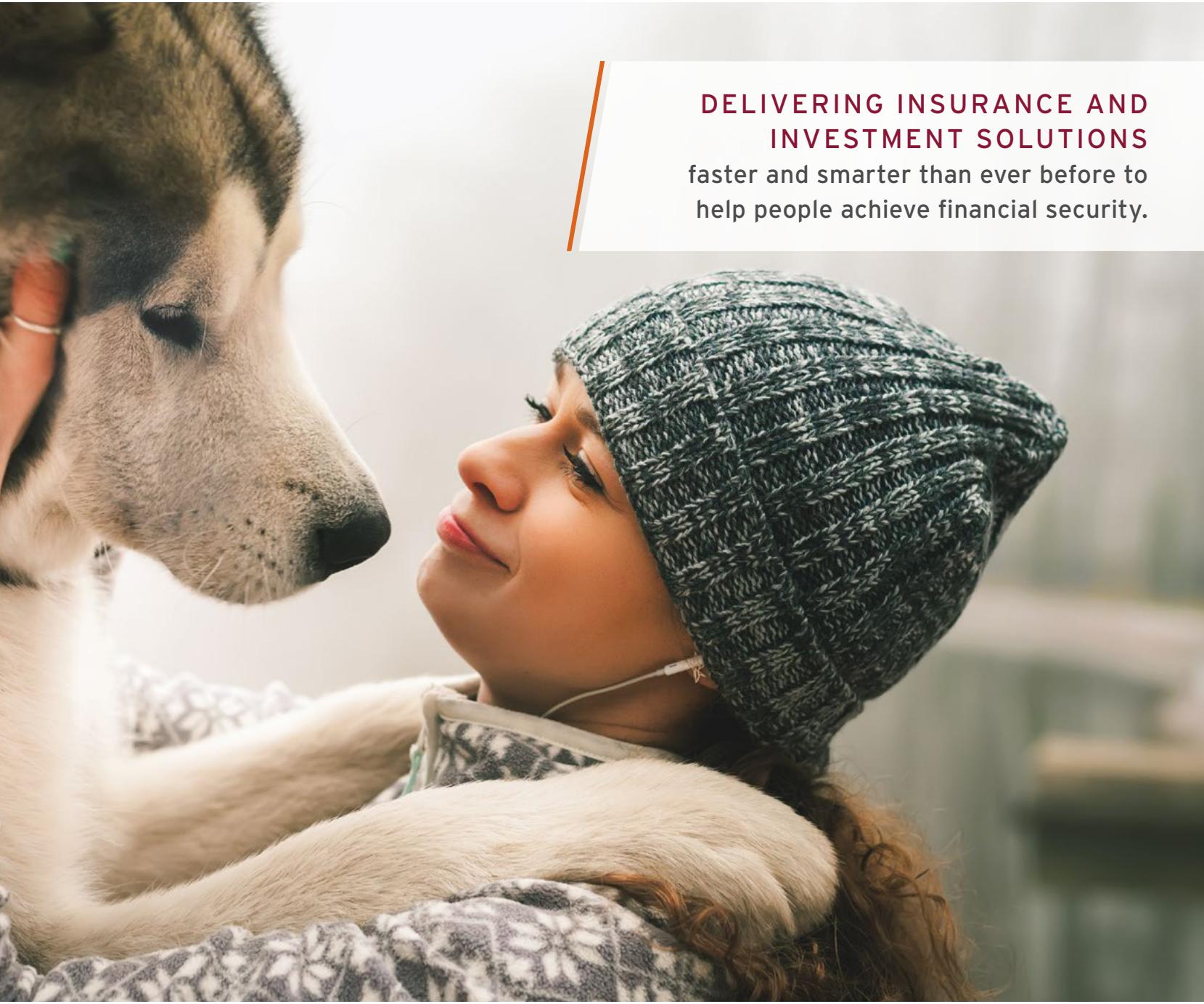




2017

YEAR IN REVIEW

 | CUNA MUTUAL GROUP



**DELIVERING INSURANCE AND
INVESTMENT SOLUTIONS**

faster and smarter than ever before to
help people achieve financial security.

2017
AT A GLANCE

\$1.33B

TOTAL BENEFITS PAID

We deliver on the promises we've made.

95%

**OF CREDIT UNIONS IN
THE U.S. ARE CUSTOMERS**

We protect their business and members
more than any other provider.

24,855

HOURS OF TRAINING

Credit union executives and employees turn to
us every year for expert advice, development
and risk management training.

161,186

SUBMITTED CLAIMS

We protect what matters most when
our customers fall on hard times.

\$27M

CREDIT UNION SYSTEM CONTRIBUTION

Founded by credit union leaders, we are
committed to the movement and provide funds
to support system partners and initiatives that
help credit unions thrive.

To Our **POLICYHOLDERS**

In 2017, we challenged ourselves to explore, create and deliver solutions to help credit unions thrive and people achieve financial security. Our goals were clear – make smart investments, think big and deliver next-gen solutions. Looking back, I'm proud of everything we accomplished.

We launched AdvantEdge Analytics, a comprehensive data and analytics provider. Now, we deliver a solution to the movement that helps credit unions leverage data and analytics, and drive value for their members.

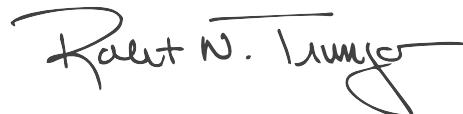
We were one of the first companies to bring two entirely online life insurance products to market, making it easier for families to protect their loved ones. In less than a year, our simplified-issue term life insurance product reached \$1 billion in issued coverage.

While we pushed our innovation strategy forward, our core was tested. To say 2017 was a devastating year for weather-related disasters, would be an

understatement. Hurricanes, wildfires and tornadoes shook the lives of thousands in unimaginable ways. With no water, food, electricity or in some cases, ways to communicate, our top priority was to deliver on the promises we made – not only paying claims, but getting our teams on the ground, knocking on doors and ensuring the well-being of credit unions, employees and their members.

Our 2017 results reflect strong growth, delivering a record balance sheet with assets over \$20 billion and continued strong revenues and net income. In the end, our financial statements illustrate our stability in this ever-changing marketplace.

I'm proud to say that CUNA Mutual Group disrupted the traditional financial services industry in 2017. Looking forward, we will continue to invest in new ideas and learn from our customers so we can continue to serve you for generations to come.





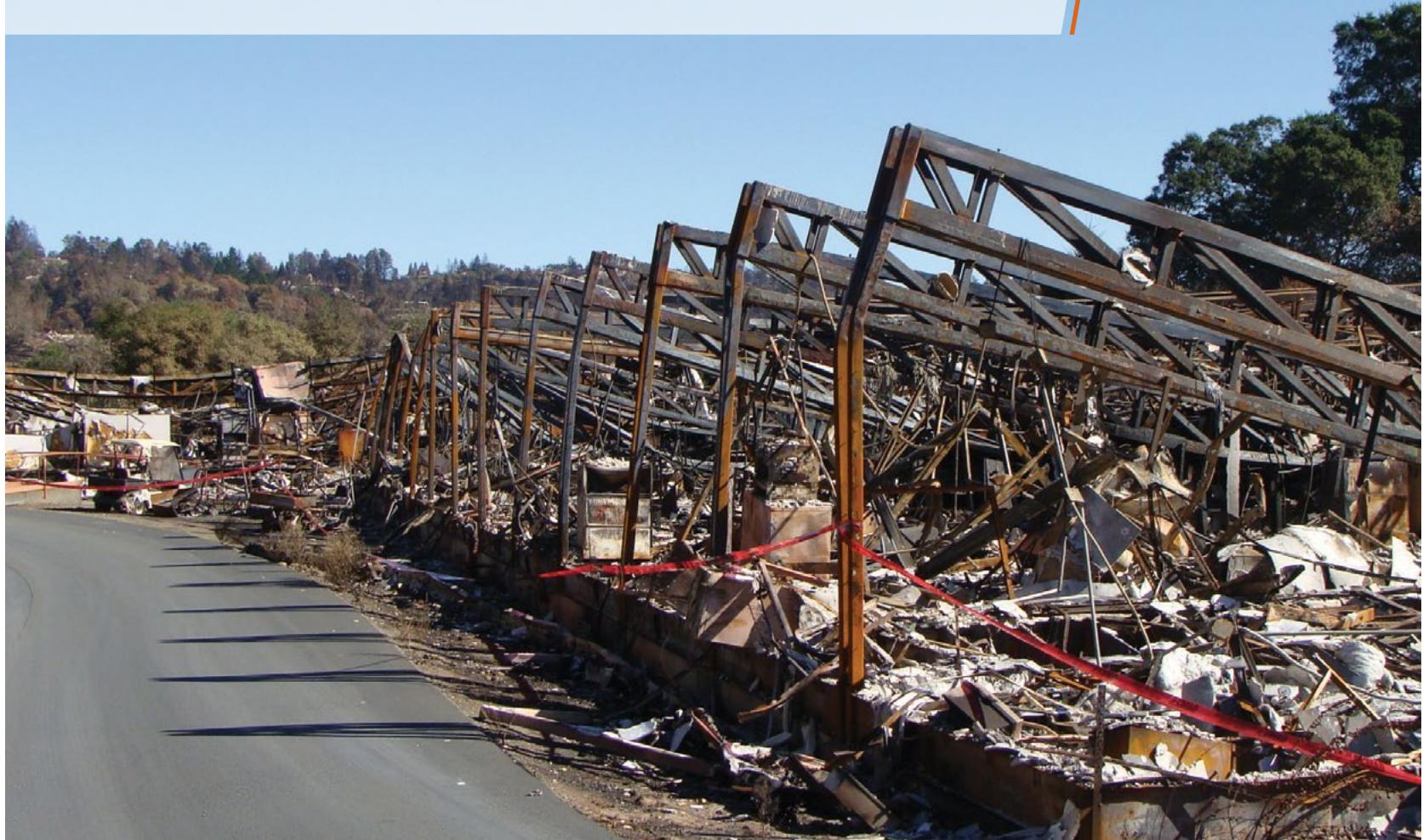
“When we focus on
the customer and
deliver an unparalleled
experience, **good**
things happen.”

ROBERT N. TRUNZO

President & Chief Executive Officer

WHEN YOU NEED US MOST

*We're committed to doing the right things for our customers,
our employees and the communities we call home.*





STEPPING UP IN TIMES OF NEED

When disasters strike, it's our responsibility to step up and deliver on the promises we've made.

We have one job in times of destruction and devastation, and we are unwavering in our pursuit to get our customers back to normal as quickly as possible.

This year was unprecedented. Between August and October, four major disasters – Tropical Storm Harvey in Texas, Hurricane Irma in Florida and the Virgin Islands, Hurricane Maria in Puerto Rico,

and the wildfires in California – wreaked havoc on the lives of millions.

As soon as our team realized the potential threats, resources from all areas of the company were pulled together to ensure immediate, consistent and comprehensive assistance. Our teams monitored the storms, communicated frequently and got on the ground as soon as they were allowed to enter the affected areas.

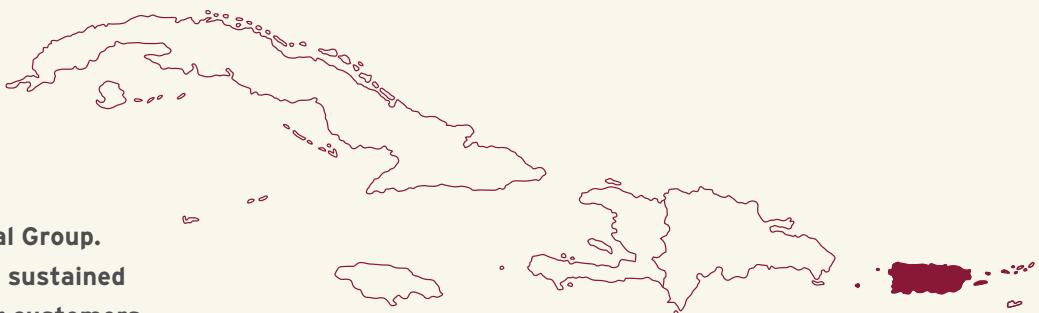
WORST NATURAL DISASTER ON RECORD

Hurricane Maria hit especially close to home for CUNA Mutual Group. While our office in Puerto Rico sustained a small amount of damage, our customers, employees and their families' lives were torn to shreds. Our people were stranded. Credit unions were closed. There was no way to communicate for days.

When Maria hit, "It hit hard," said John Sahagian, Vice President, Marketing & Member Intelligence, Baxter Credit Union (BCU). With 27,000 members, 8 branches and 37 employees in Puerto Rico, leaders at BCU and CUNA Mutual Group were worried when the hurricane barreled down on the island.¹ "We went an entire week without knowing, without any contact with our employees; without having any understanding of their whereabouts, if they were okay, if their houses were intact."

Yesenia Nazario, CUNA Mutual Group Marketing Coordinator in Puerto Rico said, "It was scary. I felt like I was living in another place."

Working closely together, CUNA Mutual Group and BCU got to work right away. "CUNA Mutual Group



came to us and said, 'How can we help?' They knew it was not good, and they were proactive in reaching out to us," John explained.

Even though many of our Puerto Rican team members were displaced themselves, they were relentless in their efforts to support the credit union community. They worked tirelessly to navigate the challenges that faced them.

Yesenia explained, "It was so difficult [to get in and around the country]. I don't know how they did it."

Through strong partnership and persistent efforts, "CUNA Mutual Group played a huge role in getting us back in touch with our employees and making sure they were okay; getting vital supplies to the island; and getting everyone back to the branches," said John. "That's an example of the kind of relationship we have with CUNA Mutual that we have come to know and expect."

SUPPORTING OUR CREDIT UNION COMMUNITY

The CUNA Mutual Group Foundation, our charitable entity, along with our employees donated a total of \$400,000 to the National Credit Union Foundation's CUAid 2017 disaster relief fund.

While most credit union branches in affected areas did not experience significant damage, many employees and members are facing incredible losses that may take years to overcome. In support of our

credit union community, we launched a giving campaign to help credit union staff and members affected by natural disasters. Every dollar – up to \$100,000 – that was donated to CUAid before the end of the year was matched by the CUNA Mutual Group Foundation.

CUAid is the only fund that gives 100 percent of donations to credit unions, its employees and its members to recover from major disasters.²





DRIVING VALUE

*Investing in new technology, building new partnerships
and delivering insights to enrich the industry.*



FILLING THE INDUSTRY'S BIGGEST GAPS

We've been around for more than 80 years, but that doesn't mean we can't act like a start-up.

We know that doing what we've always done is not enough.

People are more willing than ever to throw their loyalty to the wayside and work with new providers – ones that make purchasing and servicing experiences seamless. To drive value for our customers, we're facing challenges like this head on and developing solutions that fill some of the industry's biggest gaps.



AdvantEdge Analytics

CUNA MUTUAL GROUP

DRIVING RESULTS & ENHANCING THE EXPERIENCE

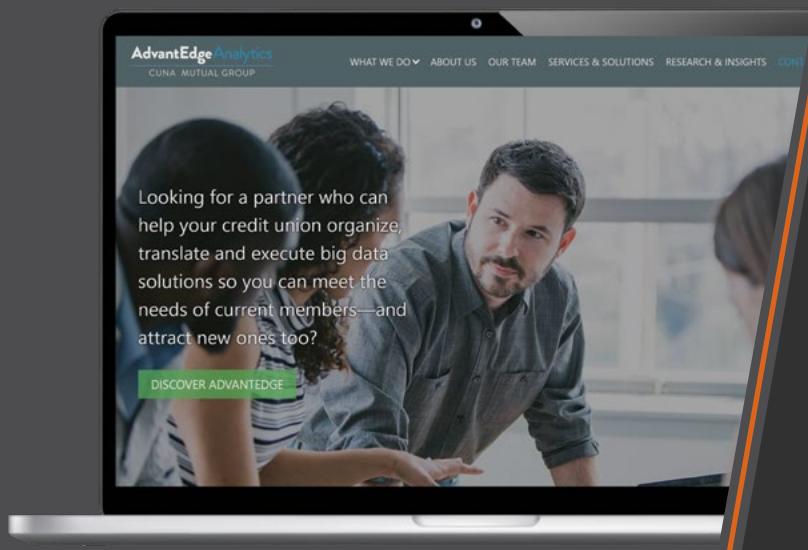
Credit unions are rich with data. Trying to mine, manage, warehouse, analyze, visualize, and integrate data on your own can be time-consuming, inefficient, and expensive. The launch of AdvantEdge Analytics – a new data and analytics technology and services business available to credit unions – delivers the most integrated end-to-end solution for strengthening a credit union's market share and enhancing the member experience.

With our extensive history in the credit union movement, we understand the unique marketplace and regulatory challenges credit unions face. Our AdvantEdge Analytics teams do not merely hand over models, software and insights, and then walk away. They stand alongside you, taking a hands-on, consultative approach – helping you reap the full benefits of your investment. From launching a call center to a digital marketing campaign, we believe we're partners in your data and analytics journey.



CHARTER MEMBERS

As charter members, these credit unions are partnering with AdvantEdge Analytics to offer industry insights and strategic guidance that will enhance data management services and benefit the credit union movement.



Affinity Plus Federal Credit Union

Altra Federal Credit Union

Baxter Credit Union (BCU)

Chartway Federal Credit Union

Coastal Credit Union

Idaho Central Credit Union

Local Government Federal Credit Union

Orange County's Credit Union

Randolph-Brooks Federal Credit Union

Spokane Teachers Credit Union (STCU)

Visions Federal Credit Union

Learn more at advantedgeanalytics.com

“AdvantEdge Analytics had the most robust and flexible technology, compared to other providers, which will allow RBFCU to look to the future and expand as needed.”

RANDY CARSWELL

Randolph-Brooks Federal Credit Union



BRINGING YOU INNOVATIVE SOLUTIONS

It's our history and your feedback that fuel our innovation. We're honored to be recognized by these reputable organizations. For us, creating new solutions to meet your needs is just the way we do business.

DIGITAL AND OMNICHANNEL MODEL INSURER

Celent, a global research and advisory firm focused on financial services technology, recognized our consumer brand, TruStage®, for its simplified-issue term life insurance product.³ Designed using consumer feedback and retail best practices, this product is particularly appealing to younger consumers because the purchase experience is entirely online. The application process only takes a few minutes, and the completely automated underwriting platform delivers a decision in minutes. In less than a year, more than \$1 billion in coverage was issued.



DISTINGUISHED PERFORMER AWARD FOR INNOVATION

CUNA Mutual Group was again honored as part of Deloitte's Wisconsin 75 program.⁴ The annual list recognizes Wisconsin's largest private companies and showcases their impact on the state's economy and communities.

The recognition comes as we bring new solutions to market that serve the needs of credit unions and consumers including, CMFG Ventures – our venture capital entity, AdvantEdge Analytics – our data and analytics business, SafetyNet™ – a first-of-its-kind to market insurance product, and an innovation center testing new ways to protect against risks not traditionally covered by insurance.

MAKING GOOD HAPPEN

From our philanthropy, inclusion and sustainability efforts, to the quality of our products and services, our employees work hard to make a difference and help people achieve financial security.

2017

GIVING HIGHLIGHTS

\$2.38M

DONATED TO SUPPORT
OUR COMMUNITIES

\$599K

RAISED FOR NON-PROFITS
BY STAFF

8,540

PAID COMMUNITY
SUPPORT HOURS



PROTECTING OUR ENVIRONMENT

With more than 80 years of heritage focused on helping people, we are dedicated to protecting our environment for future generations.

We continuously enhance the performance of our ENERGY STAR® buildings, embrace responsible sourcing, share information electronically, capitalize on our green space and engage our employees in sustainable practices.

In September, we broke ground to implement solar power at our Waverly, Iowa, location. The system is projected to produce more than 400,000 kilowatts of power in its first year. This represents approximately 20% of the facility's total power use.

Over the course of the system's 25-year life expectancy, we'll reduce our carbon footprint by more than 9,000 tons of carbon dioxide. That's equivalent to planting more than 200,000 trees,

recycling 28,000 tons of waste, displacing carbon dioxide emissions from the annual electrical use of about 1,000 homes and more than 8 million pounds of coal burned.⁵

In addition to adding solar power, our employees are committed to helping us reduce our environmental footprint. They look for new ways to reduce waste, recycle and travel green – take the bus, bike, carpool, walk and/or telecommute – each year. Because of them, our company headquarters is designated as a "Bicycle Friendly Business" by the League of American Bicyclists; one of only 56 businesses in the state of Wisconsin.⁶





FOSTERING AN INCLUSIVE CULTURE

Embracing differences and promoting equity is one of our founding principles.

Like the credit unions and communities we serve, we know we're stronger when we leverage the diverse backgrounds, skills, knowledge and perspectives of our customers, vendors and employees.

Whether it's financial, racial, religious, gender or sexual orientation, we appreciate the differences that make each of us unique. We take steps every

year to make sure our organization is even more equitable and inclusive. From introducing a supplier diversity program that provides opportunities for businesses owned by diverse groups, to partnering with historically black colleges and universities on scholarship and employment programs, we foster a culture where all feel welcome, connected, supported and valued.

ACTING WITH INTEGRITY

We know our customers trust us, and we take that seriously.

From our philanthropy, diversity, inclusion and sustainability efforts, to the quality of our products and services, we promote a culture where being forthright, honest and fully transparent is expected.

All of our leaders and employees are encouraged to speak up and, in good faith, hold others accountable because we believe doing the right thing is the only way to do business.

STANDING UP. STANDING OUT

We're proud to say distinctions are a reflection of our people, vision, values and the impact we have on others.



2017 WORLD'S MOST ETHICAL COMPANY®

Underscoring the company's commitment to leading ethical business standards and practices, the Ethisphere® Institute, a global leader in defining and advancing the standards of ethical business practices, recognized us as one of only seven recipients in the Financial Services industry.⁷



#2 MOST REPUTABLE INSURANCE COMPANY IN U.S.

The Reputation Institute's 2017 U.S. Insurance RepTrak®, the survey of insurance company reputations, ranked CUNA Mutual Group second overall for the most reputable insurance companies in the United States and number one in the life and investment category.⁸



BEST PLACES TO WORK FOR LGBT EQUALITY

For advancing vital policies and practices to protect lesbian, gay, bisexual and transgender workers, CUNA Mutual Group earned a perfect score on the Human Rights Campaign Foundation's Corporate Equality Index.⁹



SERVICE MEMBER PATRIOT AWARD

The Employer Support for the Guard and Reserve – a Department of Defense program – recognized six of CUNA Mutual Group's leaders as patriotic employers for contributing to national security, and protecting liberty and freedom, by supporting employee participation in America's National Guard and Reserve.¹⁰

"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.

GIVING BACK

We support the sustainable development of our communities.

We are proud to support organizations and efforts that help strengthen our communities and the lives of the people who live in them. From donating money to providing professional services to help local nonprofits develop vital skills for managing their organizations, our teams are deeply passionate and work hard to make a profound effect on the lives of those in need.

Our employees, along with the CUNA Mutual Group Foundation, give back in many ways. On Martin Luther King, Jr. Day, nearly 500 of our employees joined millions of passionate people around the country for a day of service – turning a traditional day off into a “day on.” They cleaned, painted, prepared meals, provided IT support and consulted with local nonprofit organizations. Even staff who couldn’t leave the office gave back by writing letters to active service personnel and running donation drives for those in need.

We also partnered with organizations like Habitat for Humanity and the United Way. Bob Trunzo, our President & CEO, was honored to be the United Way of Dane County Campaign Chair, and four employees worked for the organization as loaned executives raising millions of dollars to support our communities. And when a Madison-based program that serves mentally ill homeless people announced it lost its federal funding and would have to close, the CUNA Mutual Group Foundation stepped up and donated \$100,000 to keep the doors open. Safe Haven’s Porchlight program serves the community’s most vulnerable, and is an entry point to resources and the shelter system for many clients. CUNA Mutual Group has partnered with Porchlight for many years as the program supports our purpose of advancing financial stability.



With deep roots in the credit union movement, **we believe in the “people helping people” philosophy.**



FINANCIAL RESULTS

“ Financially, we are strong and vibrant. This allows us to invest in new ways to serve our customers. At the same time, invest in our employees – their skills and leadership – as well as our communities.”

THOMAS J. MERFELD
Executive Vice President, Chief Financial Officer

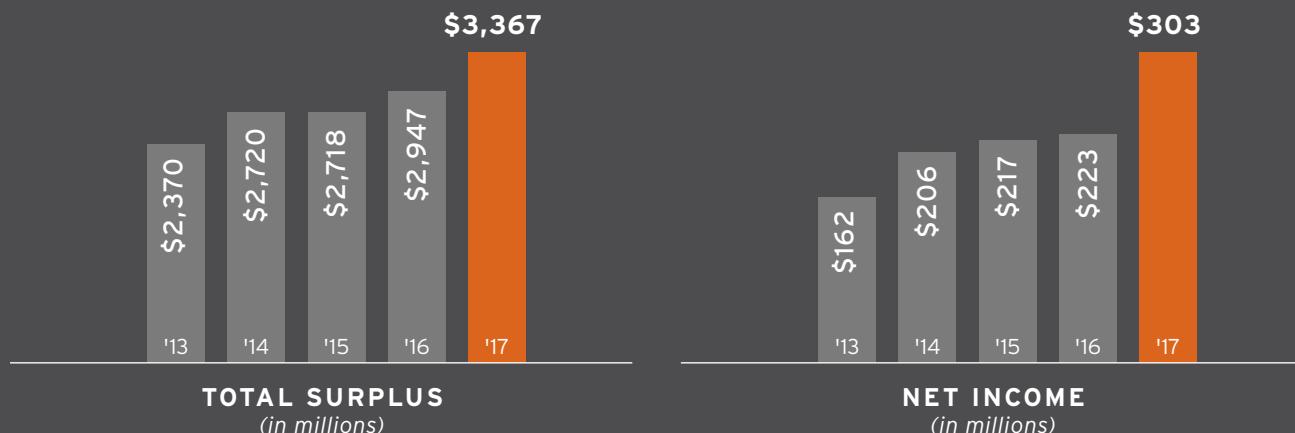
Our financial strength ratings illustrate our stability in this ever-changing marketplace.^{*, 11, 12, 13}



* Ratings apply to CMFG Life Insurance Company and its subsidiaries, MEMBERS Life Insurance Company, and CUMIS Insurance Society, Inc. A.M. Best also rated CUMIS Specialty Insurance Company, Inc. Ratings are subject to change.

2017 FIVE-YEAR PERFORMANCE

Unaudited

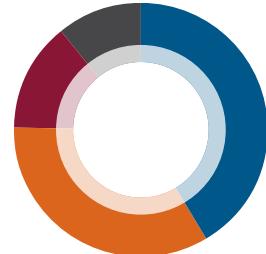


CONSOLIDATED STATEMENTS OF OPERATIONS

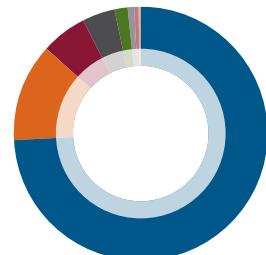
For the years ended December 31, 2017, 2016 and 2015. Amounts in millions/unaudited.

REVENUES	2017	2016	2015
Life and health premiums, net	\$ 1,537	\$ 1,456	\$ 1,426
Property and casualty premiums, net	867	798	742
Net investment income	698	598	525
Realized capital gains (losses)	(22)	(30)	10
Commission and fee income	340	313	301
Other income	121	136	121
Total revenues	3,541	3,271	3,125
BENEFITS AND EXPENSES			
Life and health insurance claims and benefits	1,040	955	928
Property and casualty insurance loss and loss adjustment expenses	590	516	463
Interest credited to policyholder account balances	143	135	132
Policyholder dividends	26	25	25
Operating and other expenses	1,372	1,323	1,275
Total benefits and expenses	3,171	2,954	2,823
Income from continuing operations before income taxes and equity of unconsolidated affiliates	370	317	302
Income tax expense	63	94	104
Income from continuing operations before equity of unconsolidated affiliates	307	223	198
Equity income (loss) in unconsolidated affiliates, net of tax	(7)	(3)	–
Income from continuing operations	300	220	198
Discontinued operations, net of tax	3	3	19
Net income	\$ 303	\$ 223	\$ 217

REVENUE by strategic business unit



DISTRIBUTION OF INVESTED ASSETS



CONSOLIDATED BALANCE SHEETS

As of December 31, 2017 and 2016. Amounts in millions/unaudited.

ASSETS	2017	2016	LIABILITIES AND POLICYHOLDERS' SURPLUS	2017	2016
Debt securities			Liabilities		
at fair value	\$ 12,053	\$ 10,730	Insurance and annuity reserves	\$ 12,005	\$ 10,711
Equity securities at fair value	109	84	Unearned premiums	514	464
Mortgage loans	2,039	1,797	Notes and interest payable	580	536
Real estate, at cost less accumulated depreciation	18	21	Dividends payable to policyholders	12	12
Policy loans	104	104	Reinsurance payable	87	85
Limited partnerships	978	842	Net deferred tax liability	86	11
Other invested assets	672	266	Other liabilities	1,124	807
Cash and cash equivalents	278	294	Liabilities of discontinued operations	12	17
Total cash and investments	16,251	14,138	Separate account liabilities	2,808	2,883
Accrued investment income	121	114	Total liabilities	17,228	15,526
Premiums receivable, net	322	300	Policyholders' surplus	3,367	2,947
Reinsurance recoverables	154	132	Total liabilities and policyholders' surplus	\$20,595	\$18,473
Deferred policy acquisition costs	569	520			
Other assets	368	383			
Assets of discontinued operations	2	3			
Separate account assets	2,808	2,883			
Total assets	\$20,595	\$18,473			

FINANCIAL FOOTNOTE

These results are for CUNA Mutual Holding Company and its subsidiaries and are derived from consolidated financial statements, which are prepared in accordance with Generally Accepted Accounting Principles.

To receive a copy of the complete financial statements, including the independent auditors' report, write to:

CUNA Mutual Group, External Reporting-Finance
P.O. Box 391
Madison, WI 53705-0391

Or visit www.cunamutual.com to view the audited financial statements on the "Financial Information" page.

OUR LEADERS

Our leadership structure is designed to help us understand and respond to customers' needs.

BOARD OF DIRECTORS

Robert J. Marzec

Board Chair
Retired Audit Partner,
PricewaterhouseCoopers,
Minneapolis, Minnesota

Caren C. Gabriel

President & CEO, Ascend Federal Credit Union, Tullahoma, Tennessee

Thomas C. Godlasky

Retired CEO, Aviva North America, West Des Moines, Iowa

Bert J. Hash Jr.

Retired President & CEO, MECU of Baltimore, Inc., Baltimore, Maryland

Angela K. Owens

President & CEO, American Airlines Federal Credit Union, Fort Worth, Texas

Jacqueline S. Shoback

CEO, Emerging Businesses & Client Experience, Boston Private Financial Holdings, Boston, Massachusetts

Randy M. Smith

Retired President & CEO, Randolph-Brooks Federal Credit Union, Live Oak, Texas

Robert N. Trunzo

President & CEO, CUNA Mutual Group, Madison, Wisconsin

Michael G. Valentine

Board Vice Chair
CEO, BCU, Vernon Hills, Illinois

Janet V. Whitehouse

President, Wentworth Advisory Group, Rye, New Hampshire

James W. Zilinski

Retired President, CEO & Chair, Berkshire Life Insurance Company, Pittsfield, Massachusetts

EXECUTIVE VICE PRESIDENTS

David G. Brown, Chief Investment Officer

Cedric Ellis, Chief Enterprise Services Officer

Thomas J. Merfeld,

Chief Financial Officer

Jim Power, Chief Experience Officer

Laurie Winger, Chief Products Officer

SENIOR VICE PRESIDENTS

Mike Anderson, Chief Legal Officer

Michael Briggs, Customer Transformation & Innovation

Paul Chong, Retirement Plan Services

Chris Copeland, Life & Annuity Solutions

Michael Defnet, Business Experience

Cami Douglas, Business Finance & Tax

Dan Kaiser, Payment Security

Kevin Lentz, Consumer Planning & Transformation

Tom Martorana, Shared Services

Linda Nedelcoff, Chief Human Resources Officer

Tim Peterson, CUNA Mutual AdvantEdge Analytics

Christopher Roe, Corporate & Legislative Affairs

Susan Sachatello, Consumer Experience

David Sweitzer, Wealth Management & Sales

Andrew Tessier, Chief Information Officer

John Wallace, Business Development

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Jamaica
Puerto Rico
Trinidad/Tobago

Call us: 800.356.2644

Additional information about
CUNA Mutual Group can be found
at www.cunamutual.com.

For the latest news about our company,
people and industry, find us on:



*Because limited copies of this report were printed, significant savings were realized and resources conserved.
Anyone viewing the report online can make the choice whether to download and print a copy of this report for personal use.*

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. TruStage® Insurance products and programs are made available through TruStage Insurance Agency, LLC and issued by CMFG Life Insurance Company and other leading insurance companies.

FOOTNOTES

1. Baxter Credit Union, 2017
2. CUAid.Coop, "CUAid Activated After Wildfires, Maria, Irma & Harvey," 2017
3. Celent, Celent Model Insurer Awards, April 5, 2017
4. Deloitte, Wisconsin 75, Oct. 11, 2017
5. Eagle Point Solar, June 14, 2017
6. League of American Bicyclists, "Bike Friendly Businesses," 2017
7. Ethisphere® Institute, March 13, 2017
8. Reputation Institute, Aug. 10, 2017
9. Human Rights Campaign Foundation's Corporate Equality Index, Dec. 5, 2016
10. The Employer Support for the Guard and Reserve, March 16, 2017
11. A.M. Best Company, March 2, 2018
12. Moody's Investors Service, Aug. 16, 2017
13. S&P Global Ratings, Sept. 20, 2017

CUNA Mutual Group is a financially strong insurance and investment company. **For generations, we have partnered with credit unions to protect and grow their businesses; and help people plan, protect and invest for their future.**

