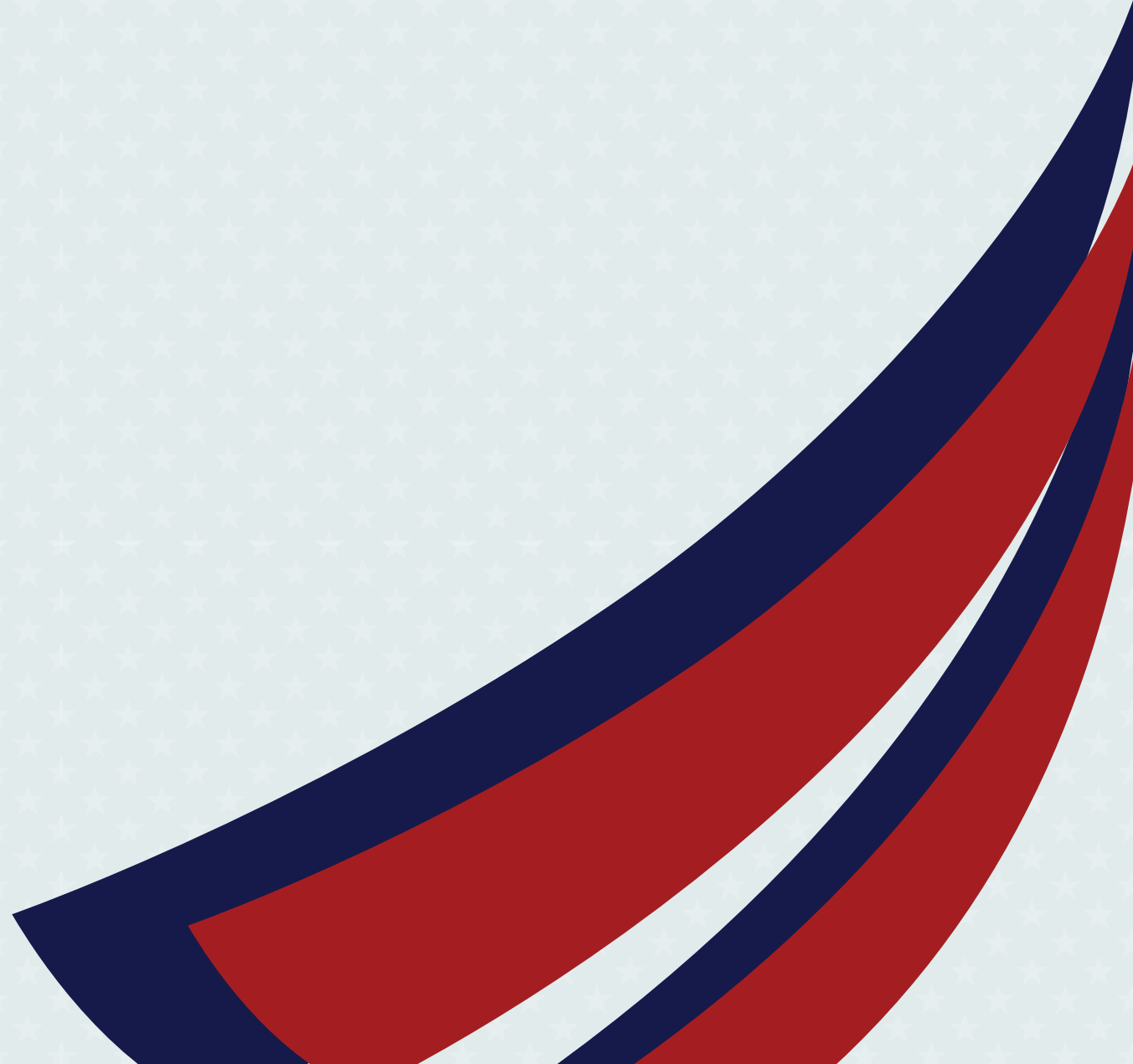


2023

Enterprise Report





General Craig R. McKinley
USAF (Ret.)
Chair, AFBA



General Larry O. Spencer
USAF (Ret.)
President, AFBA
Chair and President, 5Star Life

AFBA and 5Star Life Insurance Company

This past year saw some exciting developments for our enterprise. One of the most impactful, today and into the future, was the complete overhaul of our brand. We launched two new websites, logos, and visual elements. We focused on more customer/member-focused content, intuitive navigation, and improved our customer service section. Our overarching goal was to improve the member experience. We are pleased with the results and hope you are as well.

MEMBERSHIP AND MEMBER BENEFITS

Our membership, the lifeblood of our association, grew to 542,000 with military servicemembers accounting for 48 percent and first responders for 39 percent of our membership. A more detailed breakout is included further below.

We added two new relationships to our roster of member benefits. Armed Forces Insurance (AFI) provides auto and home insurance, and the Association of United States Army (AUSA) offers our members a free membership to AUSA, as well as access to their member benefits. With an array of benefits that provide access to services and/or discounts for education, travel, healthcare, shopping, entertainment, financial, and legal services, our members can find a benefit that suits them at any stage of life.

FULFILLING OUR MISSION

AFBA was founded in the basement of the Pentagon to pay a death benefit when military members died in combat, and more than 75 years later, we continue to fulfill our mission paying nearly \$100 million in death benefits in the past year alone.

Facilitating AFBA's mission is our wholly-owned affiliate, 5Star Life Insurance Company (5Star Life), which in addition to being the life insurance underwriter of AFBA member benefits, it is also a growing provider of group and worksite insurance products offering life, accident, healthcare indemnity, and critical illness coverage to 127,000 insureds.

Over the past 75 years, AFBA has paid 2 billion in death benefits and helped thousands of families in their darkest hour. As the keepers of the AFBA legacy, we remain steadfast to carry on its honorable and patriotic mission – to provide survivor and other benefits to those who serve, defend, and protect this great nation.

Thank you for your service!

NUMBERS AND HIGHLIGHTS

Born in the Pentagon.
Built to Serve.

We provide certainty and peace of mind for those who serve, defend, and protect our nation.

New look, same mission.

We have given our brand a refresh and updated our website with an enhanced support center to serve members better.

542,000
AFBA members

We continue growing and we'll be here for future members.

127,000
Insured customers

5Star Life provides peace of mind for working Americans.

\$55 billion
Life insurance in force
Joint financial strength will keep us relevant for generations to come.

\$147 million
total member contributions
We remain financially strong and secure.



13 new agents
serving the first
responder market

Our mission continues to expand in this market.



New board chair

General McKinley's experience, leadership and expertise in our markets makes him an excellent choice to lead AFBA into the future.



Enhanced
member benefits

We proudly offer more than 25 member benefits.

A LEGACY OF SERVICE

We provide our members with the security they deserve and the protection their loved ones need.



WHO WE SERVE

Providing financial security and peace of mind for those who go in harm's way.

AFBA is a non-profit and membership-based association protecting 542,000 members and their families with survivor benefits, funded by life insurance, and other member benefits.

AFBA membership benefits

By purchasing survivor benefits, individuals secure much more than life insurance coverage. They become a member of AFBA. Membership offers access to a host of benefits providing special discounts for travel, healthcare, education, legal, and financial services.

For those who make the ultimate sacrifice

Families of eligible members can benefit from the Charles C. Blanton Family Survivor College Scholarship. Surviving spouse and children are eligible for \$10,000 per year, up to \$40,000, toward an undergraduate degree if a member is killed in a combat zone as a result of combat action, U.S. government-recognized acts of foreign or domestic terrorism, or in operations at the scene of an incident. Surviving family members have qualified for more than \$1.5 million in scholarships under this program, and we continue to stand by ready to assist them.

5Star Life Insurance Company

A wholly-owned affiliate of AFBA, 5Star Life Insurance Company plays an essential role in AFBA's mission as the primary life insurance underwriter of member coverage. In addition, it offers group life and health products to affinity groups, worksite, and employer plans. It is licensed in 49 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa.

AFBA membership eligibility



Military

All members of the uniformed services, including retirees and veterans



First responders

Fire departments, law enforcement, and emergency medical services



Government

Government employees and contractors



Eligible family

spouses and dependents of these groups

5Star Life primary markets



School systems



Logistics and delivery



Healthcare/ facility care



Federal, postal, unions, associations



SERVING OUR MARKETS

AFBA provides military members, first responders, and their families certainty and peace of mind, with benefits tailored to their real-life needs.

Rooted in a legacy of service, 5Star Life Insurance Company delivers benefits purpose-built for employees critical to our communities.

Product features designed with our markets in mind.

AFBA



No combat, terrorism, occupation or geographical exclusions



Emergency death benefit payment

5Star Life



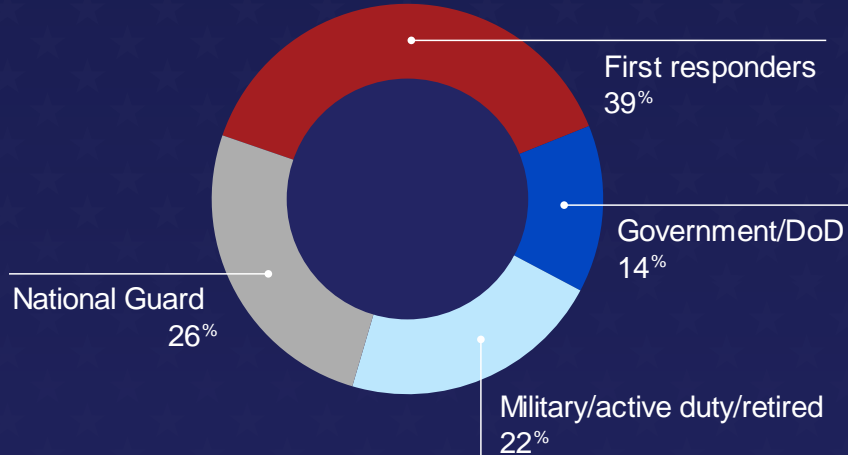
Convenient payment through payroll deduction



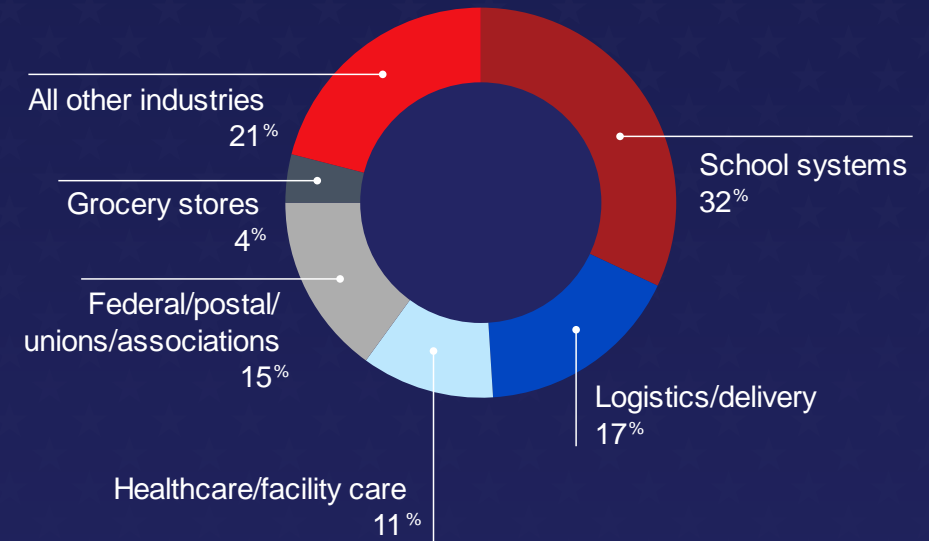
Serving markets that complement the AFBA mission

Our financial stability means we'll be relevant for generations to come.

AFBA
542,000 members
Membership distribution



5Star Life
127,000 insureds
Worksite primary industries



Member contributions
\$147.7 million

Member death benefits
\$96.9 million

Premium revenue
\$55.1

Life insurance claims
\$25.9 million

Health insurance benefits
\$2.0 million

Consolidated numbers

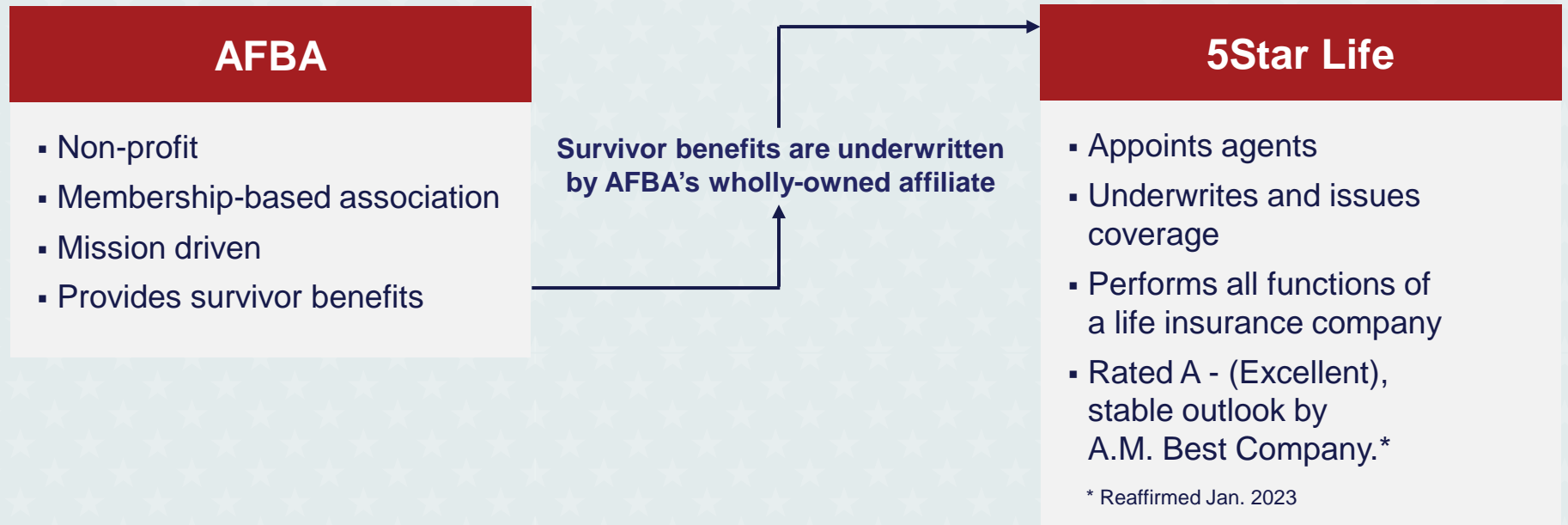
\$55 billion Life insurance in force

1.2 million Policies, certificates, and riders



ENTERPRISE RELATIONSHIP

Our enterprise consists of two entities with one shared purpose.



5Star Life Insurance Company has been awarded on the Forbes list of World's Best Insurance Companies 2023. This prestigious award is presented by Forbes and Statista Inc., the world-leading statistics portal and industry ranking provider.



OUR LEADERSHIP

Our boards reflect the diversity of our markets.



Chair

General Craig R. McKinley, USAF (Ret.)

Directors

Fire Chief John S. Butler, FCFD

Chief Cathy L. Lanier, MPD (Ret.)

Lawrence R. Lynch

SMMC Alford L. McMichael, USMC (Ret.)

SMA Kenneth O. Preston, USA (Ret.)

CMSAF James A. Roy, USAF (Ret.)

General Allyson R. Solomon, USAF (Ret.)

General Larry O. Spencer, USAF (Ret.)

Vice Admiral Patricia A. Tracey, USN (Ret.)



Chair

General Larry O. Spencer, USAF (Ret.)

Directors

Major General Augustus L. "Leon" Collins, USA (Ret.)

Chief Joseph Fox, NYPD (Ret.)

Ronald R. Gendreau

Randall C. Horn

Command Sergeant Major John F. Sampa, ARNG (Ret.)

Kimberley E. Wooding