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Good morning, and thank you all!

This industry has been tested by any manner of challenges in our almost two centuries of providing financial protection to those who need it most. The past several years are no different.

Yet, we continue our fight. And it's not a fight for a privileged few, but a fight for all Americans to have access to the financial products and protections they need to feel secure.

There are large forces at play that make this an incredibly anxious time in the U.S. and around the globe.

I want to reflect on three of those today – the effects of inflation and macro-economic headwinds, labor challenges and political polarization – how they connect to our advocacy. And importantly, look at what we can and are doing to address them.

Within society at large and at kitchen tables across the country, many families are worried about shrinking disposable income due to inflation. A Gallup survey showed over half of respondents said they face financial hardship.

For middle-income families, hardship went up 17 points over the last year.

Notwithstanding Fed rate hikes, there is no doubt inflation will remain a pressure facing families for the foreseeable future.

The widening gap between the lower middle class and the wealthy makes the goal of meeting the middle market harder but even more important.

Inflation combined with tightening monetary policy, deteriorating economic outlook and geopolitical conflicts create real challenges. No question it calls for smart management.

Our global regulators are on alert. At the most recent meeting of the IAIS in Santiago, they seemed to paint a black picture of the economy. This caught the attention of all of us who lead trade associations in countries around the globe. We don't need an overreaction on the regulatory front that might in fact create more pressures.

I have the privilege of serving as current head of the Global Federation of Insurance Associations. In our joint meeting with the IAIS and GFIA executive committees, we took the opportunity to share a more measured perspective.

The regulators heard a clear message from each of us — Mexico, Morocco, New Zealand, Japan, Canada, United States and Europe. Yes, there are headwinds, but the industry is managing. And we have confidence that we can continue to do so.

Managing complex risks is the core of our business model. Our sound capital management is designed to withstand severe stress. And it has! The economic conditions may be challenging, but we will continue to rise to the challenge. We are "certainty" in uncertain times.

Reinsurers reinforce this resilience. In fact, the GIMAR reported reinsurers continue to maintain strong capital positions. Global reinsurers took a big hit on COVID mortality in 2021, and yet you have maintained underwriting ratios under 100 percent.

For our industry, labor force issues are very real, as many of us in this room know all too well and is well documented. Consider this: the Wall Street Journal reported that even *Zoom* is dealing with the fundamental challenge of hybrid work.

We also have the added challenge of an aging workforce, with many actuaries and specialized positions heading towards retirement. Our friends at LIMRA tell us a quarter of the insurance workforce is older than 55.

In many ways, the sudden transition to remote work in March 2020 feels smoother than the bumpy road of our current reality – how do we sustain culture and engagement? Recruit and retain talented teams? *And* carry on our mission? These are pressures hitting mid-level managers all the way up to the C-suite. It's a new frontier.

On top of that we're navigating our way through the important and sensitive social issues of our day. Political division is not new, and yet the character of our political divisions has changed. We are in a hyperpolarized environment. Surrounding the macro-economic and geopolitical forces is an intense **anti-big business sentiment** that is part of the broader zeitgeist we're dealing in.

Consumer anger against corporations, politics of the little guy versus the big guy, and uncertainty. These forces are motivating action on both sides of the aisle. Actions that can seem extreme. And I say this as someone who has spent many decades navigating the political divisions of Washington.

Politically, in the U.S. states, the results of the elections have created an interesting dynamic. 39 states are trifectas, where all three houses of the government are controlled by one party. Trifectas make states emboldened. They can drive agendas more rapidly. This means we're seeing more overreaching bills on any number of topics like privacy, innovation in underwriting or taxes. We must be aggressive, and we are.

I share all of that not to worry us, but to remind us of who we are – this industry is there on the best days and the most challenging days. And I would offer that it's in the most challenging times that we truly prove who we are.

We are guaranteed. And reinsurers allow insurers to make those guarantees. When challenges hit, we don't stand still. That's when we spring to action.

The art of governing and compromise isn't easy right now. Staying bipartisan while still getting real work done is essential and hard to do. But WE CAN DO IT!

We're an industry that has weathered global pandemics, geopolitical challenges, economic recessions, stagflation and political turmoil before. We've been around for two centuries. We pre-date the Federal Reserve.

For over 200 years – and now in modern ways – our feet are firmly on the ground.

We have work ahead of us to make sure that all people have access to the financial protection they need. We are realistic, but we are not daunted.

Most importantly, we are not going to be defined by the anti-big business sentiment swirling around. We can avoid being painted with the big business black brush. To do so, we need to be purposeful. And we need your help.

Part of our task is to shape the narrative, so that policy leaders, regulators and people understand exactly what this industry contributes. We're already doing this aggressively and will put it on steroids as we move forward.

There are several intentional – and exciting – actions we're taking to counter the anti-big business zeitgeist and show our value to communities across our country.

Four years ago, we began with the fundamental question of what we're *for* as the transforming concept to position us in a stronger way with the regulatory community, legislators, the Treasury, the White House and global regulators.

The response has been overwhelmingly favorable because we have so many things we're for – people, communities and our country.

Over the past several years, we've worked hard to share that story. Here's what we discovered: when we go local and get specific, we make impact.

Localizing is the antidote to negative sentiments about big business. It's a route to relevance. But make no mistake, localizing is not a strategy. It's who this industry is at its core.

We, as your advocacy organization – and with your help – are bringing forward the locally driven story.

Here's how we're doing it.

We're closing protection gaps. We're highlighting company efforts to remove barriers and increase access to financial protection for people who need it most. We're sharing these stories and others directly to Capitol Hill, state capitals, and to insurance commissioners.

And in fact, **GFIA** will soon release the first global study on protection gaps. The study will include recommendations on how to close the gaps for regulators and policymakers. Our industry can be a global thought leader in providing data, knowledge and insights to help address societal needs.

We're breaking down barriers that stop someone from taking important financial steps, like filling out a life insurance application. It starts with understanding. Through consumer research, we're getting a better look at how consumers respond to life insurance applications, so we can be better advocates on issues impacting innovation in underwriting.

We're localizing our investments. Life insurers and reinsurers invest \$587 million a day to drive economic growth in this country. But do you know when people's faces really light up? When we show that impact on schools, roads, healthcare facilities, housing and more.

We designed Meeting the Moment for Communities to do that. We have an interactive platform that allows our advocacy teams — ACLI's and yours — to come with local data in hand when talking to policymakers or regulators. Data we're putting to use in tough advocacy fights.

We're bringing the conversation to the kitchen table. Our Kitchen Table Conversation program brings policy leaders, nonprofits and community influencers together to break down challenging financial issues into relatable terms. We want people in every corner of this country to understand the policy conversations happening in Congress that impact their financial access and security, so they can speak up for what they want and need.

We're tapping the agent force. I know those of you in this room may not have agents within your business structure, but agents are an important message bearer for our industry as a whole. They capture the heart of what this industry does, and they are lending their voices to advocacy fights.

AND to increase the number and diversity of agents, we're advocating for accessibility for producers. More exams in languages other than English. More reforms so criminal

history isn't a barrier. More online exams. More mentorship programs. This, in turn, closes coverage gaps.

We're engaging local citizens. We were determined that we could build a constituency of everyday people who would speak up on behalf of financial protection. Our Protecting Every Future community is 134,000 strong with citizen advocates. That's everyday citizens, on top of company participants. You and your employees can participate too. The quintessential piece of a localized strategy is a strong grassroots community – and we've got it!

We're maximizing local partnerships, like with Junior Achievement and their nationwide mission for financial education. One-third of financial inequality in the U.S. could be accounted for by the differences in financial literacy. So, we've doubled down on our commitment to financial education for all Americans.

We officially own a mainstay in Washington, D.C.: the Capital Challenge 3-mile road race! This race brings together members of Congress, members of the Administration, the judicial branch, and the media together to compete as runners. But more importantly, it allows us to put our mission of financial capability in front of DC's most influential leaders. Several of the companies in this room are sponsors of this race, including Swiss Re, RGA, Canada Life Re and Hannover Re. In fact, Swiss Re and RGA are also sending teams to run!

Many of our industry's companies are making these efforts in their own communities through their own partnerships with Junior Achievement, Council for Economic Education, HBCUs, state treasurers and other like-minded local organizations. Let's keep it up.

We're closing generational wealth gaps. Access to a safe, affordable home can be an important building block in financial security.

Last year, U.S. life insurance companies came together to launch 360 Community Capital, an historic initiative that will pair the life insurance industry's long-term investment strategies with on-the-ground expertise from community partners who know what families and communities need to thrive.

It's a work in progress, but we are optimistic and determined.

We're making our case in terms of the people that policies aim to help. ACLI's push for passage of SECURE 2.0 is a great example. We went to work advocating for retirement policy legislation. Our mission? To demonstrate how it helped small business employees, low-income workers, part-time workers, those nearing retirement, those paying back student loans and military spouses.

And guess what? Congress passed the bipartisan legislation, and the President signed it into law at the end of 2022. That's the second piece of monumental retirement legislation in three years!

That's the power of advocacy. That's the power of real-life stories over platitudes.

The state of our industry is strong! We've been purposeful, but we want to do more. And it's going to take all of us. Each of you in this room is a part of this mission.

Our center of gravity is not some ivory tower in Washington. It's in communities across the country. Our roots are at the grassroots of America because of this industry's rich history.

We will not let this industry be put in a big business penalty box because there is so much good we bring to the table. We are FOR consumers, FOR communities and FOR our country. Those are the facts.

At ACLI, we are your voice, your advocate and your storyteller in chief.

We have work ahead of us to ensure that all people have access to the financial protection they need. But the heartbeat of our industry has been to lead solutions that protect ALL Americans, and we are ready. Let's get to it.