movement of people — it's a place where we want to be.

## Vibrancy

1<sup>st</sup>

large office building in Lincoln to earn LEED Gold Certification

94<sup>th</sup>

percentile in Gallup's worldwide database for employee engagement



**Matt Anderson**, *Content Writer*

**Andrew Malan**, *Graphic Designer*

# Strength in numbers

It feels good to work with a company you can rely on. Our stability builds trust and underpins sustainable performance — and we have the numbers to back it up.

**\$271.4**  
Million

Direct Premiums and Deposits

**\$11.1**  
Million

Net Income

**14**  
Percent

Surplus & AVR\* as Percentage  
of Assets

**\$194.7**  
Million

Benefits Paid to Customers

**\$13.1**  
Million

Customer Dividends Paid

**\$2.6**  
Billion

Total Assets

**\$368.9**  
Million

Total Surplus & AVR\*

**\$19.3**  
Billion

Life Insurance in Force

\*Asset Valuation Reserve

For more complete financial information, visit [assurity.com](http://assurity.com).

# Integrity

# Making waves in the industry

Many businesses today are challenged by technology and changing consumer preferences. Businesses that don't accept this reality could face the disruption of their longstanding business model. Our Assurity Ventures arm solely focuses on building relationships with startups to help harness new ways of interacting with individual prospective customers. We're excited to partner with these innovators to find new ways to do business.

# Agility



Today, we must always look for new and better ways of doing business.

Jared Carlson, Josh DeMers and Sherry Reeves



**Jared Carlson**, *Director of Innovations*



# Be your best self

We strive to help our associates mentally and physically. How do we do it? By meeting them where they're at. Our wellness and life enhancement consultant is an onsite registered nurse who knows that being healthy doesn't just mean a balanced diet and exercise. She strives to help our team make small changes toward improving themselves from the inside out.

It's about making small changes to your lifestyle and eliminating barriers.

**Tina Slama**, *Inforce Administrator*

**Laura-Leigh Norris**, *Wellness and Life Enhancement Consultant*

## Wellness



Kristi Minzel, Stephanie Campbell and other Assurity associates participate in a weekly onsite yoga class.

# Held to a higher standard

A culture of accountability is vital for a business's success. Our associates know what's expected of them and follow through on their promises. We return tomorrow committed to doing better than yesterday — and to delivering results that matter.

Here's some of what we accomplished in 2018.

Assurity's total sales results were **32% above** last year and 13% ahead of plan.

Worksite sales generated a **54% increase** in annualized premiums year-over-year.

9,000 Individual and 15,000 Worksite sales applications pushed through the **automated new business** framework.

Assurity's real estate development business participated in building more than **300 new** multi-family residences.

Individual sales **were up 16%** in annualized premiums year-over-year.

Assurity's **strong financial position** continued, recording a Risk Based Capital Ratio of 547, higher than the industry average.

**Over 97%** of Assurity's bond portfolio rated investment grade at year-end — a higher quality than the industry average.

Relationships through our Assurity Ventures arm grew and contributed over **\$3 million** to new individual annualized premiums.

# Accountability



Izquierdo family, *proud homeowners*

# Creating a front door to the neighborhood

We want to do our part to ensure the community around us prospers. It's why Antelope Square arose as a partnership between Assurity and NeighborWorks Lincoln, a nonprofit dedicated to revitalizing communities and sustainable homeownership. Two dozen new homes, many designated for low- to moderate-income, first-time homeowners, now sit a couple blocks to our east.



**75 holiday wishes**  
granted to CEDARS Home for Children



**900 meals**  
delivered for Meals on Wheels



**400 pounds**  
of winter items donated to People's City Mission



**\$172,751**  
pledged to United Way



**56 units donated**  
to the Nebraska Community Blood Bank  
from onsite drives

# Do all the good you can



As a B Corp, we're committed to the highest standards of environmental performance. That means promoting and following through with sustainable practices. For example, our comprehensive recycling program earned accolades from the city of Lincoln in 2018. We also encourage our associates to literally bring home their sustainable practices through our partnership with Robinette Farms. Their community-supported agriculture (CSA) program provides our associates and their families with locally grown produce.

We all share in the future we create.

# Sustainability



**5+ tons**  
of paper and  
electronics recycled

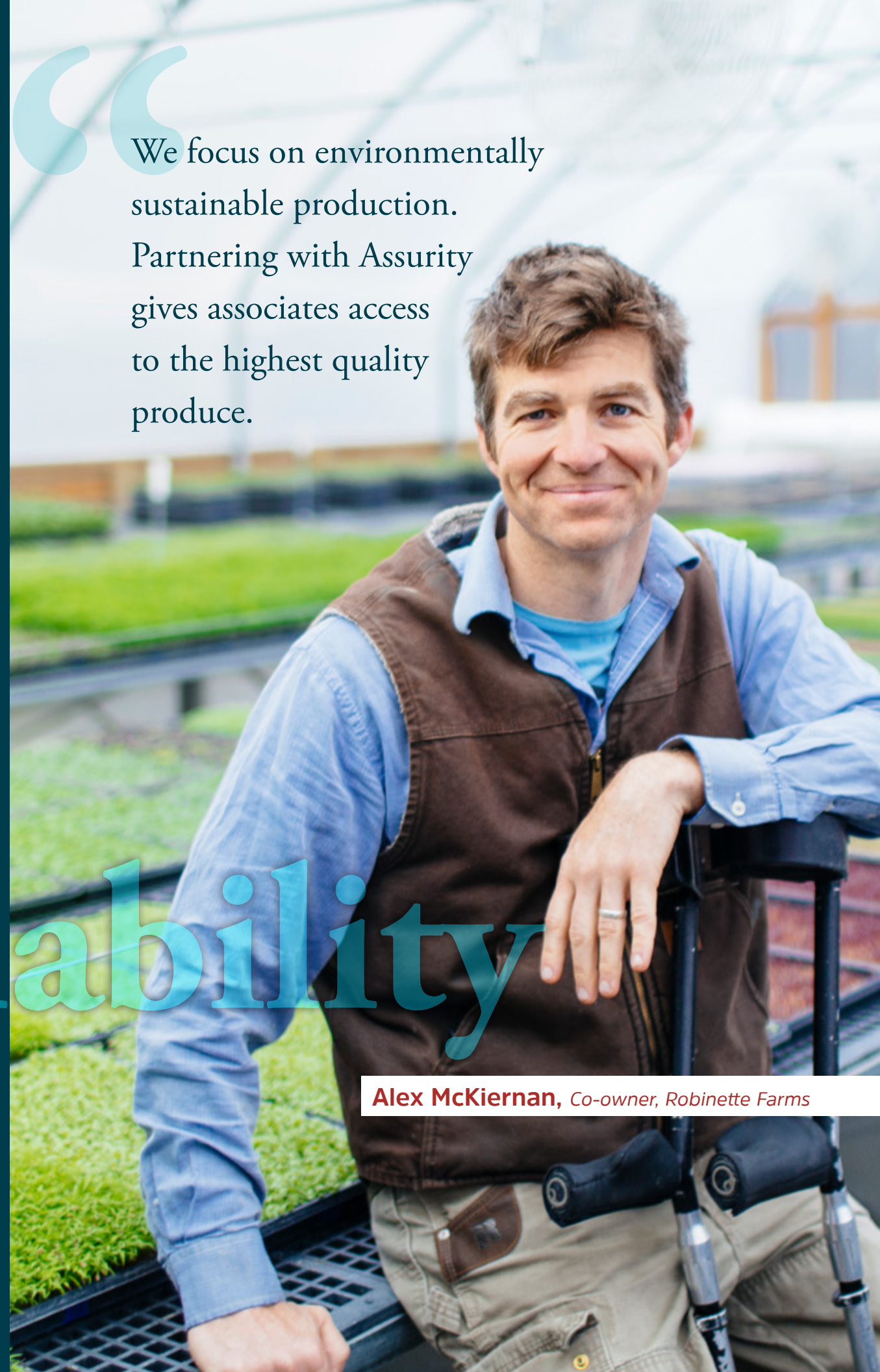


**Gold Level**  
designation for Recycle  
Lincoln Leadership  
Recognition Program



**51% waste**  
diverted from landfill

We focus on environmentally sustainable production. Partnering with Assurity gives associates access to the highest quality produce.



**Alex McKiernan**, Co-owner, Robinette Farms

# A shared vision

Representing tech startups, academia, nonprofits, law and other fields, the diverse backgrounds of the women and men of our board offer unique perspectives and guidance for our long-term success.



## Board of Directors

- Thomas E. Henning**  
Chairman, President & CEO —  
Assurity Life Insurance Company
- William R. Cintani**  
President, CEO — Mapes Industries
- Marc E. LeBaron**  
Chairman, CEO — Lincoln Industries
- Kathleen A. Farrell, Ph.D.**  
Dean — College of Business  
University of Nebraska-Lincoln
- Steven D. Erwin**  
Retired President — Nebraska/Western Iowa  
U.S. Bank National Association
- Caren L. Hamilton**  
Executive — Auto Dealership
- Ryan D. Downs**  
CEO — Proxibid
- Lyn Wallin Ziegenbein**  
Executive Director Emerita —  
Peter Kiewit Foundation
- Paul M. Schudel**  
Partner — Woods & Aitken LLP
- Angela L. Muhleisen**  
President, CEO — Union Bank  
& Trust Company
- David S. Graff**  
CEO — Hudl

\*Photo: Names listed in order from left to right

## Chief Executive Officer

**Thomas E. Henning**  
Chairman, President & CEO

## Senior Vice Presidents

**Susan L. Keisler-Munro**  
Senior Vice President,  
Chief of Operations

**Todd W. Reimers**  
Senior Vice President,  
Chief Marketing & Sales Officer

## Vice Presidents

Susan M. Becker  
Chad M. Bodner  
Marvin P. Ehly  
David D. Lockwood  
Eric L. Otterstein  
John A. Sharp  
Mark A. Stueven

## Senior Directors

Kevin G. Faltin  
Kevin W. Hammond  
Steven H. Hill  
Victor D. Weber  
Brett D. West  
Scott A. Zagurski

## Directors

Tara D. Benson  
Jared I. Carlson  
Eunice J. Cramer  
Amanda L. Crume  
Jason L. Damme  
Jill D. Fiddler  
Heith L. Fulmer  
Abhilesh Gandhi  
Michael J. Harshman  
Timothy S. Janousek  
Mitch K. Lee  
Mary L. Lenners  
Susan M. Otterstein  
Bruce K. Scheiber  
Nicholas A. Stremlau  
Bridget E. Tupa

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