

Our Financial Strength



For an insurance and asset management company, there is nothing more important than financial strength. We take this responsibility very seriously and back it up with our disciplined business practices, sound investment strategies and unique industry expertise. Because of our strong business mix and capital levels, we at The Standard have maintained our focus on providing excellent customer service while still seeking attractive business opportunities. By approaching our commitments with a long-term perspective, we are able to invest for our customers and for our future.

Our balance sheet is the cornerstone of our financial strength and has provided us with a foundation for profitability through a wide range of economic cycles.

Bond Portfolio

Our bond portfolio is strong. Our strategy is to maintain a diversified portfolio of high-quality, fixed-maturity securities to keep us well-protected should any industries experience difficulties.

- average portfolio credit quality rating of “A-” as measured by Standard & Poor’s

Commercial Mortgage Loan Portfolio

Our commercial mortgage loans have consistently provided a superior balance of risk and return. We offer small commercial mortgage loans to borrowers who want a fixed rate over time, and we rigorously underwrite every commercial mortgage loan we make. The quality of our commercial mortgage loan portfolio is excellent. As of Dec. 31, 2018:

- \$6.94 billion portfolio (on approximately 6,000 loans)
- average loan size of approximately \$1.1 million

The Standard Stands the Test of Time

In the July 2018 issue of *Best’s Review*, Standard Insurance Company was recognized for maintaining an “A” rating or higher from A.M. Best Company since 1928. The Standard was honored to be among one of only eight life/health insurers to consistently achieve an “A” rating or higher for the past 90 years. Given rapidly evolving markets, changing customer needs and challenging economic times, this is a significant accomplishment. We are proud of this longstanding track record of financial strength.



Greg Ness
Chairman, President and CEO

Standard Insurance Company Financial Strength Ratings

A+ (Strong) by Standard & Poor’s
fifth of 20 ratings

A1 (Good) by Moody’s
fifth of 21 ratings

A (Excellent) by A.M. Best*
third of 13 ratings

As of January 2019

* Rating includes The Standard Life
Insurance Company of New York

StanCorp Financial Group Long-Term Senior Debt Ratings

Standard & Poor’s: BBB+

Moody’s: Baa1

A.M. Best: bbb+

As of January 2019

Balance Sheet as of Dec. 31, 2018

Assets	\$30.16 billion
Fixed Maturity Securities	54.6% of cash and investments
A- or Higher	61.7%
BBB- to BBB+	32.0%
BB- to BB+	3.7%
B+ or Lower	2.6%
Commercial Mortgage Loans	41.3% of cash and investments
Real Estate and Other Invested Assets	2.2% of cash and investments
Cash and Cash Equivalents	1.9% of cash and investments
Portfolio Yields	
Fixed Maturity Securities	3.71%
Commercial Mortgage Loans	4.64%



Corporate Profile

StanCorp Financial Group, Inc., through its subsidiaries marketed as The Standard — Standard Insurance Company, The Standard Life Insurance Company of New York, Standard Retirement Services, StanCorp Mortgage Investors, StanCorp Real Estate and StanCorp Equities — is a leading provider of financial products and services. StanCorp's subsidiaries offer group and individual disability insurance, group life and accidental death and dismemberment insurance, group dental and group vision insurance, absence management services, retirement plans products and services, individual annuities, and the origination and servicing of fixed-rate commercial mortgage loans. For more information about StanCorp Financial Group, Inc., visit the Investor Relations pages on **standard.com**.

StanCorp Financial Group became part of the Meiji Yasuda family of companies in 2016. The Standard serves as Meiji Yasuda's primary U.S. presence and partner, maintaining its Portland, Oregon, operations and headquarters as well as its employees, management team, brand, product mix, distribution channels and community support.

Meiji Yasuda and The Standard are both leaders in group benefit insurance in their respective markets. Meiji Yasuda, founded in 1881 and headquartered in Tokyo, is the oldest and third largest life insurance company in Japan, with the largest share of group insurance in the Japanese market. With more than 42,000 employees and 6.9 million customers, Meiji Yasuda specializes in group and individual life insurance, bancassurance and group annuity products, and has assets of \$363 billion and premium income of \$25 billion. In addition to Japan, Meiji Yasuda has insurance operations throughout the U.S., Poland, China, Indonesia and Thailand.

Except where indicated, data represents consolidated results for StanCorp Financial Group, Inc.

The Standard is a marketing name for StanCorp Financial Group, Inc., and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon, in all states except New York, where insurance products are offered by The Standard Life Insurance Company of New York of White Plains, New York. Products not available in all states. Product features vary by state and company and are solely the responsibility of each subsidiary. Each company is solely responsible for its own financial condition. Standard Insurance Company is licensed to solicit insurance business in all states except New York. The Standard Life Insurance Company of New York is licensed to solicit insurance business in only the state of New York.