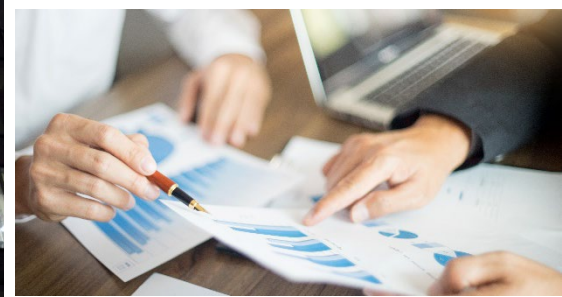


GROUP TERM LIFE



U.S. Group Term Life Market Survey

Summary of 2021 Results

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PARTICIPATING COMPANIES

- Aflac (formerly Zurich)
- Anthem, Inc.
- Dearborn Group
- Equitable
- Guardian Life
- The Hartford
- Kansas City Life
- Lincoln Financial Group
- MetLife
- Mutual of America
- Mutual of Omaha
- New York Life Group Benefit Solutions (formerly Cigna)
- OneAmerica
- Principal Financial Group
- Prudential
- Reliance Standard
- Renaissance Life & Health
- Securian Financial Group
- The Standard
- Standard Life & Accident
- Sun Life Financial
- Symetra
- Transamerica
- Union Labor Life
- UnitedHealthcare Specialty Benefits
- Unum
- USABLE Life
- US Alliance Life & Security Company
- Voya Employee Benefits

BACKGROUND

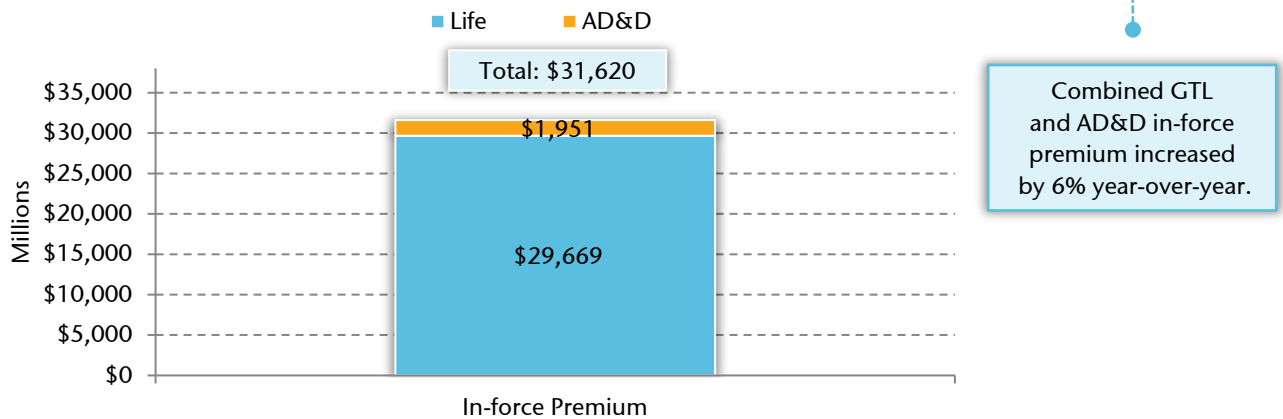
Gen Re is pleased to present the results of our *2021 U.S. Group Term Life Market Survey*. This annual survey covers the Group Term Life (GTL) and AD&D industry, tracking sales and in-force results as well as lapse rate and employee-paid data. The *Market Survey* continues to provide a valuable opportunity for participants to benchmark their results against those of their peers, as well as the industry as a whole. Twenty-one of the 29 companies participating in the 2021 survey have provided Group Term Life data over the past 10 survey years.

EXECUTIVE SUMMARY

Group Term Life and AD&D In-force Results

Twenty-nine companies provided GTL results for 2021. Twenty-seven provided AD&D results. On a combined basis, total GTL and AD&D in-force premium reached \$31.6 billion, with GTL representing the majority (94%) of the total. (Exhibit A)

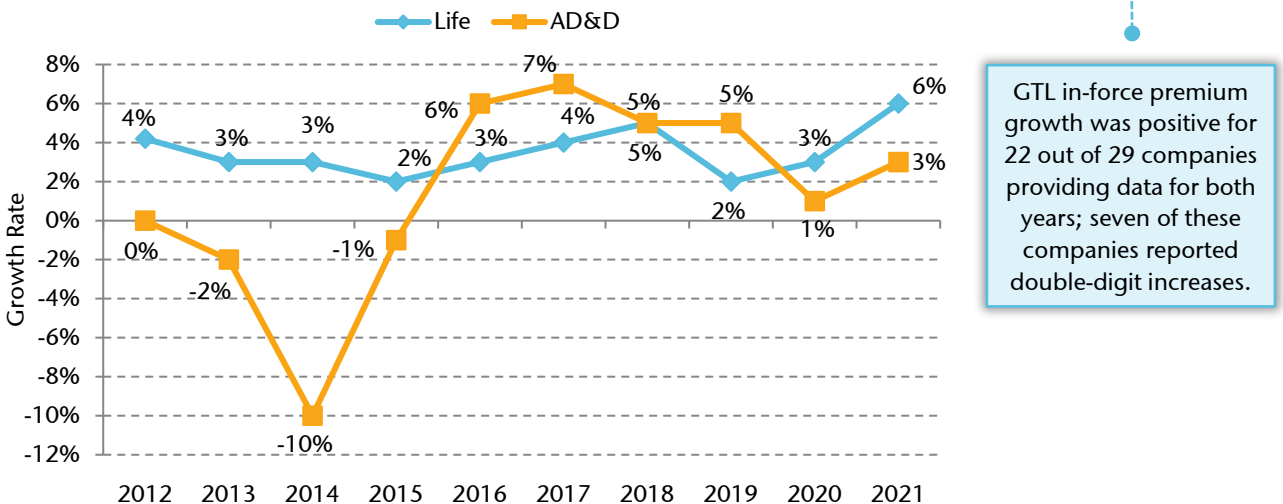
Exhibit A. Total 2021 GTL and AD&D In-force Premium Reported by Survey Participants



For GTL in-force premium, reported industry growth has ranged between 2% and 5% over the past 10 years. In 2021, in-force premium grew by 6% compared to 2020.

After a five-year low of 1% growth in 2020, AD&D in-force premium rose by 3% in 2021. (Exhibit B)

Exhibit B. Reported GTL and AD&D In-force Premium Growth Rates for the Industry Over Time

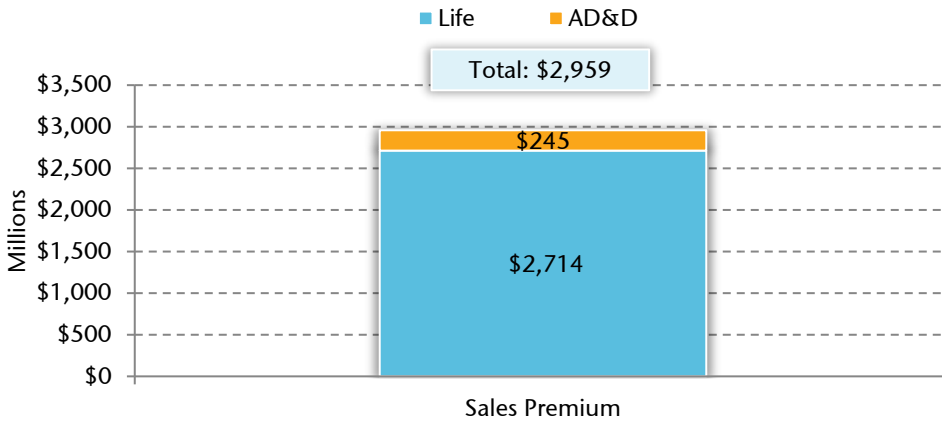


EXECUTIVE SUMMARY

Group Term Life and AD&D Sales Results

Participating companies reported over \$2.9 billion in combined GTL and AD&D sales premium in 2021, with GTL accounting for 92% of the total. (Exhibit C)

Exhibit C. Total 2021 GTL and AD&D Sales Premium Reported by Survey Participants



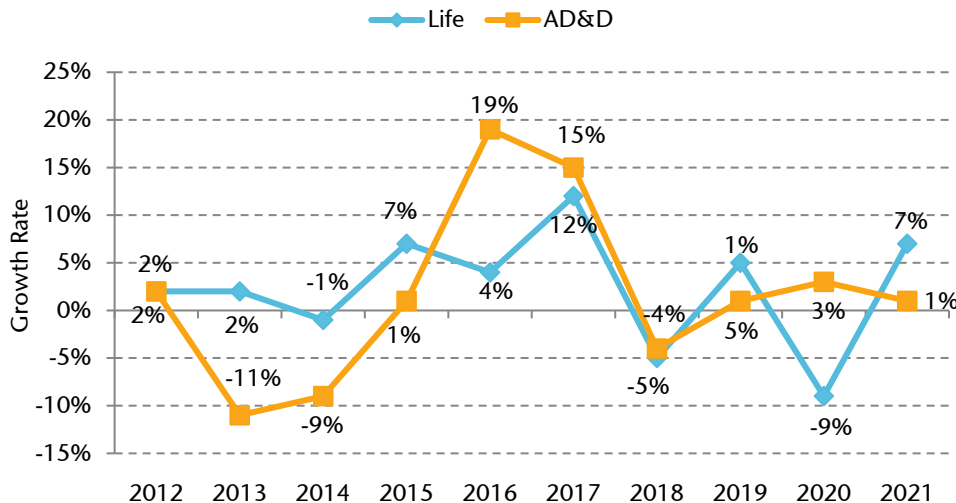
On a combined basis, GTL and AD&D sales premium increased by 6% compared to 2020 results.

GTL new sales premium rebounded in 2021, increasing 7% year-over-year after a large decline in 2020.

The top 10 companies held 82% of the market share for new sales premium in 2021. As reported in the past, a small number of companies can strongly influence industry growth. Removing three of the top 10 companies that experienced significant increases or decreases in GTL new sales premium from the calculations would result in a -2% growth rate versus a 7% increase.

AD&D sales premium, which tends to be volatile year-over-year, increased by 1%. (Exhibit D)

Exhibit D. Reported GTL and AD&D Sales Premium Growth Rates For the Industry Over Time



15 of the 29 companies reporting GTL sales premium experienced a negative change in their 2021 results.

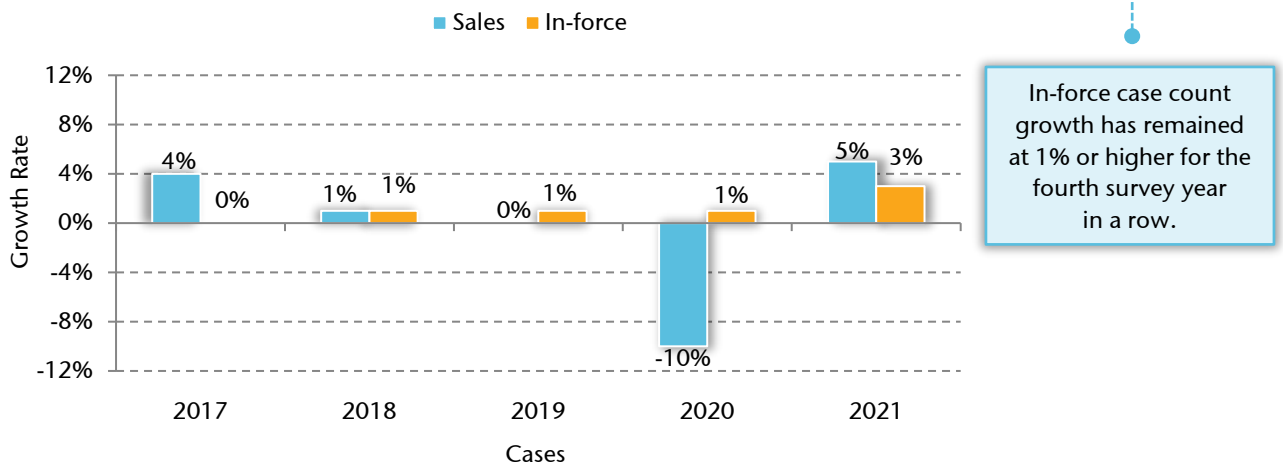
EXECUTIVE SUMMARY

Group Term Life Growth – Cases and Lives

After falling by 10% in 2020, GTL new sales case counts rose 5% in 2021. Fifty-five percent of companies reporting this data (16 out of 29) experienced a positive result, with 10 showing an increase greater than 10%. After three years of slight increases, in-force case counts were up by 3% in 2021. (Exhibit E)

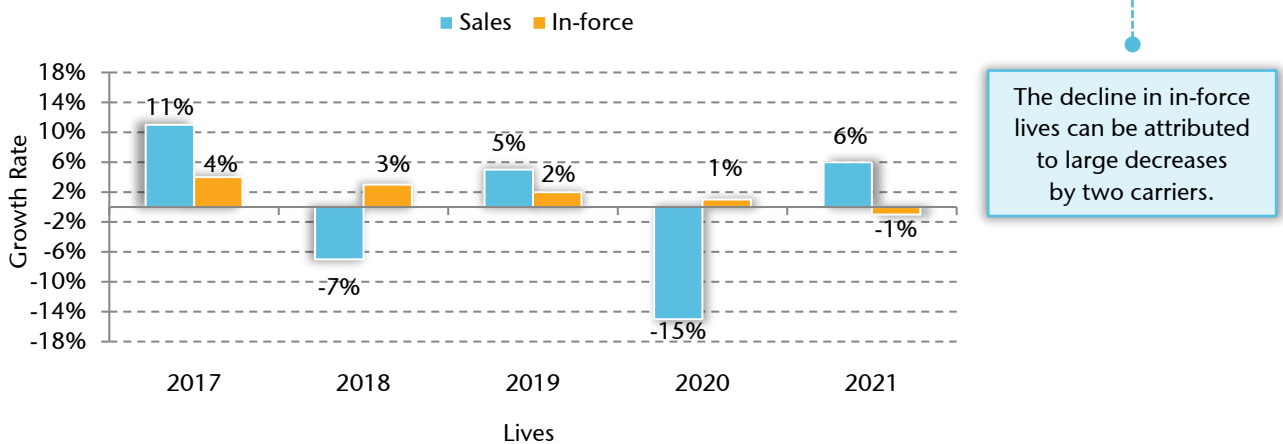
For companies providing sales case size breakdown information for the two-year period, the 10–99 category accounted for the highest percentage of cases in 2021 (55%), followed by the 1–9 grouping (29%). Results were similar for in-force (51% and 31%, respectively). Less than 1% fell in the 5,000+ range for both sales and in-force.

Exhibit E. Reported GTL Growth Rates for Cases



New sales lives grew by 6% in 2021. In-force lives decreased 1% year-over-year, the first decline reported since the inception of the survey. (Exhibit F)

Exhibit F. Reported GTL Growth Rates for Lives



EXECUTIVE SUMMARY

Group Term Life Pricing and Volume Levels

Average face amounts for new sales were down year-over-year, while in-force face amounts increased 3%. The negative growth in new sales face amounts was impacted by results for a small number of companies with declines greater than 25%.

Monthly premium rates were up by 10% for new sales and grew slightly for in-force. Five of the companies reporting an increase in monthly premium rates for new sales saw double digit growth in 2021. (Exhibit G)

Exhibit G. GTL Average Face Amount and Monthly Premium Rate

	Average Face Amount	Monthly Premium Rate (per 1,000)
In-force Growth	\$108,922 3%	\$0.187 1%
New Sales Growth	\$104,069 -5%	\$0.177 10%

Both new sales and in-force face amounts averaged over \$100,000 for the second year in a row.

Average premium per life grew for both new sales and in-force business. (Exhibit H)

Exhibit H. GTL Average Premium Per Life

	Average Premium Per Life	Percentage of Companies		
		Less than \$150	\$150 to \$250	\$250 or more
In-force Growth	\$240 7%	32%	46%	21%
New Sales Growth	\$210 1%	40%	32%	28%

Premium per life averaged above \$200 across both sales and in-force.

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