TAKING OUR MEASURE
Corporate Social Responsibility Report

Do good. Be good. Make good.
National Life Group®

170 years

Do good. Be good. Make good.
Corporate social responsibility has been at the very heart of what we do at National Life for the better part of two centuries. In 2018 we celebrated the 170th anniversary of the chartering of the National Life Insurance Company. That gave me the opportunity to reflect on what our founders were attempting to do when they organized our company. Today we call their organizing principles corporate responsibility. They called it common sense, good business, and a commitment to a cause.

And so that’s what we’re expressing in this biannual report on our corporate social responsibility initiatives. For us, corporate responsibility isn’t a series of statistics about how much fuel oil we burn to heat our building or how much water we save with efficient fixtures. Those are important and you’ll find them here.

But what is central to us is to live our values every day, in every transaction and in every interaction. Those values are this: **Do good. Be good. Make good.** Just six words but a vivid picture of our cause.

That’s why you won’t see a typical corporate social responsibility report here. Check out the back to find out how many tons of carbon dioxide we have eliminated in the past decade. But I also want you to know how we invest the money we collect in premiums to do social good. And I want you to understand why we do that. You’ll find a report on the long-term, decades-long relationships we create with our customers.

We’ve also pulled together a healthy sample of the other ways we do good in the world, from feeding the hungry to helping cancer patients, from helping our employees maintain better health to sending them out into the community to volunteer at nonprofits.

We are making a difference. You don’t have to take my word for it. Robert Reiss wrote about our work in CEO Forum, which we summarize in these pages.

We know there is more we can do and we’re all striving to do better. But we’re very proud of all you’ll find here. I’m confident our founder Julius Dewey would be, too.

– Mehman Assadi, Chairman, CEO & President
Robert Reiss’ View: One of the “Magnificent Eight”

National Life Group was recognized in 2018 as one of “America’s Magnificent Eight Exceptional Companies” by CEO Forum, a media company that highlights the innovative work of chief executives from around the country.

CEO Forum searched for companies that have a very strong and aligned culture, provide exceptional customer experience, have strong financials, and have a higher purpose.

“There is a remarkable, caring, and focused culture. And not just one person. Every person I met had that same passion, and actually contributes to their own cause.”

National Life’s Assadi was one of about 750 CEOs that Reiss interviewed and considered for inclusion among the “Magnificent Eight.”
Investments: Diversifying to Do Good

How a company invests its assets has an impact. As part of building a more diversified portfolio, since 2007 National Life Group has increased its investment in the renewable-energy market and affordable-housing tax credits more than tenfold — from a total of $40 million in 2007 to $647 million in 2018.

GROWTH IN SOCIALLY & ENVIRONMENTALLY RESPONSIBLE INVESTMENTS

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<th>2007</th>
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<tr>
<td>Solar power</td>
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<tr>
<td>Affordable housing tax credits</td>
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<td>Total</td>
<td>$40 million</td>
<td>$647 million</td>
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“...we have to consider how to best diversify our portfolio,” Mike Bubnis, Head of Insurance Investment Solutions, summed up. In the event of a market shock, such as the credit crisis of 2008, he concludes, “by being in a more diversified portfolio, we’ll be in a better place.”

As the renewable-energy market develops, National Life is building experience that will help it adapt to trends in the industry.
Long-Term Connections

Keeping Our Promises

Responsibility to customers means keeping a company’s commitments. No matter how long-term they turn out to be.

“In the six years from 2012 to 2017, we paid 2,358 claims on life insurance policies that National Life issued more than 50 years ago,” noted Ann Rangaviz, Associate Vice President for Claims. “Those are people who have trusted us, for more than 50 years. And we are keeping those promises.”

Those paid life policies include 49 that were initially taken out in the 1930s, 386 from the 1940s, 940 from the 1950s and 983 from the 1960s.

Maintaining long-term relationships involves more than just paying claims. It can mean personal stewardship. “We get a lot of calls to come down to the lobby, because a beneficiary is visiting,” Ann said. “People will stop in. We had a lovely couple that used to work here, and their sons were their beneficiaries. After the couple passed away and the sons were taking care of their affairs, they stopped in for help with the claim for the claim forms.

“That happens more than you would think,” she added — especially among customers who are National Life’s neighbors in Vermont.

“Local people buy National Life insurance. So we have a lot of our clients right nearby, and they don’t hesitate to come in,” Ann said. “Vermont promotes buying local, and a lot of people have great confidence when they see this beautiful building on a hill. And they should have confidence! Because we’ve been here for 170 years.”

LIVING UP TO LONG-TERM COMMITMENTS

Between 2012 and 2017, National Life paid out death claims on 2,358 policies that were at least 50 years old.

Origin periods of those paid policies:
- 1930s: 49 policies
- 1940s: 386 policies
- 1950s: 940 policies
- 1960s: 983 policies
Building a Culture, Person by Person

National Life formed a 36-member Culture Team in 2017 to help carry the company’s cause-oriented focus to every corner of the organization.

“As a team, we agreed that the most important aspect of our culture is to respect each other every day. At the core is that respect,” said Carey Earle, Associate Vice President for Branding and a co-captain of the Vermont Culture Team. “Layered around that is a passion for our vision, our mission, our values.

“What we’ve learned, since we started, is that our employees really have gravitated to Do good, Be good, Make good,” Carey said. “There is a very personal connection: How do I do good in this community of National Life, in the community where I live, and in the community of policyholders that we are serving all over the country?

“The reason this resonates is that we all want to do good,” Carey observed. “We also want to be part of things that are bigger than we are, that are doing good.”

On both campuses, the Culture Team facilitates an ongoing series of Culture Connections for employees. “These are roundtable conversations about what our culture means to people,” Carey explained. “What to you is really powerful about our culture — and where does our culture need work? Because a culture is something you have to keep feeding. And you have to be honest about it.”

The message and mission have extended to the nationwide community of agents that work with National Life, some 26,000 independent agents and about 1,000 affiliated agents.
Honoring the Difference-Makers With “Agent Do Good Awards”

“Many of our agents roll up their sleeves to make a big difference,” said Chairman, CEO and President Mehran Assadi. And with its first Agent Do Good awards in 2017, the company began spotlighting agents around the nation who have made standout contributions to their communities. Each Grand Prize comes with a $7,500 check for the nonprofit organization the agent supports or helps to lead, while runner-up awards include a $1,500 donation.

The program has so far awarded Grand Prize honors to these agents:

**RYAN RICHARDSON**
Texas Independent Insurance

With his wife Kimberly and father George, Ryan co-founded Carson’s Crusaders Foundation in memory of their son Carson, who passed away in 2010 after a three-year battle with a rare form of liver cancer. Carson’s Crusaders provides financial, travel, educational, and sibling support to families with children fighting solid-tumor cancers.

**VINCENT MONGARE**
Independent agent - Baltimore, Maryland

Vincent has volunteered in Kenya for the Global Connections Foundation, which helps schools around the world build global awareness into their teaching, student populations, and communities.

**CAREY YUKICH**
TrueWealth Advising Group, Indiana

Carey does fundraising work for Meals on Wheels of Northern Indiana. Her husband John, the agency’s co-owner, and their whole staff also volunteer for the program.

**MARK SERRA**
Planned Financial Services Corp., Florida

Mark and his wife Laurie founded NOPE (Narcotics Overdose Prevention Education) after their son Matthew died at 18 of a prescription overdose. NOPE delivers high-impact multimedia presentations to schools about the dangers of prescription drugs. “We felt people needed to know about this, to understand it,” Mark explained.

“The reason this resonates is that we all want to do good. We want to be part of things that are bigger than we are, that are doing good.”

— Carey Earle
Helping “Servant Learning” Happen

“National Life Group is a learning organization,” said Deanna Merola, Learning and Development Associate at the People Center. “Learning drives innovation and performance, and allows us to stand out.”

Programs such as the Sentinel Investments Leadership Institute, the Strategic Thinking Institute and the Execution Leadership Institute build “living-the-learning servant leaders” at all levels of the organization.

There are also opportunities for higher education. Through partnerships with Ashford University and Champlain College, the company provides substantial tuition reimbursement for employees who take college classes and/or work toward undergraduate or advanced degrees. More than 800 employees took advantage of this learning opportunity in 2018.

Jeanette Hosford, who works in the treasury area, earned a bachelor’s degree in business administration from Ashford. “When this opportunity came up, I couldn’t turn it down,” Jeanette said.

Rewards and Recognition

The company encourages, supports, and recognizes employees whose workplace efforts exemplify the Do good, Be good, Make good mission.

Above & Beyond is a peer-to-peer recognition program recognizing those who go beyond expectations for their positions, and/or provide exceptional customer service.

A Kudos Award is presented to employees who provide exemplary customer service while following Do good — Outstanding Achievement, Be good — Leadership & Teamwork, and Make good — Engagement.

Shout Out applauds a team of three or more for an outstanding achievement or a job well done.

7 Cs of Leadership: recognizes leaders who exemplify: Comprehension, Competency, Confidence, Conviction, Courage, Communications and Character.

The Milestone Anniversary program recognizes employees’ years of service in five-year increments.

Finally, SPOT-ed provides managers with a toolkit of ideas for giving spontaneous, creative recognition to employees for all types of reasons.
“I generally do not rate customer service representatives, but I felt the need to do so today,” a policyholder said recently in an email to the company.

The customer had asked for a change in the auto-payment date for her policy premiums, and a company error had resulted in a bank overdraft. Calling from her bank, the customer was frustrated and upset. Taking the call in the Contact Center, Customer Service Representative Zena Ahmed listened carefully, acknowledged the frustration, and apologized.

Then she resolved the problem.

“The thing I always keep in mind is that when a customer is frustrated, they’ve been trying to solve their problem before calling us,” Zena reflected. “I want to service the call, and help the customer. How can I fix this? If the problem is unfamiliar, I’ll do my best to sound confident, ask for a moment, and go to a supervisor for additional information.”

“Zena demonstrated true professionalism the entire telephone conversation. I wanted to let you know that I appreciated the outstanding customer service that I received,” the customer’s email said.

For that service, Zena received a Kudos Award from her supervisor.

“I do extend a lot of empathy toward our customers and clients,” said Zena, a recent graduate of the University of North Texas who handles from 40 to 55 Contact Center calls in a typical workday. “That’s the most important thing that I come into work every day thinking about. That’s what gets me through the day.”
Interns Build Diverse Skills and Address Real Problems

Fifty-four undergraduates from across the U.S. immersed themselves in meaningful work, and in National Life’s culture, as participants in the 2018 internship program.

Each intern was embedded in an area of operations which matched their interest or career direction. They devote two hours per week to working as part of a team on a business case, a real-life issue or challenge for the company that top executives present to the interns at the start of the summer. At summer’s end, the interns present their findings at an all-company meeting.

“We build a curriculum that gives them a foundational understanding of the company” said Deanna Merola, the People Center Lead for the program. “They get to understand who they are, how they communicate, and how to collaborate with different types of people.”

“We want this to be a valuable, multifaceted experience,” explained Joyce LaRosa, Vice President of Distribution Finance who is the program’s Executive Sponsor. “We love seeing talent, and learning if someone is a good fit for us. Interns often say they were drawn to the company because they heard about our message, cause, and values.”

“It’s a Big Deal” — An Intern’s Summer

“You’re not getting coffee for bigwigs — you’re doing projects and presentations on topics they really care about,” said Kiera Zehnacker about her internship.

Because the program offers a wide variety of positions within the company, “you can tailor it to whatever you’re interested in,” reported Kiera, a business major at the University of Vermont. Aiming toward a career in business analytics and statistics, she got an internship on the Analytics Team. “Our role provided data analysis which would improve how areas within the business run things.”

Kiera also joined a team of interns working with the company’s Special Investigations Unit to produce an insurance-fraud awareness campaign.

Throughout the internship, “you’re learning to work with a wide variety of people, throughout the company,” Kiera summed up. “As business is becoming more global, that was really helpful to me.”
Supporting Wellness, In a Wealth of Ways

Well-being is not just a goal at National Life. It’s the culture.

Through unique vendor partnerships and the work of employee teams, the company offers opportunities and benefits to employees that support, not just physical health, but also emotional, financial, career, social, and environmental well-being.

**Physical wellness**

The LIFE Committee is a volunteer group that manages National Life’s gym and wellness programs. On each campus, a full gym offers weights, treadmills, stationary bikes and more.

In Vermont, spinning and fitness classes are available each week at no charge to employees, and personal trainer, chiropractor, and massage services are available for a fee. A 1.2-mile fitness trail around the property offers 17 different exercise stations, locker rooms and showers are free to use. An annual Health Fair brings in wellness vendors, sports teams and organizations to connect with employees. Both Texas and Vermont, regularly schedule fitness contests to promote and reward active lifestyles.

The company pays entry fees for employee teams in the state-sponsored annual Corporate Cup Challenge. For the 5K race in 2018, National Life Group fielded 65 teams of three people each, and provided one of the largest groups of volunteers on race day.
General wellness
A medical clinic is on-site in Vermont, along with a dedicated lactation room. Employees can request a standup workstation, and employee discounts are available for health club memberships and ski season passes. Both campuses are tobacco-free, and cafeteria offerings include a salad bar, vegetarian options and a daily specialty salad.

In Vermont, National Life partners with the New England Culinary Institute to bring healthy food options to all employees. Vending machines throughout the building offer healthy options that include hummus, cheese and crackers, yogurt and water. National Life also invites area farmers to drop off fresh food through community-supported agriculture (CSA) programs.

Maternity/adoption leave
During 2018, National Life increased paid maternity and adoption leave to 12 weeks. The company offers up to $2,000 in assistance for adoption and in-vitro fertilization.

Emotional/social wellness
The Employee Assistance Program and wellness seminars support emotional well-being, while social wellness is fostered through the Recreation Committee, support for volunteering, Spirit Committee, Community Garden, Young Professionals Network, and more.

National Life Group's dedication to fitness and work-life balance has repeatedly received the Governor's Award for Excellence in Worksite Wellness
A Garden Helps Grow Community

There’s a garden in a quiet corner of National Life’s Montpelier campus, next to the employee volleyball court. It’s a half-acre space where each summer a small group of employees devote lunch hours and afternoon breaks tending to raised-bed plots. In 2018, they grew tomatoes, string beans, cucumbers, summer squash, beets, turnips and more.

The New England Culinary Institute (NECI) uses half of the garden to grow vegetables for its kitchens. National Life worked with NECI to make the space available for the project.

“‘We’re not great gardeners, but we have a lot of fun doing it.’

— Cheryl Hulbert

“It’s more a fun exercise than a serious gardening effort,” said Cheryl Hulbert, a Producer Compensation Specialist who helps coordinate the garden project. “I often pick a bunch of stuff and put it on my desk, for people to take home.”

The garden group gets together in February, to decide what people would like to plant, and to plan for any needed repairs or other maintenance in spring. Once the season starts, “the National Life grounds crew is very helpful with filling up the water barrels and mowing the lawn around the garden,” Cheryl said.
National Life’s Do Good Fest

A Great Day with a Big Impact

At National Life’s fifth annual Do Good Fest in 2018, some 7,500 people filled the hillside below the Montpelier headquarters to enjoy live music, thrill to fireworks and learn about nonprofit organizations in the community. When the Saturday was over, National Life and its employee volunteers had raised almost $36,000 for Branches of Hope, a fund for cancer patients – bringing to almost $135,000 the amount the festival has raised for the fund over five years.

All funds collected by Branches of Hope go to support patients in treatment at Central Vermont Medical Center. That wasn’t the only cause boosted by the Do Good Fest, either. At National Life’s invitation, 32 charitable organizations set up displays and interactive activities in the festival’s Nonprofit Village.

“The idea is to broaden awareness of these organizations and what they do,” said festival co-coordinator Tim Shea, Director of IT Finance and Head of Procurement.

National Life works with The Point, an independent radio network, to bring in the day’s performers, which this year included Phillip Phillips, Serena Ryder and SYML. Entrance is free; proceeds from parking fees and merchandise sales go to Branches of Hope.

The festival began as a new, bigger replacement for an annual Eco-Fair, where National Life promoted recycling and environmental products. Today, with performing artists, food vendors, a kids’ tent, the nonprofit stations and evening fireworks, the Do Good Fest is drawing an enthusiastic, steadily growing audience.
The National Life Group Foundation - Extending the Impact

In 2018, the National Life Group Foundation received a budget increase of 100%, the largest in its 12-year history. This commitment has enabled our Foundation to greatly increase its impact — and, for the first time, to take a lead role in collaborating with a number of organizations on a chosen cause. That cause is ending childhood hunger in Vermont. The Foundation committed in 2018 to giving $188,500 in general grants to help feed hungry children, and to donating $120,000 for research that can help make childhood hunger history. See the accompanying article to learn how the Foundation is pulling together Vermont organizations to find new solutions and make new progress on this vital issue.

Created in 2006 with a budget of $250,000, in 2018 the Foundation has allocated $2 million for grants, programs, research, matching employee donations, and other purposes in Vermont and Texas:

**General grants**

The Foundation made 190 grants, chosen from 225 grant requests. The grants included $624,690 for organizations focused on children and families, $293,200 for those building community, $212,200 for arts and recreation, $78,750 for health and human services, $60,100 for education, $13,500 for emergency services, and $12,000 for environmental work.

**Share the Good Campaign**

This campaign matches most employee donations to nonprofits in Vermont and Texas. Employees donated $259,592 to their charities of choice in 2018, with the Foundation matching for a total of $519,184.

**LifeChanger of the Year**

This nationwide program gave $79,871 in cash prizes to 17 finalists. For more, see the article on page 18.

**Main Street Grants**

This program supports community-building organizations around Vermont. Applications are reviewed by a committee that includes Paul Bruhn of the Preservation Trust of Vermont. The Foundation also works with the Vermont Community Foundation and the Vermont Department of Housing and Community Development.

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**NATIONAL LIFE GROUP FOUNDATION, 2018 PROGRAM ALLOCATIONS**

- **General grants**: $1,294,440
- **Share the Good Campaign**: $194,464
- **Research**: $120,000
- **LifeChanger of the Year**: $79,871
- **Main Street Grants**: $70,500
- **Education Matching**: $600
- **Memorial Funds**: $300

A 100% budget increase has enabled the Foundation to greatly increase its impact — and, for the first time, to take on a lead role in collaborating with a number of organizations on a chosen cause.

– Beth Rusnock
President of the National Life Group Foundation
Adopting a Cause, Building a Model

The Push to End Childhood Hunger

The National Life Group Foundation began a quest in 2018: to end childhood hunger in Vermont. With support from the Vermont Community Foundation, the Foundation issued a request for proposals with an ambitious challenge: “Create an open-source program and/or set of strategies that can be used elsewhere around the country to eliminate childhood hunger and food insecurity, using Vermont as a laboratory.”

Selecting the Urban Institute, a research firm based in Washington, D.C., “we asked them to help us benchmark the true scope of childhood food insecurity in Vermont,” said Foundation President Beth Rusnok. “Even more important, we’d like to know about potential solutions. What are they hearing about, around the country?”

In early autumn, the Urban Institute made a first presentation of its findings at a “data walk.” Joining the conversation were the Vermont Community Foundation, the Vermont Foodbank, Hunger Free Vermont, state agencies and other nonprofits at work on this issue. “We were all here, talking about what could be done,” Beth said.

Just over 15% of Vermont children are food-insecure, the Urban Institute reports. Current programs and cross-sector collaborations are making a strong impact — but important gaps still exist, especially for isolated children in rural areas and among older teenagers.

The presenters challenged the gathering: “Develop a program, intervention, or policy change that would address the challenges and gaps presented in the data walk. What policy would you change? What would it take to make your idea a reality?” The Urban Institute gathered ideas and suggestions, planning to report back on impactful strategies.

“What we’re learning is that a big part of the problem is access: getting food to kids who are food-insecure, especially in a rural state,” Beth summed up. “And there are rural areas in every state.”
Rewarding the “LifeChangers”
Who Make a Lasting Difference

In a wide range of positive, often permanent ways, the nation’s most devoted and innovative educators are changing young people’s lives. Through its LifeChanger of the Year program, each year National Life spotlights and rewards some of these extraordinary difference-makers — teachers, administrators, coaches, counselors, and other K-12 professionals.

Winners learn they’ve been chosen in surprise ceremonies at their schools, and the five Grand Prize finalists are flown to the Grand Prize Ceremony. Each LifeChanger Award comes with $3,000, split between the individual winner and his/her school or district. Every Grand Prize Finalist splits $5,000 with her/his school or district; the Grand Prize winner splits a $10,000 award.

LifeChanger of the Year is funded and run by National Life Group and its Foundation, which invites nominations of teachers and other school employees. Anyone, from school administrators to students (with adult support), can nominate someone, and nominees have represented all 50 states. After nominations close at the end of each year, the selection committee, which includes past award winners and other professional educators, selects the Top 15 LifeChangers.

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<thead>
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<th>Number of school districts that have participated</th>
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<tr>
<td>Number of school employees recognized</td>
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Who are the LifeChangers, and what have they done for young people?

The 2018 Grand Prize Finalists included:

- a bus driver/minister in South Carolina whose determined efforts have boosted his school’s graduation rates;
- an assistant principal in Louisiana who went above and beyond to help her students and community recover from torrential rains and flooding;
- a parental engagement director in Texas whose model program has significantly increased local parents’ involvement in their children’s education; and
- a science teacher in Florida who has sparked her students’ interests in science, technology and math careers through fieldwork, guest speakers and service projects.

The 2018 Grand Prize winner is Brian Copes, a pre-engineering teacher at Thompson High School in Alabaster, Alabama. Brian’s students have developed and provided basic utility vehicles for communities in developing nations. They’ve installed computer labs, volunteered in a free medical clinic, and set up water purifiers in Honduran communities — and they fitted 14 Honduran amputees with prosthetic legs the students developed from surplus auto parts.

“One of the amputees had been contemplating suicide, and the leg my students provided him gave him hope,” Brian said. “That’s what I love about these projects – they open students’ eyes and instill a passion for helping others.”

That is also, in short, what LifeChangers do.
Supporting Volunteerism

“It’s Such a Positive Thing”

Every National Life employee is encouraged to take 40 hours of company-paid time each year to do volunteer work. In 2018, 443 employees contributed more than 7,183 hours to more than 20 nonprofit organization.

“We get requests from nonprofits: ‘We’ve got this need, can you help us fill it?’ And our charitable foundation has connections to nonprofits that say, ‘We could use some help,’” said Crystal Dermody Waldo, Director of Life and Annuity Operations, who serves on the committee that supports volunteering.

“As a committee, we coordinate a Volunteer Week each spring, to focus people’s attention and encourage them to get out and use their 40 hours,” Crystal added. “We offer it as great team-building. We really pitch it — and it’s springtime, so people want to get out and stretch their legs.”

“If people haven’t volunteered before, they come back having had a really good experience,” she concluded. “It’s such a positive thing.”

Stepping Up in Texas For Hurricane Relief

After Hurricane Harvey swept through southeastern Texas in August 2017, it left behind an estimated $125 billion in total damages, largely from a scale of flooding the region had never before seen. National Life and its employees moved quickly to join and support the relief.

As the floodwaters receded, the company quickly announced it was donating $50,000 to charities in the Houston region that were helping to meet immediate needs. Just as quickly, many employees at the Texas campus signed up to volunteer in the relief effort, particularly at sites set up in north Texas for evacuees from the huge storm.

The company’s financial donation was split between Americares, a health organization that helps communities respond to disasters, and the Hurricane Harvey Relief Fund at the Greater Houston Community Foundation. Both campuses mounted supply drives, and the company helped with other donations, including diapers, wipes, baby food, bottled water and other supplies to the charity Trusted World.
Volunteer Room Makeovers
Make a Difference for Kids

“We asked our colleagues in Texas to let us know which nonprofits they support, so we could consider making donations to them through the Foundation,” said Beth Rusnock, President of the National Life Group Foundation. “One employee volunteers at Alliance for Children. When child abuse has occurred, the Alliance’s goal is to ‘minimize the trauma of the abuse so that children and families can begin to heal.’

Based at a warm, welcoming house in Fort Worth, the Alliance uses various forms of therapy to aid healing, and works with law enforcement to hold abusers to account. Since 2013, the Foundation has made annual contributions to the Alliance that now total $45,000 — and this year, employees in Texas saw a hands-on way to help more.

When child abuse occurs in a child’s own bedroom, victims often can’t or won’t sleep there afterward. Renovating or moving is often too costly, for families.

So employees formed a team that, after passing a rigorous background check, met at the client’s home while she was at school, and went to work.

“When she came home, the team cheered for her as she went in to see her room,” Beth said. “She squealed with delight — and that night, she slept there for the first time in weeks.”

National Life volunteers have since renovated two more rooms for Alliance clients. “They also jump in while at the house to do things like help fold laundry or update the bathroom, using their own time and money,” Beth reported.

“When we see an opportunity to help our neighbors, we do”
– Mehran Assadi
Environmental Action: A Timeline of Progress

2007: THE NATIONAL LIFE ALTERNATE TRANSPORTATION PROGRAM
The company kicks off its ongoing effort to support Vermont employees who choose fuel-saving methods of getting to work such as bicycling, walking, and carpooling.

2008: FIRST MAJOR SOLAR-ENERGY PROJECT
The 418-panel photovoltaic system, installed by local contractors at the Vermont campus, still contributes over 6,000 kilowatts of power each month for the company’s operations.

2009: SILVER LEED CERTIFICATION
National Life’s Montpelier headquarters becomes the oldest and largest building in Vermont to receive Silver certification from the U.S. Green Building Council’s LEED-EB (Leadership in Energy and Environmental Design — Existing Building) program. Also in 2009, National Life installs low-flow toilets and replaced inefficient taps to conserve water on the Vermont campus.

2010: HEATING WITH BIOMASS
The 500,000-square-foot Montpelier office complex is one of Vermont’s largest, and the installation of two high-efficiency woodchip biomass boilers replaces a heating system that depended on No. 4 fuel oil. Installed by a Vermont firm with local subcontractors, the biomass system uses a 7-million Btu boiler and a second, 5-million Btu boiler; state-of-the-art emission control removes about 98% of fine particles from system exhaust. Fine ash harvested from the system goes to local farms, to be spread on fields. The new system meets 98% of the campus heating needs, is highly reliable, runs on a locally sourced, renewable fuel, and shrinks the campus’s carbon footprint by about 45%.

2012: TRANSFORMING THE VERMONT WORKSPACE
Floor by floor, the company remakes the interior of its headquarters to create a high-performing work environment that is also energy-efficient. In an open-space layout with low-walled workstations and new collaboration areas, the makeover maximizes natural and reflected light, replaces old fluorescents with 6,000 high-efficiency bulbs and fixtures, installs motion sensors to turn off lights after people leave, and installs low-flow water fixtures. The new interiors receive LEED green-design certification.

2014: 2,100 NEW SOLAR PANELS
Installed at the southern end of the Montpelier campus, 2,100 new photovoltaic panels are producing 725,000 kilowatt hours of electricity per year, meeting almost 15% of the facility’s power needs.

2015: EV CHARGING AND BICYCLE REPAIR STATIONS
National Life installs four electric vehicle (EV) charging stations at the Montpelier campus, along with a bicycle repair station to help employees who pedal to work. The campus now has 18 bike parking stations, six of them fully covered from the weather.

2016-2018: NEW HVAC CONTROLS, LIGHTING AND DATA CENTER IMPROVEMENTS.
At the Montpelier campus, a new chiller/air conditioner, installed in 2016, is saving over 120,000 kilowatt hours of power per year. At the data center, outside-air return is installed, along with new air-supply ductwork, for more efficient cooling of the center and its equipment. Also, outdated kitchen equipment is replaced with high-efficiency ranges and ovens.
Rewarding “Green” Commuters Helps Cut the Carbon Footprint

There’s more than one way to sharply shrink a company’s carbon footprint. National Life’s Alternate Transportation Program awards bus passes, gas cards, and gift cards from a local bicycling and outdoor-equipment store to employees who bike, walk, carpool, or take public transit to work.

“We use a scorecard,” explained Tim Shea, Director of IT Finance and Head of Procurement, who developed the alternative-commuting program when he was head of facilities. “Participants mark down how frequently they’ve used an alternative means of coming to work, how many miles they’ve saved.” On a typical month, about 100 Vermont employees and 15 in Texas participate in the program. Many others ride public transit or carpool to work, but don’t submit scorecards.

“The program is funded with money we earn from recycling and energy-efficiency incentives,” Shea said. “We’re using green income, if you will, to help subsidize incentives for environmentally positive choices. Plus we’ve got the advantages of fewer cars in our parking lot, reduced CO2 emissions, and healthier employees.”

The company was awarded a bronze medal in 2015 as a bicycle-friendly business by the League of American Bicyclists. It has installed bike racks close to all of its buildings, with most racks sheltered from the weather, and set up a bike repair station near the racks, with tools for tire inflation and repair. Four free loaner bikes are available for employees to use at lunch.

The company’s total CO2 emissions have dropped by 44% since 2008, from 4,648 annual tons to 2,596. As a contributor to this steep reduction, the impacts of alternative commuting are minor compared to the Vermont campus’s conversion to biomass heating, or its installation of over 2,500 solar panels. But CO2 emissions from ground travel by the Vermont workforce have shrunk by 34% since 2008, from 219 annual tons to 144.

And that matters.

<table>
<thead>
<tr>
<th>CO2 emissions, in estimated annual tons</th>
<th>2008</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air travel</td>
<td>1,967</td>
<td>1,678</td>
</tr>
<tr>
<td>Ground travel</td>
<td>219</td>
<td>144</td>
</tr>
<tr>
<td>Diesel fuel</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Electricity</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>Fuel oil</td>
<td>2,121</td>
<td>483</td>
</tr>
<tr>
<td>Propane</td>
<td>58</td>
<td>43</td>
</tr>
<tr>
<td>Overnight accommodations</td>
<td>76</td>
<td>67</td>
</tr>
<tr>
<td>Waste</td>
<td>102</td>
<td>70</td>
</tr>
<tr>
<td>Shipping</td>
<td>81</td>
<td>93</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4,648</strong></td>
<td><strong>2,596</strong></td>
</tr>
</tbody>
</table>
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