

2019

Year in Review



CUNA MUTUAL GROUP

At **CUNA Mutual Group**,
we've always done things differently.

Historically, insurance and financial services providers have been driven by the bottom line – and the people who need support the most are often left behind. Built on the principle of “people helping people,” ***we believe that a brighter financial future should be accessible to everyone.***



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To Our / Stakeholders

Outstanding. That's how I feel about our performance in 2019.

In so many ways, we delivered on our promise to help more people in more ways achieve a brighter financial future for themselves and their families.

We now protect nearly 30 million people, have more than 43,000 financial advisors helping people across the nation, work with 95% of credit unions and are expanding our footprint in the financial services industry.

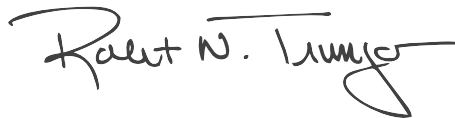
In 2019, we provided our customers more than \$1.4 billion in benefits – all while growing, investing back into the company, earning record revenue and increasing assets to over \$24.6 billion.*

The successes of the past year are a testament to our employees and the focus they have on our current customers – and our customers of tomorrow. These teams are driven by a passion for building solutions that fill gaps in the market and meet the evolving needs of our diverse population.

But, they're not working alone. They're forming strategic partnerships with large credit unions, fintech and insurtech companies, and organizations like the Filene Research Institute, to name a few. Together, we're learning, testing products, improving delivery models and enhancing the overall experience of our customers.

We also supported several important initiatives including an additional \$1 million contribution to the Credit Union National Association's *Open Your Eyes to a Credit Union* awareness campaign and pledged more than \$3.8 million through the CUNA Mutual Group Foundation in support of education, emergency aid, and economic stability in our communities.

The past year has taught us so much, and we're so excited to serve you for years to come.



ROBERT N. TRUNZO

President & CEO

* Liabilities at \$20.52 billion

“

The bedrock for a great future is not only found in our employees and their commitment to our customers, it is grounded in the fact that our strategic plan is working.”

ROBERT N. TRUNZO

President & CEO



Partner
for / Life



SERVING CUSTOMER NEEDS THROUGH
OUR PORTFOLIO OF SOLUTIONS





PROTECTING MORE PEOPLE

Having insurance is a sound part of a personal financial plan, and TruStage™ is helping more people access affordable, reliable protection from life’s unexpected events.

Talking to consumers is where it all starts – learning about their hopes, dreams and needs through all of life’s moments. And one of the ways we do this is through our Multicultural Center of Expertise, which brings to light to the unique financial needs of a diverse and growing consumer base.

In 2019, we embarked on a more robust multicultural exchange with credit unions, sharing our research and creating custom reports geared to their unique cultural demographics to better serve their membership and their communities.

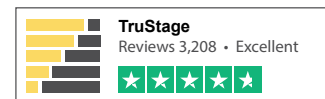
To learn more, visit www.trustage.com

500%
INCREASE

Since 2014, TruStage.com has grown from 500 thousand to 3 million users.

4.8 out of 5

HOW OUR CONSUMERS RATE US
on Trustpilot



CMFG | VENTURES

INVESTING IN NEW CAPABILITIES

Having cutting-edge capabilities in our portfolio of solutions is essential to serving our future customers. That's where **CMFG Ventures** comes in.

This team is finding and investing in fintech and insurtech startups – like **Current™**, a banking solutions platform for the Gen Z population – that are working to address gaps in the insurance, credit union and financial services industries.

In addition, the team has established a partnership with the **Filene Research Institute** to launch a catalyst incubator that will test products and services designed to help credit unions innovate, grow, and better serve their members.

To learn more, visit www.cmfventures.com





DELIVERING SMART, SIMPLE SOLUTIONS...FAST

With a relentless focus on gaps in existing consumer financial services, our innovation think tank is pushing the boundaries of what's possible. This team tests unique capabilities and businesses, and brings new products to market fast with a lean and agile mindset. This year we launched Bivvy™, a first-of-its-kind pet insurance product that's simple, straightforward, and affordable – and allows consumers to use their own veterinarian, something others don't.

To learn more, visit www.bivvy.com.

AdvantEdge Analytics™

CUNA MUTUAL GROUP

EMPOWERING DIGITAL TRANSFORMATIONS

Harnessing the power of data to drive business decisions is essential to staying competitive – but when businesses lack the resources to navigate the complexity and speed of digital innovation, that's where we step in. AdvantEdge Analytics™, launched consulting services to complement its cloud-based

data platform this year. These consulting services teams work to provide custom analytics strategies specific to each credit union's goals – no matter where they are on their journey.

To learn more, visit www.advantedgeanalytics.com



*We work every day to deliver
innovative, reliable solutions
and experiences.*



BY THE NUMBERS

NEARLY **30 MILLION** CONSUMERS PROTECTED

95%

OF CREDIT UNIONS
are our customers

\$26 million

CONTRIBUTED to the
credit union movement

\$1.4 billion

BENEFITS PAID

12 years

AVERAGE TENURE
of our employees

43,000

ADVISORS serving customers in
financial institutions nationwide

\$7 billion

ANNUITY ASSETS
under management

BARRON'S



We're thrilled that several of our annuity products were included on **BARRON'S LIST OF 100 BEST ANNUITIES**.¹



Making

**Good
Happen**

CORPORATE SOCIAL RESPONSIBILITY REPORT

From focusing on the health of our communities and an inclusive culture, to prioritizing sustainability and delivering exceptional products and services, our employees work hard to make a difference so that everyone can achieve more.

2019 Giving Highlights

\$3.8M PLEDGED to support the communities we serve

\$624K DONATED to nonprofits by employees

10,656 EMPLOYEE COMMUNITY SUPPORT HOURS



MAKING A BIGGER IMPACT IN OUR COMMUNITIES

Efforts of the CUNA Mutual Group Foundation center around building equity in the communities we live in and serve.

Knowing we can help even more people through intentional community outreach, we focus on three areas of the greatest need that exist in our communities. These include racial and socio-economic disparities that keep people from getting ahead financially.

Focused on Community Need



Education



Economic Security



Emergency Aid

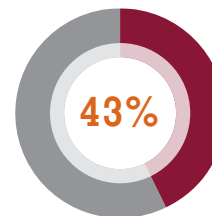
51 = **\$31M**
YEARS IN COMMUNITY SUPPORT

\$3.8M
AWARDED TO 62 NONPROFITS
including credit union foundations

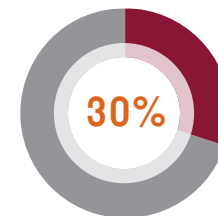
18
NEW ORGANIZATIONS
supported through the
CUNA Mutual Group Foundation

2019

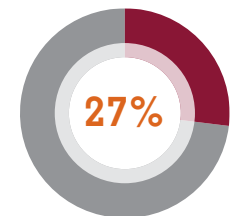
CUNA MUTUAL GROUP FOUNDATION
Community Support Allocation



Education Initiatives



Matched Employee Donations



Economic Security Initiatives

Community / SUPPORT

Organizations that received funding from our foundation.



- Agrace Hospice
- Asset Builders
- Big Brothers Big Sisters
- Big Brothers Big Sisters – Waverly
- Boys & Girls Club Dane County
- Boys and Girls Club – Waverly
- Center for Resilient Cities
- Centro Hispano
- CEOs of Tomorrow
- Chartway Federal Credit Union
- Children’s Hospital of Philadelphia
- Common Wealth Development
- Covantage Cares Foundation
- DAIS
- Desert Valleys
Employee Foundation
- East Madison Community Center
- Economic Justice Initiative, Inc.
(Lift Dane)
- Essential Ellington
- Falk Elementary School
- Family and Childrens Council
- Financial Foundation Reality
- First Tee of South
Central Wisconsin
- Friends of Badger
Rock Middle School
- Friends of the Family
- Goodman Community Center
- GSAFE
- Hamilton Middle School
- Horizon High School
- House of Hope
- John Muir Elementary School
- Larabee Center
- Lussier Community Center
- Madison Area Urban
Ministry (MUM)*
- Madison College
- Madison Metropolitan
School District
- Maydm, Inc.
- Mentoring Positives
- Middleton Outreach
Ministry (MOM)
- Mission Central
- North Star
- Northeast Iowa Food Bank
- Ole Health Foundation
- Omega School
- One City Schools
- Operation Fresh Start
- Porchlight, Inc.
- Rape Crisis Center
- Salvation Army
- Second Harvest Food Bank
- Shamona Mosley Memorial Fund
- Simpson Street Free Press
- Susan G Komen Wisconsin
- The Beacon
- The Job Foundation
- The Road Home Dane County
- The Urban League
- Tri County Head Start
- Uplift Foundation
- WI Coalition Against
Domestic Violence
- Wisconsin Early Childhood
Association (WECA)
- YWCA – Madison
- YWCA – Waverly

WE INCLUDE ALL

We're proud of our commitment to building an inclusive workplace and what we've accomplished.

CEO **ACT!ON** FOR DIVERSITY & INCLUSION

Robert N. Trunzo, President & CEO, joined 17 other CEOs from Southern Wisconsin to pledge their organizations' commitment to diversity, equity and inclusion – making it a high priority, taking intentional action to attract and develop a diverse workforce, and being accountable for their organization's progress.



We have made great strides in creating an inclusive environment for people with disabilities, and in 2019, we were recognized as one of the Best Places to Work for Disability Inclusion by Disability:IN Disability Equality Index.³



For the fourth year in a row, CUNA Mutual Group has proudly earned a perfect score on the Human Rights Campaign Foundation's Corporate Equality Index™ for advancing vital policies and practices to protect lesbian, gay, bisexual and transgender workers.²



Effective leadership demands diverse voices, perspectives and experience – and it is essential to our mission. We are proud to be recognized as a “W” (winning) company for having at least 20% of our board comprised of women.⁴ In fact, 40% of our Board and 40% of our Executive Vice Presidents are women.

Bringing Life to / **OUR VALUES**

Our Values in Practice (ViP) program recognizes employees each year who lean into our corporate values and perform exceptionally throughout the year.

Winners are passionate about doing the right thing, making a real difference, challenging the status quo and inspiring others to achieve more. This is our most prestigious employee award.

What makes this program truly special? Employees are nominated by their peers and winners are selected by former recipients because a culture of recognition and valuing each other's contribution is ingrained in who we are.



Financial / Results

“

Our strong financial performance is the direct result of smartly-managed investments into a business model that truly puts people first.”

LAURIE WINGER

Executive Vice President,
Chief Financial & Product Officer

We're proud of our financial strength ratings. They're a sign of our long-term ability to deliver on our commitments.*^{6,7,8}

A

A.M. Best Company, Inc.

A2

Moody's Investors Service

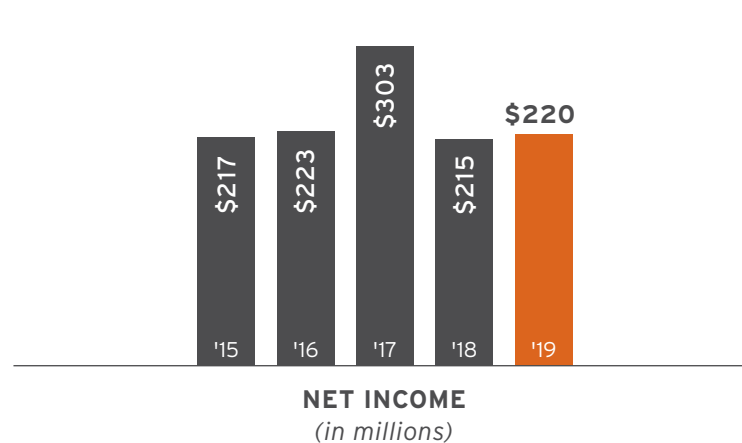
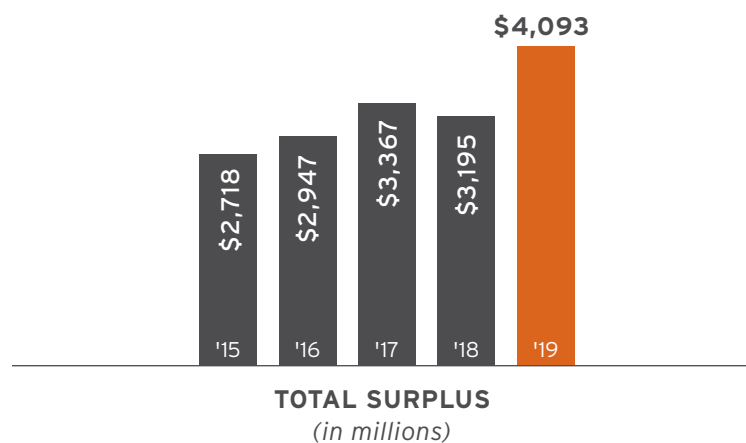
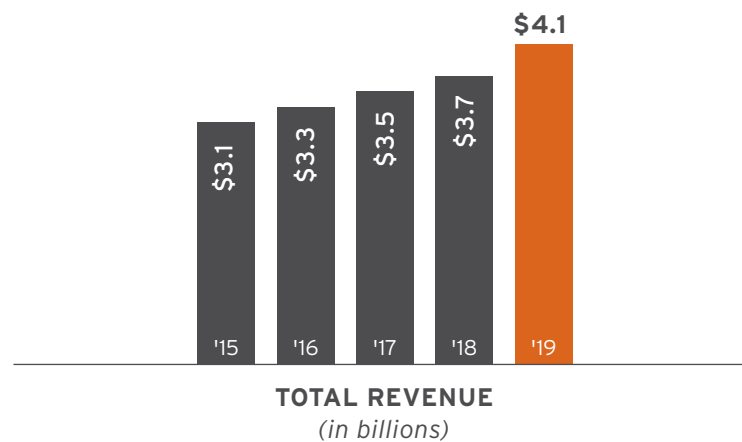
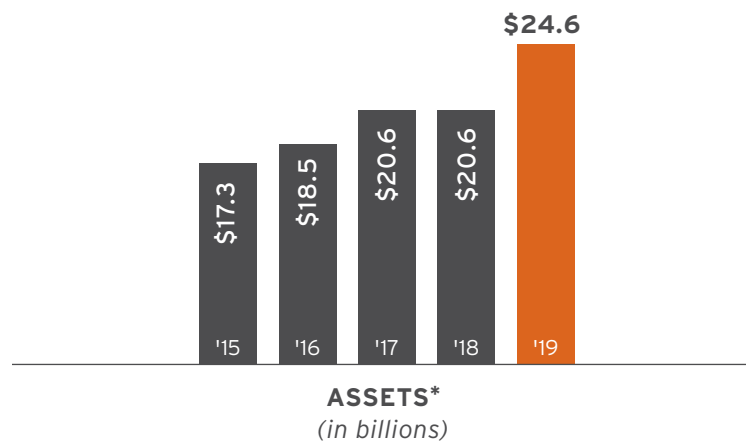
A+

S&P Global Ratings

* Ratings apply to CMFG Life Insurance Company and its subsidiaries, MEMBERS Life Insurance Company, and CUMIS Insurance Society, Inc. A.M. Best also rates CUMIS Specialty Insurance Company, Inc. Ratings are subject to change.

2019 FIVE-YEAR PERFORMANCE

Unaudited



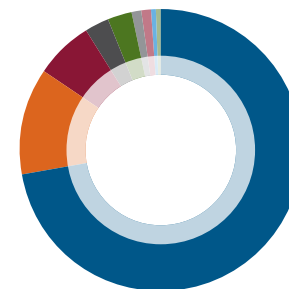
* Liabilities at \$20.52 billion

CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended December 31, 2019, 2018, and 2017. Amounts in millions/unaudited.

REVENUES	2019	2018	2017
Life and health premiums, net	\$ 2,008	\$ 1,670	\$ 1,537
Property and casualty premiums, net	895	880	867
Net investment income	710	741	698
Realized investment gains (losses)	29	(63)	(22)
Commission and fee income	377	348	340
Other income	104	123	121
Total revenues	4,123	3,699	3,541
BENEFITS AND EXPENSES			
Life and health insurance claims and benefits, net	1,495	1,157	1,040
Property and casualty insurance loss and loss adjustment expenses, net	560	567	590
Interest credited to policyholder account balances	177	160	143
Policyholder dividends	26	26	26
Operating and other expenses	1,589	1,530	1,372
Total benefits and expenses	3,847	3,440	3,171
Income from operations before income taxes	276	259	370
Income tax expense	55	46	63
Income from operations	221	213	307
Other income (loss)	(1)	2	(4)
Net income	\$ 220	\$ 215	\$ 303

DISTRIBUTION OF INVESTED ASSETS



- 72.3%** Debt securities, at fair value
- 12.2%** Mortgage loans
- 6.7%** Limited partnerships
- 2.9%** Derivative assets, at fair value
- 2.6%** Securities Lending
- 1.3%** Equity securities, at fair value
- 0.9%** Cash and short-term investments
- 0.6%** Other invested assets
- 0.5%** Policy loans

CONSOLIDATED BALANCE SHEETS

As of December 31, 2019 and 2018. Amounts in millions/unaudited.

ASSETS	2019	2018	LIABILITIES AND POLICYHOLDERS' SURPLUS	2019	2018
Debt securities at fair value	\$ 14,786	\$ 11,987	Liabilities		
Equity securities at fair value	259	176	Insurance and annuity reserves	\$ 15,200	\$ 13,109
Mortgage loans	2,488	2,197	Unearned premiums	574	545
Policy loans	110	107	Notes and interest payable	461	407
Limited partnerships	1,369	1,204	Dividends payable to policyholders	12	12
Securities lending assets	540	234	Reinsurance payable	85	89
Derivative assets, at fair value	584	136	Net deferred tax liability	129	-
Other invested assets	128	116	Payable for securities lending	540	234
Cash and cash equivalents	192	283	Derivative liabilities, at fair value	352	163
Total cash and investments	20,456	16,440	Other liabilities	876	627
Accrued investment income	138	126	Separate account liabilities	2,288	2,189
Premiums receivable, net	310	321	Total liabilities	20,517	17,375
Reinsurance recoverables	164	157	Policyholders' surplus	4,093	3,195
Deferred policy acquisition costs	627	668	Total liabilities and policyholders' surplus	\$ 24,610	\$ 20,570
Net deferred tax asset	-	67			
Goodwill and intangible assets, net	135	144			
Other assets	492	458			
Separate account assets	2,288	2,189			
Total assets	\$ 24,610	\$ 20,570			

FINANCIAL FOOTNOTE

These results are for CUNA Mutual Holding Company and its subsidiaries and are derived from consolidated financial statements, which are prepared in accordance with Generally Accepted Accounting Principles.

To receive the complete financial statements, including the auditors' report, write to:

CUNA Mutual Group, External Reporting-Finance
P.O. Box 391
Madison, WI 53705-0391

Or visit www.cunamutual.com to view the audited financial statements on the "Financial Information" page.

Our / Leaders

Our leadership structure is not only designed to help us understand and respond to the financial needs of consumers but to be forthright, transparent and honest.

EXECUTIVE VICE PRESIDENTS

Jim Power

Chief Experience Officer

Laurie Winger

Chief Financial & Product Officer

Cedric Ellis

Chief Enterprise Services Officer

David G. Brown

Chief Investment Officer

Linda Nedelcoff

Chief Strategy &
Human Resources Officer



SENIOR VICE PRESIDENTS

Mike Anderson

Chief Legal Officer

Ronny Chapman

President,
Compliance Systems

Paul Chong

Retirement Plan Services

Chris Copeland

Product Solutions

Steve Danco

Consumer Experience
Marketing

Michael Defnet

President,
AdvantEdge Analytics

Cami Douglas

Accounting & Tax

Andre Goindoo

CUNA Caribbean Insurance

Daniel Kaiser

Innovation

Shazia Manus

AdvantEdge Analytics
Strategy & Business
Development

Thomas Martorana

Customer Operations

Chris Nicholas

AdvantEdge Analytics
Product & Solution
Development

Rob Purtell

Credit Union Sales

Abbie Rodriguez

Customer Success

Christopher Roe

Corporate &
Legislative Affairs

David Sweitzer

Consumer &
Advisor Experience

BOARD OF DIRECTORS

Michael G. Valentine

Board Chair

CEO, BCU,
Vernon Hills, Illinois

Robert J. Marzec

Retired Audit Partner,
PricewaterhouseCoopers,
Minneapolis, Minnesota

Caren C. Gabriel

President & CEO, Ascend
Federal Credit Union,
Tullahoma, Tennessee

Thomas C. Godlasky

Retired CEO,
Aviva North America,
West Des Moines, Iowa

Kevin D. Johnson

President & CEO,
Suncoast Credit Union,
Tampa, Florida

Tyrone E. Muse

President & CEO,
Visions Federal Credit Union,
Endicott, New York

Angela K. Owens

Vice President, Controller,
American Airlines,
Fort Worth, Texas

Jacqueline S. Shoback

Retired CEO, Emerging Businesses
& Client Experience, Boston
Private Financial Holdings,
Boston, Massachusetts

Robert N. Trunzo

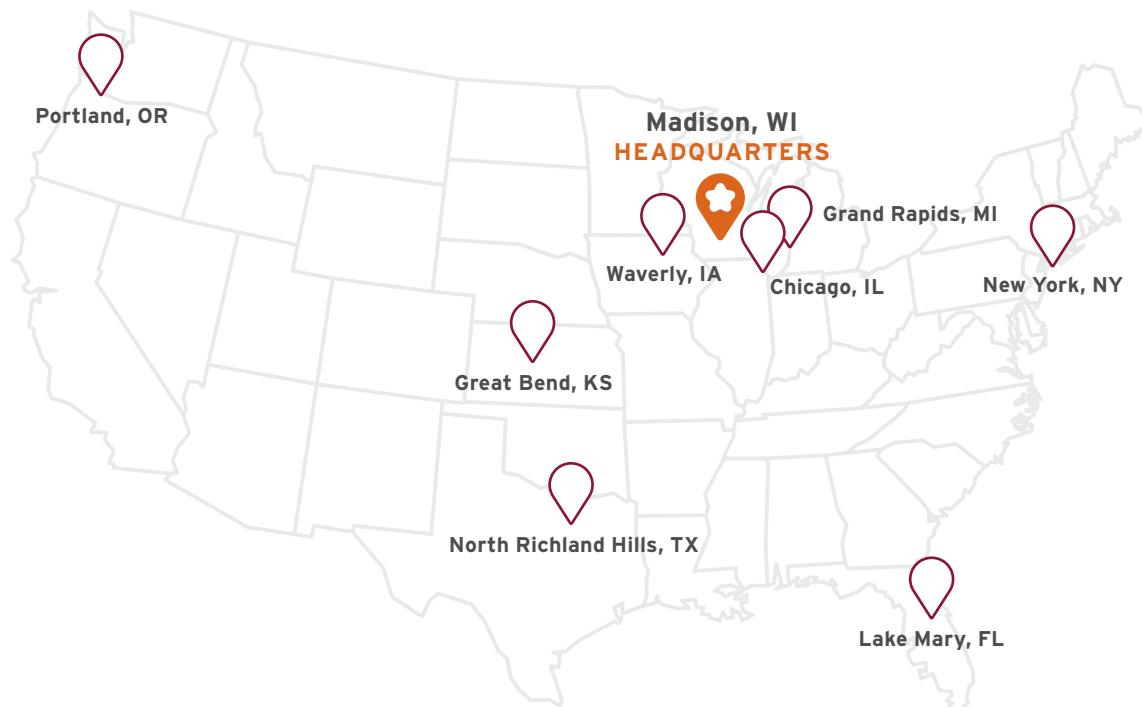
President & CEO,
CUNA Mutual Group,
Madison, Wisconsin

Janet V. Whitehouse

Board Vice Chair

Retired Executive,
Sun Life Financial, Inc.,
Wellesley, Massachusetts

Contact / Information



INTERNATIONAL LOCATIONS

Dominican Republic

Jamaica

Puerto Rico

Trinidad and Tobago

ENDNOTES

1. Barron's 100 Best Annuities, July 19, 2019
2. Human Rights Campaign Foundation's Corporate Equality Index, March, 28, 2019
3. Disability:IN Disability Equality Index, July 17, 2019
4. 2020 Women on Boards, 2019
5. A.M. Best Company, February 7, 2020; 3rd highest rating out of 16 categories of ratings
6. Moody's Investors Service, March 19, 2019; 6th highest rating out of 21 ratings
7. S&P Global Ratings, September 2019; 6th highest out of 21 ratings

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. TruStage® Insurance products and programs are made available through TruStage Insurance Agency, LLC and issued by CMFG Life Insurance Company and other leading insurance companies.

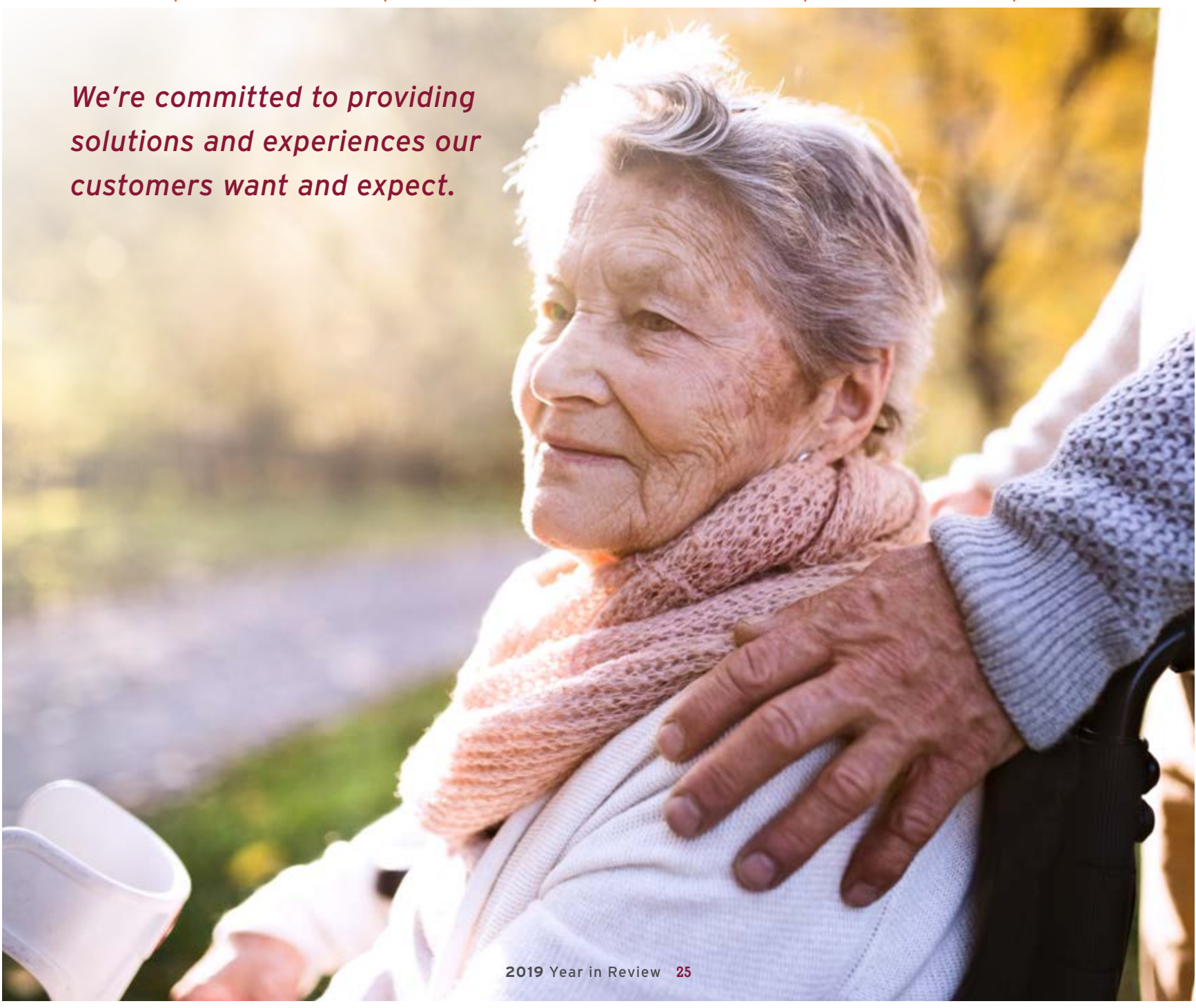
Call us: 800.356.2644

Visit us: www.cunamutual.com

Connect with us:



We're committed to providing solutions and experiences our customers want and expect.



Building for the Future

“
*We're making the
right investments today
so we will be here for
generations to come.*”

CEDRIC ELLIS

EVP, Chief Enterprise Services Officer



In 2019, we embarked on a new vision: to bridge our corporate headquarters into the 21st century and reimagine a better work environment – one that inspires and enables us to be better partners for our customers and our community, and positions us to be an employer of choice for the workforce of the future. Plans are underway to break ground in 2020.

