

MINNESOTA LIFE INSURANCE COMPANY

**Statutory Financial Statements
and Financial Statement Schedules**

December 31, 2025



KPMG LLP
Suite 600
350 N. 5th Street
Minneapolis, MN 55401

Independent Auditors' Report

The Board of Directors and Stockholder
Minnesota Life Insurance Company:

Opinions

We have audited the financial statements of Minnesota Life Insurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities and capital and surplus as of December 31, 2025 and 2024, and the related statutory statements of operations and capital and surplus, and cash flow for each of the years in the three-year period ended December 31, 2025, and the related notes to the statutory financial statements.

Unmodified Opinion on Statutory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the admitted assets, liabilities and capital and surplus of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flow for each of the years in the three-year period ended December 31, 2025 in accordance with accounting practices prescribed or permitted by the Minnesota Department of Commerce described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of the Company as of December 31, 2025 and 2024, or the results of its operations or its cash flows for each of the years in the three-year period ended December 31, 2025.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 to the financial statements, the financial statements are prepared by the Company using accounting practices prescribed or permitted by the Minnesota Department of Commerce, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles. The effects on the financial statements of the variances between the statutory accounting practices described in Note 2 and U.S. generally accepted accounting principles, although not reasonably determinable, are presumed to be material and pervasive.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by the Minnesota Department of Commerce. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the schedule of selected financial data, the schedule of supplemental



investment risks interrogatories, the summary investment schedule and the schedule of supplemental reinsurance risks interrogatories is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Minnesota Department of Commerce. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Minneapolis, Minnesota
March 26, 2026

MINNESOTA LIFE INSURANCE COMPANY
Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus
December 31, 2025 and 2024
(in thousands)

<u>Admitted Assets</u>	<u>2025</u>	<u>2024</u>
Bonds	\$ 22,705,113	\$ 21,839,496
Common stocks	457,756	425,477
Mortgage loans, net	5,706,013	5,777,094
Derivative instruments	1,510,337	1,000,352
Other invested assets	1,787,961	1,819,072
Policy loans	1,417,430	1,140,199
Investments in affiliated companies	601,631	546,243
Cash, cash equivalents and short-term investments	371,897	353,429
Total invested assets	<u>34,558,138</u>	<u>32,901,362</u>
Premiums deferred and uncollected	166,574	160,171
Current income tax recoverable	51,276	45,754
Deferred income taxes	295,063	200,721
Other assets	686,980	634,007
Total assets, excluding separate accounts	<u>35,758,031</u>	<u>33,942,015</u>
Separate account assets	<u>30,314,825</u>	<u>29,478,601</u>
Total assets	<u><u>\$ 66,072,856</u></u>	<u><u>\$ 63,420,616</u></u>
<u>Liabilities and Capital and Surplus</u>		
Liabilities:		
Policy reserves:		
Life insurance	\$ 17,191,387	\$ 16,114,491
Annuities and other fund deposits	10,162,118	10,278,883
Accident and health	141,395	214,957
Policy claims in process of settlement	545,494	485,364
Dividends payable to policyholders	2,602	2,603
Other policy liabilities	1,963,839	1,704,586
Asset valuation reserve	489,520	473,470
Accrued commissions and expenses	167,429	186,260
Other liabilities	1,528,723	1,173,173
Total liabilities, excluding separate accounts	<u>32,192,507</u>	<u>30,633,787</u>
Separate account liabilities	<u>30,314,825</u>	<u>29,478,601</u>
Total liabilities	<u><u>62,507,332</u></u>	<u><u>60,112,388</u></u>
Capital and surplus:		
Common stock, \$1 par value, 5,000,000 shares authorized, issued and outstanding	5,000	5,000
Additional paid in capital	596,540	596,540
Surplus notes	—	118,000
Unassigned surplus	2,963,984	2,588,688
Total capital and surplus	<u>3,565,524</u>	<u>3,308,228</u>
Total liabilities and capital and surplus	<u><u>\$ 66,072,856</u></u>	<u><u>\$ 63,420,616</u></u>

See accompanying notes to statutory financial statements.

MINNESOTA LIFE INSURANCE COMPANY
Statutory Statements of Operations and Capital and Surplus
Years ended December 31, 2025, 2024 and 2023
(in thousands)

<u>Statements of Operations</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Revenues:			
Premiums	\$ 3,738,341	\$ 3,506,490	\$ 2,875,862
Annuity considerations	1,825,502	1,334,144	1,459,890
Net investment income	1,240,079	1,127,447	1,045,350
Investment management, administration and contract guarantee fees	132,191	130,901	136,842
Other income	271,005	258,285	395,477
Change in modified coinsurance on separate accounts	<u>(308,436)</u>	<u>40,083</u>	<u>1,891,277</u>
Total revenues	<u>6,898,682</u>	<u>6,397,350</u>	<u>7,804,698</u>
Benefits and expenses:			
Policyholder benefits	4,556,926	5,661,200	4,208,208
Increase in policy reserves	949,688	1,392,156	1,405,294
General insurance expenses and taxes	475,309	443,929	573,165
Salaries and wages	257,799	267,824	260,823
Group service and administration fees	98,525	85,592	78,974
Commissions	587,639	598,260	558,149
Separate account transfers, net	350,349	(1,840,467)	(989,703)
Change in modified coinsurance on separate accounts	<u>(308,436)</u>	<u>40,083</u>	<u>1,891,277</u>
Total benefits and expenses	<u>6,967,799</u>	<u>6,648,577</u>	<u>7,986,187</u>
Loss from operations before dividends, federal income taxes and net realized capital gains (losses)	(69,117)	(251,227)	(181,489)
Dividends to policyholders	<u>2,751</u>	<u>2,792</u>	<u>2,869</u>
Loss from operations before federal income tax benefit and net realized capital gains (losses)	(71,868)	(254,019)	(184,358)
Federal income tax benefit	<u>(51,948)</u>	<u>(48,987)</u>	<u>(85,731)</u>
Loss from operations before net realized capital gains (losses)	(19,920)	(205,032)	(98,627)
Net realized capital gains (losses), net of transfers to interest maintenance reserve and federal income taxes	<u>178,150</u>	<u>251,240</u>	<u>(74,400)</u>
Net income (loss)	<u>\$ 158,230</u>	<u>\$ 46,208</u>	<u>\$ (173,027)</u>
<u>Statements of Capital and Surplus</u>			
Capital and surplus, beginning of year	\$ 3,308,228	\$ 3,275,960	\$ 3,284,929
Net income (loss)	158,230	46,208	(173,027)
Net change in unrealized capital gains and losses	138,880	(1,846)	192,208
Net change in deferred income tax	58,400	236,480	97,926
Change in asset valuation reserve	(16,050)	(34,398)	(102,914)
Net change in separate account surplus	256	173	672
Dividends to stockholder	(2,488)	(5,000)	(104,993)
Change in unauthorized reinsurance	2,408	(1,667)	(249)
Change in non-admitted assets	61,778	(102,239)	(23,029)
Change in reserves due to change in valuation basis	63,119	(68,888)	8,470
Capital contribution	—	30,000	250,000
Surplus notes repayment	(118,000)	—	—
Other, net	<u>(89,237)</u>	<u>(66,555)</u>	<u>(154,033)</u>
Capital and surplus, end of year	<u>\$ 3,565,524</u>	<u>\$ 3,308,228</u>	<u>\$ 3,275,960</u>

See accompanying notes to statutory financial statements.

MINNESOTA LIFE INSURANCE COMPANY
Statutory Statements of Cash Flow
Years ended December 31, 2025, 2024 and 2023
(in thousands)

<u>Cash Flow from Operating Activities</u>	2025	2024	2023
Revenues:			
Premiums and annuity considerations	\$ 5,799,878	\$ 5,178,016	\$ 4,985,330
Net investment income	1,220,642	1,116,945	1,060,381
Total receipts	7,020,520	6,294,961	6,045,711
Benefits and expenses paid:			
Policyholder benefits	4,529,163	5,640,537	4,538,522
Dividends to policyholders	840	87	2,090
Commissions and expenses	1,366,217	1,318,513	1,334,951
Separate account transfer, net	311,201	(1,824,864)	(1,169,405)
Federal income taxes	5,244	62,418	(110,566)
Total payments	6,212,665	5,196,691	4,595,592
Cash provided from operations	807,855	1,098,270	1,450,119
<u>Cash Flow from Investing Activities</u>			
Proceeds from investments sold, matured or repaid:			
Bonds	3,158,355	2,875,650	1,775,093
Common stocks	392,436	128,973	194,978
Mortgage loans	610,827	382,603	426,417
Derivative instruments	401,865	406,187	296,299
Other invested assets	141,667	152,120	100,430
Separate account redemptions	—	250	8,218
	4,705,150	3,945,783	2,801,435
Cost of investments acquired:			
Bonds	4,054,216	3,937,057	2,163,438
Common stocks	403,232	165,299	143,359
Mortgage loans	539,945	600,628	724,650
Derivative instruments	353,961	190,248	361,963
Other invested assets	144,768	141,224	152,449
Separate account investments	—	(2,000)	(11,950)
Securities in transit, net	(2,977)	(3,686)	83,340
Other provided, net	272,331	244,718	320,156
	5,765,476	5,273,488	3,937,405
Cash applied to investing	(1,060,326)	(1,327,705)	(1,135,970)
<u>Cash Flow from Financing and Miscellaneous Activities</u>			
Borrowed money, net	(118,000)	—	(120,000)
Net deposits on deposit-type contract funds	339,479	34,792	(109,763)
Dividend paid to stockholder	—	—	(100,000)
Capital contribution	—	30,000	250,000
Other cash provided (applied)	49,460	3,298	82,530
	270,939	68,090	2,767
<u>Reconciliation of Cash, Cash Equivalents and Short-term Investments</u>			
Net change in cash, cash equivalents and short-term investments	18,468	(161,345)	316,916
Beginning of the year	353,429	514,774	197,858
End of the year	\$ 371,897	\$ 353,429	\$ 514,774

See accompanying notes to statutory financial statements.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements December 31, 2025, 2024 and 2023 (in thousands)

(1) Nature of Operations

Organization and Description of Business

Minnesota Life Insurance Company (the Company), a wholly-owned subsidiary of Securian Financial Group, Inc. (SFG), both directly and through its subsidiaries and controlled affiliates, provides a diversified array of insurance and financial products and services designed principally to protect and enhance the long-term financial well-being of individuals and families.

The Company, which operates in the United States, generally offers the following types of products:

- Fixed, indexed and variable universal life, term life and whole life insurance products to individuals through independent channel partners.
- Immediate and deferred annuities, with fixed, indexed, and variable investment options through independent channel partners.
- Group term life insurance and other group voluntary products to private and public employers.
- Retirement options and pension risk transfer (PRT) to employers, pension plan sponsors and investment firms through independent channel partners as well as direct relationships.
- Life insurance protection through banks, credit unions, and finance companies.

(2) Summary of Significant Accounting Policies

The accompanying statutory financial statements of Minnesota Life Insurance Company have been prepared in accordance with accounting practices prescribed or permitted by the Minnesota Department of Commerce. The Minnesota Department of Commerce recognizes statutory accounting practices prescribed or permitted by the state of Minnesota for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Minnesota Insurance Law. Prescribed statutory accounting practices are those practices that are incorporated directly or by reference in state laws, regulations and general administrative rules applicable to all insurance enterprises domiciled in a particular state. Permitted statutory accounting practices include practices not prescribed by the domiciliary state, but allowed by the domiciliary state regulatory authority. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Minnesota. The state has adopted the prescribed accounting practices as stated in NAIC SAP, without modification. The Company has one material statutory accounting practice that differs from those of the state of Minnesota or the NAIC accounting practices. See note 13 Capital and Surplus and Dividends for discussion of statutory dividend limitations. These practices differ from U.S. generally accepted accounting principles (GAAP).

The more significant differences, of which the aggregate effects are material, are as follows:

- Acquisition costs, such as commissions and other costs incurred in connection with the successful acquisition of new and renewal business, are charged to current operations as incurred whereas premiums are recognized as earned over the premium paying periods of the policies and contracts. Under GAAP, acquisition costs are capitalized and amortized on a constant level basis over the estimated term of the related contracts.
- GAAP requires that sales inducements are deferred and amortized on a constant level basis over the estimated term of the related policy utilizing the same methodology and assumptions used to amortize deferred policy acquisition costs. A separate asset related to sales inducements is not allowed under statutory reporting.
- Certain assets are designated as "non-admitted" and changes in such amounts are charged directly to unassigned surplus.
- Policy reserves are based on methods prescribed by the NAIC, which include mortality and interest assumptions without consideration for lapses or withdrawals. Changes in policy reserves are recorded through income. Under GAAP, policy reserves are based on best estimate assumptions for mortality, interest, lapses and withdrawals that are updated at least annually to reflect current experience. Changes in policy reserves due to changes in the interest rate assumption are recorded through other comprehensive income. All other changes in policy reserves are recorded through income.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

The more significant differences, of which the aggregate effects are material, are as follows (Continued):

- The Company is required to establish an asset valuation reserve (AVR) and an interest maintenance reserve (IMR). The AVR provides for a standardized statutory investment valuation reserve for bonds, preferred stocks, short-term investments, mortgage loans, common stocks, real estate and other invested assets. Changes in this reserve are recorded as direct charges or credits to surplus. The IMR is designed to defer net realized capital gains and losses resulting from changes in the level of interest rates in the market and to amortize them over the remaining life of the bond or mortgage loan sold. The IMR represents the unamortized portion of the bond or mortgage loan net realized capital gains or losses not yet taken into income. If IMR is negative, it is designated as non-admitted and is directly charged to unassigned surplus unless the Company adopts the limited-time exception to admit net negative IMR. For securities the Company intends to sell in which a write-down is necessary, the Company reviews whether the realized loss affects the IMR or AVR. There are no such requirements on a GAAP basis.
- Investments, other than common stocks, preferred stocks and investments in subsidiaries, are carried at values prescribed by the NAIC. GAAP generally requires investments, other than common stocks, preferred stocks and investments in subsidiaries, to be classified as held-to-maturity securities, which are reported at amortized cost, trading securities, which are reported at fair value through net income, or available-for-sale securities, which are reported at fair value through equity.
- Investments in common stocks and preferred stocks are carried at values prescribed by the NAIC. GAAP generally requires common stocks and preferred stocks to be reported at fair value through earnings.
- Bonds that have been assigned the NAIC Category 6 designation are carried at the lower of fair value or cost. There are no such requirements on a GAAP basis.
- A valuation allowance is established for mortgage loans when it is probable that the Company will not be able to collect the amounts due under the contractual terms of the loan. Under GAAP, an allowance for credit losses for mortgage loans represents the Company's best estimate of expected credit losses over the remaining life of the loans.
- Undistributed income and capital gains and losses for limited partnership alternative investments are reported in capital and surplus as unrealized gains and losses until realized. Under GAAP, specialized accounting treatment for investment companies requires unrealized gains and losses on these alternative investments to be included in earnings.
- Investments in subsidiaries are carried at the audited net equity values as prescribed by the NAIC. Changes in equity values related to earnings are reflected in surplus, and other equity changes are reflected in surplus as charges or credits to unrealized gains and losses. GAAP requires subsidiaries and certain variable interest entities to be consolidated.
- Deferred federal income taxes are provided for the tax effects of certain income and expense items recognized for income tax purposes in different years than for financial reporting purposes. The change in the net deferred tax asset or liability is reflected in surplus. Admittance testing may result in a charge to capital and surplus for non-admitted portions of the net deferred tax asset. GAAP requires the change to be reported in earnings or other comprehensive income.
- In determining the need for tax contingency reserves, consideration is given to whether it is more-likely-than-not that specific uncertain tax benefits will be realized. GAAP subsequently subjects the tax benefits to an additional quantitative measurement step.
- Goodwill is admitted subject to a 10% limitation on surplus and amortized over the useful life of the goodwill, not to exceed 10 years. Under GAAP, goodwill, which is considered to have an indefinite useful life, is tested using either a qualitative or quantitative approach for impairment and a loss is recorded, when appropriate.
- Surplus notes are classified as capital and surplus. Under GAAP, surplus notes are classified as liabilities.
- Rental income on home office properties owned by the Company is recognized by the Company and a similar amount of rental expense is recognized as a charge for the related office space. Under GAAP, there is no recognition of either rental income or rental expense on home office properties owned by the Company.
- Certain assets and liabilities are recorded net of the effects of related reinsurance, which is not permitted by GAAP.

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MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

The more significant differences, of which the aggregate effects are material, are as follows (Continued):

- Reinsurance agreements that have any insurance risk are accounted for as reinsurance, whereas under GAAP only reinsurance agreements that have significant insurance risk are accounted for as reinsurance otherwise they are accounted for using a deposit method.
- The statutory financial statements do not include accumulated other comprehensive income (loss) as required by GAAP.
- Nontraditional life products include individual adjustable life, universal life and variable life insurance and group universal and variable universal life insurance. Revenues from nontraditional life products and deferred annuities consist of premiums received rather than policy and contract fees charged for the cost of insurance, policy administration and surrenders as required under GAAP.
- The statutory statements of cash flow do not classify cash flow consistent with GAAP and a reconciliation of net income to net cash provided from operating activities is not provided.
- A provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus. Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.
- Statutory policyholder dividend liabilities are required to be calculated including dividends anticipated to be paid in the next twelve months. GAAP requires a dividend accrual representing dividends due and unpaid through the current year-end.
- The calculation of reserves and transfers in the Separate Account Statement requires the use of a Commissioners' Annuity Reserve Valuation Method (CARVM) allowance on annuities and a Commissioners' Reserve Valuation Method (CRVM) allowance on certain life products for statutory reporting. There is no such requirement on a GAAP basis.
- Derivative instruments are recorded at fair value or amortized cost. Changes in derivative instruments recognized at fair value, other than hedges, are recorded as unrealized capital gains and losses on the statutory statements of capital and surplus. Hedges are held using the same accounting methodology as the hedged item. Under GAAP reporting, derivative instruments are held at fair value. Changes in fair value are recorded to realized capital gains and losses, policyholder benefits in the case of certain life insurance product hedging or unrealized capital gains and losses depending on the nature of the hedging relationship, if any, that are designated.
- A deferred premium asset is established to recognize receipt of premiums on a payment mode other than annual. This asset is considered an offset to statutory reserve calculations which use only annual modal premium assumptions. Deferred premiums are calculated from the current statement date to policy anniversary date. On a GAAP basis, deferred premiums are netted against policy reserves and are generally calculated as a constant of gross premiums.
- Policy and contract fees are recognized through the statements of operations as received. Under GAAP, these amounts are reported as unearned revenue and are recognized in operations over the period in which the services are provided.
- Separate account assets and liabilities include modified guaranteed annuity (MGA), PRT and registered index linked annuity (RILA) products. These products are classified as general account products on a GAAP basis due to the investment performance not being passed to the policyholder. Under GAAP, liabilities are reported in either policy and contract balances or in future policy and contract benefits and assets reported within invested assets.

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MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

The more significant differences, of which the aggregate effects are material, are as follows (Continued):

- The Company issues variable annuity contracts through separate accounts where the Company contractually guarantees to the contractholder a return of no less than one of the following upon a qualifying event: (a) total deposits made to the contract adjusted for partial withdrawals, (b) total deposits made to the contract adjusted for partial withdrawals plus a minimum return, (c) the highest contract value on a specified anniversary date adjusted for withdrawals following the contract anniversary, or (d) a minimum payment on a variable immediate annuity. These guarantees include benefits that are payable in the event of death, withdrawal or annuitization. Under GAAP, these guarantees are measured at fair value as market risk benefits. No such requirement exists for statutory reporting.
- The Company also issues universal life and variable universal life contracts where the Company provides to the contractholder a no-lapse guarantee and a long term care benefit which result in benefits in excess of account value. Statutory reserving methodologies consistent with other policy reserves and state requirements are established connected to these guarantees. GAAP requires the calculation of an additional liability related to these guarantees, specifically where product features produce an earnings pattern of profits followed by losses. Certain guarantees are considered embedded derivatives for GAAP. A separate reserve or an embedded derivative related to these guarantees is not required in statutory reporting.
- The Company also issues certain fixed indexed annuity and indexed universal life contracts that contain features which are considered to be embedded derivatives that are not separated between components and are accounted for consistent with the host contract. Under GAAP, the embedded derivative is bifurcated from the host contract and accounted for separately as a derivative carried at fair value with changes in fair value recorded in net income.

The significant accounting policies that are reflected in the accompanying statutory financial statements are as follows:

New Accounting Pronouncements

In August 2025, the NAIC adopted revisions to Interpretation (INT) 23-01, Net Negative (Disallowed) Interest Maintenance Reserve, which extended the effective date of the interpretation to December 31, 2026 and added additional requirements and clarifications. INT 23-01 provides an optional, limited-time exception to the guidance in Statements of Statutory Accounting Principles (SSAP) No. 7, Asset Valuation Reserve and Interest Maintenance Reserve, permitting a net negative Interest Maintenance Reserve (IMR) to be reported as an admitted asset, subject to certain qualifications and limitations, with an equal amount reported as special surplus funds. The Company adopted INT 23-01 during 2025, resulting in an increase to admitted assets and income of \$38,398. See Note 5, Investments, for additional disclosures.

In February 2025, the NAIC adopted revisions to SSAP No. 56, Separate Accounts, to clarify recognition and measurement guidance related to activities of certain separate accounts for which assets are reported at values other than fair value. These updates were effective as of January 1, 2026, with early adoption permitted. The Company early adopted the updated guidance effective upon its issuance with no impact to previously reported amounts.

In 2023 and 2024, the NAIC adopted revisions to SSAP No. 26, Bonds and SSAP No. 43, Loan-Backed and Structured Securities, establishing a Principles-Based Bond Definition (PBBB) for determining whether an investment qualifies for reporting as a bond under statutory accounting principles. Under the revised guidance, an investment qualifies as a bond if it represents a creditor relationship with a fixed schedule of payments and meets the criteria for classification as either an issuer credit obligation or an asset-backed security. Investments that do not meet the revised bond definition are accounted for in accordance with other applicable statutory accounting guidance. The guidance became effective January 1, 2025. The Company adopted the revised guidance as of that date. The adoption of this guidance did not have a material impact on the Company's statutory financial statements.

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MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Permitted Practice

The Company has received a permitted practice from the Minnesota Department of Commerce to use a modified 1959 Accidental Death Benefit table, and the net effect is immaterial for reporting purposes.

The Company has been granted a permitted accounting practice, effective January 1, 2023, from the Minnesota Department of Commerce to reflect changes in discretionary liabilities held on certain indexed universal life policies through surplus in Other, net in statutory statements of operations and capital and surplus instead of through net income as would be required under NAIC SAP. This permitted practice resulted in a pre-tax increase (decrease) to net income of \$21,000, \$(5,000) and \$189,000 for the years ended December 31, 2025, 2024 and 2023, respectively, and had no impact on the Company's surplus or risk-based capital.

Revenues and Expenses

Premiums are credited to revenue over the premium paying period of the policies, with the exception of single and flexible premium contracts which are credited to revenue when received from the policyholder. Annuity considerations and investment management, administration and contract guarantee fees are recognized as revenue when received. Any premiums due that are not yet paid, and premiums paid on other than an annual basis, are included in premiums deferred and uncollected on the statutory statements of admitted assets, liabilities and capital and surplus. Benefits and expenses, including acquisition costs related to acquiring new and renewal business, are charged to operations as incurred. Acquisition expenses incurred are reduced for ceding allowances received or receivable.

Valuation of Investments and Net Investment Income

Bonds and stocks are valued as prescribed by the NAIC. Bonds include debt instruments classified as either issuer credit obligations (ICO) or asset-backed securities (ABS). ICOs are generally carried at cost, adjusted for the amortization of premiums, accretion of discounts and any other-than-temporary impairment (OTTI). Premiums and discounts are amortized and accreted over the estimated or contractual lives of the related bonds based on the interest yield method. Prepayment penalties are recorded to net investment income when collected. Bonds that have been assigned the NAIC category 6 designation are carried at the lower of cost or fair value. The Securities Valuation Office identified bond exchange-traded funds are reported at fair value.

Hybrid securities are investments structured to have characteristics of both stocks and bonds. Hybrid securities totaled \$14,355 at December 31, 2024, which were classified as bonds on the statutory statements of admitted assets, liabilities and capital and surplus.

ABSs are stated at either amortized cost or the lower of amortized cost or discounted cash flows. The Company's ABSs are reviewed quarterly, and as a result, the carrying value of an ABS may be reduced to reflect changes in valuation resulting from discounted cash flow information. ABSs that have been assigned the NAIC category 6 designation are written down at the lower of fair value or cost. The Company uses a third-party pricing service in assisting the Company's determination of the fair value of most ABSs. An internally developed matrix pricing model, discounted cash flow or other model is used to price a small number of holdings. The retrospective adjustment method is used to record investment income on all non-impaired securities except for interest-only securities or other non-investment grade securities where the yield had become negative. Investment income is recorded using the prospective method on these securities.

For ABSs, the Company recognizes income using a constant effective yield method based on prepayment assumptions obtained from an outside service provider or upon analyst review of the underlying collateral and the estimated economic life of the securities. When estimated prepayments differ from the anticipated prepayments, the effective yield is recalculated to reflect actual prepayments to date and anticipated future payments. Any resulting adjustment is included in net investment income. For ABSs that have a recognized OTTI, the adjusted cost basis is prospectively amortized over the remaining life of the security based on the amount and timing of future estimated cash flows. All other investment income is recorded using the interest method without anticipating the impact of prepayments.

Securities Valuation Office (SVO) identified funds, which consist of exchange traded funds (ETF) that qualify for bond treatment, are carried at fair value.

Common stocks are carried at fair value except for investments in stocks of subsidiaries and affiliates in which the Company has an interest of 10% or more, which are carried on an equity basis.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Valuation of Investments and Net Investment Income (Continued)

The Company recognizes interest income as earned and recognizes dividend income on unaffiliated common stocks upon declaration of the dividend. Investment income is reported net of related investment expenses. For the years ended December 31, 2025, 2024 and 2023, bond net investment loss included (\$3,945), (\$4,111) and \$(4,011) of prepayment penalties and acceleration fees, respectively, generated as a result of 29, 27 and 18 CUSIPs, respectively, sold, redeemed, tendered or otherwise disposed as a result of a callable feature.

Perpetual preferred stocks are reported at the lower of fair value or the currently effective call price for the stock. Redeemable preferred stocks continue to be carried at cost less any OTTI. All preferred stock is classified as other invested assets on the statutory statements of admitted assets, liabilities, and capital and surplus.

Mortgage loans are carried at the outstanding principal balances, net of unamortized premiums and discounts. Premiums and discounts are amortized and accreted over the terms of the mortgage loans based on the effective interest yield method. Prepayment penalties are recorded to net investment income. The Company invests primarily in commercial mortgages with a range of interest rates from 5.10% to 6.77% during 2025. In 2025, the maximum percentage of any one loan to the value of the collateral at the time of the investment of the loan, exclusive of insured or guaranteed or purchase money mortgages, was 61%.

The Company continues to record interest on those impaired mortgage loans that it believes to be collectible as due and accrued investment income. Any loans that have income 180 days or more past due continue to accrue income, but report all due and accrued income as a non-admitted asset. Past due interest on loans that are uncollectible is written off and no further interest is accrued. Any cash received for interest on loans deemed uncollectible is recorded as income when collected. Prepayment penalties are recorded to net investment income when collected.

Alternative investments include limited partnership investments in private equity funds and mezzanine debt funds. These investments are included in other invested assets on the statutory statements of admitted assets, liabilities and capital and surplus at the amount invested using the equity method of accounting. In-kind distributions are recorded as a return of capital for the cost basis of the stock received. Income distributed from these alternative investments is included in net investment income or net realized capital gains (losses) on the statutory statements of operations based on information provided by the investee. The valuation of alternative investments is recorded based on the partnership financial statements from the previous quarter plus contributions and distributions during the fourth quarter. Any undistributed amounts held by the investee are recorded, based on the Company's ownership share, as unrealized capital gains or losses on the statutory statements of operations and capital and surplus. The Company evaluates partnership financial statements received subsequent to December 31 up to the financial statement issue date for material fluctuations in order to determine if an adjustment should be recorded as of December 31.

Real estate is carried at cost less accumulated depreciation, adjusted for any OTTI losses taken. Real estate is included in other invested assets on the statutory statements of admitted assets, liabilities and capital and surplus. Estimated losses are directly recorded to the carrying value of the asset and recorded as realized losses in the statutory statements of operations. Depreciation is computed principally on a straight-line basis.

The Company's investments in surplus notes of unrelated entities are included in other invested assets on the statutory statements of admitted assets, liabilities and capital and surplus. Surplus note investments with a NAIC designation of NAIC 1 or NAIC 2 are reported at amortized cost. Surplus note investments with a NAIC designation equivalent of NAIC 3 through 6 are reported at the lesser of amortized cost or fair value. An OTTI is considered to have occurred if it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the surplus note. If it is determined that a decline in fair value is other than temporary, an impairment loss is recognized as a realized loss equal to the difference between the surplus note's carrying value and the fair value and is reported in earnings.

Policy loans are carried at the outstanding loan balance which includes any interest over 90 days past due. Loan balances unsecured by the cash surrender value of the policy and accelerated payment benefits are non-admitted assets which totaled \$1,213 and \$4,516 as of December 31, 2025 and 2024, respectively.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Valuation of Investments and Net Investment Income (Continued)

Investments in subsidiary companies are accounted for using the equity method and are carried as investments in affiliated companies or as other invested assets, in the case of limited liability companies, in the statutory statements of admitted assets, liabilities and capital and surplus. The Company records changes in its equity in its subsidiaries as credits or charges to capital and surplus. Insurance subsidiaries are recorded using statutory accounting principles. Non-insurance subsidiaries not engaged in prescribed insurance activities are recorded using audited GAAP results. Investments in limited liability subsidiaries included in other invested assets totaled \$187,860 and \$186,390 at December 31, 2025 and 2024, respectively.

Commercial paper and bonds with original maturity dates of less than twelve months are considered to be short-term investments. Short-term investments are stated at amortized cost. Short-term investments at December 31, 2025 and 2024 totaled \$0 and \$0, respectively.

Cash and cash equivalents are carried at cost, which generally approximates fair value. Money market funds are included in cash equivalents and are generally valued at fair value. The Company considers short-term investments that are readily convertible to known amounts of cash and have an original maturity date of three months or less to be cash equivalents. The Company places its cash and cash equivalents with high quality financial institutions and, at times, these balances may be in excess of the Federal Deposit Insurance Corporation insurance limit.

Derivative Instruments

The Company uses a variety of derivatives, including swaps, swaptions, forwards, floors, caps, futures and option contracts, to manage the risks associated with cash flows or changes in estimated fair values related to the Company's financial instruments. The Company currently enters into derivative transactions in which hedge accounting is applied and others that do not qualify for hedge accounting or in certain cases, elects not to utilize hedge accounting.

Foreign currency swap derivative instruments which qualify and have been designated as fair value accounting hedges are expected to be highly effective and are reported in the financial statements consistent with the hedged item. Changes in the statement value of the foreign currency swaps due to changes in foreign currency rates are reflected as adjustments to unassigned surplus as a change in net unrealized foreign exchange capital gain/loss consistent with the hedged item.

Derivative instruments for which hedge accounting is not applied are generally carried at fair value with changes in fair value recorded in net change in unrealized capital gains and losses on the statutory statements of capital and surplus. Interest income generated by derivative instruments is reported in net investment income on the statutory statements of operations.

Several life insurance and annuity products in the Company's liability portfolio contain investment guarantees that create economic exposure to market and interest rate risks. These guarantees take the form of guaranteed withdrawal benefits on variable annuities, lifetime income guarantees on fixed indexed annuities, a guaranteed payout floor on a variable payout annuity, and indexed interest credits on both fixed indexed annuity and fixed indexed universal life products. The Company uses economic hedges including futures contracts, interest rate swaps and exchange traded and over-the-counter (OTC) options in its efforts to minimize the financial risk associated with these product guarantees.

Realized and Unrealized Capital Gains and Losses

Realized capital gains and losses, less federal income taxes and amounts transferred to the IMR, if any, are recognized in net income (loss). Unrealized capital gains and losses are accounted for as a direct increase or decrease to capital and surplus. Both realized and unrealized capital gains and losses are determined using the specific identification method.

The Company regularly reviews each investment in its various asset classes to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of the investments. When the Company determines that an invested asset is other-than-temporarily impaired, the invested asset is written down to a new cost basis and the amount of the impairment is included in net realized gains and losses on the statutory statements of operations. Any subsequent recoveries are not recognized until disposition.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Realized and Unrealized Capital Gains and Losses (Continued)

Under the Company's accounting policy for ABSs, if the Company has the intent to sell or the inability or lack of intent to retain a security for a period of time sufficient to recover the amortized cost basis, an OTTI is recognized in earnings equal to the difference between the security's amortized cost basis and the fair value. Otherwise, if the present value of cash flows expected to be collected is less than the amortized cost basis of the security, an OTTI is recognized in earnings equal to the difference between the investment's amortized cost basis and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's original effective interest rate.

For other bonds, when the Company has determined an OTTI has occurred, the security is written-down to fair value. If the impairment is deemed to be non-interest related, an OTTI is recorded in earnings. For interest related declines, an OTTI is recorded when the Company has the intent to sell or does not have the ability to hold the bond until the forecasted recovery occurs. Many criteria are considered during this process including but not limited to, the length of time and the extent to which the current fair value has been below the amortized cost of the security, specific credit issues such as collateral, financial prospects related to the issuer, the Company's intent to sell the security and current economic conditions.

For common stocks, an OTTI is recorded when the Company does not have the intent and ability to hold the investment for a sufficient period of time to allow for anticipated recovery of unrealized losses. When an OTTI has occurred, the entire difference between NAIC fair value and the common stock's cost is charged to earnings. When assessing for OTTI the Company considers the length of time a stock has been in an unrealized loss position, the magnitude of the unrealized loss, and information on the investee's current financial condition, liquidity, near-term recovery prospects, and other factors. In addition, common stocks that have an unrealized loss position greater than \$100 are reviewed based on the individual characteristics of the stock. Preferred stocks with significant unrealized losses are also reviewed on the same basis for impairment.

The Company evaluates its alternative investments on a fund by fund basis using current and forecasted expectations for future fund performance, the age of the fund, general partner commentary and underlying investments within the fund. If facts and circumstances indicate that the value of the investment will not be recovered, the cost of the investment is written down and an OTTI is recorded in net realized capital gains (losses) on the statutory statements of operations.

All other material unrealized losses are reviewed for any unusual event that may trigger an OTTI. Determination of the status of each analyzed investment as OTTI or not is made based on these evaluations with documentation of the rationale for the decision.

The Company may, from time to time, sell invested assets subsequent to the statutory statements of admitted assets, liabilities and capital and surplus date that were considered temporarily impaired at the statutory statements of admitted assets, liabilities and capital and surplus date for several reasons. The rationale for the change in the Company's intent to sell generally focuses on unforeseen changes in the economic facts and circumstances related to the invested asset subsequent to the statutory statements of admitted assets, liabilities and capital and surplus date, significant unforeseen changes in the Company's liquidity needs, changes in interest rates, or changes in tax laws or the regulatory environment. The Company had no material sales of invested assets, previously considered OTTI or in an unrealized loss position, subsequent to the statutory statements of admitted assets, liabilities and capital and surplus dates for either December 31, 2025 or 2024.

The Company recognizes valuation allowances for impairments of mortgage loans on a specific identification basis. Mortgage loans are considered to be impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement. A non-performing loan is defined as a loan that is not performing to the contractual terms of the loan agreement. Examples of non-performing loans may include delinquent loans, requests for forbearance and loans in the process of foreclosure. The valuation allowance is equal to the difference between the carrying value and fair value of the collateral less estimated costs to sell. Changes in the valuation allowance are recorded in net change in unrealized capital gains and losses on the statutory statements of capital and surplus.

Impairment losses are recorded on investments in real estate and other long-lived assets used in operations when indicators of impairment are present, using undiscounted cash flows if available or independent market appraisals.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Realized and Unrealized Capital Gains and Losses (Continued)

For a small portion of the mortgage loan portfolio, classified as troubled debt restructurings (TDRs), the Company grants concessions related to the borrowers' financial difficulties. The types of concessions may include a permanent or temporary modification of the interest rate, payment deferrals, extension of the maturity date at a lower interest rate and/or a reduction of accrued interest. If a loan is considered a TDR, the Company impairs the loan and records a specific valuation allowance, if applicable.

Separate Accounts

Separate account assets represent segregated funds administered and invested by both an unaffiliated asset management firm and an affiliate of the Company in support of the Company's MGA, PRT, RILA, retirement plan, variable annuity, and variable life insurance policyholders and contractholders. Premiums, benefits and expenses of the separate accounts are reported in the statutory statements of operations. The Company receives administrative and investment advisory fees for services rendered on behalf of these accounts, and such fees are recorded as earned. All separate account assets maintained by the Company are legally insulated.

For the Company's PRT and RILA separate accounts, the general account will fund payments if the associated separate account assets are insufficient. Assets supporting these separate accounts consist principally of fixed income assets and are carried at amortized cost. The Company's other separate accounts are principally non-guaranteed and the assets supporting these products consist primarily of marketable securities reported at fair value.

Included within other liabilities on the statutory statements of admitted assets, liabilities, and capital and surplus are the allowances for CARVM and CRVM. As of December 31, 2025 and 2024, the CARVM and CRVM allowances were \$(247,617) and \$(270,569), respectively.

Software Capitalization

Computer software costs incurred for internal use are capitalized and amortized over a three or five-year period. Computer software costs include application software, purchased software packages and significant upgrades to software. The Company had unamortized software costs of \$75,768 and \$86,180 as of December 31, 2025 and 2024, respectively, all of which is non-admitted, and amortized software expense of \$22,316, \$22,992 and \$22,437 for the years ended December 31, 2025, 2024 and 2023, respectively.

Non-admitted Assets

Certain assets, designated as "non-admitted assets" (principally deferred taxes that do not meet admissibility testing, investments in affiliated companies, furniture, equipment, computer software and certain receivables), amounting to \$266,550 and \$328,328 at December 31, 2025 and 2024, respectively, have been charged to capital and surplus.

Reinsurance

Insurance liabilities are reported after the effects of ceded reinsurance. Reinsurance recoverables represent amounts due from reinsurers for paid benefits, expense reimbursements and prepaid premiums, and are included in other assets on the statutory statements of admitted assets, liabilities and capital and surplus. Reinsurance premiums ceded and recoveries on benefits and claims incurred are deducted from the respective income and expense accounts. Modified coinsurance receivables and payables on separate accounts are presented within separate account assets and liabilities on the statutory statements of admitted assets, liabilities and capital and surplus, and changes in these amounts are presented in changes in modified coinsurance on separate accounts in revenues and benefits and expenses in the statutory statements of operations and capital and surplus. Reinsurance gains arising from certain reinsurance agreements are deferred to capital and surplus and subsequently amortized into the statements of operations in the proportion to earnings on the underlying business reinsured.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Policy Reserves

Policy reserves are determined using methods and assumptions consistent with the Standard Valuation Law and presently accepted actuarial standards and guidelines. Policy reserves generally represent the net present value of future benefits less the present value of future net premiums.

Life insurance policy reserves are calculated primarily using the CRVM. The Company uses the principles-based reserving approach (PBR) prescribed by the NAIC Valuation Manual (VM-20) for new life insurance policies issued on or after January 1, 2020.

The Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the final premium beyond the date of death. At December 31, 2025 and 2024, the amounts of surrender values in excess of reserves were \$2,086,348 and \$2,029,232, respectively.

For substandard policies, if a flat premium is charged, the reserve is one-half of the extra premium. For reserves determined using a tabular method, the reserve is calculated by an exact method using multiples of standard mortality as determined by the currently assigned mortality category. As of December 31, 2025 and 2024, the Company had \$5,827,635 and \$6,560,615, respectively, of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation.

Fixed and fixed indexed annuity policy reserves are calculated using the CARVM. Variable annuity policy reserves are based on methods and assumptions specified in NAIC Valuation Manual (VM-21).

Policy reserves on accident and health contracts are determined using tabular and lag factor methods reflecting Company experience. The Company's liability for unpaid accident and health claims and claim adjustment expenses are determined using appropriate interest rate tables, company experience and actuarial studies.

Other policy liabilities include premium deposit funds, funding agreements and experience rated refund balances for certain group life insurance contracts. Policy reserves on group annuity contracts purchased under a qualified retirement plan are equal to the account value.

During 2025, the Company recorded a change in valuation basis related to certain reserves on accident policies. The change in valuation basis resulted in a cumulative effect adjustment to increase capital and surplus by \$63,119 and is reported in change in reserves due to change in valuation basis on the statutory statements of operations and capital and surplus. The tax impact of this adjustment is \$10,604; of which \$7,953 is included in net change in deferred taxes and \$2,651 is included in federal income tax expense (benefit) on the statutory statements of operations and capital and surplus.

During 2024, the Company recorded a change in valuation basis related to certain reserves on life insurance products. The change in valuation basis resulted in a cumulative effect adjustment to decrease capital and surplus by \$68,888 and is reported in change in reserves due to change in valuation basis on the statutory statements of operations and capital and surplus.

During 2023, the Company recorded a change in valuation basis related to certain reserves on annuity products. The change in valuation basis resulted in a cumulative effect adjustment to increase capital and surplus by \$8,470 and is reported in change in reserves due to change in valuation basis on the statutory statements of operations and capital and surplus. The tax impact of this adjustment is \$596; of which \$447 is included in net change in deferred taxes and \$149 is included in federal income tax expense (benefit) on the statutory statements of operations and capital and surplus.

Liability for Accident and Health Losses and Loss Adjustment Expenses

The liability for unpaid losses and loss adjustment expenses includes an amount for losses incurred but unreported, based on past experience, as well as an amount for reported but unpaid losses, which is calculated on a case-by-case basis. Such liabilities are necessarily based on assumptions and estimates. While management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amount estimated. The methods, including key assumptions, of making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period such change in estimate is made. The liability for unpaid accident and health claims and claim adjustment expenses, net of reinsurance, is included in accident and health policy reserves and policy claims in process of settlement on the statutory statements of admitted assets, liabilities and capital and surplus.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Participating Business

Dividends on participating policies and other discretionary payments are declared by the Company's Board of Directors based upon actuarial determinations that take into consideration current mortality, interest earnings, expense factors and federal income taxes. Dividends are generally recognized as expenses when declared by the Company's Board of Directors and up to one year in advance of the payout dates. At December 31, 2025 and 2024, the total participating business in force was \$2,630,127 and \$2,394,604, respectively. As a percentage of total life insurance in force, participating business in force represented 0.2% at both December 31, 2025 and 2024.

For 2025, 2024 and 2023, direct premiums under individual and group life participating policies were \$29,519, \$32,221 and \$33,510, respectively. The Company accounts for its policyholder dividends based upon the contribution method. The Company paid dividends in 2025, 2024 and 2023 in the amount of \$7,635, \$8,537, and \$8,504, respectively, to policyholders and did not allocate any additional income to such policyholders.

Federal Income Taxes

The Company files a consolidated life/non-life federal income tax return with Minnesota Mutual Companies, Inc. (MMC), the Company's ultimate parent. Entities included in the consolidated return include: Securian Holding Company, Robert Street Property Management, Inc., Securian Financial Group, Inc. (SFG), Securian Casualty Company, Securian Specialty Lines, Inc., Securian Ventures, Inc., Securian Financial Services, Inc. (SFS), Securian Asset Management, Inc. (Securian AM), Ochs Inc., 1880 Reinsurance Company, Lowertown Capital, LLC, Empyrean Holding Company, Inc. and its subsidiaries, Securian Holding Company Canada, Inc. and its subsidiaries, and Minnesota Life Insurance Company and its subsidiaries.

Empyrean Holding Company's subsidiaries include Empyrean Benefits Solutions, Inc. and Empyrean Insurance Services, Inc.

Minnesota Life's subsidiaries include Securian Life Insurance Company, Allied Solutions LLC (Allied) and subsidiaries, Securian AAM Holdings, LLC, Marketview Properties, LLC, Marketview Properties II, LLC, Marketview Properties III, LLC, Marketview Properties IV, LLC and Oakleaf Service Corporation.

The method of allocation between companies is subject to written agreement, approved by an officer of the Company. Under the agreement, the Company computes federal income taxes on a separate return basis, and benefit is given for operating losses and credits as utilized to reduce consolidated federal income taxes. Intercompany tax balances are settled annually when the tax return is filed with the Internal Revenue Service (IRS).

The Company provides for federal income taxes based on amounts the Company believes it ultimately will owe. Inherent in the provision for federal income taxes are estimates regarding the deductibility of certain items and the realization of certain tax credits. In the event the ultimate deductibility of certain items or the realization of certain tax credits differs from estimates, the Company may be required to significantly change the provision for federal income taxes recorded in the statutory financial statements. Any such change could significantly affect the amounts reported in the statutory statements of operations. Management has used best estimates to establish reserves based on current facts and circumstances regarding tax exposure items where the ultimate deductibility is open to interpretation. Management evaluates the appropriateness of such reserves based on any new developments specific to their fact patterns. Information considered includes results of completed tax examinations, Technical Advice Memorandums and other rulings issued by the IRS or the tax courts.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Gross deferred tax assets and liabilities are measured using enacted tax rates, and a statutory valuation allowance must be established if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. The adjusted gross deferred tax assets are then considered for admitted asset status according to the admissibility tests as set forth by the NAIC. Changes in deferred tax assets and deferred tax liabilities, including changes attributable to changes in tax rates, are recognized as a component of unassigned surplus.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(2) Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with statutory accounting practices requires management to make certain estimates and assumptions that affect reported assets and liabilities, including reporting or disclosure of contingent assets and liabilities as of the dates of the statutory statements of admitted assets, liabilities and capital and surplus and the reported amounts of revenues and expenses during the reporting period. Future events, including but not limited to, changes in mortality, morbidity, interest rates and asset valuations, could cause actual results to differ from the estimates used in the financial statements and such changes in estimates are generally recorded on the statutory statements of operations in the period in which they are made.

The most significant estimates include those used in determining policy reserves, policy claims in process of settlement, valuation of and impairment losses on investments, valuation allowances or impairments for mortgage loans on real estate, federal income taxes and pension and other postretirement benefits. Although some variability is inherent in these estimates, the recorded amounts reflect management's best estimates based on facts and circumstances as of the statutory statements of admitted assets, liabilities and capital and surplus date. Management believes the amounts provided are appropriate.

(3) Risks

The Company's financial statements are based on estimates and assumptions that are subject to significant business, economic and competitive risks and uncertainties, many of which are beyond the Company's control or are subject to change. As such, actual results could differ from the estimates used in the financial statements and the value of the Company's investments, its financial condition and its liquidity could be adversely affected. The following risks and uncertainties, among others, may have such an effect:

- Economic environment and capital markets-related risks such as those related to interest rates, equity markets, credit spreads, real estate, and derivatives.
- Investment-related risks such as those related to valuation, impairment, and concentration.
- Business and operational-related risks such as those related to mortality/longevity, morbidity and claims experience, reinsurers and counterparties, liquidity, ratings, competition, use of artificial intelligence, cyber or other information security, fraud, and overall risk management.
- Catastrophic and pandemic event-related risks that may impact policyholder behavior and claims experience, volatility in financial markets and economic activity, and operations.
- Acquisition, disposition, or other structural change related risks.
- Regulatory and legal risks such as those related to changes in fiscal, tax and other legislation, insurance and other regulation, and accounting standards.

The Company actively monitors and manages risks and uncertainties through a variety of policies and procedures in an effort to mitigate or minimize the adverse impact of any exposures impacting the financial statements.

(4) Fair Value of Financial Instruments

Financial Assets and Financial Liabilities Reported at Fair Value

The fair value of the Company's financial assets and financial liabilities has been determined using available market information as of December 31, 2025 and 2024.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. In determining fair value, the Company primarily uses the market approach which utilizes prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. To a lesser extent, the Company also uses the income approach which uses discounted cash flows to determine fair value. When applying either approach, the Company maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs reflect the assumptions market participants would use in valuing a financial instrument based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's estimates about the assumptions market participants would use in valuing financial assets and financial liabilities based on the best information available in the circumstances. Considerable judgment is required to interpret market data to develop the estimates of fair value. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Fair Value (Continued)

The Company is required to categorize its financial assets and financial liabilities carried at fair value on the statutory statements of admitted assets, liabilities and capital and surplus according to a three-level hierarchy under SSAP 100 - Fair Value. Inputs used to measure fair value of an asset or liability may fall into different levels of the fair value hierarchy. A level is assigned to each financial asset and financial liability based on the lowest level input that is significant to the fair value measurement in its entirety. The levels of fair value hierarchy are as follows:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market.

Level 2 – Fair value is based on significant inputs, other than quoted prices included in Level 1, that are observable in active markets for identical or similar assets and liabilities.

Level 3 – Fair value is based on at least one or more significant unobservable inputs. These inputs reflect the Company's assumptions about the inputs market participants would use in pricing the assets or liabilities.

The Company uses prices and inputs that are current as of the measurement date. In periods of market disruption, the ability to observe prices and inputs may be reduced, which could cause an asset or liability to be reclassified to a lower level.

The following table summarizes the Company's financial assets and financial liabilities carried at fair value as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Common stocks	\$ 416,256	\$ —	\$ —	\$ 416,256
Preferred stocks	—	12,031	—	12,031
Derivative instruments	335,735	1,167,352	—	1,503,087
Cash equivalents	285,700	—	—	285,700
Separate account assets	29,498,743	194,366	—	29,693,109
Total financial assets	<u>\$ 30,536,434</u>	<u>\$ 1,373,749</u>	<u>\$ —</u>	<u>\$ 31,910,183</u>
Derivative instruments ⁽¹⁾	\$ 175,997	\$ 688,213	\$ —	\$ 864,210
Total financial liabilities	<u>\$ 175,997</u>	<u>\$ 688,213</u>	<u>\$ —</u>	<u>\$ 864,210</u>

⁽¹⁾ Included in other liabilities on the statutory statements of admitted assets, liabilities and capital and surplus.

The following table summarizes the Company's financial assets and financial liabilities carried at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Common stocks	\$ 399,913	\$ —	\$ 6,564	\$ 406,477
Preferred stocks	346	13,424	—	13,770
Derivative instruments	17,690	982,662	—	1,000,352
Cash equivalents	184,876	—	—	184,876
Separate account assets	29,205,537	271,258	1,806	29,478,601
Total financial assets	<u>\$ 29,808,362</u>	<u>\$ 1,267,344</u>	<u>\$ 8,370</u>	<u>\$ 31,084,076</u>
Derivative instruments ⁽¹⁾	\$ 10,594	\$ 532,149	\$ —	\$ 542,743
Total financial liabilities	<u>\$ 10,594</u>	<u>\$ 532,149</u>	<u>\$ —</u>	<u>\$ 542,743</u>

⁽¹⁾ Included in other liabilities on the statutory statements of admitted assets, liabilities and capital and surplus.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Fair Value (Continued)

The methods and assumptions used to estimate the fair value of financial assets and liabilities are summarized as follows:

Common and preferred stocks

The Company's common and preferred stocks consist primarily of investments in publicly traded companies. The fair values of common stocks are based on quoted market prices in active markets for identical assets and are classified within Level 1. The fair values of stocks based on prices that have significant inputs that are observable in active markets for identical or similar assets are reflected in Level 2. The Company carried a small amount of non-exchange traded common stock classified within Level 3.

Derivative instruments

Derivative instrument fair values are based on quoted market prices when available. If a quoted market price is not available, fair value is estimated using current market assumptions and modeling techniques, which are then compared with quotes from counterparties.

The majority of the Company's derivative positions are traded in the Over-the-Counter (OTC) derivative market and are classified as Level 2. The fair values of most OTC derivatives are determined using discounted cash flow or third party pricing models. The significant inputs to the pricing models are observable in the market or can be derived principally from or corroborated by observable market data. Significant inputs that are observable generally include: interest rates, foreign currency exchange rates, interest rate curves, credit curves and volatility. However, certain OTC derivatives may rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from or corroborated by observable market data. Significant inputs that are unobservable generally include: independent broker quotes and inputs that are outside the observable portion of the interest rate curve, credit curve, volatility or other relevant market measure. These unobservable inputs may involve significant management judgment or estimation. In general, OTC derivatives are compared to an outside broker quote when available and are reviewed in detail through the Company's valuation oversight group. OTC derivatives valued using significant unobservable inputs would be classified as Level 3.

The credit risk of both the counterparty and the Company are considered in determining the estimated fair value for all OTC derivatives after taking into account the effects of netting agreements and collateral arrangements.

Cash equivalents

Money market funds are reported as cash equivalents. All money market funds are generally valued using unadjusted prices in active markets and are reflected in Level 1.

Separate account assets

Separate account assets are reported as a summarized total and are carried at estimated fair value based on the underlying assets in which the separate accounts are invested. Valuations for common stock and short-term investments are determined consistent with similar instruments as previously described. When available, fair values of bonds are based on quoted market prices of identical assets in active markets and are reflected in Level 1. When quoted prices are not available, the Company's process is to obtain prices from third party pricing services, when available, and generally classify the security as Level 2. In accordance with SSAP 100, valuations for certain mutual funds were reclassified from Level 2 to Level 1 during 2025 as the values are based on reported net asset values provided by fund managers. Other valuations using internally developed pricing models or broker quotes are generally classified as Level 3.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Fair Value (Continued)

The following table provides a summary of changes in fair value of Level 3 financial assets and financial liabilities measured at fair value during the year ended December 31, 2025:

	Balance at beginning of year	Total realized and unrealized gains (losses) included in:		Purchases, sales and settlements, net ⁽³⁾	Transfers in to Level 3 ⁽²⁾	Transfers out of Level 3 ⁽²⁾	Balance at end of year
		Net income ⁽¹⁾	Surplus				
Separate account assets	\$ 1,806	\$ —	\$ (1,064)	\$ (742)	\$ —	\$ —	\$ —
Common stocks	6,564	(4,450)	3,656	(5,770)	—	—	—
Total financial assets	<u>\$ 8,370</u>	<u>\$ (4,450)</u>	<u>\$ 2,592</u>	<u>\$ (6,512)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

⁽¹⁾ The amounts included in this column, exclusive of separate account losses, are reported in net realized capital gains (losses) on the statutory statements of operations and capital and surplus.

⁽²⁾ Transfers into/out of Level 3 are primarily due to the availability of observable market prices.

⁽³⁾ The following table provides the bifurcation of the net purchases and sales.

The following table provides the bifurcation of the net purchases and sales during the year ended December 31, 2025:

	Purchases	Sales	Settlements	Purchases, sales and settlements, net
Separate account assets	\$ 122	\$ (864)	\$ —	\$ (742)
Common stocks	—	(5,770)	—	(5,770)
Total financial assets	<u>\$ 122</u>	<u>\$ (6,634)</u>	<u>\$ —</u>	<u>\$ (6,512)</u>

The following table provides a summary of changes in fair value of Level 3 financial assets and financial liabilities measured at fair value during the year ended December 31, 2024:

	Balance at beginning of year	Total realized and unrealized gains (losses) included in:		Purchases, sales and settlements, net ⁽³⁾	Transfers in to Level 3 ⁽²⁾	Transfers out of Level 3 ⁽²⁾	Balance at end of year
		Net income ⁽¹⁾	Surplus				
Separate account assets	\$ 1,881	\$ 109	\$ —	\$ (185)	\$ 1	\$ —	\$ 1,806
Common stocks	11,129	—	(4,565)	—	—	—	6,564
Total financial assets	<u>\$ 13,010</u>	<u>\$ 109</u>	<u>\$ (4,565)</u>	<u>\$ (185)</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ 8,370</u>

⁽¹⁾ The amounts included in this column, exclusive of separate account losses, are reported in net realized capital gains (losses) on the statutory statements of operations and capital and surplus.

⁽²⁾ Transfers in to/out of Level 3 are primarily due to the availability of observable market prices.

⁽³⁾ The following table provides the bifurcation of the net purchases and sales.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Fair Value (Continued)

The following table provides the bifurcation of the net purchases and sales during the year ended December 31, 2024:

	Purchases	Sales	Settlements	Purchases, sales and settlements, net
Separate account assets	\$ 178	\$ (368)	\$ 5	\$ (185)
Total financial assets	\$ 178	\$ (368)	\$ 5	\$ (185)

At December 31, 2024, the Company carried a small amount of Level 3 assets and liabilities which are comprised of separate account assets and common stocks. For separate account assets, the Company uses a discounted cash flow methodology that looks at yield/spread to U.S. Treasuries inputs to price the securities. For any increase (decrease) in the yield/spread to U.S. Treasuries, the fair value of the asset will decrease (increase). The common stock is comprised of non-exchange trade equity securities which the fair value is based on at least one or more significant unobservable inputs.

Financial Assets and Financial Liabilities

The following table summarizes by level of fair value hierarchy the aggregate fair value of financial assets and liabilities held by the Company as of December 31, 2025:

	Aggregate fair value	Carrying value	Level 1	Level 2	Level 3	Not practicable carrying value
Bonds:						
Issuer credit obligations	\$ 16,252,573	\$ 17,884,441	\$ 151,098	\$ 11,532,685	\$ 4,568,790	\$ —
Asset-backed securities	4,622,158	4,820,672	—	4,276,513	345,645	—
Total bonds	20,874,731	22,705,113	151,098	15,809,198	4,914,435	—
Common stock	416,256	457,756	416,256	—	—	41,500
Preferred stock	90,032	91,635	—	12,031	78,001	—
Mortgage loans	5,441,048	5,706,013	—	—	5,441,048	—
Derivative instruments	1,523,816	1,510,337	335,735	1,188,081	—	—
Policy loans	1,704,533	1,417,430	—	—	1,704,533	—
Cash equivalents	385,662	385,652	385,662	—	—	—
Surplus notes	142,038	189,200	—	142,038	—	—
Other long-term assets	300	300	—	—	300	—
Separate account assets	30,317,947	30,314,825	29,505,091	418,674	394,182	—
Total financial assets	\$ 60,896,363	\$ 62,778,261	\$ 30,793,842	\$ 17,570,022	\$ 12,532,499	\$ 41,500
Deferred annuities	2,445,284	2,539,791	—	—	2,445,284	—
Supplementary contracts without						
life contingencies	204,439	204,439	—	—	204,439	—
Annuity certain contracts	148,886	149,593	—	—	148,886	—
Derivative liabilities	874,689	887,628	175,997	698,692	—	—
Separate account liabilities	23,913,356	23,913,356	23,718,991	194,365	—	—
Total financial liabilities	\$ 27,586,654	\$ 27,694,807	\$ 23,894,988	\$ 893,057	\$ 2,798,609	\$ —

The following table provides a summary of financial assets with a not practicable carrying value as of December 31, 2025:

	Carrying value	Effective interest rate	Maturity date	Explanation for investments held at cost
Common stock	\$ 41,500	N/A	N/A	Nonmarketable Federal Home Loan Bank of Des Moines (FHLB) membership

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities (Continued)

The following table summarizes by level of fair value hierarchy the aggregate fair value of financial assets and liabilities held by the Company as of December 31, 2024:

	Aggregate fair value	Carrying value	Level 1	Level 2	Level 3	Not practicable carrying value
Bonds:						
U.S. government securities	\$ 180,090	\$ 214,209	\$ 180,090	\$ —	\$ —	\$ —
Agencies not backed by the full faith and credit of the						
U.S. government	241,031	257,517	—	241,031	—	—
Corporate securities	14,668,729	16,739,273	—	10,682,489	3,986,240	—
Asset-backed securities	1,227,410	1,256,787	—	1,130,127	97,283	—
CMBS	1,927,260	2,063,149	—	1,927,260	—	—
RMBS	1,106,239	1,308,561	—	1,095,298	10,941	—
Total bonds	19,350,759	21,839,496	180,090	15,076,205	4,094,464	—
Common stock	406,477	425,477	399,913	—	6,564	19,000
Preferred stock	87,672	91,795	346	13,424	73,902	—
Mortgage loans	5,261,815	5,777,094	—	—	5,261,815	—
Derivative instruments:	1,000,352	1,000,352	17,690	982,662	—	—
Policy loans	1,371,148	1,140,199	—	—	1,371,148	—
Short-term investments	—	—	—	—	—	—
Cash equivalents	422,699	422,667	422,699	—	—	—
Surplus notes	138,940	189,487	—	138,940	—	—
Separate account assets	29,478,601	29,478,601	29,205,537	271,258	1,806	—
Total financial assets	<u>\$ 57,518,463</u>	<u>\$ 60,365,168</u>	<u>\$ 30,226,275</u>	<u>\$ 16,482,489</u>	<u>\$ 10,809,699</u>	<u>\$ 19,000</u>
Deferred annuities	\$ 2,414,472	\$ 2,478,466	\$ —	\$ —	\$ 2,414,472	\$ —
Supplementary contracts without life contingencies	189,821	189,821	—	—	189,821	—
Annuity certain contracts	142,635	146,933	—	—	142,635	—
Derivative liabilities	542,743	542,743	10,594	532,149	—	—
Separate account liabilities	24,540,125	24,540,125	24,267,061	271,258	1,806	—
Total financial liabilities	<u>\$ 27,829,796</u>	<u>\$ 27,898,088</u>	<u>\$ 24,277,655</u>	<u>\$ 803,407</u>	<u>\$ 2,748,734</u>	<u>\$ —</u>

The following table provides a summary of financial assets with a not practicable carrying value as of December 31, 2024:

	Carrying value	Effective interest rate	Maturity date	Explanation for investments held at cost
Common stock	\$ 19,000	N/A	N/A	Nonmarketable FHLB membership

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Other Than Fair Value

The Company uses various methods and assumptions to estimate the fair value of financial assets and financial liabilities that are not carried at fair value on the statutory statements of admitted assets, liabilities and capital and surplus.

Refer to note 2 Summary of Significant Accounting Policies and note 6 Derivative Instruments for additional fair value disclosures concerning bonds, cash equivalents, other invested assets and derivatives.

When available, fair values of bonds and surplus notes of unrelated entities are based on quoted market prices of identical assets in active markets and are reflected in Level 1.

When quoted prices are not available, the Company's process is to obtain prices from third party pricing services, when available. The Company generally receives prices from pricing services and maintains a vendor hierarchy by asset type based on historical pricing experience and vendor expertise. The Company's primary pricing service has policies and processes to ensure that it is using objectively verifiable observable market data. The pricing service regularly reviews the valuation inputs for instruments covered and publishes and updates a summary of inputs used in its valuations by major type. The market inputs utilized in the pricing valuation depend on asset class and market conditions but typically include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers, reference data, and industry and economic events. If the pricing service determines it does not have sufficient objectively verifiable information about an instrument's valuation, it discontinues providing a valuation. In this instance, the Company would be required to produce its own internally modeled estimate of fair value.

Prices are reviewed by affiliated asset managers and management to validate reasonability. Instruments with validated prices from pricing services are generally reflected in Level 2. If the pricing information received from third party pricing services is not reflective of market activity or other inputs observable in the market, the Company may challenge the price through a formal process with the pricing service. If the pricing service updates the price to be more consistent in comparison to the presented market observations, the instrument remains within Level 2.

For instruments where quoted market prices are not available or the Company concludes the pricing information received from third party pricing services is not reflective of market activity - generally private placement bonds or bonds that do not trade regularly - a matrix pricing, discounted cash flow or other model is used. The pricing models are developed by obtaining spreads versus the U.S. Treasury yield for corporate bonds with varying weighted average lives and ratings. The weighted average life and rating of a particular instrument to be priced are important inputs into the model and are used to determine a corresponding spread that is added to the U.S. Treasury yield to create an estimated market yield for that instrument. The estimated market yield, liquidity premium, any adjustments for known credit risk, and other relevant factors are then used to estimate the fair value. Certain other valuations are based on independent non-binding broker quotes. Instruments valued using pricing models or broker quotes are reflected in Level 3.

Fair values of mortgage loans are based upon matrix pricing and discounted cash flows. Fair value of policy loans are estimated by discounting expected cash flows. The expected cash flows reflect an estimate for the timing of repayment of the loans and weighted average loan interest rates.

The fair value of deferred annuities and other fund deposits, which have guaranteed interest rates and surrender charges, were calculated using CARVM calculation procedures and current market interest rates. The Company believes this is a reasonable approximation of fair value. Contracts without guaranteed interest rates and surrender charges have fair values equal to their accumulation values plus applicable market value adjustments.

The fair value of supplementary contracts without life contingencies and annuity certain contracts are calculated using discounted cash flows, based on interest rates currently offered for similar products with maturities consistent with those remaining for the contracts being valued.

The carrying amount of short-term borrowed money approximates the fair value. The fair value of long-term borrowed money is estimated based on primarily the borrowing rates currently available to the Company for debt and financial instruments with similar terms and remaining maturities.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued) (in thousands)

(4) Fair Value of Financial Instruments (Continued)

Financial Assets and Financial Liabilities Reported at Other Than Fair Value (Continued)

Certain separate account liabilities represent balances due to policyholders under contracts that are classified as investment contracts. Since these separate account liabilities are fully funded by the cash flows from the separate account assets which are recognized at estimated fair value, the value of those assets approximates the carrying and fair value of the related separate account liabilities. The valuation techniques and inputs for separate account liabilities are similar to those described for separate account assets.

(5) Investments

Bonds and Stocks

The Company's bond portfolio consists primarily of government bonds, public and private corporate bonds, financial asset-backed securities and non-financial asset-backed securities.

The Company invests in private placement bonds to enhance the overall value of its portfolio, increase diversification and obtain higher yields than are possible with comparable publicly traded bonds. Generally, private placement bonds provide broader access to management information, strengthened negotiated protective covenants, call protection features and, frequently, improved seniority of collateral protection. Private placement bonds generally are only tradable subject to restrictions by federal and state securities laws and are, therefore, less liquid than publicly traded bonds.

The Company holds financial asset-backed securities which primarily consist of CMBS and RMBS, as well as loans backed by other financial assets. CMBS may be originated by single or multiple issuers, and are collateralized by mortgage loans secured by income producing commercial properties such as office buildings, multi-family dwellings, industrial, retail, hotels and other property types.

The Company's RMBS portfolio consists of pass-through securities, which are pools of mortgage loans collateralized by single-family residences and primarily issued by government sponsored entities (e.g., GNMA, FNMA and FHLMC), and structured pass-through securities, such as collateralized mortgage obligations, that may have specific prepayment and maturity profiles and may be issued by either government sponsored entities or "private label" issuers. The Company's RMBS portfolio primarily contains loans made to borrowers with strong credit histories. The Company's portfolio consisted of \$942,868 and \$1,199,214 agency backed RMBS and \$211,619 and \$109,347 non-agency backed RMBS as of December 31, 2025 and 2024, respectively. The Company's RMBS portfolio also includes Alt-A mortgage loans to customers who have good credit ratings but have limited documentation for their source of income or some other standards used to underwrite the mortgage loan, and subprime residential loans to customers with weak credit profiles, including mortgages originated using relaxed mortgage-underwriting standards.

The Company's other financial asset-backed securities portfolio consists of securities collateralized by the cash flows of receivables relating to credit cards, automobiles, single family rental properties, manufactured housing and other asset class loans.

Non-financial asset-backed securities are backed by cashflows from container leases, auto leases, wireless tower leases and other cash-generating non-financial assets.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Bonds and Stocks (Continued)

The admitted asset value, gross unrealized gains and losses and estimated fair value of investments in bonds, summarized by asset categories required in the NAIC Annual Statement, were as follows:

December 31, 2025	Admitted asset value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government obligations	\$ 177,468	\$ 36	\$ 26,406	\$ 151,098
Other U.S. government obligations	1,884	—	341	1,543
Non-U.S. sovereign jurisdiction securities	44,955	547	861	44,641
Municipal bonds – general obligation	2,017	—	68	1,949
Municipal bonds – special revenue	170,600	469	8,661	162,408
Total government bonds	396,924	1,052	36,337	361,639
Project finance bonds issued by operating entities	587,246	6,643	25,834	568,055
Corporate bonds	14,886,968	129,226	1,657,922	13,358,272
Single entity backed obligations	714,700	13,206	20,842	707,064
Bonds issued by funds representing operating entities	1,298,603	7,730	48,790	1,257,543
Total corporate bonds	17,487,517	156,805	1,753,388	15,890,934
Agency residential mortgage-backed securities – fully guaranteed	44,030	10	6,880	37,160
Agency residential mortgage-backed securities – not/partially guaranteed	898,839	1,297	116,789	783,347
Non-agency residential mortgage-backed securities	211,619	1,587	5,150	208,056
Non-agency commercial mortgage-backed securities	2,193,294	14,484	76,878	2,130,900
Non-agency – CLOs/CBOs/CDOs ⁽¹⁾	314,763	324	124	314,963
Other financial asset-backed securities – self-liquidating	455,978	6,558	2,026	460,510
Equity-backed securities	44,235	—	3,531	40,704
Total financial asset-backed securities	4,162,758	24,260	211,378	3,975,640
Lease-backed securities – practical expedient	79,001	318	121	79,198
Other non-financial asset-backed securities – practical expedient	244,103	12,176	10,172	246,107
Lease-backed securities – full analysis	14,043	86	—	14,129
Other non-financial asset-backed securities – full analysis	320,767	1,580	15,263	307,084
Non-financial asset-backed securities	657,914	14,160	25,556	646,518
Total	\$ 22,705,113	\$ 196,277	\$ 2,026,659	\$ 20,874,731

(1) Collateralized Loan Obligations/Collateralized Bond Obligations/Collateralized Debt Obligations

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Bonds and Stocks (Continued)

The admitted asset value, gross unrealized gains and losses and estimated fair value of investments in bonds were as follows (Continued):

December 31, 2024	Admitted asset value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government securities	\$ 214,209	\$ —	\$ 34,119	\$ 180,090
Agencies not backed by the full faith and credit of the U.S. government	257,517	158	16,644	241,031
Corporate securities	16,739,273	68,512	2,139,056	14,668,729
Asset-backed securities	1,256,787	6,121	35,498	1,227,410
CMBS	2,063,149	3,579	139,468	1,927,260
RMBS	1,308,561	404	202,726	1,106,239
Total	\$ 21,839,496	\$ 78,774	\$ 2,567,511	\$ 19,350,759

The admitted asset value and estimated fair value of bonds at December 31, 2025, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Admitted asset value	Fair value
Due in one year or less	\$ 425,889	\$ 423,857
Due after one year through five years	3,150,354	3,092,118
Due after five years through ten years	3,654,620	3,554,789
Due after ten years	10,653,578	9,181,809
	17,884,441	16,252,573
Financial and non-financial asset-backed securities	4,820,672	4,622,158
Total	\$ 22,705,113	\$ 20,874,731

The Company had certain bonds with a reported fair value lower than the amortized cost of the investment as follows:

	December 31, 2025			
	Less than 12 months			
	Fair value	Amortized cost	Unrealized losses	Security count
Government bonds	\$ 40,272	\$ 40,813	\$ 541	11
Corporate bonds	1,923,031	1,965,501	42,470	262
Financial asset-backed securities	374,133	375,240	1,107	62
Non-financial asset-backed securities	110,306	115,462	5,156	10
	17,884,441	17,884,441	17,884,441	17,884,441
	December 31, 2025			
	12 months or greater			
	Fair value	Amortized cost	Unrealized losses	Security count
Government bonds	\$ 252,787	\$ 288,583	\$ 35,796	73
Corporate bonds	9,218,357	10,929,275	1,710,918	1,328
Financial asset-backed securities	1,999,439	2,209,710	210,271	383
Non-financial asset-backed securities	214,121	234,521	20,400	33

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Bonds and Stocks (Continued)

The Company had certain bonds with a reported fair value lower than the amortized cost of the investment as follows (Continued):

	December 31, 2024			
	Less than 12 months			
	Fair value	Amortized cost	Unrealized losses	Security count
U.S. government securities	\$ 7,657	\$ 7,850	\$ 193	5
Agencies not backed by the full faith and credit of the U.S. government	120,071	124,103	4,032	25
Corporate securities	3,156,459	3,279,987	123,528	427
Asset-backed securities	443,793	453,136	9,343	66
CMBS	259,586	262,689	3,103	32
RMBS	223,478	228,175	4,697	105
	December 31, 2024			
	12 months or greater			
	Fair value	Amortized cost	Unrealized losses	Security count
U.S. government securities	\$ 172,433	\$ 206,359	\$ 33,926	38
Agencies not backed by the full faith and credit of the U.S. government	111,571	124,183	12,612	53
Corporate securities	9,443,395	11,458,923	2,015,528	1,420
Asset-backed securities	369,675	395,830	26,155	120
CMBS	1,381,738	1,518,103	136,365	101
RMBS	836,722	1,034,751	198,029	277

For bonds where the carrying value exceeds fair value, the Company expects to collect all principal and interest payments, excluding previously recorded OTTI. In determining whether an impairment is other than temporary, the Company evaluates its intent and need to sell a security prior to its anticipated recovery in fair value. The Company performs ongoing analysis of liquidity needs, which includes cash flow testing. Cash flow testing includes duration matching of the investment portfolio and policyholder liabilities. As of December 31, 2025, the Company does not intend to sell and does not believe that it will be required to sell investments with an unrealized loss prior to recovery.

The following paragraphs summarize the Company's evaluation of investment categories where carrying value exceeds fair value as of December 31, 2025.

Agencies not backed by the full faith and credit of the U.S. government are temporarily impaired due to interest rates and not credit-related reasons. Although not backed by the full faith and credit of the U.S. government, these securities generally trade as if they are.

Unrealized losses related to corporate bonds are due to interest rates that are higher, and current market spreads that are wider than at the securities' respective purchase dates. The Company performed an analysis of the financial performance of the underlying issuers and determined that the entire amortized cost for each temporarily-impaired security is expected to be recovered.

ABS are impacted by both interest rates and the value of the underlying collateral. The Company utilizes discounted cash flow models using outside assumptions to determine if an OTTI is warranted.

Government securities are temporarily impaired due to current interest rates and not credit-related reasons. The Company expects to collect all principal and interest on these securities.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Bonds and Stocks (Continued)

The Company's CMBS portfolio had initial ratings of AA or higher and are diversified by property type and geographic location. The Company's CMBS portfolio is primarily super senior and senior securities as opposed to mezzanine or below. Commercial real estate fundamentals have impacted most of the asset class and the Company has recognized OTTI when warranted. As of December 31, 2025, 100.0% of CMBS securities that were in an unrealized loss position for twelve months or longer were investment grade securities (BBB or better).

The Company's RMBS portfolio primarily consists of residential mortgages to prime borrowers. As of December 31, 2025, 81.7% of the RMBS portfolio was invested in agency pass-through securities. All RMBS securities that were in an unrealized loss position for twelve months or longer as of December 31, 2025 were investment grade securities (BBB or better). Credit support for the RMBS holdings remains high.

As of December 31, 2025 and 2024, the Company had 5 5GI bonds with a carrying value of \$14,686 and fair value of \$14,281 and 3 5GI bonds with a carrying value of \$7,733 and fair value of \$7,149, respectively.

At December 31, 2025 and 2024, bonds with a carrying value of \$8,030 and \$8,035, respectively, were on deposit with various regulatory authorities as required by law.

The common stock portfolio is managed with the objective of capturing long-term capital gains with a moderate level of current income. The carrying value of the Company's common stock portfolio totaled \$457,756 and \$425,477 as of December 31, 2025 and 2024, respectively.

The Company had certain common stocks with a reported fair value lower than the cost of the investment as follows:

	Less than 12 months			
	Fair value	Cost	Unrealized losses	Security count
December 31, 2025	\$ 14,558	\$ 15,674	\$ 1,116	17
December 31, 2024	82,066	93,397	11,331	96
	12 months or greater			
	Fair value	Cost	Unrealized losses	Security count
December 31, 2025	\$ 7,790	\$ 9,632	\$ 1,842	1
December 31, 2024	26,691	35,298	8,607	14

Common stocks with unrealized losses at December 31, 2025 primarily represent highly diversified publicly traded common stocks that have positive outlooks for near-term future recovery.

The preferred stock portfolio is primarily made up of mandatory redeemable preferred stocks. The carrying value of the Company's preferred stock portfolio totaled \$91,635 and \$91,795 as of December 31, 2025 and 2024, respectively.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Bonds and Stocks (Continued)

The Company had certain preferred stocks with a reported fair value lower than the cost of the investment as follows:

	Less than 12 months			
	Fair value	Cost	Unrealized losses	Security count
December 31, 2025	\$ —	\$ —	\$ —	—
December 31, 2024	10,376	10,425	49	2
	12 months or greater			
	Fair value	Cost	Unrealized losses	Security count
December 31, 2025	\$ 66,290	\$ 68,450	\$ 2,160	7
December 31, 2024	65,146	69,600	4,454	8

Preferred stocks with unrealized losses at December 31, 2025 primarily represent highly diversified preferred stocks that have positive outlooks for near-term future recovery.

Mortgage Loans

The Company underwrites commercial mortgages on general purpose income producing properties. The Company has defined its portfolio segment as the commercial mortgage loan portfolio in total with the class segments defined as office buildings, retail facilities, apartment, industrial and other properties. Geographic and property type diversification is also considered in analyzing investment opportunities, as well as property valuation and cash flow. The mortgage loan portfolio totaled \$5,706,013 and \$5,777,094 at December 31, 2025 and 2024, respectively.

All of the Company's commercial mortgage loan investments are managed and serviced directly by an affiliate, Securian AM. The Company currently does not hold any condominium commercial mortgage loan, construction, mezzanine or land loan investments.

The Company participates in programs to sell a percentage of ownership of certain newly originated mortgage loans to third parties in order to diversify and mitigate risk. These transactions are accounted for as sales and the portion of each asset sold is legally isolated from the Company with no exposure of loss. Securian AM services the assets for the third party. Certain portions of mortgage loans totaling \$9,390 and \$59,155 were sold during 2025 and 2024, respectively.

The following table shows the composition of the Company's commercial mortgage loan portfolio, net of valuation allowances, by class as of December 31:

	2025	2024
Industrial	\$ 1,646,120	\$ 1,726,765
Office buildings	859,326	841,478
Retail facilities	1,378,113	1,398,927
Apartment	1,555,712	1,553,323
Other	266,742	256,601
Total	<u>\$ 5,706,013</u>	<u>\$ 5,777,094</u>

If information is obtained on commercial mortgage loans that indicates a potential problem (likelihood of the borrower not being able to comply with the present loan repayment terms), the loan is placed on an internal surveillance list, which is routinely monitored by the Company. Among the criteria that would indicate a potential problem are: borrower bankruptcies, major tenant bankruptcies, loan relief/restructuring requests, delinquent tax payments, late payments, and vacancy rates.

A valuation allowance is established when it is probable that the Company will not be able to collect all amounts due under the contractual terms of the loan.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Mortgage Loans (Continued)

The following table provides a summary of the valuation allowance for the mortgage loan portfolio for the years ended December 31:

	2025	2024	2023
Balance at beginning of year	\$ —	\$ 3,714	\$ —
Change in allowance	—	(3,714)	3,714
Balance at end of year	\$ —	\$ —	\$ 3,714

The Company had one delinquent loan with a total carrying value of \$8,394 at December 31, 2025 and no delinquent loans at December 31, 2024.

The Company assesses the credit quality of its mortgage loan portfolio by reviewing the performance of its portfolio which includes evaluating its performing and nonperforming mortgage loans. Nonperforming mortgage loans include loans that are not performing to the contractual terms of the loan agreement. Nonperforming mortgage loans do not include restructured loans that are current with payments and thus are considered performing.

There was one restructured loan with a total carrying value of \$8,394 and \$8,593 in the office buildings class at December 31, 2025 and 2024, respectively. For the years ended December 31, 2025 and 2024, the Company recognized total interest income of \$249 and \$373, respectively. There were no restructured loans that subsequently defaulted during 2025. The Company did not have any outstanding commitments to lend additional funds to borrowers with restructured loans as of December 31, 2025.

Alternative Investments

Alternative investments primarily consist of private equity funds and mezzanine debt funds. Alternative investments are diversified by type, general partner, vintage year, and geographic location – both domestic and international.

The Company's composition of alternative investments by type were as follows:

	December 31, 2025		December 31, 2024	
	Carrying value	Percent of total	Carrying value	Percent of total
Alternative investments:				
Private equity funds	\$ 837,679	70.4 %	\$ 789,602	68.8 %
Mezzanine debt funds	351,557	29.6 %	358,380	31.2 %
Total alternative investments	\$ 1,189,236	100.0 %	\$ 1,147,982	100.0 %

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Net Investment Income

Net investment income for the years ended December 31 was as follows:

	2025	2024	2023
Bonds	\$ 923,218	\$ 835,221	\$ 749,815
Common stocks – unaffiliated	14,732	15,574	22,309
Mortgage loans	252,661	230,739	207,275
Policy loans	51,286	41,788	31,431
Short-term investments	10,266	16,777	10,912
Derivative instruments	7,818	3,040	442
Other invested assets	72,514	76,417	127,599
	<u>1,332,495</u>	<u>1,219,556</u>	<u>1,149,783</u>
Amortization of IMR	(9,511)	(6,523)	(5,395)
Investment expenses	(82,905)	(85,586)	(99,038)
Total	<u>\$ 1,240,079</u>	<u>\$ 1,127,447</u>	<u>\$ 1,045,350</u>

Gross due and accrued interest was \$270,193 and \$243,085 as of December 31, 2025 and 2024, respectively and non-admitted due and accrued income from bonds in default or 90 days past due and non-admitted was \$0 and \$11 in 2025 and 2024, respectively.

Cumulative paid-in-kind interest of \$1,761 and \$5,923 as of December 31, 2025 and 2024, respectively, was included in current principal balance of bonds on the statutory statements of admitted assets, liabilities and capital and surplus. There was no deferred interest as of December 31, 2025 and 2024.

Net Realized Capital Gains (Losses)

Net realized capital gains (losses) for the years ended December 31 were as follows:

	2025	2024	2023
Bonds	\$ (63,763)	\$ (22,294)	\$ (39,810)
Common stocks – unaffiliated	59,422	12,554	15,572
Foreign currency exchange	431	(1,861)	(439)
Mortgage loans	(198)	(2,897)	—
Derivative instruments	151,205	240,922	(82,626)
Other invested assets	34,404	56,191	40,894
	<u>181,501</u>	<u>282,615</u>	<u>(66,409)</u>
Amount transferred to (from) the IMR, net of taxes	48,319	15,730	13,662
Income tax benefit (expense)	(51,670)	(47,105)	(21,653)
Total	<u>\$ 178,150</u>	<u>\$ 251,240</u>	<u>\$ (74,400)</u>

Gross realized gains (losses), on sales of bonds for the years ended December 31 were as follows:

	2025	2024	2023
Bonds:			
Gross realized gains	\$ 5,612	\$ 7,693	\$ 1,964
Gross realized losses	(69,375)	(29,987)	(19,482)

Proceeds from the sales of bonds amounted to \$1,733,056, \$1,642,067, and \$836,207 for the years ended December 31, 2025, 2024 and 2023, respectively.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(5) Investments (Continued)

Net Realized Capital Gains (Losses) (Continued)

The Company did not recognize any wash sales on common stocks with a NAIC designation of 3 or below, or unrated for the years ended December 31, 2025, 2024 and 2023.

OTTI by asset type recognized in net realized capital gains (losses) for the years ended December 31 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Bonds:			
Corporate securities	\$ —	\$ —	\$ 20,436
CMBS	—	—	1,856
Mortgage loans	198	2,897	—
Other invested assets	13,729	3,170	5,407
Total OTTI	<u>\$ 13,927</u>	<u>\$ 6,067</u>	<u>\$ 27,699</u>

In relation to ABS and structured securities, the Company did not recognize any OTTI on the basis of the intent to sell during 2025, 2024 or 2023. The Company did not recognize any OTTI on the basis of the inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis during 2025, 2024 or 2023.

Gross and admitted net aggregate net negative IMR was \$38,377 as of December 31, 2025. Net negative IMR of \$38,398 was related to the general account and net positive IMR of \$21 was related to the separate account. Admitted net negative IMR represents 1.2% of general account adjusted surplus of \$3,253,284 as of December 31, 2025. Fixed income investments generating IMR losses comply with the Company's documented investment or liability management policies and asset sales that generated admitted negative IMR were not compelled by liquidity pressures.

Net Unrealized Investment Gains (Losses)

Changes in unrealized capital gains (losses) for the years ended December 31 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Common stocks – unaffiliated	\$ (19,943)	\$ 13,389	\$ 1,765
Common stocks – affiliated	55,388	32,787	(17,239)
Other invested assets	31,546	(7,902)	(49,025)
Derivative instruments	70,289	(37,130)	321,637
Other	23,403	(9,924)	(5,633)
Deferred tax asset (liability)	(21,803)	6,934	(59,297)
Total	<u>\$ 138,880</u>	<u>\$ (1,846)</u>	<u>\$ 192,208</u>

Cost and gross unrealized gains (losses) on unaffiliated common stocks at December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Cost	\$ 412,542	\$ 360,319
Gross unrealized gains	48,172	85,096
Gross unrealized losses	(2,958)	(19,938)
Admitted asset value	<u>\$ 457,756</u>	<u>\$ 425,477</u>

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(6) Derivative Instruments

Derivatives are financial instruments whose values are derived from interest rates, foreign currency exchange rates, or other financial indices. Derivatives may be exchange-traded or contracted in the OTC market. The Company currently enters into derivative transactions in which hedge accounting is applied and others that do not qualify for hedge accounting, or in certain cases, elects not to utilize hedge accounting. The Company does not enter into speculative positions. Although certain transactions do not qualify for hedge accounting or the Company chooses not to utilize hedge accounting, they provide the Company with an assumed economic hedge, which is used as part of its strategy for certain identifiable and anticipated transactions. The Company uses a variety of derivatives including swaps, swaptions, futures, caps, floors, forwards and option contracts to manage the risk associated with changes in estimated fair values related to the Company's financial assets and liabilities, to generate income and manage other risks due to the variable nature of the Company's cash flows.

Freestanding derivatives are carried on the Company's statutory statements of admitted assets, liabilities and capital and surplus within derivative instruments or as liabilities within other liabilities at estimated fair value as determined through the use of quoted market prices for exchange-traded derivatives and interest rate forwards or through the use of pricing models for OTC derivatives. Derivative valuations can be affected by changes in interest rates, foreign currency exchange rates, financial indices, credit spreads, default risk (including the counterparties to the contract), volatility, liquidity and changes in estimates and assumptions used in the pricing models.

Hedge accounting is applied to certain foreign currency swaps where the swap is designated as an effective fair value hedge of foreign currency denominated fixed maturity securities. Changes in the statement value of the foreign currency swaps due to changes in foreign currency rates are reflected as adjustments to unassigned surplus as a change in net unrealized foreign exchange capital gain (loss) consistent with the hedged item.

The Company formally assesses and measures effectiveness of its hedging relationships both at the hedge inception date and on an ongoing basis in accordance with its risk management policy.

The Company is exposed to various risks relating to its ongoing business operations, including interest rate risk, foreign currency risk and equity market risk. The Company uses a variety of strategies to attempt to manage these risks. The following table presents the notional amount, estimated fair value, and primary underlying risk exposure of the Company's derivative financial instruments held:

Primary underlying risk exposure	Instrument type	December 31, 2025			December 31, 2024		
		Notional amount	Fair value ⁽¹⁾		Notional amount	Fair value	
Assets	Liabilities		Assets	Liabilities			
Derivatives designated as hedging instruments							
Foreign currency	Foreign currency swaps	\$ 506,272	\$ 7,250	\$ 23,418	\$ —	\$ —	\$ —
Total derivatives designated as hedging instruments		\$ 506,272	\$ 7,250	\$ 23,418	\$ —	\$ —	\$ —
Derivatives not designated as hedging instruments							
Interest rate	Interest rate futures	\$ 130,013	\$ —	\$ —	\$ 180,618	\$ —	\$ —
	forwards	375,000	6,063	1,674	415,000	—	32,300
Foreign currency	Foreign currency swaps	—	—	—	220,117	6,831	—
Equity market	Equity market futures	644,314	—	—	833,054	—	—
	options	26,340,068	1,497,024	862,537	19,971,150	993,521	510,443
Total derivatives not designated as hedging instruments		\$ 27,489,395	\$ 1,503,087	\$ 887,629	\$ 21,619,939	\$ 1,000,352	\$ 542,743
Total derivatives		\$ 27,995,667	\$ 1,510,337	\$ 911,047	\$ 21,619,939	\$ 1,000,352	\$ 542,743

(1) Carrying value for derivatives designated as hedging instruments

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(6) Derivative Instruments (Continued)

The majority of the freestanding derivatives utilized by the Company are for specific economic hedging programs related to various annuity and life insurance product liabilities that have market risk. Management considers the sales growth of products and the volatility in the markets in assessing the trading activity for these programs.

Interest rate futures are used by the Company to manage duration in certain portfolios within the general account of the Company. In exchange traded interest rate futures transactions, the Company agrees to purchase or sell a specified number of contracts, the value of which is determined by the different classes of interest rate securities, and to post variation margin on a daily basis in an amount equal to the difference in the daily fair market values of those contracts. The Company enters into exchange-traded futures with regulated futures commission merchants that are members of the exchange. Exchange-traded interest rate futures are used primarily to economically hedge mismatches between the duration of the assets in a portfolio and the duration of liabilities supported by those assets, to economically hedge against changes in value of securities the Company owns or anticipates acquiring, and to economically hedge against changes in interest rates on anticipated liability issuances. The value of interest rate futures is substantially impacted by changes in interest rates and they can be used to modify or economically hedge existing interest rate risk.

Interest rate forwards are used by the Company to economically hedge interest rate risks primarily associated with secondary guarantees on variable annuities. An interest rate forward is an agreement between two parties to exchange a future settlement based upon a predetermined notional amount and forward interest rate.

Foreign currency swaps are used by the Company to offset foreign currency exposure on interest and principal payments of bonds denominated in a foreign currency. In a foreign currency swap transaction, the Company agrees with another party to exchange, at specific intervals, the difference between one currency and another at a fixed exchange rate, generally set at inception, calculated by reference to an agreed upon notional amount. The notional amount of each currency is exchanged at the inception and termination of the currency swap by each party.

Foreign currency forwards are used by the Company to reduce the risk from fluctuations in foreign currency exchange rates associated with its assets and liabilities denominated in foreign currencies. In a foreign currency forward transaction, the Company agrees with another party to deliver a specified amount of an identified currency at a specified future date. The price is agreed upon at the time of the contract and payment for such a contract is made in a different currency in the specified future date.

Equity futures include exchange-traded equity futures as well as VIX futures. VIX futures are used by the Company to reduce the variance of its portfolio of equity assets. The VIX is the index of the implied volatility of the index options and represents the expected stock market volatility over the next 30 day period. In exchange-traded equity futures transactions, the Company agrees to purchase or sell a specified number of contracts, the value of which is determined by the different classes of equity securities, and to post variation margin on a daily basis in an amount equal to the difference in the daily fair market values of those contracts. The Company enters into exchange-traded futures with regulated futures commission merchants that are members of the exchange. Exchange-traded equity futures are used primarily to economically hedge liabilities embedded in certain variable annuity products and certain equity indexed life products offered by the Company.

Equity options are used by the Company to economically hedge certain risks associated with fixed indexed annuity and indexed universal life products that allow the holder to elect an interest rate return or a market component, where interest credited to the contracts is linked to the performance of an index. Certain contractholders may elect to rebalance index options at renewal dates. As of each renewal date, the Company has the opportunity to re-price the indexed component by establishing participation rates, caps, spreads and specified rates, subject to contractual guarantees. The Company purchases equity options that are intended to be highly correlated to the portfolio allocation decisions of the contract holders with respect to returns for the current reset period.

Equity options are also used by the Company to economically hedge minimum guarantees embedded in certain variable annuity products offered by the Company. To economically hedge against adverse changes in equity indices, the Company enters into contracts to sell the equity index within a limited time at a contracted price. The contracts will be net settled in cash based on differentials in the indices at the time of exercise and the strike price. In certain instances, the Company may enter into a combination of transactions to economically hedge adverse changes in equity indices within a pre-determined range through the purchase and sale of options.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(6) Derivative Instruments (Continued)

The following tables present the amount and location of gains (losses) recognized on the statutory statements of operations and capital and surplus from derivatives:

	2025		
	Net realized gains (losses)	Net investment income	Net change in unrealized capital gains and losses
Derivatives designated as hedging instruments			
Foreign currency swaps	\$ (48)	\$ 7,818	\$ (22,898)
Total derivatives designated as hedging instruments	(48)	7,818	(22,898)
Derivatives not designated as hedging instruments			
Interest rate futures	(6,054)	—	3,072
Interest rate forwards	(33,393)	—	36,689
Equity futures	(24,481)	—	5,945
Equity options	215,181	—	47,481
Total derivatives not designated as hedging instruments	151,253	—	93,187
Total gains (losses) recognized from derivatives	<u>\$ 151,205</u>	<u>\$ 7,818</u>	<u>\$ 70,289</u>
	2024		
	Net realized gains (losses)	Net investment income	Net change in unrealized capital gains and losses
Interest rate futures	\$ (3,971)	\$ —	\$ (5,731)
Interest rate forwards	(43,105)	—	(17,286)
Foreign currency swaps	—	3,040	7,271
Equity futures	47,931	—	(4,726)
Equity options	240,067	—	(16,658)
Total gains (losses) recognized from derivatives	<u>\$ 240,922</u>	<u>\$ 3,040</u>	<u>\$ (37,130)</u>

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(6) Derivative Instruments (Continued)

The following tables present the amount and location of gains (losses) recognized on the statutory statements of operations and capital and surplus from derivatives (Continued):

	2023		
	Net realized gains (losses)	Net investment income	Net change in unrealized capital gains and losses
Interest rate futures	\$ (84,107)	\$ —	\$ 5,914
Interest rate forwards	—	—	62,949
Foreign currency swaps	—	442	(552)
Foreign currency forwards	(10,551)	—	12,867
Equity futures	13,876	—	(3,039)
Equity options	(1,844)	—	243,498
Total gains (losses) recognized from derivatives	<u>\$ (82,626)</u>	<u>\$ 442</u>	<u>\$ 321,637</u>

The Company may be exposed to credit-related losses in the event of nonperformance by counterparties to derivative financial instruments. Generally, the current credit exposure of the Company's derivative contracts is limited to the positive estimated fair value of derivative contracts at the reporting date after taking into consideration the existence of netting agreements and any collateral received pursuant to credit support annexes.

The Company manages its credit risk related to OTC derivatives by entering into transactions with highly rated counterparties, maintaining collateral arrangements and through the use of master agreements that provide for a single net payment to be made by one counterparty to another at each due date and upon termination. Because exchange traded futures are purchased through regulated exchanges, and positions are settled on a daily basis, the Company has minimal exposure to credit-related losses in the event of nonperformance by counterparties to such derivative instruments.

The Company enters into various collateral arrangements, which require both the pledging and accepting of collateral in connection with its derivative instruments. The Company's collateral arrangements for its OTC derivatives generally require the counterparty in a net liability position, after considering the effect of netting arrangements, to pledge collateral when the fair value of that counterparty's derivatives reaches a predetermined threshold. The Company received collateral from OTC counterparties in the amount of \$513,410 and \$476,689 at December 31, 2025 and 2024, respectively. Securities collateral received by the Company is held in separate custodial accounts and is not recorded on the statutory statements of admitted assets, liabilities and capital and surplus. Credit agreements with counterparties permit the Company to sell or re-pledge this collateral; at December 31, 2025 and 2024, none of the collateral had been sold or re-pledged. The Company delivered collateral to OTC counterparties in the form of fixed maturity securities with a carrying value of \$0 and cash collateral of \$0 at December 31, 2025. The Company delivered collateral to OTC counterparties in the form of fixed maturity securities with a carrying value of \$10,440 and cash collateral of \$4,182 at December 31, 2024. The Company delivered collateral for futures contracts and exchange traded options in the form of fixed maturity and equity securities with the carrying value of \$104,959 and \$64,855 at December 31, 2025 and 2024, respectively. Securities collateral pledged by the Company is reported in bonds on the statutory statements of admitted assets, liabilities and capital and surplus. Cash collateral pledged is reported as a receivable in other invested assets on the statutory statements of admitted assets, liabilities and capital and surplus.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(7) Separate Accounts

For the Company's PRT and RILA separate accounts for the year ended December 31, 2025, there were no risk charges provided to the general account. The assets backing these products were included in asset-adequacy testing and the Company did not have any assets transfers between the general account and separate accounts other than sales for cash.

For certain products in the separate account, the general account provides a guarantee of certain separate liabilities. For the years ended December 31, 2025, 2024, 2023, 2022 and 2021, the general account paid \$9,872, \$7,920, \$4,236, \$6,487 and \$4,084, respectively, on these guarantees. To compensate the general account for the risk taken, the separate account paid risk charges for the years ended December 31, 2025, 2024, 2023, 2022 and 2021 of \$50,037, \$56,528, \$61,788, \$67,235 and \$70,675, respectively.

Information regarding the separate accounts of the Company was as follows:

	<u>Indexed</u>	<u>Non-indexed guarantee less than/ equal to 4%</u>	<u>Non-indexed guarantee more than 4%</u>	<u>Non- guaranteed</u>	<u>Total</u>
Premiums, considerations or deposits for year ended December 31, 2025	<u>\$ 55,027</u>	<u>\$ 2,601</u>	<u>\$ 710,282</u>	<u>\$ 5,920,898</u>	<u>\$ 6,688,808</u>
Reserves at December 31, 2025					
For accounts with assets at:					
Fair value	\$ —	\$ 239,040	\$ —	\$ 29,003,896	\$ 29,242,936
Amortized cost	<u>55,801</u>	<u>2,802</u>	<u>761,255</u>	<u>—</u>	<u>819,858</u>
Total reserves	<u>\$ 55,801</u>	<u>\$ 241,842</u>	<u>\$ 761,255</u>	<u>\$ 29,003,896</u>	<u>\$ 30,062,794</u>
By withdrawal characteristics:					
With fair value adjustment	\$ —	\$ 194,365	\$ —	\$ —	\$ 194,365
At book value without market value adjustment and with current surrender charge of 5% or more	55,801	—	—	—	55,801
At fair value	—	44,621	—	28,990,178	29,034,799
Not subject to discretionary withdrawal	—	2,856	761,255	13,718	777,829
Total	<u>\$ 55,801</u>	<u>\$ 241,842</u>	<u>\$ 761,255</u>	<u>\$ 29,003,896</u>	<u>\$ 30,062,794</u>

Reconciliation of net transfer to (from) separate accounts:

	<u>2025</u>
Transfers as reported in the summary of operations of the Annual Statement of the Separate Accounts:	
Transfers to separate accounts	\$ 6,688,808
Transfers from separate accounts	<u>(9,796,169)</u>
Net transfers to (from) separate accounts	<u>(3,107,361)</u>
Reconciling adjustments:	
Investment expenses and other activity not included in transfers out in Annual Statement of the Separate Accounts	(43,336)
Transfer included on Line 8.1 of the Life, Accident & Health Annual Statement	3,589,901
Fees associated with charges for investment management and contract guarantees	<u>(88,855)</u>
Total reconciling adjustments	<u>3,457,710</u>
Total transfers reported in the statutory statements of operations	<u>\$ 350,349</u>

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(8) Federal Income Taxes

Federal income tax expense (benefit) varies from amounts computed by applying the federal income tax rate of 21% to the gain from operations before federal income taxes. The reasons for this difference and the tax effects thereof for the years ended December 31 were as follows

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Provision computed at statutory rate	\$ 23,023	\$ 6,005	\$ (47,627)
IMR amortization	1,997	1,370	1,133
Net gain (loss) on reinsurance	(14,194)	(15,303)	8,222
Dividends received deduction	(22,979)	(22,934)	(33,196)
Tax credits	(26,492)	(23,286)	(24,005)
Non-admitted assets	(21,167)	—	(2,893)
Change in valuation allowance	—	(188,000)	(69,000)
Expense adjustments and other	(12,121)	3,786	(1,456)
Total tax	<u>\$ (71,933)</u>	<u>\$ (238,362)</u>	<u>\$ (168,822)</u>
Federal income tax benefit	\$ (51,948)	\$ (48,987)	\$ (85,731)
Tax on capital gains/losses	51,670	47,105	21,653
Change in net deferred income taxes	(71,655)	(236,480)	(104,744)
Total statutory income taxes	<u>\$ (71,933)</u>	<u>\$ (238,362)</u>	<u>\$ (168,822)</u>

The components of income tax expense (benefit) for the years ended December 31 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on income	\$ (25,480)	\$ (25,422)	\$ (61,516)
Tax credits	(26,492)	(23,286)	(24,005)
Tax on capital gains/losses	51,670	47,105	21,653
Other taxes	24	(279)	(210)
Total income tax expense	<u>\$ (278)</u>	<u>\$ (1,882)</u>	<u>\$ (64,078)</u>

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(8) Federal Income Taxes (Continued)

The components of the net deferred tax asset as of December 31 were as follows:

December 31, 2025	Ordinary	Capital	Total
Gross deferred tax assets	\$ 562,396	\$ 41,782	\$ 604,178
Deferred tax assets non-admitted	(64,005)	—	(64,005)
	<u>498,391</u>	<u>41,782</u>	<u>540,173</u>
Deferred tax liabilities	(123,587)	(121,523)	(245,110)
Net admitted deferred tax asset	<u>\$ 374,804</u>	<u>\$ (79,741)</u>	<u>\$ 295,063</u>
December 31, 2024	Ordinary	Capital	Total
Gross deferred tax assets	\$ 510,766	\$ 24,796	\$ 535,562
Deferred tax assets non-admitted	(121,578)	—	(121,578)
	<u>389,188</u>	<u>24,796</u>	<u>413,984</u>
Deferred tax liabilities	(113,446)	(99,817)	(213,263)
Net admitted deferred tax asset	<u>\$ 275,742</u>	<u>\$ (75,021)</u>	<u>\$ 200,721</u>
	Change ordinary	Change capital	Change total
Gross deferred tax assets	\$ 51,630	\$ 16,986	\$ 68,616
Deferred tax assets non-admitted	57,573	—	57,573
	<u>109,203</u>	<u>16,986</u>	<u>126,189</u>
Deferred tax liabilities	(10,141)	(21,706)	(31,847)
Net admitted deferred tax asset	<u>\$ 99,062</u>	<u>\$ (4,720)</u>	<u>\$ 94,342</u>

The amounts of adjusted gross deferred tax assets admitted as of December 31 were as follows:

December 31, 2025	Ordinary	Capital	Total
Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	\$ —	\$ —
Adjusted gross deferred tax assets expected to be realized within three years	265,616	29,447	295,063
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	232,775	12,335	245,110
Deferred tax assets admitted	<u>\$ 498,391</u>	<u>\$ 41,782</u>	<u>\$ 540,173</u>

The adjusted gross deferred tax asset allowed per limitation threshold as of December 31, 2025 was \$295,063.

December 31, 2024	Ordinary	Capital	Total
Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	\$ —	\$ —
Adjusted gross deferred tax assets expected to be realized within three years	187,822	12,899	200,721
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	201,366	11,897	213,263
Deferred tax assets admitted	<u>\$ 389,188</u>	<u>\$ 24,796</u>	<u>\$ 413,984</u>

The adjusted gross deferred tax asset allowed per limitation threshold as of December 31, 2024 was \$200,721.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(8) Federal Income Taxes (Continued)

The ratio percentages used to determine the recovery period and threshold limitation amounts and the amount of adjusted capital and surplus used to determine recovery period and threshold limitation as of December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Ratio percentage	940%	962%
Capital and surplus used	\$ 4,074,745	\$ 3,799,587

As of December 31, 2025 and 2024, the availability of tax planning strategies resulted in no change to the Company's adjusted gross deferred tax assets and net admitted deferred tax assets.

The Company did not use any reinsurance tax planning strategies.

The tax effects of temporary differences that give rise to the Company's net deferred federal tax asset as of December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Deferred tax assets:		
Ordinary:		
Policyholder liabilities	\$ 200,871	\$ 186,775
Deferred acquisition costs	205,408	195,891
Pension and postretirement benefits	43,098	37,867
Non-admitted assets	66,502	45,334
Other	<u>46,517</u>	<u>44,899</u>
Gross ordinary deferred tax assets	562,396	510,766
Valuation allowance	—	—
Non-admitted ordinary deferred tax assets	<u>(64,005)</u>	<u>(121,578)</u>
Admitted ordinary deferred tax asset	498,391	389,188
Capital:		
Investments	41,777	24,796
Other	<u>5</u>	<u>—</u>
Gross capital deferred tax assets	41,782	24,796
Non-admitted capital deferred tax assets	<u>—</u>	<u>—</u>
Admitted capital deferred tax asset	<u>41,782</u>	<u>24,796</u>
Admitted deferred tax assets	540,173	413,984
Deferred tax liabilities:		
Ordinary:		
Investments	17,597	16,730
Fixed assets	8,021	8,145
Policyholder liabilities	8,486	7,329
Computer software	9,987	6,970
Other	<u>79,496</u>	<u>74,272</u>
Gross ordinary deferred tax liabilities	123,587	113,446
Capital:		
Investments	—	162
Net unrealized capital gains	121,459	99,655
Other	<u>64</u>	<u>—</u>
Gross capital deferred tax liabilities	<u>121,523</u>	<u>99,817</u>
Gross deferred tax liabilities	<u>245,110</u>	<u>213,263</u>
Net deferred tax asset	<u>\$ 295,063</u>	<u>\$ 200,721</u>

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(8) Federal Income Taxes (Continued)

As of December 31, 2025 and 2024, management determined that no valuation allowance was required.

The change in net deferred income taxes is comprised of the following:

	2025	2024	Change
Total deferred tax assets	\$ 604,178	\$ 535,562	\$ 68,616
Total deferred tax liabilities	<u>(245,110)</u>	<u>(213,263)</u>	<u>(31,847)</u>
Change in net deferred income tax	<u>\$ 359,068</u>	<u>\$ 322,299</u>	36,769
Tax effect of deferred tax asset / deferred tax liability on unrealized capital gains (losses)			21,803
Tax effect of deferred tax asset on liability for pension benefits			<u>(172)</u>
Net change in deferred income tax			58,400
Tax effect of statutory reserve surplus adjustment on deferred tax asset			<u>13,255</u>
Change in net deferred income tax asset			<u>\$ 71,655</u>

As of December 31, 2025, the Company had no net operating loss carryforwards, capital loss carryforwards or tax credit carryforwards. Total capital income taxes incurred in the current and prior years of \$83,251 are available for recovery in the event of future net losses.

No aggregate deposits were reported as admitted assets under Section 6603 of the IRS Code as of December 31, 2025.

A reconciliation of the beginning and ending balances of unrecognized tax benefits are as follows:

	2025	2024
Balance at beginning of year	\$ 2,054	\$ 2,268
Additions based on tax positions related to current year	330	450
Reductions for tax positions of prior years	<u>(395)</u>	<u>(664)</u>
Balance at end of year	<u>\$ 1,989</u>	<u>\$ 2,054</u>

Included in the balance of unrecognized tax benefits at December 31, 2025 are potential benefits of \$1,989 that, if recognized, would affect the effective tax rate on income from operations.

As of December 31, 2025, accrued interest and penalties of \$208 are recorded as current income tax liabilities on the statutory statements of admitted assets, liabilities and capital and surplus and \$43 is recognized as a current income tax expense on the statutory statements of operations.

At December 31, 2025, the Company does not expect a significant increase in tax contingencies within the next 12 months.

The Company is a non-applicable reporting entity for the purposes of the Corporate Alternative Minimum Tax for the reporting period ending December 31, 2025.

All tax years through 2021 are closed. The IRS has not stated an intention to audit the Company's 2022, 2023 or 2024 consolidated tax return.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(9) Related Party Transactions

The Company has investment advisory agreements with an affiliate, Securian AM. Under these agreements, the Company pays quarterly investment management fees based on total assets managed. Investment management fees paid by the Company were \$33,363, \$33,423 and \$33,841 in 2025, 2024 and 2023, respectively. As of December 31, 2025 and 2024, the amount due to Securian AM under these agreements was \$8,737 and \$8,756, respectively.

The Company also has an agreement with SFS, an affiliated broker-dealer. Under this agreement, SFS was the distributor of the Company's fixed and variable annuity, variable life and certain life and annuity indexed products through a majority of 2023 and SFS remains the distributor of the Company's variable life and annuity products. Fees paid by the Company for the performance of compliance functions for these products totaled \$4,766, \$5,211 and \$1,628 for the years ended December 31, 2025, 2024 and 2023, respectively. The Company also recognized commission expense of \$108,145, \$98,607 and \$98,286 for the years ended December 31, 2025, 2024 and 2023, respectively. The Company recognized commissions payable to SFS in the amounts of \$9,298 and \$6,348 at December 31, 2025 and 2024, respectively.

Under an assignment agreement with SFS, 12(b)-1 fees from the affiliated Securian Funds Trust Funds and the Waddell & Reed Target Portfolios are transferred to the Company. For the years ended December 31, 2025, 2024 and 2023, the amounts transferred were \$15,287, \$14,503 and \$13,653, respectively, and is included in other income in the statements of operations.

The Company has agreements with its affiliates for expenses including allocations for occupancy costs, data processing, employee compensation, advertising and promotion, and other administrative expenses, which the Company incurs on behalf of its affiliates. At December 31, 2025 and 2024, the amount payable to the Company was \$83,182 and \$65,112, respectively. The amount of expenses incurred by and reimbursed to the Company for the years ended December 31, 2025, 2024 and 2023 were \$180,990, \$182,082 and \$211,606, respectively. In addition, the Company has an agreement with SFG for employee compensation related expenses which SFG incurs on behalf of the Company. The amount of expenses incurred by and reimbursed to SFG by the Company for the years ended December 31, 2025, 2024 and 2023 was \$20,559, \$26,399 and \$14,738, respectively, and the amount payable to SFG at December 31, 2025 and 2024 was \$26,792 and \$15,497, respectively. Settlements are made quarterly.

The Company has two group variable universal life and other individual universal life policies with SFG. The Company received premiums of \$2,269, \$0 and \$2,616 in 2025, 2024 and 2023, respectively, for these policies. The Company paid claims totaling \$4,130, \$0, and \$6,120 in 2025, 2024, and 2023, respectively. As of December 31, 2025 and 2024, reserves held under these policies were \$138,470 and \$125,273, respectively.

Allied provides its customers with certain insurance coverage that is underwritten by the Company. The Company paid commissions related to these policies in the amount of \$14,452, \$6,059 and \$11,766 in 2025, 2024 and 2023, respectively.

The Company has an agreement with Securian Life, whereby the Company may issue an individual life policy to certain individuals converting from a group life insurance policy issued by Securian Life or Securian Life may issue an individual life policy to certain individuals converting from a group life insurance policy issued by the Company. Upon issuance of the individual life policy, the Company either receives from or pays to Securian Life a conversion charge. For the years ended December 31, 2025, 2024 and 2023, the Company recognized \$(296), \$318 and \$1,191, respectively of net income (expense) from conversions. The amount receivable from Securian Life at December 31, 2025 and 2024 was \$31 and \$55, respectively. These amounts are settled quarterly.

The Company has an agreement with Securian Life, whereby Securian Life assigns the rights to its profit commission from unrelated third party reinsurers based on its underlying mortality experience to the Company in exchange for a fixed percentage allowance based on the premium reinsured. Under this agreement, which is settled quarterly, the Company recognized expenses of \$689, \$7,569 and \$13,628 recorded in general insurance expenses and taxes on the statutory statements of operations for the years ended December 31, 2025, 2024 and 2023, respectively, and the amount due from Securian Life at December 31, 2025 and 2024 was \$492 and \$1,248, respectively. Depending on Securian Life's mortality experience in any given year, the fixed percentage allowance paid by the Company can be favorable or unfavorable in relation to the profit commission Securian Life has forgone from the unrelated third party reinsurer and assigned to the Company.

The Company sells a percentage of ownership of newly originated mortgage loans to Securian Life. For the years ended December 31, 2025 and 2024, the Company sold \$9,390 and \$59,155, respectively, of mortgage loans to Securian Life.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(9) Related Party Transactions (Continued)

The Company has a reinsurance agreement with Securian Life, whereby the Company assumes certain Group business from Securian Life. Activity is settled monthly. As of December 31, the Company recognized the following amounts on the statutory statements of admitted assets, liabilities and capital and surplus related to this agreement with Securian Life:

	2025	2024
Admitted assets:		
Premiums deferred and uncollected	\$ 186,119	\$ 169,622
Total assets	\$ 186,119	\$ 169,622
Liabilities		
Policy reserves:		
Life insurance	\$ 136,791	\$ 121,208
Accident and health	2,790	2,672
Policy claims in process of settlement	335,121	326,624
Other policy liabilities	533	286
Accrued commissions and expenses	18,387	16,775
Total liabilities	\$ 493,622	\$ 467,565

For the years ending December 31, the Company recognized the following activity, before federal income tax expense (benefit), related to this agreement within the following line items of the statutory statements of operations:

	2025	2024	2023
Revenues:			
Premiums	\$ 1,228,236	\$ 1,044,532	\$ 880,554
Total revenues	1,228,236	1,044,532	880,554
Benefits and expenses:			
Policyholder benefits	1,017,037	901,602	796,124
Commission expense	125,229	106,566	75,470
Total benefits and expenses	1,142,266	1,008,168	871,594
Net income (loss)	\$ 85,970	\$ 36,364	\$ 8,960

Effective October 1, 2020, the Company entered into a reinsurance agreement with 1880 Reinsurance Company (1880 Re), a wholly owned subsidiary of SFG, whereby 1880 Re assumes certain Group business from the Company. Activity is settled quarterly. The Company recaptured this reinsurance agreement effective October 1, 2023.

For the year ending December 31, the Company recognized the following activity, before federal income tax expense (benefit), related to this agreement within the following line items of the statutory statements of operations:

	2023
Revenues:	
Premiums	\$ (146,500)
Commission expense	5,415
Other income	(432)
Total revenues	\$ (141,517)
Benefits and expenses:	
Policyholder benefits	(127,853)
Increase (decrease) in policy reserves	441
Total benefits and expenses	(127,412)
Net income (loss)	\$ (14,105)

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(10) Liability for Unpaid Accident and Health Claims and Claim Adjustment Expenses

Activity in the liability for unpaid accident and health claims and claim adjustment expenses, which is included within accident and health policy reserves and policy claims in process of settlement on the statutory statements of admitted assets, liabilities and capital and surplus, is summarized as follows:

	2025	2024	2023
Balance at January 1	\$ 537,917	\$ 576,713	\$ 617,903
Less: reinsurance recoverable	414,154	443,745	480,886
Net balance at January 1	123,763	132,968	137,017
Incurred related to:			
Current year	141,481	142,283	144,003
Prior years	(19,726)	(17,827)	(11,141)
Total incurred	121,755	124,456	132,862
Paid related to:			
Current year	64,160	62,020	64,632
Prior years	64,271	71,641	72,279
Total paid	128,431	133,661	136,911
Net balance at December 31	117,087	123,763	132,968
Plus: reinsurance recoverable	395,234	414,154	443,745
Balance at December 31	<u>\$ 512,321</u>	<u>\$ 537,917</u>	<u>\$ 576,713</u>

The liability for unpaid accident and health claim adjustment expenses as of December 31, 2025 and 2024 was \$2,206 and \$2,593, respectively, and is included in the table above.

As a result of changes in estimates of claims incurred in prior years, the accident and health claims and claim adjustment expenses incurred decreased \$19,726, \$17,827, \$11,141 in 2025, 2024 and 2023, respectively. The changes in amounts are the result of normal reserve development inherent in the uncertainty of establishing the liability for unpaid accident and health claims and claim adjustment expenses.

The Company incurred \$2,333 and paid \$2,720 of claim adjustment expenses in the current year, of which \$909 of the paid amount was attributable to insured and covered events of prior years.

(11) Business Combinations and Goodwill

As of December 31, 2025 and 2024, there was no goodwill balance resulting from acquisitions made in prior years as it was completely amortized in 2024. Goodwill amortization was \$6,220 and \$6,221 for the years ended December 31, 2024 and 2023 respectively.

(12) Pension Plans and Other Retirement Plans

Pension and Other Postretirement Plans

The Company had a non-qualified non-contributory defined benefit retirement plan covering certain former agents. Benefits are based upon years of participation and the agent's adjusted annual compensation.

Prior to 2024, the Company also had a postretirement plan that provided certain health care and life insurance benefits to certain former agents. Eligibility was determined by age at retirement and years of service. Health care premiums were shared with retirees, and other cost-sharing features included deductibles and co-payments.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(12) Pension Plans and Other Retirement Plans (Continued)

Pension and Other Postretirement Plans (Continued)

The change in the benefit obligation and plan assets for the Company's plans as of December 31 was calculated as follows:

	Pension benefits		Other benefits	
	2025	2024	2025	2024
Change in benefit obligation:				
Benefit obligation at beginning of year	\$ 26,340	\$ 39,362	\$ —	\$ —
Service cost	—	—	—	—
Interest cost	1,386	1,374	—	—
Actuarial loss	151	(2,387)	—	—
Benefits paid	(2,041)	(1,946)	—	—
Curtailments, settlements and other	—	(10,063)	—	—
Benefit obligation at end of year	<u>\$ 25,836</u>	<u>\$ 26,340</u>	<u>\$ —</u>	<u>\$ —</u>
Change in plan assets:				
Fair value of plan assets at beginning of year	\$ —	\$ 54,555	\$ —	\$ —
Actual return on plan assets	—	—	—	—
Employer contribution	2,041	1,946	—	—
Benefits paid	(2,041)	(1,946)	—	—
Curtailments, settlements and other	—	(54,555)	—	—
Fair value of plan assets at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Funded status	\$ (25,836)	\$ (26,340)	\$ —	\$ —
Assets:				
Prepaid plans assets	\$ —	\$ —	\$ —	\$ —
Overfunded plan assets	—	—	—	—
Total assets	—	—	—	—
Liabilities recognized:				
Accrued benefit costs	(25,370)	(26,691)	—	—
Liability for benefits	(466)	351	—	—
Total liabilities recognized	<u>\$ (25,836)</u>	<u>\$ (26,340)</u>	<u>\$ —</u>	<u>\$ —</u>
Unrecognized liabilities	\$ —	\$ —	\$ —	\$ —

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(12) Pension Plans and Other Retirement Plans (Continued)

Pension and Other Postretirement Plans (Continued)

	Pension benefits		Other benefits	
	2025	2024	2025	2024
Weighted average assumptions used to determine benefit obligations:				
Discount rate	5.34 %	5.60 %	— %	N/A
Rate of compensation increase	N/A	N/A	N/A	N/A
Weighted average assumptions used to determine net periodic benefit costs:				
Expected long-term return on plan assets	N/A	N/A	— %	N/A
Discount rate	5.60 %	5.14 %	— %	N/A
Components of net periodic benefit costs:				
Service cost	\$ —	\$ —	\$ —	\$ —
Interest cost	1,386	1,374	—	—
Expected return on plan assets	—	—	—	—
Amount of recognized actuarial loss (gain)	—	—	—	—
Loss due to settlement	—	—	—	—
Net periodic benefit cost	<u>\$ 1,386</u>	<u>\$ 1,374</u>	<u>\$ —</u>	<u>\$ —</u>
Amounts in unassigned surplus recognized as components of net periodic benefit costs:				
Items not yet recognized as a component of net periodic benefit cost – prior year	\$ (351)	\$ 2,036	\$ —	\$ —
Net loss arising during the period	817	(2,387)	—	—
Net gain (loss) recognized	—	—	—	—
Items not yet recognized as a component of net periodic benefit cost – current year	<u>\$ 466</u>	<u>\$ (351)</u>	<u>\$ —</u>	<u>\$ —</u>
Amounts in unassigned surplus expected to be recognized in the next fiscal year as components of net periodic benefit cost:				
Net prior service cost (credit)	\$ —	\$ —	\$ —	\$ —
Net recognized (gains) losses	—	—	—	—
Accumulated benefit obligation	\$ 25,836	\$ 26,340	\$ —	\$ —

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(12) Pension Plans and Other Retirement Plans (Continued)

Pension and Other Postretirement Plans (Continued)

The Company updated its assumptions as of December 31, 2025 and December 31, 2024 with respect to its pension and postretirement benefit obligations after a review of plan experience and economic conditions. The impacts related to assumption changes are a component of the net actuarial gain (loss).

Estimated future benefit payments for pension benefits:

	<u>Pension benefits</u>
2026	\$ 2,310
2027	2,300
2028	2,291
2029	2,266
2030	2,166
2031-2035	9,599

The assumptions presented herein are based on pertinent information available to management as of December 31, 2025 and 2024. Actual results could differ from those estimates and assumptions.

During 2024, administration of the plan was transitioned to an outside third party. As part of the transition, the annuity contract that previously supported the plan was surrendered from the plan.

Profit Sharing Plans

The Company also had a profit sharing plan covering substantially all former agents. The plan was terminated in 2024. The Company's contribution was made as a certain percentage based on voluntary contribution rate and applied to each eligible agent's annual contribution. The Company recognized contributions to the plan during 2023 of \$960.

(13) Capital and Surplus and Dividends

For 2025 and 2024, the Company declared and paid dividends to SFG consisting of common stock in the amount of \$2,488 and \$5,000 respectively.

Dividend payments by Minnesota Life Insurance Company to its parent cannot exceed the greater of 10% of statutory capital and surplus or the statutory net gain from operations as of the preceding year-end, as well as the timing and amount of dividends paid in the preceding 12 months, without prior approval from the Minnesota Department of Commerce. Based on these limitations and 2025 statutory results, the maximum amount available for the payment of dividends during 2026 by Minnesota Life Insurance Company without prior regulatory approval is \$356,552.

For the year ended December 31, 2025, there was no capital contribution from SFG to the Company. For the year ended December 31, 2024, there was a capital contribution of cash in the amount of \$30,000 received from SFG. For the year ended December 31, 2023, there was a capital contribution of cash in the amount of \$250,000 received from SFG.

Other than noted above, there are no restrictions placed on the Company's unassigned surplus, including for whom the surplus is being held.

The Company is required to meet certain minimum risk-based capital (RBC) requirements, which are imposed by the respective state of domicile. The formulas within the RBC calculation were developed by the NAIC. The RBC requirements were designed to monitor capital adequacy and to raise the level of protection for policyholders. Companies that have an RBC ratio below certain trigger points are required to take specified corrective action. The Company exceeded the minimum RBC requirements for the years ended December 31, 2025 and 2024.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(14) Reinsurance

In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding reinsurance to other insurance companies. To the extent that a reinsurer is unable to meet its obligations under the reinsurance agreement, the Company remains liable. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk to minimize its exposure to significant losses from reinsurer insolvencies. Allowances are established for amounts deemed uncollectible. At December 31, 2025 and 2024, policy reserves are reflected net of reinsurance ceded of \$4,486,205 and \$4,570,924, respectively.

Reinsurance is accounted for over the lives of the underlying reinsured policies using assumptions consistent with those used to account for the underlying policies.

The effect of reinsurance on premiums and annuity considerations for the years ended December 31 was as follows:

	2025	2024	2023
Direct premiums and annuity considerations	\$ 7,892,955	\$ 7,624,477	\$ 8,050,495
Reinsurance assumed	1,241,475	1,077,158	909,165
Reinsurance ceded	(3,570,587)	(3,861,001)	(4,623,908)
Total premiums and annuity considerations	<u>\$ 5,563,843</u>	<u>\$ 4,840,634</u>	<u>\$ 4,335,752</u>

The Company has a reinsurance agreement with Securian Life and had a reinsurance agreement with 1880 Re as discussed in detail in note 9 Related Party Transactions which are included in the reinsurance assumed and ceded information above, respectively.

The Company had an Aggregate Stop Loss reinsurance program, in conjunction with Securian Life with a 125% Loss Ratio attachment point and \$110 million of available coverage capacity, through January 1, 2024. No reinsurance credit has been recorded for this program for the years ended December 31, 2025, 2024 and 2023.

Reinsurance recoveries on ceded reinsurance contracts were \$1,392,348, \$1,476,614 and \$1,694,080 during 2025, 2024 and 2023, respectively.

The modified coinsurance payables and receivables on associated separate accounts were each \$21,555,667 and \$21,864,102 at December 31, 2025 and 2024, respectively.

(15) Commitments and Contingencies

The Company is involved in various pending or threatened legal proceedings arising out of the normal course of business. In the opinion of management, the ultimate resolution of such litigation will likely not have a material adverse effect on operations or the financial position of the Company.

The Company has long-term commitments to fund alternative investments and real estate investments totaling \$589,509 as of December 31, 2025. The Company estimates that \$236,000 of these commitments will be invested in 2026, with the remaining \$353,509 invested over the next four years.

As of December 31, 2025, the Company had committed to originate mortgage loans totaling \$102,170 but had not completed the originations.

As of December 31, 2025, the Company had committed to purchase bonds totaling \$109,986 but had not completed the purchase transactions.

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(15) Commitments and Contingencies (Continued)

The Company has 100% coinsurance agreements for its individual disability line, certain closed blocks of individual life and individual annuity products and certain non-affiliated group annuity contracts. Under the terms of these and certain other agreements, assets supporting the reserves transferred to the reinsurers are held under trust agreements for the benefit of the Company in the event that the reinsurers are unable to perform their obligations. At December 31, 2025 and 2024, the assets held in trust were \$3,231,581 and \$3,300,526, respectively. These assets are not reflected in the accompanying statements of admitted assets, liabilities and capital and surplus.

In connection with the dissolution of MIMLIC Life Insurance Company, the Company has agreed to guarantee all obligations and liabilities of MIMLIC Life Insurance Company that arise in the normal course of business. Management does not consider an accrual necessary relating to this guarantee.

The Company is contingently liable under state regulatory requirements for possible assessments pertaining to future insolvencies and impairments of unaffiliated insurance companies. The Company records a liability for future guaranty fund assessments based upon known insolvencies, according to data received from the National Organization of Life and Health Insurance Guaranty Association. At December 31, 2025 and 2024, this liability was \$623 and \$(89), respectively. An asset is recorded for the amount of guaranty fund assessments paid, which can be recovered through future premium tax credits. This asset was \$9,777 and \$8,480 as of December 31, 2025 and 2024, respectively. These assets are being amortized over a five-year period.

(16) Leases

The Company leases space in downtown St. Paul to unaffiliated companies. Commitments to the Company from these agreements are as follows: 2026, \$1,290; 2027, \$1,195; 2028, \$1,092; 2029, \$1,020; 2030, \$916. Income from these leases was \$3,074, \$2,065 and \$2,621 for the years ended December 31, 2025, 2024 and 2023, respectively, and is reported in net investment income on the statutory statements of operations.

(17) Borrowed Money

The Company has entered into a membership agreement with the FHLB, providing an efficient way to set up a borrowing facility with access to low cost funding. The total borrowing capacity is dependent on the amount and type of Company assets. As of December 31, 2025, the Company had no outstanding borrowings recorded in other liabilities on the statutory statements of admitted assets, liabilities and capital and surplus. Interest rates are determined at the reset date and were 4.18% during 2025. The Company paid \$654, \$477 and \$8,091 in interest in 2025, 2024 and 2023, respectively, and had no interest accrued at December 31, 2025 and 2024, respectively, which are recorded in other liabilities and accrued commissions and expenses, respectively, on the statutory statements of admitted assets, liabilities and capital and surplus. During 2025 and 2024, the maximum amount borrowed from the FHLB was \$62,000 and \$750,000, respectively.

The Company pledged general account bonds and mortgage loans with a carrying value and fair value of \$3,748,206 and \$3,501,849, respectively, as collateral for FHLB borrowings as of December 31, 2025. At that time, the Company had the capacity for either long-term or short-term borrowings of approximately \$2,245,771 without pledging additional collateral. If the fair value of the pledged collateral falls below the required collateral for the outstanding borrowed amount, the Company is required to pledge additional collateral. The carrying value and fair value of the maximum amount of general account collateral pledged to the FHLB during 2025 was \$3,748,206 and \$3,501,849, respectively.

Through its membership, the Company has issued funding agreements to the FHLB and utilized the funds for spread lending purposes. As of December 31, 2025 and 2024, the Company had \$700,000 and \$200,000, respectively, of funding agreements which are subject to prepayment obligations reported within other policy liabilities on the statutory statements of admitted assets, liabilities, and capital and surplus.

As of December 31, 2025 and 2024, the Company held FHLB Class A membership stock of \$10,000. The FHLB activity stock was \$31,500 and \$9,000 at December 31, 2025 and 2024, respectively. The FHLB stock is carried at cost and is recorded in common stocks on the statutory statements of admitted assets, liabilities and capital and surplus.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(18) Surplus Notes

In September 1995, the Company issued surplus notes with a face value of \$125,000, at 8.25%, which were due and repaid in 2025. The surplus notes were issued pursuant to Rule 144A under the Securities Act of 1993, underwritten by Goldman, Sachs & Co. and CS First Boston, and were administered by the Company as registrar/paying agent. At December 31, 2025 and 2024, the balance of the surplus notes was \$0 and \$118,000, respectively.

The surplus notes were subordinate to all current and future policyholders interests, including claims, and indebtedness of the Company. All payments of interest and principal on the notes were subject to the approval of the Minnesota Department of Commerce. The accrued interest was \$2,832 as of December 31, 2024. The interest paid in 2025, 2024 and 2023 was \$7,301, \$9,735, and \$9,735, respectively. The total accumulated interest paid over the life of the note as of December 31, 2025 was \$303,845. Interest is included in net investment income in the statutory statements of operations.

(19) Retrospectively Rated Contracts

The Company estimates accrued retrospective premium adjustments for its group life and accident and health insurance business through a mathematical approach using an algorithm of the financial agreements in place with clients.

The amount of net premiums written by the Company at December 31, 2025 that are subject to retrospective rating features was \$623,808 which represented 29.0% of the total net premiums written for group life and accident and health. No other net premiums written by the Company are subject to retrospective rating features.

(20) Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

Individual Annuities

December 31, 2025	General account	Separate account with guarantees	Separate account non- guaranteed	Total	% of total
Subject to discretionary withdrawal:					
With market value adjustment	\$ 1,180,925	\$ 182,429	\$ —	\$ 1,363,354	15.5 %
At book value less current surrender charges of 5% or more	549,000	55,801	—	604,801	6.9 %
At fair value	—	21,755	4,778,319	4,800,074	54.6 %
Total with market value adjustment or at fair value	1,729,925	259,985	4,778,319	6,768,229	77.0 %
At book value without adjustment	1,049,243	—	—	1,049,243	11.9 %
Not subject to discretionary withdrawal	938,469	25,306	14,180	977,955	11.1 %
Total, gross	3,717,637	285,291	4,792,499	8,795,427	100.0 %
Reinsurance ceded	422,815	—	—	422,815	
Total, net	<u>\$ 3,294,822</u>	<u>\$ 285,291</u>	<u>\$ 4,792,499</u>	<u>\$ 8,372,612</u>	
Amount included at book value less current surrender charges of 5% or more that will move to at book value without adjustment in the year after the report date	\$ 34,216	\$ —	\$ —	\$ 34,216	

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(20) Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics (Continued)

Group Annuities

December 31, 2025	General account	Separate account with guarantees	Separate account non-guaranteed	Total	% of total
Subject to discretionary withdrawal:					
With market value adjustment	\$ 3,083,460	\$ —	\$ —	\$ 3,083,460	11.3 %
At book value less current surrender charges of 5% or more	—	—	—	—	0.0 %
At fair value	—	—	18,785,636	18,785,636	68.8 %
Total with market value adjustment or at fair value	3,083,460	—	18,785,636	21,869,096	80.1 %
At book value without adjustment	11,094	—	—	11,094	0.0 %
Not subject to discretionary withdrawal	4,669,317	764,057	—	5,433,374	19.9 %
Total, gross	7,763,871	764,057	18,785,636	27,313,564	100.0 %
Reinsurance ceded	901,493	—	17,899,558	18,801,051	
Total, net	<u>\$ 6,862,378</u>	<u>\$ 764,057</u>	<u>\$ 886,078</u>	<u>\$ 8,512,513</u>	
Amount included at book value less current surrender charges of 5% or more that will move to at book value without adjustment in the year after the report date	\$ —	\$ —	\$ —	\$ —	

Deposit Type Contracts

December 31, 2025	General account	Separate account with guarantees	Separate account non-guaranteed	Total	% of total
Subject to discretionary withdrawal:					
With market value adjustment	\$ —	\$ —	\$ —	\$ —	0.0 %
At book value less current surrender charges of 5% or more	—	—	—	—	0.0 %
At fair value	—	—	—	—	0.0 %
Total with market value adjustment or at fair value	—	—	—	—	0.0 %
At book value without adjustment	1,468,772	—	—	1,468,772	73.6 %
Not subject to discretionary withdrawal	526,981	—	—	526,981	26.4 %
Total, gross	1,995,753	—	—	1,995,753	100.0 %
Reinsurance ceded	15,255	—	—	15,255	
Total, net	<u>\$ 1,980,498</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,980,498</u>	
Amount included at book value less current surrender charges of 5% or more that will move to at book value without adjustment in the year after the report date	\$ —	\$ —	\$ —	\$ —	

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(20) Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics (Continued)

Deposit Type Contracts (Continued)

As of December 31, 2025:

	<u>Amount</u>
Life and Accident and Health Annual Statement:	
Annuities	\$ 10,153,731
Supplementary contracts with life contingencies	3,469
Deposit-type contracts	<u>1,980,498</u>
Total reported on Life and Accident and Health Annual Statement	<u>12,137,698</u>
Annual Statement of the Separate Accounts:	
Exhibit 3 line 0299999, column 2	<u>24,627,483</u>
Total reported on the Annual Statement of the Separate Accounts	<u>24,627,483</u>
Combined total	<u><u>\$ 36,765,181</u></u>

(21) Analysis of Life Actuarial Reserves by Withdrawal Characteristics

<u>December 31, 2025</u>	<u>General account</u>		
	<u>Account value</u>	<u>Cash value</u>	<u>Reserve</u>
Subject to discretionary withdrawal, surrender values or policy loans:			
Term policies with cash value	\$ —	\$ 158	\$ 1,211
Universal life	980,202	1,021,879	1,606,912
Universal life with secondary guarantees	200,467	194,702	664,749
Indexed universal life	7,507,978	7,240,583	8,596,777
Indexed universal life with secondary guarantees	1,699,704	1,498,933	2,351,227
Indexed life	—	—	—
Other permanent cash value life insurance	—	1,045,177	1,350,648
Variable life	164,710	123,508	352,099
Variable universal life	55,048	55,048	55,048
Miscellaneous reserves	3,180,638	2,691,501	3,180,638
Not subject to discretionary withdrawal or no cash values:			
Term policies without cash value	—	—	1,023,785
Accidental death benefits	—	—	22
Disability – active lives	—	—	23,291
Disability – disabled lives	—	—	436,166
Miscellaneous reserves	—	—	262,054
Total	<u>13,788,747</u>	<u>13,871,489</u>	<u>19,904,627</u>
Reinsurance ceded	—	—	2,708,321
Net total	<u>\$ 13,788,747</u>	<u>\$ 13,871,489</u>	<u>\$ 17,196,306</u>

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(21) Analysis of Life Actuarial Reserves by Withdrawal Characteristics (Continued)

December 31, 2025	Separate account - non-guaranteed		
	Account value	Cash value	Reserve
Subject to discretionary withdrawal, surrender values or policy loans:			
Term policies with cash value	\$ —	\$ —	\$ —
Universal life	—	—	—
Universal life with secondary guarantees	—	—	—
Indexed universal life	—	—	—
Indexed universal life with secondary guarantees	—	—	—
Indexed life	—	—	—
Other permanent cash value life insurance	—	—	—
Variable life	5,286,083	4,962,059	5,088,406
Variable universal life	346,904	346,904	346,904
Miscellaneous reserves	—	—	—
Not subject to discretionary withdrawal or no cash values:			
Term policies without cash value	—	—	—
Accidental death benefits	—	—	—
Disability – active lives	—	—	—
Disability – disabled lives	—	—	—
Miscellaneous reserves	—	—	—
Total	5,632,987	5,308,963	5,435,310
Reinsurance ceded	—	—	—
Net total	\$ 5,632,987	\$ 5,308,963	\$ 5,435,310
Grand total	\$ 19,421,734	\$ 19,180,452	\$ 22,631,616

MINNESOTA LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements (Continued)

(in thousands)

(21) Analysis of Life Actuarial Reserves by Withdrawal Characteristics (Continued)

As of December 31, 2025:

	Amount
Life and Accident and Health Annual Statement:	
Exhibit 5, Life insurance section, total (net)	\$ 14,548,982
Exhibit 5, Accidental death benefits sections, total (net)	12
Exhibit 5, Disability – active lives section, total (net)	9,209
Exhibit 5, Disability – disabled lives section, total (net)	381,108
Exhibit 5, Miscellaneous reserves section, total (net)	2,256,995
Subtotal	17,196,306
Separate Accounts Annual Statement:	
Exhibit 3 line 0199999, column 2	5,435,310
Exhibit 3 line 0499999, column 2	—
Exhibit 3 line 0599999, column 2	—
Subtotal	5,435,310
Combined total	\$ 22,631,616

(22) Premium and Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums and annuity considerations at December 31, 2025 were as follows:

	Gross	Net of Loading
Ordinary new business	\$ 7,109	\$ 351
Ordinary renewal business	48,552	29,373
Credit life	95	95
Group life	433	430
Subtotal	56,189	30,249
Premiums due and unpaid	154,052	137,944
Portion of due and unpaid over 90 days	(1,619)	(1,619)
Net admitted asset	\$ 208,622	\$ 166,574

(23) Subsequent Events

Through March 26, 2026, the date these financial statements were issued, there were no material subsequent events that required recognition or additional disclosure in the Company's financial statements.

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Selected Financial Data
December 31, 2025
(in thousands)

Investment Income Earned:	
U.S. Government bonds	\$ 5,161
Other bonds (unaffiliated)	918,057
Bonds of affiliates	—
Preferred stocks (unaffiliated)	3,721
Preferred stocks of affiliates	—
Common stocks (unaffiliated)	14,732
Common stocks of affiliates	—
Mortgage loans	252,661
Real estate	22,769
Premium notes, policy loans and liens	51,286
Cash on hand and on deposit	53
Short-term investments	10,213
Other invested assets	46,509
Derivative instruments	7,818
Aggregate write-ins for investment income	(485)
Gross investment income	<u>\$ 1,332,495</u>
Real Estate Owned - Book Value less Encumbrances	\$ 40,636
Mortgage Loans - Book Value:	
Farm mortgages	\$ —
Residential mortgages	—
Commercial mortgages	5,706,013
Total mortgage loans	<u>\$ 5,706,013</u>
Mortgage Loans By Standing - Book Value:	
Good standing	\$ 5,697,619
Good standing with restructured terms	\$ —
Interest overdue more than 90 days, not in foreclosure	\$ —
Foreclosure in process	\$ 8,394
Other Long Term Assets - Statement Value	\$ 1,639,355
Collateral Loans	\$ —
Bonds and Stocks of Parents, Subsidiaries and Affiliates - Book Value:	
Bonds	\$ —
Preferred stocks	\$ —
Common stocks	\$ 601,631

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Selected Financial Data (Continued)
December 31, 2025
(in thousands)

Bonds, Short-Term Investments and Certain Cash Equivalents by Class and Maturity:

Bonds, Short-Term Investments and Certain Cash Equivalents by Maturity - Statement Value:

Due within one year or less	\$ 1,554,415
Over 1 year through 5 years	6,102,241
Over 5 years through 10 years	4,479,545
Over 10 years through 20 years	4,492,860
Over 20 years	6,176,003
No maturity date	—
Total by maturity	<u>\$ 22,805,064</u>

Bonds, Short-Term Investments and Certain Cash Equivalents by NAIC designation - Statement Value:

NAIC 1	\$ 13,272,759
NAIC 2	9,103,451
NAIC 3	396,209
NAIC 4	17,959
NAIC 5	14,686
NAIC 6	—
Total by NAIC designation	<u>\$ 22,805,064</u>

Total Bonds, Short-Term Investments and Certain Cash Equivalents Publicly Traded	\$ 14,482,935
Total Bonds, Short-Term Investments and Certain Cash Equivalents Privately Placed	\$ 8,322,129

Preferred Stocks - Statement Value	\$ 91,635
Common Stocks - Market Value	\$ 1,059,387
Short-Term Investments and Cash Equivalents - Book Value	\$ 385,652
Options, Caps & Floors Owned - Statement Value	\$ 1,497,024
Options, Caps & Floors Written and In Force - Statement Value	\$ (862,537)
Collar, Swap & Forward Agreements Open - Statement Value	\$ (11,779)
Futures Contracts Open - Current Value	\$ —
Cash on Deposit	\$ (13,755)

Life Insurance In Force:

Industrial	\$ —
Ordinary	\$ 71,917,147
Credit Life	\$ 6,400,796
Group Life	\$ 421,063,366

Amount of Accidental Death Insurance In Force Under Ordinary Policies	\$ 19,579
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Life Insurance Policies with Disability Provisions in Force:

Industrial	\$ —
Ordinary	\$ 170,504
Credit Life	\$ 24,397
Group Life	\$ 1,012,516,265

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Selected Financial Data (Continued)
December 31, 2025
(in thousands)

Supplementary Contracts in Force:		
Ordinary - Not Involving Life Contingencies:		
Amount on Deposit	\$	157,638
Income Payable	\$	24,565
Ordinary - Involving Life Contingencies:		
Income Payable	\$	116
Group - Not Involving Life Contingencies:		
Amount on Deposit	\$	64,149
Income Payable	\$	—
Group - Involving Life Contingencies:		
Income Payable	\$	2,756
Annuities:		
Ordinary:		
Immediate - Amount of Income Payable	\$	114,694
Deferred - Fully Paid - Account Balance	\$	2,394,735
Deferred - Not Fully Paid - Account Balance	\$	4,732,892
Group:		
Immediate - Amount of Income Payable	\$	434,468
Deferred - Fully Paid - Account Balance	\$	—
Deferred - Not Fully Paid - Account Balance	\$	—
Accident and Health Insurance - Premiums In Force:		
Ordinary	\$	—
Group	\$	346,950
Credit	\$	69,862
Deposit Funds and Dividend Accumulations:		
Deposit Funds - Account Balance	\$	1,735,594
Dividend Accumulations - Account Balance	\$	38,382
Claim Payments:		
Group Accident and Health:		
2025	\$	56,704
2024	\$	43,980
2023	\$	4,523
2022	\$	2,475
2021	\$	1,460
Prior	\$	2,323
Other Accident and Health:		
2025	\$	51
2024	\$	—
2023	\$	—
2022	\$	—
2021	\$	—
Prior	\$	—
Other Coverages that use Developmental Methods to Calculate Claims Reserves:		
2025	\$	4,977
2024	\$	4,892
2023	\$	2,237
2022	\$	1,203
2021	\$	511
Prior	\$	519

See accompanying independent auditors' report

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Investment Risks Interrogatories
December 31, 2025
(in thousands)

1.) Total admitted assets (excluding separate accounts): \$ 35,758,031

2.) 10 Largest exposures to a single issuer/borrower/investment:

Issuer	Amount	Percentage
Securian Life Insurance Co	\$ 601,631	1.7 %
Federal National Mortgage Association	\$ 493,585	1.4 %
Federal Home Loan Mortgage Corporation	\$ 390,691	1.1 %
Berkshire Hathaway Inc.	\$ 236,247	0.7 %
Allied Sollutions LLC	\$ 175,546	0.5 %
Sempra	\$ 145,393	0.4 %
Blue Owl Capital Inc	\$ 116,800	0.3 %
National Grid plc	\$ 107,546	0.3 %
Duke Energy Corporation	\$ 104,603	0.3 %
Enbridge Inc.	\$ 102,377	0.3 %

3.) Total admitted assets held in bonds and preferred stocks by NAIC rating:

Bonds	Amount	Percentage	Stocks	Amount	Percentage
NAIC-1	\$ 13,272,759	37.1 %	P/RP-1	\$ 78,025	0.2 %
NAIC-2	\$ 9,103,451	25.5 %	P/RP-2	\$ 12,031	0.0 %
NAIC-3	\$ 396,209	1.1 %	P/RP-3	\$ —	0.0 %
NAIC-4	\$ 17,959	0.1 %	P/RP-4	\$ —	0.0 %
NAIC-5	\$ 14,686	0.0 %	P/RP-5	\$ 1,579	0.0 %
NAIC-6	\$ —	0.0 %	P/RP-6	\$ —	0.0 %

4.) Assets held in foreign investments:

	Amount	Percentage
Total admitted assets held in foreign investments:	\$ 2,670,810	7.5 %
Foreign-currency denominated investments of:	\$ —	0.0 %
Insurance liabilities denominated in that same foreign currency:	\$ —	0.0 %

5.) Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	Amount	Percentage
Countries rated by NAIC-1	\$ 2,640,263	7.4 %
Countries rated by NAIC-2	\$ 664	0.0 %
Countries rated by NAIC-3 or below	\$ 29,883	0.1 %

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Investment Risks Interrogatories (Continued)
December 31, 2025
(in thousands)

6.) Two largest foreign investment exposures to a single country, categorized by the country's NAIC sovereign rating:

Sovereign Rating	Country	Amount	Percentage
Countries rated by NAIC-1	Australia	\$ 583,739	1.6 %
	United Kingdom	\$ 479,341	1.3 %
Countries rated by NAIC-2	Mauritius	\$ 664	0.0 %
		\$ —	0.0 %
Countries rated by NAIC-3 or below	Liberia	\$ 28,000	0.1 %
	Guernsey	\$ 1,883	0.0 %

7.) Aggregate unhedged foreign currency exposure:

Amount	Percentage
\$ 70,538	0.2 %

8.) Aggregate unhedged foreign currency exposure categorized by NAIC sovereign rating:

	Amount	Percentage
Countries rated by NAIC-1	\$ 70,538	0.2 %
Countries rated by NAIC-2	\$ —	0.0 %
Countries rated by NAIC-3 or below	\$ —	0.0 %

9.) Two largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating:

Sovereign Rating	Country	Amount	Percentage
Countries rated by NAIC-1	United Kingdom	\$ 44,172	0.1 %
	Sweden	\$ 12,596	0.0 %
Countries rated by NAIC-2		\$ —	0.0 %
		\$ —	0.0 %
Countries rated by NAIC-3 or below		\$ —	0.0 %
		\$ —	0.0 %

10.) 10 Largest non-sovereign foreign issues:

Issuer	NAIC Rating	Amount	Percentage
Futbol Club Barcelona SL	2PL, 2Z	\$ 100,850	0.3 %
Meriton Holdings Ltd	2PL	\$ 69,726	0.2 %
DCC PLC	2, 2YE	\$ 66,000	0.2 %
CK Hutchison Holdings Ltd	1YE, 2PL	\$ 63,631	0.2 %
Rio Tinto Group	1FE	\$ 63,581	0.2 %
Aptiv PLC	2FE	\$ 60,733	0.2 %
Schwarz Group Gmbh	2	\$ 56,010	0.2 %
SA Power Networks	1, 1YE	\$ 55,889	0.2 %
Vodafone Group Public Limited Company	2FE	\$ 50,464	0.1 %
Trafigura Group Pte Ltd	2PL	\$ 47,500	0.1 %

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Investment Risks Interrogatories (Continued)
December 31, 2025
(in thousands)

- 11.) There were no admitted assets held in Canadian investments and unhedged Canadian currency exposures that exceeded 2.5% of the Company's total admitted assets.
- 12.) There were no admitted assets held in investments with contractual sales restrictions exposures that exceeded 2.5% of the Company's total admitted assets.
- 13.) Admitted assets held in the largest 10 equity interests:

Issuer	Amount	Percentage
Securian Life Insurance Co	\$ 601,631	1.7 %
Allied Sollutions LLC	\$ 175,546	0.5 %
Charles River Funds	\$ 61,842	0.2 %
Genstar Capital Partners Funds	\$ 42,701	0.1 %
Federal Home Loan Bank of des Moines	\$ 41,500	0.1 %
PA Co-Investment Fund	\$ 37,833	0.1 %
Threshold Ventures Funds	\$ 37,518	0.1 %
Lerer Hippeau Funds	\$ 36,886	0.1 %
Gridiron Capital Funds	\$ 36,763	0.1 %
LS Power Equity Partners Funds	\$ 30,204	0.1 %

- 14.) Admitted assets held in nonaffiliated, privately placed equities:

	Amount	Percentage
Aggregate statement value of investments held in nonaffiliated privately placed equities	\$ 1,189,236	3.3 %

3 Largest investments held in nonaffiliated, privately placed equities	Amount	Percentage
Charles River Funds	\$ 61,842	0.2 %
Genstar Capital Partners Funds	\$ 42,701	0.1 %
PA Co-Investment Fund	\$ 37,833	0.1 %

10 Largest fund managers	Total Invested	Diversified	Non-Diversified
Dreyfus Treasury Obligations Cash Management	\$ 277,349	\$ 277,349	\$ —
BlackRock Funds	\$ 190,521	\$ 151,545	\$ 38,976
The Vanguard Group, Inc.	\$ 110,438	\$ 110,438	\$ —
Charles River Funds	\$ 61,842	\$ —	\$ 61,842
Invesco Funds	\$ 48,632	\$ 42,638	\$ 5,994
The Charles Schwab Corporation	\$ 43,367	\$ 43,367	\$ —
Genstar Capital Partners Funds	\$ 42,701	\$ —	\$ 42,701
PA Co-Investment Fund	\$ 37,833	\$ —	\$ 37,833
Threshold Ventures Funds	\$ 37,518	\$ —	\$ 37,518
Lerer Hippeau Funds	\$ 36,886	\$ —	\$ 36,886

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Investment Risks Interrogatories (Continued)
December 31, 2025
(in thousands)

15.) There were no admitted assets held in general partnership interests that exceeded 2.5% of the Company's total admitted assets.

16.) Admitted assets held in mortgage loans:

10 Largest Annual Statement Schedule B aggregate mortgage interests:

Issuer	Type	Amount	Percentage
IRET Apartment Portfolio	Commercial	\$ 54,900	0.2 %
Massry Portfolio	Commercial	\$ 52,583	0.1 %
Hudson Square South Apartments	Commercial	\$ 47,500	0.1 %
Meritex-Atlanta	Commercial	\$ 39,590	0.1 %
Wilshire Union Shopping Center	Commercial	\$ 38,000	0.1 %
Colonnade at Union Mill	Commercial	\$ 33,729	0.1 %
Towers of Colonie Apartments	Commercial	\$ 32,038	0.1 %
The Westchester Shopping Center	Commercial	\$ 31,983	0.1 %
Wharton Industrial Portfolio	Commercial	\$ 29,248	0.1 %
Glenpointe East & Atrium	Commercial	\$ 29,217	0.1 %

Admitted assets held in the following categories of mortgage loans:

Category	Amount	Percentage
Construction loans	\$ —	0.0 %
Mortgage loans over 90 days past due	\$ —	0.0 %
Mortgage loans in the process of foreclosure	\$ 8,394	0.0 %
Mortgage loans foreclosed	\$ —	0.0 %
Restructured mortgage loans	\$ —	0.0 %

17.) Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

Loan-to-Value	Residential		Commercial		Agricultural	
Above 95%	\$ —	0.0 %	\$ 8,394	0.0 %	\$ —	0.0 %
91% to 95%	\$ —	0.0 %	\$ —	0.0 %	\$ —	0.0 %
81% to 90%	\$ —	0.0 %	\$ —	0.0 %	\$ —	0.0 %
71% to 80%	\$ —	0.0 %	\$ —	0.0 %	\$ —	0.0 %
below 70%	\$ —	0.0 %	\$ 5,697,619	15.9 %	\$ —	0.0 %

18.) There were no assets that exceeded 2.5% of the Company's total admitted assets held in each of the five largest investments in one parcel or group of contiguous parcels of real estate reported in the Annual Statement Schedule A.

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Investment Risks Interrogatories (Continued)
December 31, 2025
(in thousands)

19.) There were no admitted assets held in investments held in mezzanine real estate loans that exceeded 2.5% of the Company's total admitted assets.

20.) Total admitted assets subject to the following types of agreements:

Agreement Type	At Year End		At End of Each Quarter			
			1st Qtr	2nd Qtr	3rd Qtr	
Securities lending	\$	— 0.0 %	\$	—	\$	—
Repurchase	\$	— 0.0 %	\$	—	\$	—
Reverse repurchase	\$	— 0.0 %	\$	—	\$	—
Dollar repurchase	\$	— 0.0 %	\$	—	\$	—
Dollar reverse repurchase	\$	— 0.0 %	\$	—	\$	—

21.) Warrants not attached to other financial instruments, options, caps, and floors:

	Owned		Written	
Hedging	\$	— 0.0 %	\$	—
Income generation	\$	— 0.0 %	\$	—
Other	\$	— 0.0 %	\$	—

22.) Potential exposure for collars, swaps and forwards:

	At Year End		At End of Each Quarter			
			1st Qtr	2nd Qtr	3rd Qtr	
Hedging	\$	9,935 0.0 %	\$	1,328	\$	1,337
Income generation	\$	— 0.0 %	\$	—	\$	—
Replications	\$	— 0.0 %	\$	—	\$	—
Other	\$	— 0.0 %	\$	3,763	\$	7,916

23.) Potential exposure for future contracts:

	At Year End		At End of Each Quarter			
			1st Qtr	2nd Qtr	3rd Qtr	
Hedging	\$	28,800 0.1 %	\$	58,700	\$	31,739
Income generation	\$	— 0.0 %	\$	—	\$	—
Replications	\$	— 0.0 %	\$	—	\$	—
Other	\$	— 0.0 %	\$	—	\$	—

MINNESOTA LIFE INSURANCE COMPANY
Summary Investment Schedule
December 31, 2025

Investment Categories	Gross Investment Holdings		Admitted Assets	
Issuer credit obligations				
US government obligations	\$ 177,468	0.51 %	\$ 177,468	0.51 %
Other US government obligations	1,884	0.01 %	1,884	0.01 %
Non-US sovereign jurisdiction securities	44,955	0.13 %	44,955	0.13 %
Municipal bonds - general obligations (direct and	2,017	0.01 %	2,017	0.01 %
Municipal bonds - special revenue	170,600	0.49 %	170,600	0.49 %
Project finance bonds issued by operating entities	587,246	1.70 %	587,246	1.70 %
Corporate bonds	14,886,968	43.07 %	14,886,968	43.08 %
Mandatory convertible bonds	—	— %	—	— %
Single entry backed obligations	714,700	2.07 %	714,700	2.07 %
SVO - identified bond exchange traded funds - fair value	—	— %	—	— %
SVO - identified bond exchange traded funds - systematic value	—	— %	—	— %
Bonds issued by funds representing operating entities	1,298,603	3.76 %	1,298,603	3.76 %
Bank loans - issued	—	— %	—	— %
Bank loans - acquired	—	— %	—	— %
Mortgage loans that qualify as SVO - identified credit	—	— %	—	— %
Certificates of deposit	—	— %	—	— %
Other issuer credit obligations	—	— %	—	— %
Total issuer credit obligations	\$ 17,884,441	51.75 %	\$ 17,884,441	51.76 %
Asset-backed securities				
Financial asset-backed securities - self-liquidating	\$ 4,118,523	11.91 %	\$ 4,118,523	11.92 %
Financial asset-backed securities - non self-liquidating	44,235	0.13 %	44,235	0.13 %
Non financial asset-backed securities	657,914	1.90 %	657,914	1.90 %
Total asset-backed securities	\$ 4,820,672	13.94 %	\$ 4,820,672	13.95 %
Preferred stocks				
Industrial and miscellaneous (unaffiliated)	\$ 91,635	0.27 %	\$ 91,635	0.27 %
Total preferred stocks	\$ 91,635	0.27 %	\$ 91,635	0.27 %
Common stocks				
Industrial and miscellaneous publicly traded (unaffiliated)	\$ —	— %	\$ —	— %
Industrial and miscellaneous other (unaffiliated)	41,500	0.12 %	41,500	0.12 %
Parents, subsidiaries and affiliates other	601,641	1.74 %	601,631	1.74 %
Mutual funds	41,452	0.12 %	41,452	0.12 %
Exchange Traded Funds	374,804	1.08 %	374,804	1.08 %
Total common stocks	\$ 1,059,397	3.06 %	\$ 1,059,387	3.06 %
Mortgage loans				
Commercial mortgages	\$ 5,706,013	16.51 %	\$ 5,706,013	16.51 %
Valuation allowance	—	— %	—	— %
Total mortgage loans	\$ 5,706,013	16.51 %	\$ 5,706,013	16.51 %

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Summary Investment Schedule (Continued)
December 31, 2025

Investment Categories	Gross Investment Holdings		Admitted Assets	
Real estate				
Properties occupied by the company	\$ 40,636	0.12 %	\$ 40,636	0.12 %
Total real estate	\$ 40,636	0.12 %	\$ 40,636	0.12 %
Cash, cash equivalents and short-term investments				
Cash	\$ (13,755)	(0.04)%	\$ (13,755)	(0.04)%
Cash equivalents	385,652	1.12 %	385,652	1.12 %
Short-term investments	—	— %	—	— %
Total cash, cash equivalents and short-term investments	\$ 371,897	1.08 %	\$ 371,897	1.08 %
Policy loans	\$ 1,418,643	4.10 %	\$ 1,417,430	4.10 %
Derivatives	\$ 1,510,337	4.37 %	\$ 1,510,337	4.37 %
Other invested assets	\$ 1,646,308	4.75 %	\$ 1,639,355	4.73 %
Receivable for securities	\$ 16,335	0.05 %	\$ 16,335	0.05 %
Total invested assets	<u>\$ 34,566,314</u>	<u>100.00 %</u>	<u>\$ 34,558,138</u>	<u>100.00 %</u>

See accompanying independent auditors' report

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Reinsurance Risks Interrogatories
December 31, 2025

The following information regarding reinsurance contracts is presented to satisfy the disclosure requirements in SSAP No. 61R, *Life, Deposit-Type and Accident and Health Reinsurance*, which apply to reinsurance contracts entered into, renewed or amended on or after January 1, 1996.

1. Has Minnesota Life Insurance Company reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is subject to Appendix A-791, *Life and Health Reinsurance Agreements*, and includes a provision that limits the reinsurer's assumption of significant risks identified in Appendix A-791?

Examples of risk-limiting features include provisions such as a deductible, a loss ratio corridor, a loss cap, an aggregate limit or other provisions that result in similar effects.

Yes No

If yes, indicate the number of reinsurance contracts to which such provisions apply: _____

If yes, indicate if deposit accounting was applied for all contracts subject to Appendix A-791 that limit significant risks.

Yes No N/A

2. Has Minnesota Life Insurance Company reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is not subject to Appendix A-791, for which reinsurance accounting was applied and includes a provision that limits the reinsurer's assumption of risk?

Examples of risk-limiting features include provisions such as a deductible, a loss ratio corridor, a loss cap, an aggregate limit or other provisions that result in similar effects.

Yes No

If yes, indicate the number of reinsurance contracts to which such provisions apply: _____

1

If yes, indicate whether the reinsurance credit was reduced for the risk-limiting features.

Yes No N/A

N/A as the reinsurance contract did not result in a reinsurance credit.

3. Does Minnesota Life Insurance Company have any reinsurance contracts (other than reinsurance contracts with a federal or state facility) that contain one or more of the following features which may result in delays in payment in form or in fact:

- a. Provisions that permit the reporting of losses to be made less frequently than quarterly;
- b. Provisions that permit settlements to be made less frequently than quarterly;
- c. Provisions that permit payments due from the reinsurer to not be made in cash within ninety (90) days of the settlement date (unless there is no activity during the period); or
- d. The existence of payment schedules, accumulating retentions from multiple years, or any features inherently designed to delay timing of the reimbursement to the ceding entity.

Yes No

(Continued)

MINNESOTA LIFE INSURANCE COMPANY
Schedule of Supplemental Reinsurance Risks Interrogatories (Continued)
December 31, 2025

4. Has Minnesota Life Insurance Company reflected reinsurance accounting credit for any contracts that are not subject to Appendix A-791 and not yearly renewable term reinsurance, which meet the risk transfer requirements of SSAP No. 61R?

Type of contract	Response:	Identify reinsurance contract(s)	Has the insured event(s) triggering contract cover been recognized
Assumption reinsurance – new for the reporting period	Yes <input type="checkbox"/> No		N/A
Non-proportional reinsurance, which does not result in significant surplus relief	Yes <input type="checkbox"/> No		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

5. Has Minnesota Life Insurance Company ceded any risk, which is not subject to Appendix A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statements, and either:

- a. Accounted for that contract as reinsurance under statutory accounting principles (SAP) and as a deposit under generally accepted accounting principles (GAAP); or

Yes No N/A

- a. Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes No N/A

If the answer to item (a) or item (b) is yes, include relevant information regarding GAAP to SAP differences from the accounting policy footnote to the audited statutory-basis financial statements to explain why the contract(s) is treated differently for GAAP and SAP below: