UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-38469

EQUITABLE
HOLDINGS

Equitable Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**90-0226248**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1345 Avenue of the Americas , New York , New York **10105**
(Address of principal executive offices) (Zip Code)

(212) 554-1234
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock	EQH	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of Fixed Rate Noncumulative Perpetual Preferred Stock, Series A	EQH PR A	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of Fixed Rate Noncumulative Perpetual Preferred Stock, Series C	EQH PR C	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an "emerging growth company". See definition of "accelerated filer," "large accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13 (a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 30, 2024, 319,758,915 shares of the registrant's Common Stock, $0.01 par value, were outstanding.

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NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

Certain of the statements included or incorporated by reference in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “anticipates,” “intends,” “seeks,” “aims,” “plans,” “assumes,” “estimates,” “projects,” “should,” “would,” “could,” “may,” “will,” “shall” or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Equitable Holdings, Inc. (“Holdings”) and its consolidated subsidiaries. These forward-looking statements include, but are not limited to, statements regarding projections, estimates, forecasts and other financial and performance metrics and projections of market expectations. “We,” “us” and “our” refer to Holdings and its consolidated subsidiaries, unless the context refers only to Holdings as a corporate entity. There can be no assurance that future developments affecting Holdings will be those anticipated by management. Forward-looking statements include, without limitation, all matters that are not historical facts.

These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others: (i) conditions in the financial markets and economy, including the impact of geopolitical conflicts and related economic conditions, equity market declines and volatility, interest rate fluctuations, impacts on our goodwill and changes in liquidity and access to and cost of capital; (ii) operational factors, including reliance on the payment of dividends to Holdings by its subsidiaries, protection of confidential customer information or proprietary business information, operational failures by us or our service providers, potential strategic transactions, changes in accounting standards, and catastrophic events, such as the outbreak of pandemic diseases including COVID-19; (iii) credit, counterparties and investments, including counterparty default on derivative contracts, failure of financial institutions, defaults by third parties and affiliates and economic downturns, defaults and other events adversely affecting our investments; (iv) our reinsurance and hedging programs; (v) our products, structure and product distribution, including variable annuity guaranteed benefits features within certain of our products, variations in statutory capital requirements, financial strength and claims-paying ratings, state insurance laws limiting the ability of our insurance subsidiaries to pay dividends and key product distribution relationships; (vi) estimates, assumptions and valuations, including risk management policies and procedures, potential inadequacy of reserves and experience differing from pricing expectations, amortization of deferred acquisition costs and financial models; (vii) our Asset Management segment, including fluctuations in assets under management and the industry-wide shift from actively-managed investment services to passive services; (viii) recruitment and retention of key employees and experienced and productive financial professionals; (ix) subjectivity of the determination of the amount of allowances and impairments taken on our investments; (x) legal and regulatory risks, including federal and state legislation affecting financial institutions, insurance regulation and tax reform; (xi) risks related to our common stock and (xii) general risks, including strong industry competition, information systems failing or being compromised and protecting our intellectual property.

Forward-looking statements should be read in conjunction with the other cautionary statements, risks, uncertainties and other factors identified in Holdings’ Annual Report on Form 10-K for the year ended December 31, 2023, as amended or supplemented in our subsequently filed Quarterly Reports on Form 10-Q, including in the section entitled “Risk Factors,” and elsewhere in this Quarterly Report on Form 10-Q. You should read this Form 10-Q completely and with the understanding that actual future results may be materially different from expectations. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

Other risks, uncertainties and factors, including those discussed under “Risk Factors,” in our Annual Report on Form 10-K could cause our actual results to differ materially from those projected in any forward-looking statements we make. Readers should read carefully the factors described in “Risk Factors” in our Annual Report on Form 10-K to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements.

Throughout this Quarterly Report on Form 10-Q we use certain defined terms and abbreviations, which are summarized in the “Glossary” and “Acronyms” sections.

Part I FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

EQUITABLE HOLDINGS, INC.
Consolidated Balance Sheets
June 30, 2024 (Unaudited) and December 31, 2023

	June 30, 2024	December 31, 2023
	(in millions, except share data)	
ASSETS		
Investments:		
Fixed maturities available-for-sale, at fair value (amortized cost of $ 79,797 and $ 74,033) (allowance for credit losses of $ 4 and $ 4)	$ 71,579	$ 67,030
Fixed maturities, at fair value using the fair value option (1)	1,703	1,654
Mortgage loans on real estate (net of allowance for credit losses of $ 234 and $ 279) (1)	18,802	18,171
Policy loans	4,247	4,158
Other equity investments (1)	3,743	3,384
Trading securities, at fair value	2,017	1,057
Other invested assets (1)	5,635	6,719
Total investments	107,726	102,173
Cash and cash equivalents (1)	9,684	8,239
Cash and securities segregated, at fair value	592	868
Broker-dealer related receivables	1,801	1,837
Deferred policy acquisition costs	6,924	6,705
Goodwill and other intangible assets, net	5,403	5,433
Amounts due from reinsurers (allowance for credit losses of $ 9 and $ 7)	8,237	8,352
Current and deferred income taxes	2,117	2,050
Purchased market risk benefits	7,993	9,427
Other assets (1)	3,825	3,323
Assets held-for-sale	—	565
Assets for market risk benefits	803	591
Separate Accounts assets	132,664	127,251
Total Assets	$ 287,769	$ 276,814
LIABILITIES		
Policyholders' account balances	$ 104,072	$ 95,673
Liability for market risk benefits	12,593	14,612
Future policy benefits and other policyholders' liabilities	17,417	17,363
Broker-dealer related payables	839	1,232
Customer related payables	2,060	2,201
Amounts due to reinsurers	1,363	1,450
Short-term debt	—	254
Long-term debt	3,830	3,820
Notes issued by consolidated variable interest entities, at fair value using the fair value option (1)	1,740	1,559
Other liabilities (1)	6,718	6,088
Liabilities held-for-sale	—	153
Separate Accounts liabilities	132,664	127,251
Total Liabilities	$ 283,296	$ 271,656
Redeemable noncontrolling interest (1) (2)	$ 1,088	$ 770
Commitments and contingent liabilities (3)		
EQUITY		
Equity attributable to Holdings:		
Preferred stock and additional paid-in capital, $ 1 par value and $ 25,000 liquidation preference	$ 1,562	$ 1,562
Common stock, $ 0.01 par value, 2,000,000,000 shares authorized; 483,636,280 and 491,003,966 shares issued, respectively; 321,591,488 and 333,877,990 shares outstanding, respectively	5	5
Additional paid-in capital	2,337	2,328
Treasury stock, at cost, 161,862,613 and 157,125,976 shares, respectively	(3,932)	(3,712)
Retained earnings	10,317	10,243
Accumulated other comprehensive income (loss)	(8,645)	(7,777)
Total equity attributable to Holdings	1,644	2,649
Noncontrolling interest	1,741	1,739
Total Equity	3,385	4,388
Total Liabilities, Redeemable Noncontrolling Interest and Equity	$ 287,769	$ 276,814

(1) See Note 2 of the Notes to these Consolidated Financial Statements for details of balances with VIEs.

(2) See Note 15 of the Notes to these Consolidated Financial Statements for details of redeemable noncontrolling interest.

(3) See Note 16 of the Notes to these Consolidated Financial Statements for details of commitments and contingent liabilities.

See Notes to Consolidated Financial Statements (Unaudited).

EQUITABLE HOLDINGS, INC.
Consolidated Statements of Income (Loss)
Three and Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions, except per share data)			
REVENUES				
Policy charges and fee income	**$ 617**	$ 594	**$ 1,231**	$ 1,182
Premiums	**282**	280	**557**	556
Net derivative gains (losses)	**(208)**	(917)	**(1,584)**	(1,758)
Net investment income (loss)	**1,166**	1,036	**2,385**	2,026
Investment gains (losses), net:				
Credit and intent to sell losses on available for sale debt securities and loans	**(15)**	(14)	**(35)**	(80)
Other investment gains (losses), net	**(1)**	(42)	**(20)**	(63)
Total investment gains (losses), net	**(16)**	(56)	**(55)**	(143)
Investment management and service fees	**1,240**	1,182	**2,518**	2,362
Other income	**429**	258	**688**	509
Total revenues	**3,510**	2,377	**5,740**	4,734
BENEFITS AND OTHER DEDUCTIONS				
Policyholders’ benefits	**667**	684	**1,344**	1,414
Remeasurement of liability for future policy benefits	**(8)**	(7)	**(7)**	(3)
Change in market risk benefits and purchased market risk benefits	**(133)**	(975)	**(1,233)**	(955)
Interest credited to policyholders’ account balances	**605**	501	**1,171**	964
Compensation and benefits	**577**	566	**1,197**	1,149
Commissions and distribution-related payments	**463**	393	**900**	773
Interest expense	**62**	55	**119**	116
Amortization of deferred policy acquisition costs	**169**	155	**341**	307
Other operating costs and expenses	**427**	466	**980**	889
Total benefits and other deductions	**2,829**	1,838	**4,812**	4,654
Income (loss) from continuing operations, before income taxes	**681**	539	**928**	80
Income tax (expense) benefit	**(116)**	292	**(146)**	1,017
Net income (loss)	**565**	831	**782**	1,097
Less: Net income (loss) attributable to the noncontrolling interest (1)	**137**	72	**240**	161
Net income (loss) attributable to Holdings	**428**	759	**542**	936
Less: Preferred stock dividends	**26**	26	**40**	40
Net income (loss) available to Holdings’ common shareholders	**$ 402**	$ 733	**$ 502**	$ 896
EARNINGS PER COMMON SHARE				
Net income (loss) applicable to Holdings’ common shareholders per common share:				
Basic	**$ 1.24**	$ 2.06	**$ 1.53**	$ 2.50
Diluted	**$ 1.23**	$ 2.06	**$ 1.52**	$ 2.49
Weighted average common shares outstanding (in millions):				
Basic	**324.2**	355.2	**327.2**	358.5
Diluted	**327.3**	356.1	**330.4**	360.0

(1) Includes redeemable noncontrolling interest. See Note 15 of the Notes to these Consolidated Financial Statements for details of redeemable noncontrolling interest.

See Notes to Consolidated Financial Statements (Unaudited).

EQUITABLE HOLDINGS, INC.
Consolidated Statements of Comprehensive Income (Loss)
Three and Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
COMPREHENSIVE INCOME (LOSS)				
Net income (loss)	**$ 565**	$ 831	**$ 782**	$ 1,097
Other comprehensive income (loss) net of income taxes:				
Change in unrealized gains (losses), net of reclassification adjustment	**(408)**	(624)	**(921)**	1,002
Change in market risk benefits - instrument-specific credit risk	**(153)**	(87)	**(128)**	851
Change in liability for future policy benefits - current discount rate	**67**	74	**165**	(38)
Change in defined benefit plan related items not yet recognized in periodic benefit cost, net of reclassification adjustment	**10**	9	**18**	29
Foreign currency translation adjustment	**8**	5	**(3)**	11
Total other comprehensive income (loss), net of income taxes	**(476)**	(623)	**(869)**	1,855
Comprehensive income (loss)	**89**	208	**(87)**	2,952
Less: Comprehensive income (loss) attributable to the noncontrolling interest	**140**	75	**239**	166
Comprehensive income (loss) attributable to Holdings	**$ (51)**	$ 133	**$ (326)**	$ 2,786

See Notes to Consolidated Financial Statements (Unaudited).

EQUITABLE HOLDINGS, INC.
Consolidated Statements of Equity
For the Three and Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Three Months Ended June 30,								
	Equity Attributable to Holdings								
	Preferred Stock and Additional Paid-In Capital	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Holdings Equity	Non-controlling Interest	Total Equity
	(in millions)								
Balance, beginning of period	**$ 1,562**	**$ 5**	**$ 2,322**	**$ (3,801)**	**$ 10,110**	**$ (8,166)**	**$ 2,032**	**$ 1,723**	**$ 3,755**
Stock compensation	**—**	**—**	**16**	**(2)**	**—**	**—**	**14**	**12**	**26**
Purchase of treasury stock	**—**	**—**	**—**	**(247)**	**—**	**—**	**(247)**	**—**	**(247)**
Reissuance of treasury stock	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Retirement of common stock	**—**	**—**	**—**	**118**	**(118)**	**—**	**—**	**—**	**—**
Repurchase of AB Holding units	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(28)**	**(28)**
Dividends paid to noncontrolling interest	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(90)**	**(90)**
Dividends on common stock (cash dividends declared per common share of $ 0.24)	**—**	**—**	**—**	**—**	**(78)**	**—**	**(78)**	**—**	**(78)**
Dividends on preferred stock	**—**	**—**	**—**	**—**	**(26)**	**—**	**(26)**	**—**	**(26)**
Net income (loss)	**—**	**—**	**—**	**—**	**428**	**—**	**428**	**121**	**549**
Other comprehensive income (loss)	**—**	**—**	**—**	**—**	**—**	**(479)**	**(479)**	**3**	**(476)**
Other	**—**	**—**	**(1)**	**—**	**1**	**—**	**—**	**—**	**—**
June 30, 2024	**$ 1,562**	**$ 5**	**$ 2,337**	**$ (3,932)**	**$ 10,317**	**$ (8,645)**	**$ 1,644**	**$ 1,741**	**$ 3,385**
Balance, beginning of period	$ 1,562	$ 4	$ 2,298	$ (3,400)	$ 9,806	$ (6,516)	$ 3,754	$ 1,717	$ 5,471
Stock compensation	—	—	15	(2)	—	—	13	8	21
Purchase of treasury stock	—	—	—	(226)	—	—	(226)	—	(226)
Reissuance of treasury stock	—	—	—	—	(2)	—	(2)	—	(2)
Retirement of common stock	—	—	—	135	(135)	—	—	—	—
Repurchase of AB Holding units	—	—	—	—	—	—	—	(1)	(1)
Dividends paid to noncontrolling interest	—	—	—	—	—	—	—	(85)	(85)
Dividends on common stock (cash dividends declared per common share of $ 0.22)	—	—	—	—	(78)	—	(78)	—	(78)
Dividends on preferred stock	—	—	—	—	(26)	—	(26)	—	(26)
Net income (loss)	—	—	—	—	759	—	759	67	826
Other comprehensive income (loss)	—	—	—	—	—	(626)	(626)	3	(623)
Other	—	—	(16)	—	1	—	(15)	(2)	(17)
June 30, 2023	$ 1,562	$ 4	$ 2,297	$ (3,493)	$ 10,325	$ (7,142)	$ 3,553	$ 1,707	$ 5,260

See Notes to Consolidated Financial Statements (Unaudited).

EQUITABLE HOLDINGS, INC.
Consolidated Statements of Equity
Three and Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Six Months Ended June 30,								
	Equity Attributable to Holdings								
	Preferred Stock and Additional Paid-In Capital	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Holdings Equity	Non-controlling Interest	Total Equity
	(in millions)								
Balance, beginning of period	**$ 1,562**	**$ 5**	**$ 2,328**	**$ (3,712)**	**$ 10,243**	**$ (7,777)**	**$ 2,649**	**$ 1,739**	**$ 4,388**
Stock compensation	**—**	**—**	**32**	**17**	**—**	**—**	**49**	**21**	**70**
Purchase of treasury stock	**—**	**—**	**(2)**	**(498)**	**—**	**—**	**(500)**	**—**	**(500)**
Reissuance of treasury stock	**—**	**—**	**—**	**—**	**(17)**	**—**	**(17)**	**—**	**(17)**
Retirement of common stock	**—**	**—**	**—**	**261**	**(261)**	**—**	**—**	**—**	**—**
Repurchase of AB Holding units	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(34)**	**(34)**
Dividends paid to noncontrolling interest	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(189)**	**(189)**
Dividends on common stock (cash dividends declared per common share of $ 0.46)	**—**	**—**	**—**	**—**	**(151)**	**—**	**(151)**	**—**	**(151)**
Dividends on preferred stock	**—**	**—**	**—**	**—**	**(40)**	**—**	**(40)**	**—**	**(40)**
Net income (loss)	**—**	**—**	**—**	**—**	**542**	**—**	**542**	**206**	**748**
Other comprehensive income (loss)	**—**	**—**	**—**	**—**	**—**	**(868)**	**(868)**	**(1)**	**(869)**
Other	**—**	**—**	**(21)**	**—**	**1**	**—**	**(20)**	**(1)**	**(21)**
June 30, 2024	**$ 1,562**	**$ 5**	**$ 2,337**	**$ (3,932)**	**$ 10,317**	**$ (8,645)**	**$ 1,644**	**$ 1,741**	**$ 3,385**
Balance, beginning of period	$ 1,562	$ 4	$ 2,299	$ (3,297)	$ 9,825	$ (8,992)	$ 1,401	$ 1,740	$ 3,141
Stock compensation	—	—	26	22	—	—	48	15	63
Purchase of treasury stock	—	—	(3)	(437)	—	—	(440)	—	(440)
Reissuance of treasury stock	—	—	—	—	(27)	—	(27)	—	(27)
Retirement of common stock	—	—	—	219	(219)	—	—	—	—
Repurchase of AB Holding units	—	—	—	—	—	—	—	(19)	(19)
Dividends paid to noncontrolling interest	—	—	—	—	—	—	—	(174)	(174)
Dividends on common stock (cash dividends declared per common share of $ 0.42)	—	—	—	—	(150)	—	(150)	—	(150)
Dividends on preferred stock	—	—	—	—	(40)	—	(40)	—	(40)
Net income (loss)	—	—	—	—	936	—	936	143	1,079
Other comprehensive income (loss)	—	—	—	—	—	1,850	1,850	5	1,855
Other	—	—	(25)	—	—	—	(25)	(3)	(28)
June 30, 2023	$ 1,562	$ 4	$ 2,297	$ (3,493)	$ 10,325	$ (7,142)	$ 3,553	$ 1,707	$ 5,260

See Notes to Consolidated Financial Statements (Unaudited).

EQUITABLE HOLDINGS, INC.
Consolidated Statements of Cash Flows
Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Six Months Ended June 30,	
	2024	2023
	(in millions)	
Cash flows from operating activities:		
Net income (loss)	$ 782	$ 1,097
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Interest credited to policyholders' account balances	1,171	964
Policy charges and fee income	(1,231)	(1,182)
Net derivative (gains) losses	1,584	1,758
Credit and intent to sell losses on available for sale debt securities and loans	35	80
Investment (gains) losses, net	20	63
(Gains) losses on businesses held-for-sale	(135)	2
Realized and unrealized (gains) losses on trading securities	(43)	(44)
Non-cash long term incentive compensation expense	53	41
Amortization and depreciation	429	380
Remeasurement of liability for future policy benefits	(7)	(3)
Change in market risk benefits	(1,233)	(955)
Equity (income) loss from limited partnerships	(58)	(61)
Changes in:		
Net broker-dealer and customer related receivables/payables	(168)	(686)
Reinsurance recoverable	(626)	(801)
Segregated cash and securities, net	276	643
Capitalization of deferred policy acquisition costs	(561)	(450)
Future policy benefits	275	40
Current and deferred income taxes	155	(1,177)
Other, net	205	65
Net cash provided by (used in) operating activities	$ 923	$ (226)
Cash flows from investing activities:		
Proceeds from the sale/maturity/pre-payment of:		
Fixed maturities, available-for-sale	$ 5,284	$ 4,790
Fixed maturities, at fair value using the fair value option	399	239
Mortgage loans on real estate	460	236
Trading account securities	512	480
Short term investments	571	2,402
Other	331	463
Payment for the purchase/origination of:		
Fixed maturities, available-for-sale	(10,523)	(5,878)
Fixed maturities, at fair value using the fair value option	(426)	(309)
Mortgage loans on real estate	(1,148)	(1,114)
Trading account securities	(1,446)	(660)
Short term investments	(384)	(2,218)
Other	(473)	(388)
Cash settlements related to derivative instruments, net	(1,438)	(655)
Investment in capitalized software, leasehold improvements and EDP equipment	(99)	(57)
Other, net	453	152
Net cash provided by (used in) investing activities	$ (7,927)	$ (2,517)

See Notes to Consolidated Financial Statements (Unaudited).

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EQUITABLE HOLDINGS, INC.
Consolidated Statements of Cash Flows
Six Months Ended June 30, 2024 and 2023 (Unaudited)

	Six Months Ended June 30,	
	2024	2023
	(in millions)	
Cash flows from financing activities:		
Policyholders' account balances:		
Deposits	**$ 9,033**	$ 9,060
Withdrawals	**(4,719)**	(4,830)
Transfers (to) from Separate Accounts	**832**	647
Payments of market risk benefits	**(376)**	(375)
Repayment of short-term financings	**(254)**	(759)
Change in collateralized pledged assets	**(75)**	(45)
Change in collateralized pledged liabilities	**4,829**	2,282
Issuance of long-term debt	**—**	496
Repayment of long term debt	**(565)**	—
Proceeds from collateralized loan obligations	**—**	40
Proceeds from notes issued by consolidated VIEs	**176**	362
Dividends paid on common stock	**(151)**	(150)
Dividends paid on preferred stock	**(40)**	(40)
Purchase of AB Holding Units to fund long-term incentive compensation plan awards, net	**(34)**	(19)
Purchase of treasury shares	**(500)**	(440)
Purchases (redemptions) of noncontrolling interests of consolidated company-sponsored investment funds	**291**	63
Distribution to noncontrolling interest of consolidated subsidiaries	**(189)**	(174)
Change in securities lending	**36**	29
Other, net	**15**	(4)
Net cash provided by (used in) financing activities	**$ 8,309**	$ 6,143
Effect of exchange rate changes on cash and cash equivalents	**$ (13)**	$ 16
Change in cash and cash equivalents	**1,292**	3,416
Cash and cash equivalents, beginning of period	**8,239**	4,281
Change in cash of businesses held-for-sale	**153**	(4)
Cash and cash equivalents, end of period	**$ 9,684**	$ 7,693
Non-cash transactions from investing and financing activities:		
Securities received in exchange for the 2029 Notes (1)	**540**	$ —
Right-of-use assets obtained in exchange for lease obligations	**$ 222**	$ 31

(1) See Note 16 of the Notes to these Consolidated Financial Statements for details of the the 2029 Trust Eligible Assets received in exchange for the 2029 Notes.

See Notes to Consolidated Financial Statements (Unaudited).

1) ORGANIZATION

Equitable Holdings, Inc. is the holding company for a diversified financial services organization. The Company conducts operations in six segments: Individual Retirement, Group Retirement, Asset Management, Protection Solutions, Wealth Management and Legacy. The Company's management evaluates the performance of each of these segments independently. Effective April 1, 2024, the Company renamed its Investment Management and Research segment to Asset Management following the close of the previously announced joint venture between AllianceBernstein and Societe Generale to create Bernstein, an equity research provider and cash equity trading partner for institutional investors. Following the close of the transaction, Bernstein research business results are no longer consolidated within the financial results for AllianceBernstein and Equitable Holdings, Inc.

- The Individual Retirement segment offers a diverse suite of variable annuity products which are primarily sold to affluent and high net worth individuals saving for retirement or seeking retirement income.
- The Group Retirement segment offers tax-deferred investment and retirement services or products to plans sponsored by educational entities, municipalities and not-for-profit entities, as well as small and medium-sized businesses.
- The Asset Management segment provides diversified investment management and related services globally to a broad range of clients through three main client channels - Institutional, Retail and Private Wealth. The Asset Management segment reflects the business of AB Holding and ABLP and their subsidiaries (collectively, AB).
- The Protection Solutions segment includes the Company's life insurance and group employee benefits businesses. The life insurance business offers a variety of VUL, IUL and term life products to help affluent and high net worth individuals, as well as small and medium-sized business owners, with their wealth protection, wealth transfer and corporate needs. Our group employee benefits business offers a suite of life, short- and long-term disability, dental and vision insurance products to small and medium-size businesses across the United States.
- The Wealth Management segment is an emerging leader in the wealth management space with a differentiated advice value proposition that offers discretionary and non-discretionary investment advisory accounts, financial planning and advice, life insurance, and annuity products.
- The Legacy segment consists of our capital intensive fixed-rate GMxB business written prior to 2011.

The Company reports certain activities and items that are not included in our segments in Corporate and Other. Corporate and Other includes certain of our financing and investment expenses. It also includes closed block of life insurance (the "Closed Block"), run-off variable annuity reinsurance business, run-off group pension business, run-off health business, benefit plans for our employees, certain strategic investments and certain unallocated items, including capital and related investments, interest expense and corporate expense. AB's results of operations are reflected in the Asset Management segment. Accordingly, Corporate and Other does not include any items applicable to AB.

As of June 30, 2024 and December 31, 2023, the Company's economic interest in AB was approximately 61 %, respectively. The General Partner of AB is a wholly owned subsidiary of the Company. Because the General Partner has the authority to manage and control the business of AB, AB is consolidated in the Company's financial statements for all periods presented.

2) SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The unaudited interim consolidated financial statements (the "consolidated financial statements") have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP" or "GAAP") on a basis consistent with reporting interim financial information in accordance with instructions to the Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission ("SEC").

In the opinion of management, all adjustments necessary for a fair statement of the financial position and results of operations have been made. All such adjustments are of a normal, recurring nature. Interim results are not necessarily indicative of the results that may be expected for the full year. These financial statements should be read in conjunction with the Company's consolidated financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2023.

The accompanying unaudited consolidated financial statements present the consolidated results of operations, financial condition, and cash flows of the Company and its subsidiaries and those investment companies, partnerships and joint ventures in which the Company has control and a majority economic interest as well as those variable interest entities ("VIEs") that meet the requirements for consolidation.

All significant intercompany transactions and balances have been eliminated in consolidation. The terms "second quarter 2024" and "second quarter 2023" refer to the three months ended June 30, 2024 and 2023, respectively. The terms "first six months of 2024" and "first six months of 2023" refer to the six months ended June 30, 2024 and 2023, respectively.

Future Adoption of New Accounting Pronouncements

Description	Effective Date and Method of Adoption	Effect on the Financial Statement or Other Significant Matters
ASU 2023-07: Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures		
This ASU provides improvements to reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple measures of segment profit or loss, provide new segment disclosure requirements for entities with a single reportable segment and contain other disclosure requirements.	The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods in fiscal years beginning after December 15, 2024. A calendar year public entity will adopt the ASU for its 2024 Form 10-K. The ASU should be adopted retrospectively to all periods presented in the financial statements unless it is impracticable to do so.	The Company is currently assessing the additional required disclosures under the ASU including providing new segment disclosure requirements for entities with a single reportable segment. Management is evaluating the impact the adoption of this guidance will have on the Company's consolidated financial statements.
ASU 2023-09: Income Taxes (Topic 740): Improvements to Income Tax Disclosures		
The ASU enhanced existing income tax disclosures primarily related to the rate reconciliation and income taxes paid information. With regard to the improvements to disclosures of rate reconciliation, a public business entity is required on an annual basis to (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. Similarly, a public entity is required to provide the amount of income taxes paid (net of refunds received) disaggregated by (1) federal, state, and foreign taxes and by(2) individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5 percent of total income taxes paid (net of refunds received). The ASU also includes certain other amendments to improve the effectiveness of income tax disclosures, for example, an entity is required to provide (1) pretax income (or loss) from continuing operations disaggregated between domestic and foreign, and (2) income tax expense (or benefit) from continuing operations disaggregated by federal, state, and foreign.	The ASU will be effective for annual periods beginning after December 15, 2024. Entities are required to apply the ASU on a prospective basis.	The adoption of ASU 2023-09 is not expected to materially impact the Company's financial position, results of operation, or cash flows.

Description	Effective Date and Method of Adoption	Effect on the Financial Statement or Other Significant Matters
SEC Release Nos. 33-11275; 34-99678, The Enhancement and Standardization of Climate-Related Disclosures for Investors		
The SEC adopted rules requiring registrants to disclose climate-related information in registration statements and annual reports. The new rules include disclosure of material climate-related risks, including descriptions of board oversight and risk management activities. the material impacts of these risks on a registrant's strategy, business model and outlook and any material climate-related targets or goals. In addition, registrants will need to quantify certain effects of severe weather events and other natural conditions in a note to their audited financial statements. In April 2024, citing litigation challenging the rules that commenced immediately after they were issued, the SEC issued an order staying applicability of the rules while judicial review proceeds.	Financial statement and all other disclosures are required at the beginning of the fiscal year 2025 with disclosures about material expenditure and impact required at the beginning of the fiscal year 2026. Disclosures are provided prospectively upon adoption. Scope 1 and Scope 2 Greenhouse gas emissions are required in 2026 with limited assurance in 2029 and reasonable assurance in 2033. Disclosures are provided prospectively upon adoption.	The Company is currently assessing the additional required disclosures under the SEC Release. Management is evaluating the impact of the adoption of this guidance will have on the Company's consolidated financial statements.

Accounting and Consolidation of VIEs

For all new investment products and entities developed by the Company, the Company first determines whether the entity is a VIE, which involves determining an entity's variability and variable interests, identifying the holders of the equity investment at risk and assessing the five characteristics of a VIE. Once an entity is determined to be a VIE, the Company then determines whether it is the primary beneficiary of the VIE based on its beneficial interests. If the Company is deemed to be the primary beneficiary of the VIE, the Company consolidates the entity.

Quarterly, management of the Company reviews its investment management agreements and its investments in, and other financial arrangements with, certain entities that hold client AUM to determine the entities the Company is required to consolidate under this guidance. These entities include certain mutual fund products, hedge funds, structured products, group trusts, collective investment trusts, and limited partnerships.

The analysis performed to identify variable interests held, determine whether entities are VIEs or VOEs, and evaluate whether the Company has a controlling financial interest in such entities requires the exercise of judgment and is updated on a continuous basis as circumstances change or new entities are developed. The primary beneficiary evaluation generally is performed qualitatively based on all facts and circumstances, including consideration of economic interests in the VIE held directly and indirectly through related parties and entities under common control, as well as quantitatively, as appropriate.

Consolidated VIEs

Consolidated CLOs

The Company is the investment manager of certain asset-backed investment vehicles, commonly referred to as CLOs, and certain other vehicles for which the Company earns fee income for investment management services. The Company may sell or syndicate investments through these vehicles, principally as part of the strategic investing activity as part of its investment management businesses. Additionally, the Company may invest in securities issued by these vehicles which are eliminated in consolidation of the CLOs.

As of June 30, 2024 and December 31, 2023, respectively, Equitable Financial holds $ 122 million and $ 113 million of equity interests in the CLOs. The Company consolidated the CLOs as of June 30, 2024 and December 31, 2023 as it is the primary beneficiary due to the combination of both its equity interest held by Equitable Financial and the majority ownership of AB, which functions as the CLOs loan manager. The assets of the CLOs are legally isolated from the Company's creditors and can only be used to settle obligations of the CLOs. The liabilities of the CLOs are non-recourse to the Company and the Company has no obligation to satisfy the liabilities of the CLOs. As of June 30, 2024, Equitable Financial holds $ 24 million of equity interests in a SPE established to purchase loans from the market in anticipation of a new CLO transaction. The Company consolidated the SPE as of June 30, 2024 as it is the primary beneficiary due to the combination of both its equity interest held by Equitable Financial and the majority ownership of AB, which functions as the SPE loan manager.

Resulting from this consolidation in the Company's consolidated balance sheets are fixed maturities, at fair value using the fair value option with total assets of $ 1.7 billion and $ 1.7 billion notes issued by consolidated variable interest entities, at fair value using the fair value option with total liabilities of $ 1.7 billion and $ 1.6 billion at June 30, 2024 and December 31, 2023, respectively. The unpaid outstanding principal balance of the notes and short-term borrowing is $ 1.6 billion and $ 1.6 billion at June 30, 2024 and December 31, 2023.

Consolidated Limited Partnerships and LLCs

As of June 30, 2024 and December 31, 2023 the Company consolidated limited partnerships and LLCs for which it was identified as the primary beneficiary under the VIE model. Included in other invested assets, mortgage loans on real estate, other equity investments, trading securities, cash and other liabilities in the Company's consolidated balance sheets at June 30, 2024 and December 31, 2023 are total net assets of $ 2.8 billion and $ 1.8 billion, respectively related to these VIEs.

Consolidated AB-Sponsored Investment Funds

Included in the Company's consolidated balance sheets as of June 30, 2024 and December 31, 2023 are assets of $ 164 million and $ 309 million, liabilities of $ 1 million and $ 10 million, and redeemable noncontrolling interests of $ 92 million and $ 203 million, respectively, associated with the consolidation of AB-sponsored investment funds under the VIE model. Also included in the Company's consolidated balance sheets as of June 30, 2024 and December 31, 2023 are assets of $ 97 million and $ 121 million, liabilities of $ 0 million and $ 3 million, and redeemable noncontrolling interests of $ 16 million and $ 7 million, respectively, from consolidation of AB-sponsored investment funds under the VOE model.

Non-Consolidated VIEs

As of June 30, 2024 and December 31, 2023 respectively, the Company held approximately $ 3.0 billion and $ 2.6 billion of investment assets in the form of equity interests issued by non-corporate legal entities determined under the guidance to be VIEs, such as limited partnerships and limited liability companies, including CLOs, hedge funds, private equity funds and real estate-related funds. The Company continues to reflect these equity interests in the consolidated balance sheets as other equity investments and applies the equity method of accounting for these positions. The net assets of these non-consolidated VIEs are approximately $ 342.8 billion and $ 268.6 billion as of June 30, 2024 and December 31, 2023 respectively. The Company's maximum exposure to loss from its direct involvement with these VIEs is the carrying value of its investment of $ 3.0 billion and $ 2.6 billion and approximately $ 1.3 billion and $ 1.3 billion of unfunded commitments as of June 30, 2024 and December 31, 2023, respectively. The Company has no further economic interest in these VIEs in the form of guarantees, derivatives, credit enhancements or similar instruments and obligations.

Non-Consolidated AB-Sponsored Investment Products

As of June 30, 2024 and December 31, 2023, the net assets of investment products sponsored by AB that are non-consolidated VIEs are approximately $ 67.0 billion and $ 54.6 billion, respectively. The Company's maximum exposure to loss from its direct involvement with these VIEs is its investment of $ 14 million and $ 10 million as of June 30, 2024 and December 31, 2023, respectively. The Company has no further commitments to or economic interest in these VIEs.

3) INVESTMENTS

Fixed Maturities AFS

The components of fair value and amortized cost for fixed maturities classified as AFS on the consolidated balance sheets excludes accrued interest receivable because the Company elected to present accrued interest receivable within other assets. Accrued interest receivable on AFS fixed maturities as of June 30, 2024 and December 31, 2023 was $ 677 million and $ 626 million, respectively. There was no accrued interest written off for AFS fixed maturities for the three and six months ended June 30, 2024 and 2023.

The following tables provide information relating to the Company's fixed maturities classified as AFS:

AFS Fixed Maturities by Classification

	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
			(in millions)		
June 30, 2024					
Fixed Maturities:					
Corporate (1)	**$ 52,490**	**$ 4**	**$ 209**	**$ 6,265**	**$ 46,430**
U.S. Treasury, government and agency	**5,773**	**—**	**—**	**1,362**	**4,411**
States and political subdivisions	**519**	**—**	**2**	**84**	**437**
Foreign governments	**707**	**—**	**1**	**128**	**580**
Residential mortgage-backed (2)	**3,519**	**—**	**10**	**150**	**3,379**
Asset-backed (3)	**12,869**	**—**	**64**	**76**	**12,857**
Commercial mortgage-backed	**3,864**	**—**	**2**	**439**	**3,427**
Redeemable preferred stock	**56**	**—**	**3**	**1**	**58**
Total at June 30, 2024	**$ 79,797**	**$ 4**	**$ 291**	**$ 8,505**	**$ 71,579**
December 31, 2023:					
Fixed Maturities:					
Corporate (1)	$ 49,786	$ 4	$ 320	$ 5,360	$ 44,742
U.S. Treasury, government and agency	5,735	—	2	1,106	4,631
States and political subdivisions	614	—	9	74	549
Foreign governments	719	—	3	111	611
Residential mortgage-backed (2)	2,470	—	18	133	2,355
Asset-backed (3)	11,058	—	52	109	11,001
Commercial mortgage-backed	3,595	—	2	515	3,082
Redeemable preferred stock	56	—	3	—	59
Total at December 31, 2023	$ 74,033	$ 4	$ 409	$ 7,408	$ 67,030

(1) Corporate fixed maturities include both public and private issues.
(2) Includes publicly traded agency pass-through securities and collateralized obligations.
(3) Includes credit-tranched securities collateralized by sub-prime mortgages, credit risk transfer securities and other asset types.

The contractual maturities of AFS fixed maturities as of June 30, 2024 are shown in the table below. Bonds not due at a single maturity date have been included in the table in the final year of maturity. Actual maturities may differ from contractual maturities because borrowers may have the right to call or pre-pay obligations with or without call or pre-payment penalties.

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Contractual Maturities of AFS Fixed Maturities

	Amortized Cost (Less Allowance for Credit Losses)	Fair Value
	(in millions)	
June 30, 2024		
Contractual maturities:		
Due in one year or less	**$ 2,187**	**$ 2,158**
Due in years two through five	**15,150**	**14,599**
Due in years six through ten	**17,658**	**16,426**
Due after ten years	**24,490**	**18,675**
Subtotal	**59,485**	**51,858**
Residential mortgage-backed	**3,519**	**3,379**
Asset-backed	**12,869**	**12,857**
Commercial mortgage-backed	**3,864**	**3,427**
Redeemable preferred stock	**56**	**58**
Total at June 30, 2024	**$ 79,793**	**$ 71,579**

The following table shows proceeds from sales, gross gains (losses) from sales and allowance for credit losses for AFS fixed maturities:

Proceeds from Sales, Gross Gains (Losses) from Sales and Allowance for Credit and Intent to Sell Losses for AFS Fixed Maturities

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Proceeds from sales	**$ 1,331**	$ 2,230	**$ 1,775**	$ 3,055
Gross gains on sales	**$ 5**	$ 5	**$ 5**	$ 7
Gross losses on sales	**$ (3)**	$ (43)	**$ (27)**	$ (69)
Net (increase) decrease in Allowance for Credit and Intent to Sell losses	**$ (3)**	$ (7)	**$ (5)**	$ (63)

The following table sets forth the amount of credit loss impairments on AFS fixed maturities held by the Company at the dates indicated and the corresponding changes in such amounts:

AFS Fixed Maturities - Credit and Intent to Sell Loss Impairments

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Balance, beginning of period	**$ 48**	$ 89	**$ 48**	$ 36
Previously recognized impairments on securities that matured, paid, prepaid or sold	**(4)**	(54)	**(8)**	(57)
Recognized impairments on securities impaired to fair value this period (1) (2)	**—**	—	**—**	52
Credit losses recognized this period on securities for which credit losses were not previously recognized	**3**	6	**6**	9
Additional credit losses this period on securities previously impaired	**3**	3	**4**	4
Balance, end of period	**$ 50**	$ 44	**$ 50**	$ 44

(1) Represents circumstances where the Company determined in the current period that it intends to sell the security, or it is more likely than not that it will be required to sell the security before recovery of the security's amortized cost.

EQUITABLE HOLDINGS, INC.

Notes to Consolidated Financial Statements (Unaudited), Continued

(2) Amounts reflected for the six months ended June 30, 2023 represent AFS fixed maturities in an unrealized loss position, which the Company intended to sell in anticipation of Equitable Financial's ordinary dividend to Holdings.

The tables below present a roll-forward of net unrealized investment gains (losses) recognized in AOCI:

Net Unrealized Gains (Losses) on AFS Fixed Maturities

	Three Months Ended June 30, 2024			
	Net Unrealized Gains (Losses) on Investments	Policyholders' Liabilities	Deferred Income Tax Asset (Liability)	AOCI Gain (Loss) Related to Net Unrealized Investment Gains (Losses)
	(in millions)			
Balance, beginning of year	**$ (7,660)**	**$ 63**	**$ 358**	**$ (7,239)**
Net investment gains (losses) arising during the period	**(555)**	**—**	**—**	**(555)**
Reclassification adjustment:				
Included in net income (loss)	**—**	**—**	**—**	**—**
Excluded from net income (loss)	**—**	**—**	**—**	**—**
Other	**—**	**—**	**(4)**	**(4)**
Impact of net unrealized investment gains (losses)	**—**	**4**	**117**	**121**
Net unrealized investment gains (losses) excluding credit losses	**(8,215)**	**67**	**471**	**(7,677)**
Net unrealized investment gains (losses) with credit losses	**1**	**—**	**—**	**1**
Balance, end of year	**$ (8,214)**	**$ 67**	**$ 471**	**$ (7,676)**
	Three Months Ended June 30, 2023			
Balance, beginning of year	$ (7,978)	$ 33	$ 441	$ (7,504)
Net investment gains (losses) arising during the period	(710)	—	—	(710)
Reclassification adjustment:				
Included in net income (loss)	46	—	—	46
Excluded from net income (loss)	—	—	—	—
Other	—	—	(139)	(139)
Impact of net unrealized investment gains (losses)	—	3	139	142
Net unrealized investment gains (losses) excluding credit losses	(8,642)	36	441	(8,165)
Net unrealized investment gains (losses) with credit losses	1	—	—	1
Balance, end of year	$ (8,641)	$ 36	$ 441	$ (8,164)

	Six Months Ended June 30, 2024			
	Net Unrealized Gains (Losses) on Investments	Policyholders' Liabilities	Deferred Income Tax Asset (Liability) (1)	AOCI Gain (Loss) Related to Net Unrealized Investment Gains (Losses) (1)
	(in millions)			
Balance, beginning of period	**$ (6,999)**	**$ 50**	**$ 226**	**$ (6,723)**
Net investment gains (losses) arising during the period	**(1,238)**	**—**	**—**	**(1,238)**
Reclassification adjustment:				
Included in net income (loss)	**26**	**—**	**—**	**26**
Other	**—**	**—**	**(7)**	**(7)**
Impact of net unrealized investment gains (losses)	**—**	**17**	**251**	**268**
Net unrealized investment gains (losses) excluding credit losses	**(8,211)**	**67**	**470**	**(7,674)**

Net unrealized investment gains (losses) with credit losses		**(3)**		**—**		**1**		**(2)**
Balance, end of period	**$**	**(8,214)**	**$**	**67**	**$**	**471**	**$**	**(7,676)**

	Six Months Ended June 30, 2023							
Balance, beginning of period	$	(9,606)	$	41	$	440	$	(9,125)
Net investment gains (losses) arising during the period		845		—		—		845
Reclassification adjustment:								
Included in net income (loss)		126		—		—		126
Other		—		—		203		203
Impact of net unrealized investment gains (losses)		—		(5)		(203)		(208)
Net unrealized investment gains (losses) excluding credit losses		(8,635)		36		440		(8,159)
Net unrealized investment gains (losses) with credit losses		(6)		—		1		(5)
Balance, end of period	$	(8,641)	$	36	$	441	$	(8,164)

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(1) Certain balances were revised from previously filed financial statements.

The following tables disclose the fair values and gross unrealized losses of the 4,541 issues as of June 30, 2024 and the 4,402 issues as of December 31, 2023 that are not deemed to have credit losses, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position for the specified periods at the dates indicated:

AFS Fixed Maturities in an Unrealized Loss Position for Which No Allowance Is Recorded

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
			(in millions)			
June 30, 2024						
Fixed Maturities:						
Corporate	**$ 5,860**	**$ 143**	**$ 31,508**	**$ 6,118**	**$ 37,368**	**$ 6,261**
U.S. Treasury, government and agency	**15**	**—**	**4,333**	**1,362**	**4,348**	**1,362**
States and political subdivisions	**65**	**—**	**276**	**84**	**341**	**84**
Foreign governments	**64**	**2**	**482**	**126**	**546**	**128**
Residential mortgage-backed	**1,136**	**8**	**1,051**	**142**	**2,187**	**150**
Asset-backed	**1,763**	**5**	**1,228**	**71**	**2,991**	**76**
Commercial mortgage-backed	**241**	**9**	**2,861**	**430**	**3,102**	**439**
Total at June 30, 2024	**$ 9,144**	**$ 167**	**$ 41,739**	**$ 8,333**	**$ 50,883**	**$ 8,500**

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions)					
December 31, 2023:						
Fixed Maturities:						
Corporate	$ 2,228	$ 126	$ 33,135	$ 5,231	$ 35,363	$ 5,357
U.S. Treasury, government and agency	111	2	4,447	1,104	4,558	1,106
States and political subdivisions	10	—	300	74	310	74
Foreign governments	15	2	517	109	532	111
Residential mortgage-backed	210	2	1,044	131	1,254	133
Asset-backed	528	1	5,522	108	6,050	109
Commercial mortgage-backed	92	11	2,856	504	2,948	515
Total at December 31, 2023	$ 3,194	$ 144	$ 47,821	$ 7,261	$ 51,015	$ 7,405

The Company maintains a diversified portfolio of corporate securities across industries and issuers and does not have exposure to any single issuer in excess of 0.8 % of total corporate securities. The largest exposures to a single issuer of corporate securities held as of June 30, 2024 and December 31, 2023 were $ 379 million and $ 360 million, respectively, representing 11.2 % and 8.2 % of the consolidated equity of the Company.

Corporate high yield securities, consisting primarily of public high yield bonds, are classified as other than investment grade by the various rating agencies, i.e., a rating below Baa3/BBB- or the NAIC designation of 3 (medium investment grade), 4 or 5 (below investment grade) or 6 (in or near default). As of June 30, 2024 and December 31, 2023, respectively, approximately $ 2.1 billion and $ 2.6 billion, or 2.6 % and 3.5 %, of the $ 79.8 billion and $ 74.0 billion aggregate amortized cost of fixed maturities held by the Company were considered to be other than investment grade. These securities had gross unrealized losses of $ 101 million and $ 101 million as of June 30, 2024 and December 31, 2023, respectively.

As of June 30, 2024 and December 31, 2023, respectively, the $ 8.3 billion and $ 7.3 billion of gross unrealized losses of twelve months or more were primarily concentrated in corporate securities. In accordance with the policy described in Note 2 of the Notes to these Consolidated Financial Statements, the Company concluded that an adjustment to the allowance for credit losses for these securities was not warranted at either June 30, 2024 or December 31, 2023. As of June 30, 2024 and December 31, 2023, the Company did not intend to sell the securities nor was it more likely than not be required to dispose of the securities before the anticipated recovery of their remaining amortized cost basis.

Based on the Company’s evaluation both qualitatively and quantitatively of the drivers of the decline in fair value of fixed maturity securities as of June 30, 2024, the Company determined that the unrealized loss was primarily due to increases in interest rates and credit spreads.

Securities Lending

Beginning in 2023, the Company has entered into securities lending agreements with an agent bank whereby blocks of securities are loaned to third parties, primarily major brokerage firms. As of June 30, 2024 and December 31, 2023, the estimated fair value of loaned securities was $ 149 million and $ 113 million. The agreements require a minimum of 102 % of the fair value of the loaned securities to be held as cash collateral, calculated daily. To further minimize the credit risks related to these programs, the financial condition of counterparties is monitored on a regular basis. As of June 30, 2024 and December 31, 2023, cash collateral received in the amount of $ 152 million and $ 116 million, was invested by the agent bank. A securities lending payable for the overnight and continuous loans is included in other liabilities in the amount of cash collateral received. Securities lending transactions are used to generate income. Income and expenses associated with these transactions are reported as net investment income and were not material for June 30, 2024 and December 31, 2023.

Mortgage Loans on Real Estate

In September 2023, the Company began investing in residential mortgage loans. Accrued interest receivable on commercial, agricultural and residential mortgage loans as of June 30, 2024 and December 31, 2023 was $ 90 million and $ 82 million, respectively. There was no accrued interest written off for commercial, agricultural and residential mortgage loans for the six months ended June 30, 2024 and 2023.

As of June 30, 2024, the Company foreclosed on one commercial mortgage loan that had an amortized cost of $ 108 million and an associated allowance of $ 54 million, that it re-acquired as wholly owned real estate with a cost of $ 56 million. As of June 30, 2024 and December 31, 2023, there were no other mortgage loans for which foreclosure was probable.

Allowance for Credit Losses on Mortgage Loans

The change in the allowance for credit losses for commercial, agricultural and residential mortgage loans were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Allowance for credit losses on mortgage loans:				
Commercial mortgages:				
Balance, beginning of period	**$ 288**	$ 133	**$ 272**	$ 123
Current-period provision for expected credit losses	**9**	7	**25**	17
Write-offs charged against the allowance	**(75)**	—	**(75)**	—
Recoveries of amounts previously written off	**—**	—	**—**	—
Net change in allowance	**(66)**	7	**(50)**	17
Balance, end of period	**$ 222**	$ 140	**$ 222**	$ 140
Agricultural mortgages:				
Balance, beginning of period	**$ 6**	$ 6	**$ 6**	$ 6
Current-period provision for expected credit losses	**3**	(1)	**3**	(1)
Write-offs charged against the allowance	**—**	—	**—**	—
Recoveries of amounts previously written off	**—**	—	**—**	—
Net change in allowance	**3**	(1)	**3**	(1)
Balance, end of period	**$ 9**	$ 5	**$ 9**	$ 5
Residential mortgages:				
Balance, beginning of period	**$ 3**	$ —	**$ 1**	$ —
Current-period provision for expected credit losses	**—**	—	**2**	—
Write-offs charged against the allowance	**—**	—	**—**	—
Recoveries of amounts previously written off	**—**	—	**—**	—
Net change in allowance	**—**	—	**2**	—
Balance, end of period	**$ 3**	$ —	**$ 3**	$ —
Total allowance for credit losses	**$ 234**	$ 145	**$ 234**	$ 145

The change in the allowance for credit losses is attributable to:

- increases/decreases in the loan balance due to new originations, maturing mortgages, and loan amortization; and
- changes in credit quality and economic assumptions.

Credit Quality Information

The Company’s commercial and agricultural mortgage loans segregated by risk rating exposure were as follows:

Loan to Value (“LTV”) Ratios (1) (3)

	June 30, 2024								
	Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
Commercial and agricultural mortgage loans:									
Commercial:									
0% - 50%	$ —	$ 309	$ 140	$ 130	$ 35	$ 1,591	$ —	$ —	$ 2,205
50% - 70%	318	927	1,326	664	716	2,305	495	206	6,957
70% - 90%	—	242	1,276	1,145	515	1,695	77	36	4,986
90% plus	—	—	467	158	91	833	—	—	1,549
Total commercial	$ 318	$ 1,478	$ 3,209	$ 2,097	$ 1,357	$ 6,424	$ 572	$ 242	$ 15,697
Agricultural:									
0% - 50%	$ 23	$ 101	$ 159	$ 188	$ 248	$ 903	$ —	$ —	$ 1,622
50% - 70%	97	60	140	149	172	306	—	—	924
70% - 90%	—	—	—	—	—	16	—	—	16
90% plus	—	—	—	—	—	—	—	—	—
Total agricultural	$ 120	$ 161	$ 299	$ 337	$ 420	$ 1,225	$ —	$ —	$ 2,562
Total commercial and agricultural mortgage loans:									
0% - 50%	$ 23	$ 410	$ 299	$ 318	$ 283	$ 2,494	$ —	$ —	$ 3,827
50% - 70%	415	987	1,466	813	888	2,611	495	206	7,881
70% - 90%	—	242	1,276	1,145	515	1,711	77	36	5,002
90% plus	—	—	467	158	91	833	—	—	1,549
Total commercial and agricultural mortgage loans	$ 438	$ 1,639	$ 3,508	$ 2,434	$ 1,777	$ 7,649	$ 572	$ 242	$ 18,259

Debt Service Coverage (“DSC”) Ratios (2) (3)

	June 30, 2024								
	Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
Commercial and agricultural mortgage loans:									
Commercial:									
Greater than 2.0x	$ —	$ 175	$ 693	$ 1,222	$ 1,131	$ 3,544	$ —	$ —	$ 6,765

	June 30, 2024								
	Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
1.8x to 2.0x	—	—	—	208	166	549	231	206	1,360
1.5x to 1.8x	40	141	808	143	—	992	113	—	2,237
1.2x to 1.5x	205	684	1,168	429	60	838	—	—	3,384
1.0x to 1.2x	73	470	369	61	—	443	228	36	1,680
Less than 1.0x	—	8	171	34	—	58	—	—	271
Total commercial	$ 318	$ 1,478	$ 3,209	$ 2,097	$ 1,357	$ 6,424	$ 572	$ 242	$ 15,697
Agricultural:									
Greater than 2.0x	$ 8	$ 7	$ 42	$ 34	$ 59	$ 182	$ —	$ —	$ 332
1.8x to 2.0x	11	17	24	55	29	80	—	—	216
1.5x to 1.8x	47	12	49	28	110	206	—	—	452
1.2x to 1.5x	20	46	105	140	158	428	—	—	897
1.0x to 1.2x	23	47	55	69	56	297	—	—	547
Less than 1.0x	11	32	24	11	8	32	—	—	118
Total agricultural	$ 120	$ 161	$ 299	$ 337	$ 420	$ 1,225	$ —	$ —	$ 2,562
Total commercial and agricultural mortgage loans:									
Greater than 2.0x	$ 8	$ 182	$ 735	$ 1,256	$ 1,190	$ 3,726	$ —	$ —	$ 7,097
1.8x to 2.0x	11	17	24	263	195	629	231	206	1,576
1.5x to 1.8x	87	153	857	171	110	1,198	113	—	2,689
1.2x to 1.5x	225	730	1,273	569	218	1,266	—	—	4,281
1.0x to 1.2x	96	517	424	130	56	740	228	36	2,227
Less than 1.0x	11	40	195	45	8	90	—	—	389
Total commercial and agricultural mortgage loans	$ 438	$ 1,639	$ 3,508	$ 2,434	$ 1,777	$ 7,649	$ 572	$ 242	$ 18,259

(1) The LTV ratio is derived from current loan balance divided by the fair value of the property. The fair value of the underlying commercial properties is updated annually for each mortgage loan.

(2) The DSC ratio is calculated using the most recently reported operating income results from property operations divided by annual debt service.

(3) Residential mortgage loans are excluded from the above tables.

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LTV Ratios (1) (3)

	December 31, 2023								
	Amortized Cost Basis by Origination Year								
	2023	2022	2021	2020	2019	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
Commercial and agricultural mortgage loans:									
Commercial:									
0% - 50%	$ 249	$ 164	$ 129	$ 35	$ —	$ 1,557	$ —	$ —	$ 2,134
50% - 70%	924	1,916	671	750	299	2,319	463	96	7,438
70% - 90%	308	1,197	1,236	523	245	1,384	37	35	4,965
90% plus	—	—	66	54	92	858	—	—	1,070
Total commercial	$ 1,481	$ 3,277	$ 2,102	$ 1,362	$ 636	$ 6,118	$ 500	$ 131	$ 15,607
Agricultural:									
0% - 50%	$ 102	$ 162	$ 191	$ 235	$ 132	$ 802	$ —	$ —	$ 1,624
50% - 70%	60	146	152	201	58	288	—	—	905
70% - 90%	—	—	—	—	—	16	—	—	16
90% plus	—	—	—	—	—	—	—	—	—
Total agricultural	$ 162	$ 308	$ 343	$ 436	$ 190	$ 1,106	$ —	$ —	$ 2,545
Total commercial and agricultural mortgage loans:									
0% - 50%	$ 351	$ 326	$ 320	$ 270	$ 132	$ 2,359	$ —	$ —	$ 3,758
50% - 70%	984	2,062	823	951	357	2,607	463	96	8,343
70% - 90%	308	1,197	1,236	523	245	1,400	37	35	4,981
90% plus	—	—	66	54	92	858	—	—	1,070
Total commercial and agricultural mortgage loans	$ 1,643	$ 3,585	$ 2,445	$ 1,798	$ 826	$ 7,224	$ 500	$ 131	$ 18,152

DSC Ratios (2) (3)

	December 31, 2023								
	Amortized Cost Basis by Origination Year								
	2023	2022	2021	2020	2019	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
Commercial and agricultural mortgage loans:									
Commercial:									
Greater than 2.0x	$ 175	$ 693	$ 1,125	$ 1,135	$ 249	$ 3,273	$ —	$ —	$ 6,650
1.8x to 2.0x	—	—	182	167	171	662	383	96	1,661
1.5x to 1.8x	80	1,060	234	—	162	924	—	—	2,460
1.2x to 1.5x	690	687	457	—	11	838	41	—	2,724

	December 31, 2023								
	Amortized Cost Basis by Origination Year								
	2023	2022	2021	2020	2019	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	(in millions)								
1.0x to 1.2x	528	668	38	—	43	317	76	35	1,705
Less than 1.0x	8	169	66	60	—	104	—	—	407
Total commercial	$ 1,481	$ 3,277	$ 2,102	$ 1,362	$ 636	$ 6,118	$ 500	$ 131	$ 15,607
Agricultural:									
Greater than 2.0x	$ 7	$ 50	$ 36	$ 59	$ 20	$ 179	$ —	$ —	$ 351
1.8x to 2.0x	18	16	56	33	23	61	—	—	207
1.5x to 1.8x	12	50	31	109	17	193	—	—	412
1.2x to 1.5x	46	111	148	170	98	365	—	—	938
1.0x to 1.2x	47	57	68	57	26	284	—	—	539
Less than 1.0x	32	24	4	8	6	24	—	—	98
Total agricultural	$ 162	$ 308	$ 343	$ 436	$ 190	$ 1,106	$ —	$ —	$ 2,545
Total commercial and agricultural mortgage loans:									
Greater than 2.0x	$ 182	$ 743	$ 1,161	$ 1,194	$ 269	$ 3,452	$ —	$ —	$ 7,001
1.8x to 2.0x	18	16	238	200	194	723	383	96	1,868
1.5x to 1.8x	92	1,110	265	109	179	1,117	—	—	2,872
1.2x to 1.5x	736	798	605	170	109	1,203	41	—	3,662
1.0x to 1.2x	575	725	106	57	69	601	76	35	2,244
Less than 1.0x	40	193	70	68	6	128	—	—	505
Total commercial and agricultural mortgage loans	$ 1,643	$ 3,585	$ 2,445	$ 1,798	$ 826	$ 7,224	$ 500	$ 131	$ 18,152

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(1) The LTV ratio is derived from current loan balance divided by the fair value of the property. The fair value of the underlying commercial properties is updated annually for each mortgage loan.

(2) The DSC ratio is calculated using the most recently reported operating income results from property operations divided by annual debt service.

(3) Residential mortgage loans are excluded from the above tables.

The amortized cost of residential mortgage loans by credit quality indicator and origination year was as follows:

	June 30, 2024						
	Amortized Cost Basis by Origination Year						
	2024	**2023**	**2022**	**2021**	**2020**	**Prior**	**Total**
	(in millions)						
Performance indicators:							
Performing	**$ 72**	**$ 380**	**$ 184**	**$ 135**	**$ 4**	**$ 2**	**$ 777**
Nonperforming	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**$ 72**	**$ 380**	**$ 184**	**$ 135**	**$ 4**	**$ 2**	**$ 777**

	December 31, 2023						
	Amortized Cost Basis by Origination Year						
	2023	2022	2021	2020	2019	Prior	Total
	(in millions)						
Performance indicators:							
Performing	$ 98	$ 121	$ 74	$ 2	$ 1	$ 2	$ 298
Nonperforming	—	—	—	—	—	—	—
Total	$ 98	$ 121	$ 74	$ 2	$ 1	$ 2	$ 298

Past-Due and Nonaccrual Mortgage Loan Status

The aging analysis of past-due mortgage loans were as follows:

Age Analysis of Past Due Mortgage Loans (1)

	Accruing Loans									
	Past Due									
	30-59 Days	60-89 Days	90 Days or More	Total	Current	Total	Non-accruing Loans	Total Loans	Non-accruing Loans with No Allowance	Interest Income on Non-accruing Loans
	(in millions)									
June 30, 2024:										
Mortgage loans:										
Commercial	**$ —**	**$ —**	**$ —**	**$ —**	**$ 15,664**	**$ 15,664**	**$ 33**	**$ 15,697**	**$ —**	**$ —**
Agricultural	**16**	**6**	**27**	**49**	**2,477**	**2,526**	**36**	**2,562**	**—**	**—**
Residential	**—**	**—**	**—**	**—**	**777**	**777**	**—**	**777**	**—**	**—**
Total	**$ 16**	**$ 6**	**$ 27**	**$ 49**	**$ 18,918**	**$ 18,967**	**$ 69**	**$ 19,036**	**$ —**	**$ —**
December 31, 2023:										
Mortgage loans:										
Commercial	$ 32	$ —	$ —	$ 32	$ 15,341	$ 15,373	$ 234	$ 15,607	$ —	$ 7
Agricultural	7	5	40	52	2,474	2,526	19	2,545	—	—
Residential	—	—	—	—	298	298	—	298	—	—
Total	$ 39	$ 5	$ 40	$ 84	$ 18,113	$ 18,197	$ 253	$ 18,450	$ —	$ 7

(1) Amounts presented at amortized cost basis.

As of June 30, 2024 and December 31, 2023, the amortized cost of problem mortgage loans that had been classified as non-accrual loans were $ 36 million and $ 127 million, respectively.

Troubled Debt Restructuring

There was one TDR during the three months ended June 30, 2024. The Company granted a modification splitting the commercial mortgage loan into two notes. One note retaining the original loan terms and the second note with an increased interest rate to market terms and required management of excess cash. The loans have an amortized cost of $ 65.2 million. The impact to Investment income or gains (losses) as a result of this modification for the three months ended June 30, 2024 was not material to the consolidated financial statements.

During 2023, the Company granted modification of interest rates on four commercial mortgage loans, but not to market terms and required management of excess cash. The loans have an amortized cost of $ 236 million which represents 1.5 % of total commercial mortgage loans. Two of the four loans also have term extensions of 17 months to 4 years. The impact to Investment income or gains (losses) as a result of these modifications in 2023 was not material to the consolidated financial statements. For the accounting policy pertaining to our TDRs see Note 2 of the Notes to these Consolidated Financial Statements.

The above modifications are performing in accordance with their restructured terms.

Equity Securities

The breakdown of unrealized and realized gains and (losses) on equity securities was as follows:

Unrealized and Realized Gains (Losses) from Equity Securities

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Net investment gains (losses) recognized during the period on securities held at the end of the period	**$ (6)**	$ 5	**$ 9**	$ 2
Net investment gains (losses) recognized on securities sold during the period	**3**	(3)	**2**	(3)
Unrealized and realized gains (losses) on equity securities	**$ (3)**	$ 2	**$ 11**	$ (1)

Trading Securities

As of June 30, 2024 and December 31, 2023, respectively, the fair value of the Company's trading securities was $ 2.0 billion and $ 1.1 billion. As of June 30, 2024 and December 31, 2023, respectively, trading securities included the General Account's investment in Separate Accounts had carrying values of $ 56 million and $ 49 million.

The breakdown of net investment income (loss) from trading securities was as follows:

Net Investment Income (Loss) from Trading Securities

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Net investment gains (losses) recognized during the period on securities held at the end of the period	**$ 6**	$ 11	**$ 42**	$ 46
Net investment gains (losses) recognized on securities sold during the period	**—**	(1)	**1**	(2)
Unrealized and realized gains (losses) on trading securities	**6**	10	**43**	44
Interest and dividend income from trading securities	**21**	7	**32**	12
Net investment income (loss) from trading securities	**$ 27**	$ 17	**$ 75**	$ 56

Fixed maturities, at fair value using the fair value option

The breakdown of net investment income (loss) from fixed maturities, at fair value using the fair value option were as follows:

Net Investment Income (Loss) from Fixed Maturities, at Fair Value using the Fair Value Option

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Net investment gains (losses) recognized during the period on securities held at the end of the period	**$ (2)**	$ 15	**$ (5)**	$ 19
Net investment gains (losses) recognized on securities sold during the period	**2**	(12)	**3**	(14)
Unrealized and realized gains (losses) from fixed maturities	**—**	3	**(2)**	5
Interest and dividend income from fixed maturities	**23**	(3)	**28**	4
Net investment income (loss) from fixed maturities	**$ 23**	$ —	**$ 26**	$ 9

Net Investment Income

The following tables provides the components of net investment income by investment type:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Fixed maturities	**$ 842**	$ 751	**$ 1,663**	$ 1,466
Mortgage loans on real estate	**239**	198	**473**	375
Other equity investments	**(8)**	25	**52**	30
Policy loans	**56**	52	**110**	103
Trading securities	**27**	17	**75**	56
Other investment income	**20**	22	**45**	41
Fixed maturities, at fair value using the fair value option	**23**	—	**26**	9
Gross investment income (loss)	**1,199**	1,065	**2,444**	2,080
Investment expenses	**(33)**	(29)	**(59)**	(54)
Net investment income (loss)	**$ 1,166**	$ 1,036	**$ 2,385**	$ 2,026

Investment Gains (Losses), Net

Investment gains (losses), net, including changes in the valuation allowances and credit losses were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Fixed maturities	**$ (1)**	$ (47)	**$ (27)**	$ (127)
Mortgage loans on real estate	**(14)**	(7)	**(32)**	(17)
Other	**(1)**	(2)	**4**	1
Investment gains (losses), net	**$ (16)**	$ (56)	**$ (55)**	$ (143)

For the three and six months ended June 30, 2024 and 2023, respectively, investment results passed through to certain participating group annuity contracts as interest credited to policyholders' account balances totaled $ 0 million, $ 1 million, $ 0 million and $ 1 million.

4) DERIVATIVES

The Company uses derivatives as part of its overall asset/liability risk management primarily to reduce exposures to equity market and interest rate risks. Derivative hedging strategies are designed to reduce these risks from an economic perspective and are all executed within the framework of a "Derivative Use Plan" approved by applicable states' insurance law. Derivatives are generally not accounted for using hedge accounting, with the exception of TIPS and cash flow hedges, which are discussed further below. Operation of these hedging programs is based on models involving numerous estimates and assumptions, including, among others, mortality, lapse, surrender and withdrawal rates, election rates, fund performance, market volatility and interest rates. A wide range of derivative contracts are used in these hedging programs, including exchange traded equity, currency and interest rate futures contracts, total return and/or other equity swaps, interest rate swap and floor contracts, bond and bond-index total return swaps, swaptions, variance swaps and equity options, credit and foreign exchange derivatives, as well as bond and repo transactions to support the hedging. The derivative contracts are collectively managed in an effort to reduce the economic impact of unfavorable changes in guaranteed benefits' exposures attributable to movements in capital markets. In addition, as part of its hedging strategy, the Company targets an asset level for all variable annuity products at or above a CTE98 level under most economic scenarios (CTE is a statistical measure of tail risk which quantifies the total asset requirement to sustain a loss if an event outside a given probability level has occurred. CTE98 denotes the financial resources a company would need to cover the average of the worst 2% of scenarios.)

Derivatives Utilized to Hedge Exposure to Variable Annuities with Guarantee Features

The Company has issued and continues to offer variable annuity products with GMxB features which are accounted for as MRBs. The risk associated with the GMDB feature is that under-performance of the financial markets could result in GMDB benefits, in the event of death, being higher than what accumulated policyholders' account balances would support. The risk associated with the GMIB feature is that under-performance of the financial markets could result in the present value of GMIB, in the event of annuitization, being higher than what accumulated policyholders' account balances would support, taking into account the relationship between current annuity purchase rates and the GMIB guaranteed annuity purchase rates. The risk associated with products that have a GMxB feature and are accounted for as MRBs is that under-performance of the financial markets could result in the GMxB features benefits being higher than what accumulated policyholders' account balances would support.

For GMxB features, the Company retains certain risks including basis, credit spread, and some volatility risk and risk associated with actual experience compared to expected actuarial assumptions for mortality, lapse and surrender, withdrawal and policyholder election rates, among other things. The derivative contracts are managed to correlate with changes in the value of the GMxB features that result from financial markets movements. A portion of exposure to realized equity volatility is hedged using equity options and variance swaps and a portion of exposure to credit risk is hedged using total return swaps on fixed income indices. Additionally, the Company is party to total return swaps for which the reference U.S. Treasury securities are contemporaneously purchased from the market and sold to the swap counterparty. As these transactions result in a transfer of control of the U.S. Treasury securities to the swap counterparty, the Company derecognizes these securities with consequent gain or loss from the sale. The Company has also purchased reinsurance contracts to mitigate the risks associated with GMDB features and the impact of potential market fluctuations on future policyholder elections of GMIB features contained in certain annuity contracts issued by the Company. The reinsurance of these features is accounted for as purchased MRBs. In addition, on June 1, 2021, we ceded legacy variable annuity policies sold by Equitable Financial between 2006-2008 (the "Block"), comprised of non-New York "Accumulator" policies containing fixed rate GMIB and/or GMDB guarantees to CS Life. As this contract provides full risk transfer and thus has the same risk attributes as the underlying direct contracts, the benefits of this treaty are accounted for in the same manner as the underlying gross reserves and therefore the amounts due from reinsurers related to the GMIB with NLG are accounted for as purchased MRBs.

The Company has in place an economic hedge program using U.S. Treasury futures to partially protect the overall profitability of future variable annuity sales against declining interest rates.

Derivatives Utilized to Hedge Crediting Rate Exposure on SCS, SIO, MSO and IUL Products/Investment Options

The Company hedges crediting rates in the SCS variable annuity, SIO in the EQUI-VEST variable annuity series, MSO in the variable life insurance products and IUL insurance products. These products permit the contract owner to participate in the performance of an index, ETF or commodity price movement up to a cap for a set period of time. They also contain a protection feature, in which the Company will absorb, up to a certain percentage, the loss of value in an index, ETF or commodity price, which varies by product segment.

In order to support the returns associated with these features, the Company enters into derivative contracts whose payouts, in combination with fixed income investments, emulate those of the index, ETF or commodity price, subject to caps and buffers, thereby substantially reducing any exposure to market-related earnings volatility.

Derivatives Used to Hedge Equity Market Risks Associated with the General Account's Seed Money Investments in Retail Mutual Funds

The Company's General Account seed money investments in retail mutual funds expose us to market risk, including equity market risk which is partially hedged through equity-index futures contracts to minimize such risk.

Derivatives Used for General Account Investment Portfolio

The Company purchased CDS to mitigate its exposure to a reference entity through cash positions. These positions do not replicate credit spreads.

The Company purchased 30-year TIPS and other sovereign bonds, both inflation linked and non-inflation linked, as General Account investments and enters into asset or cross-currency basis swaps, to result in payment of the given bond's coupons and principal at maturity in the bond's specified currency to the swap counterparty in return for fixed dollar amounts. These swaps, when considered in combination with the bonds, together result in a net position that is intended to replicate a dollar-denominated fixed-coupon cash bond with a yield higher than a term-equivalent U.S. Treasury bond.

Derivatives Utilized to Hedge Exposure to Foreign Currency Denominated Cash Flows

The Company purchases private placement debt securities and issues funding agreements in the FABN program in currencies other than its functional U.S. dollar currency. The Company enters into cross currency swaps with external counterparties to hedge the exposure of the foreign currency denominated cash flows of these instruments. The foreign currency received from or paid to the cross currency swap counterparty is exchanged for fixed U.S. dollar amounts with improved net investment yields or net product costs over equivalent U.S. dollar denominated instruments issued at that time. The transactions are accounted for as cash flow hedges when they are designated in hedging relationships and qualify for hedge accounting.

These cross currency swaps are for the period the foreign currency denominated private placement debt securities and funding agreement are outstanding, with the longest cross currency swap expiring in 2033. Since these cross currency swaps are designated and qualify as cash flow hedges, the corresponding interest accruals are recognized in net investment income and in interest credited to policyholders' account balances.

The tables below present quantitative disclosures about the Company's derivative instruments designated in hedging relationships and derivative instruments which have not been designated in hedging relationships, including those embedded in other contracts required to be accounted for as derivative instruments.

The following table presents the gross notional amount and fair value of the Company's derivatives:

Derivative Instruments by Category

	June 30, 2024				December 31, 2023			
		Fair Value				Fair Value		
	Notional Amount	**Derivative Assets**	**Derivative Liabilities**	**Net Derivatives**	Notional Amount	Derivative Assets	Derivative Liabilities	Net Derivatives
	(in millions)							
Derivatives: designated for hedge accounting (1)								
Cash flow hedges:								
Currency swaps	**$ 2,629**	**$ 99**	**$ 92**	**$ 7**	$ 2,358	$ 79	$ 90	$ (11)
Interest swaps	**952**	**—**	**328**	**(328)**	952	—	311	(311)
Total: designated for hedge accounting	**3,581**	**99**	**420**	**(321)**	3,310	79	401	(322)
Derivatives: not designated for hedge accounting (1)								
Equity contracts:								
Futures	**8,909**	**—**	**1**	**(1)**	7,877	—	4	(4)
Swaps	**15,129**	**55**	**27**	**28**	15,021	53	10	43
Options	**63,323**	**17,827**	**3,853**	**13,974**	53,927	13,213	3,129	10,084
Interest rate contracts:								
Futures	**8,757**	**—**	**—**	**—**	8,094	—	—	—
Swaps	**2,619**	**18**	**21**	**(3)**	2,887	118	2	116
Credit contracts:								
Credit default swaps	**151**	**9**	**4**	**5**	242	9	6	3
Currency contracts:								
Currency swaps	**803**	**3**	**4**	**(1)**	823	—	27	(27)
Currency forwards	**11**	**19**	**19**	**—**	36	20	21	(1)
Other freestanding contracts:								
Margin	**—**	**487**	**—**	**487**	—	468	—	468
Collateral	**—**	**114**	**13,752**	**(13,638)**	—	75	9,232	(9,157)
Total: not designated for hedge accounting	**99,702**	**18,532**	**17,681**	**851**	88,907	13,956	12,431	1,525
Embedded derivatives:								
SCS, SIO, MSO and IUL indexed features (2)	**—**	**—**	**14,959**	**(14,959)**	—	—	10,745	(10,745)
Total embedded derivatives	**—**	**—**	**14,959**	**(14,959)**	—	—	10,745	(10,745)
Total derivative instruments	**$ 103,283**	**$ 18,631**	**$ 33,060**	**$ (14,429)**	$ 92,217	$ 14,035	$ 23,577	$ (9,542)

(1) Reported in other invested assets in the consolidated balance sheets.
(2) Reported in policyholders' account balances in the consolidated balance sheets.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

The following table presents the effects of derivative instruments on the consolidated statements of income and comprehensive income (loss):

Derivative Instruments by Category

	Three Months Ended June 30, 2024				Six Months Ended June 30, 2024			
	Net Derivatives Gain (Losses) (1)	Net Investment Income	Interest Credited To Policyholders Account Balances	AOCI	Net Derivatives Gain (Losses) (1)	Net Investment Income	Interest Credited To Policyholders Account Balances	AOCI
	(in millions)							
Derivatives: designated for hedge accounting								
Cash flow hedges:								
Currency swaps	$ —	$ 4	$ (5)	$ 22	$ 1	$ 7	$ (23)	$ 38
Interest swaps	—	(17)	—	13	—	(14)	—	6
Total: designated for hedge accounting	—	(13)	(5)	35	1	(7)	(23)	44
Derivatives: not Designated for hedge accounting								
Equity contracts:								
Futures	50	—	—	—	291	—	—	—
Swaps	(99)	—	—	—	(1,214)	—	—	—
Options	1,225	—	—	—	4,021	—	—	—
Interest rate contracts:								
Futures	(1)	—	—	—	(11)	—	—	—
Swaps	(88)	—	—	—	(253)	—	—	—
Credit contracts:								
Credit default swaps	—	—	—	—	(1)	—	—	—
Currency contracts:								
Currency swaps	1	—	—	—	13	—	—	—
Currency forwards	—	—	—	—	1	—	—	—
Other freestanding contracts:								
Margin	—	—	—	—	—	—	—	—
Collateral	—	—	—	—	—	—	—	—
Total: not designated for hedge accounting	1,088	—	—	—	2,847	—	—	—
Embedded derivatives:								
SCS, SIO,MSO and IUL indexed features	(1,296)	—	—	—	(4,432)	—	—	—
Total embedded derivatives	(1,296)	—	—	—	(4,432)	—	—	—
Total derivative instruments	$ (208)	$ (13)	$ (5)	$ 35	$ (1,584)	$ (7)	$ (23)	$ 44

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(1) Reported in net derivative gains (losses) in the consolidated statements of income (loss).

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

	Three Months Ended June 30, 2023				Six Months Ended June 30, 2023			
	Net Derivatives Gain (Losses) (1)	Net Investment Income	Interest Credited To Policyholders Account Balances	AOCI	Net Derivatives Gain (Losses) (1)	Net Investment Income	Interest Credited To Policyholders Account Balances	AOCI
	(in millions)							
rivatives: designated for hedge accounting								
sh flow hedges:								
urrency swaps	$ 2	$ 2	$ 8	$ 3	$ 10	$ 5	$ (26)	$ 28
terest swaps	(16)	—	—	30	(21)	—	—	3
Total: designated for hedge accounting	(14)	2	8	33	(11)	5	(26)	31
rivatives: not Designated for hedge accounting								
uity contracts:								
utures	(27)	—	—	—	(159)	—	—	—
waps	(706)	—	—	—	(1,309)	—	—	—
ptions	2,499	—	—	—	4,000	—	—	—
erest rate contracts:								
utures	44	—	—	—	10	—	—	—
waps	(56)	—	—	—	(9)	—	—	—
edit contracts:								
redit default swaps	(2)	—	—	—	(5)	—	—	—
rrency contracts:								
urrency swaps	(9)	—	—	—	(19)	—	—	—
urrency forwards	—	—	—	—	—	—	—	—
tal: not designated for hedge accounting	1,743	—	—	—	2,509	—	—	—
bedded derivatives:								
CS, SIO,MSO and IUL indexed features	(2,646)	—	—	—	(4,256)	—	—	—
otal embedded derivatives	(2,646)	—	—	—	(4,256)	—	—	—
Total derivative instruments (1)	$ (917)	$ 2	$ 8	$ 33	$ (1,758)	$ 5	$ (26)	$ 31

(1) Reported in net derivative gains (losses) in the consolidated statements of income (loss).

EQUITABLE HOLDINGS, INC.

Notes to Consolidated Financial Statements (Unaudited), Continued

The following table presents a roll-forward of cash flow hedges recognized in AOCI:

Roll-forward of Cash flow hedges in AOCI

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Balance, beginning of period	**$ (21)**	$ 19	**$ (31)**	$ 22
Amount recorded in AOCI				
Currency swaps	**19**	13	**19**	6
Interest swaps	**(9)**	10	**(17)**	(27)
Total amount recorded in AOCI	**10**	23	**2**	(21)
Amount reclassified from (to) income to AOCI				
Currency swaps (1)	**3**	(10)	**20**	22
Interest swaps (1)	**21**	20	**22**	29
Total amount reclassified from (to) income to AOCI	**24**	10	**42**	51
Balance, end of period (2)	**$ 13**	$ 52	**$ 13**	$ 52

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(1) Currency swaps income is reported in net investment income in the consolidated statements of income (loss). Interest swaps income is reported in net derivative gains (losses) in the consolidated statements of income (loss).

(2) The Company does not estimate the amount of the deferred losses in AOCI atthree and six months ended June 30, 2024 and 2023 which will be released and reclassified into net income (loss) over the next 12 months as the amounts cannot be reasonably estimated.

Equity-Based and Treasury Futures Contracts Margin

All outstanding equity-based and treasury futures contracts as of June 30, 2024 and December 31, 2023 are exchange-traded and net settled daily in cash. As of June 30, 2024 and December 31, 2023, respectively, the Company had open exchange-traded futures positions on: (i) the S&P 500, Nasdaq, Russell 2000 and Emerging Market indices, having initial margin requirements of $ 378 million and $ 369 million, (ii) the 2-year, 5-year and 10-year U.S. Treasury Notes on U.S. Treasury bonds and ultra-long bonds, having initial margin requirements of $ 129 million and $ 120 million, and (iii) the Euro Stoxx, FTSE 100, Topix, ASX 200 and EAFE indices as well as corresponding currency futures on the Euro/U.S. dollar, Pound/U.S. dollar, Australian dollar/U.S. dollar, and Yen/U.S. dollar, having initial margin requirements of $ 13 million and $ 14 million.

Collateral Arrangements

The Company generally has executed a CSA under the ISDA Master Agreement it maintains with each of its OTC derivative counterparties that requires both posting and accepting collateral either in the form of cash or high-quality securities, such as U.S. Treasury securities, U.S. government and government agency securities and investment grade corporate bonds. The Company nets the fair value of all derivative financial instruments with counterparties for which an ISDA Master Agreement and related CSA have been executed. As of June 30, 2024 and December 31, 2023, respectively, the Company held $ 13.8 billion and $ 9.2 billion in cash and securities collateral delivered by trade counterparties, representing the fair value of the related derivative agreements. The unrestricted cash collateral is reported in other invested assets. The Company posted collateral of $ 114 million and $ 75 million as of June 30, 2024 and December 31, 2023, respectively, in the normal operation of its collateral arrangements. The Company is exposed to losses in the event of non-performance by counterparties to financial derivative transactions with a positive fair value. The Company manages credit risk by: (i) entering into derivative transactions with highly rated major international financial institutions and other creditworthy counterparties governed by master netting agreements, as applicable; (ii) trading through central clearing and OTC parties; (iii) obtaining collateral, such as cash and securities, when appropriate; and (iv) setting limits on single party credit exposures which are subject to periodic management review.

Substantially all of the Company's derivative agreements have zero thresholds which require daily full collateralization by the party in a liability position. In addition, certain of the Company's derivative agreements contain credit-risk related contingent features; if the credit rating of one of the parties to the derivative agreement is to fall below a certain level, the party with positive fair value could request termination at the then fair value or demand immediate full collateralization from the party whose credit rating fell and is in a net liability position.

As of June 30, 2024 and December 31, 2023, there were no net liability derivative positions with counterparties with credit risk-related contingent features whose credit rating has fallen. All derivatives have been appropriately collateralized by the Company or the counterparty in accordance with the terms of the derivative agreements.

The following tables present information about the Company's offsetting of financial assets and liabilities and derivative instruments:

Offsetting of Financial Assets and Liabilities and Derivative Instruments
As of June 30, 2024

	Gross Amount Recognized	Gross Amount Offset in the Balance Sheets	Net Amount Presented in the Balance Sheets	Gross Amount not Offset in the Balance Sheets (3)	Net Amount
			(in millions)		
Assets:					
Derivative assets (1)	$ 18,632	$ 14,989	$ 3,643	$ 2,945	$ 6,588
Secured lending	152	—	152	—	152
Other financial assets	1,840	—	1,840	—	1,840
Other invested assets	$ 20,624	$ 14,989	$ 5,635	$ 2,945	$ 8,580
Liabilities:					
Derivative liabilities (2)	$ 15,155	$ 14,989	$ 166	$ —	$ 166
Secured lending	152	—	$ 152	—	152
Other financial liabilities	6,400	—	6,400	—	6,400
Other liabilities	$ 21,707	$ 14,989	$ 6,718	$ —	$ 6,718

(1) Excludes Asset Management segment's derivative assets of consolidated VIEs/VOEs.
(2) Excludes Asset Management segment's derivative liabilities of consolidated VIEs/VOEs.
(3) Financial instruments/collateral sent (held).

As of December 31, 2023

	Gross Amount Recognized	Gross Amount Offset in the Balance Sheets	Net Amount Presented in the Balance Sheets	Gross Amount not Offset in the Balance Sheets (3)	Net Amount
			(in millions)		
Assets:					
Derivative assets (1)	$ 14,036	$ 9,543	$ 4,493	$ (3,254)	$ 1,239
Secured Lending	$ 116	$ —	$ 116	$ —	$ 116
Other financial assets	2,110	—	2,110	—	2,110
Other invested assets	$ 16,262	$ 9,543	$ 6,719	$ (3,254)	$ 3,465
Liabilities:					
Derivative liabilities (2)	$ 9,579	$ 9,543	$ 36	$ —	$ 36
Secured Lending	$ 116	$ —	$ 116	$ —	$ 116
Other financial liabilities	5,936	—	5,936	—	5,936
Other liabilities	$ 15,631	$ 9,543	$ 6,088	$ —	$ 6,088

(1) Excludes Asset Management segment's derivative assets of consolidated VIEs/VOEs.
(2) Excludes Asset Management segment's derivative liabilities of consolidated VIEs/VOEs.
(3) Financial instruments sent (held).

5) CLOSED BLOCK

As a result of demutualization, the Company's Closed Block was established in 1992 for the benefit of certain individual participating policies that were in force on that date. Assets, liabilities and earnings of the Closed Block are specifically identified to support its participating policyholders.

Assets allocated to the Closed Block insure solely to the benefit of the Closed Block policyholders and will not revert to the benefit of the Company. No reallocation, transfer, borrowing or lending of assets can be made between the Closed Block and other portions of the Company's General Account, any of its Separate Accounts or any affiliate of the Company without the approval of the New York State Department of Financial Services (the "NYDFS"). Closed Block assets and liabilities are carried on the same basis as similar assets and liabilities held in the General Account. For more information on the Closed Block, see Note 6 to the Company's consolidated financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2023.

Summarized financial information for the Company'' Closed Block is as follows:

	June 30, 2024	December 31, 2023
	(in millions)	
Closed Block Liabilities:		
Future policy benefits, policyholders' account balances and other	**$ 5,326**	$ 5,461
Other liabilities	**55**	57
Total Closed Block liabilities	**5,381**	5,518
Assets Designated to the Closed Block:		
Fixed maturities AFS, at fair value (amortized cost of $ 2,924 and $ 2,945) (allowance for credit losses of $ 0 and $ 0)	**2,752**	2,800
Mortgage loans on real estate (net of allowance for credit losses of $ 14 and $ 13)	**1,544**	1,612
Policy loans	**538**	554
Cash and other invested assets	**10**	58
Other assets	**185**	150
Total assets designated to the Closed Block	**5,029**	5,174
Excess of Closed Block liabilities over assets designated to the Closed Block	**352**	344
Amounts included in AOCI:		
Net unrealized investment gains (losses), net of policyholders' dividend obligation: $ 0 and $ 0 ; and net of income tax: $ 36 and $ 31	**(136)**	(115)
Maximum future earnings to be recognized from Closed Block assets and liabilities	**$ 216**	$ 229

The Company's Closed Block revenues and expenses were as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
	(in millions)			
Revenues:				
Premiums and other income	$ **26**	$ 29	$ **55**	$ 59
Net investment income (loss)	**51**	52	**103**	103
Investment gains (losses), net	**—**	—	**(1)**	—
Total revenues	**77**	81	**157**	162
Benefits and Other Deductions:				
Policyholders' benefits and dividends	**64**	75	**141**	158
Other operating costs and expenses	**—**	—	**—**	—
Total benefits and other deductions	**64**	75	**141**	158
Net income (loss), before income taxes	**13**	6	**16**	4
Income tax (expense) benefit	**(2)**	(1)	**(3)**	(2)
Net income (loss)	$ **11**	$ 5	$ **13**	$ 2

6) DAC AND OTHER DEFERRED ASSETS/LIABILITIES

The following table presents a reconciliation of DAC to the consolidated balance sheets:

	June 30, 2024	December 31, 2023
	(in millions)	
Protection Solutions		
Term	$ **326**	$ 337
Universal Life	**172**	174
Variable Universal Life	**1,034**	987
Indexed Universal Life	**187**	188
Individual Retirement		
GMxB Core	**1,602**	1,602
EQUI-VEST Individual	**155**	155
Investment Edge	**193**	172
SCS	**1,746**	1,571
Legacy Segment		
GMxB Legacy	**538**	555
Group Retirement		
EQUI-VEST Group	**753**	742
Momentum	**85**	82
Corporate and Other	**111**	116
Other	**22**	24
Total	$ **6,924**	$ 6,705

Annually, or as circumstances warrant, we review the associated decrements assumptions (i.e., mortality and lapse) based on our multi-year average of companies experience with actuarial judgements to reflect other observable industry trends. In addition to DAC, the unearned revenue liability and sales inducement asset ("SIA") use similar techniques and quarterly update processes for balance amortization.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

Changes in the DAC asset were as follows:

	Six Months Ended June 30, 2024												
	Protection Solutions				Individual Retirement				Legacy	Group Retirement		Corporate and Other	
	Term	UL	VUL	IUL	GMxB Core	EI	IE	SCS	GMxB Legacy	EG	Momentum	CB (1)	Total
	(in millions)												
Balance, beginning of period	$ 337	$ 174	$ 987	$ 188	$ 1,602	$ 155	$ 172	$ 1,571	$ 555	$ 742	$ 82	$ 116	$ 6,681
Capitalization	8	4	77	5	74	6	29	306	14	32	5	—	560
Amortization (2)	(19)	(6)	(30)	(6)	(74)	(6)	(8)	(131)	(31)	(21)	(2)	(5)	(339)
Balance, end of period	$ 326	$ 172	$ 1,034	$ 187	$ 1,602	$ 155	$ 193	$ 1,746	$ 538	$ 753	$ 85	$ 111	$ 6,902

(1) "CB" defined as Closed Block.
(2) DAC amortization of $ 2 million related to Other not reflected in table above.

	Six Months Ended June 30, 2023												
	Protection Solutions				Individual Retirement				Legacy	Group Retirement		Corporate and Other	
	Term	UL	VUL	IUL	GMxB Core	EI	IE	SCS	GMxB Legacy	EG	Momentum	CB	Total
	(in millions)												
Balance, beginning of period	$ 362	$ 179	$ 889	$ 185	$ 1,625	$ 156	$ 148	$ 1,279	$ 593	$ 710	$ 89	$ 127	$ 6,342
Capitalization	8	3	73	6	54	6	21	228	14	33	5	—	451
Amortization (1)	(20)	(6)	(28)	(5)	(70)	(6)	(7)	(96)	(32)	(20)	(9)	(5)	(304)
Balance, end of period	$ 350	$ 176	$ 934	$ 186	$ 1,609	$ 156	$ 162	$ 1,411	$ 575	$ 723	$ 85	$ 122	$ 6,489

(1) DAC amortization of $ 2 million related to Other not reflected in table above.

Changes in the Individual Retirement sales inducement assets were as follows:

	Six Months Ended June 30,			
	2024		2023	
	GMxB Core	**GMxB Legacy**	GMxB Core	GMxB Legacy
	(in millions)			
Balance, beginning of period	$ 127	$ 179	$ 137	$ 200
Capitalization	1	—	1	—
Amortization	(6)	(10)	(6)	(11)
Balance, end of period	$ 122	$ 169	$ 132	$ 189

Changes in the Protection Solutions unearned revenue liability were as follows:

	Six Months Ended June 30,					
	2024			2023		
	UL	VUL	IUL	UL	VUL	IUL
	(in millions)					
Balance, beginning of period	**$ 107**	**$ 754**	**$ 210**	$ 95	$ 684	$ 157
Capitalization	**8**	**65**	**28**	9	56	33
Amortization	**(4)**	**(24)**	**(7)**	(3)	(22)	(5)
Balance, end of period	**$ 111**	**$ 795**	**$ 231**	$ 101	$ 718	$ 185

7) FAIR VALUE DISCLOSURES

U.S. GAAP establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, and identifies three levels of inputs that may be used to measure fair value:

Level 1 Unadjusted quoted prices for identical instruments in active markets. Level 1 fair values generally are supported by market transactions that occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar instruments, quoted prices in markets that are not active, and inputs to model-derived valuations that are directly observable or can be corroborated by observable market data.

Level 3 Unobservable inputs supported by little or no market activity and often requiring significant management judgment or estimation, such as an entity's own assumptions about the cash flows or other significant components of value that market participants would use in pricing the asset or liability.

The Company uses unadjusted quoted market prices to measure fair value for those instruments that are actively traded in financial markets. In cases where quoted market prices are not available, fair values are measured using present value or other valuation techniques. The fair value determinations are made at a specific point in time, based on available market information and judgments about the financial instrument, including estimates of the timing and amount of expected future cash flows and the credit standing of counterparties. Such adjustments do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they consider the tax impact of the realization of unrealized gains or losses. In many cases, the fair value cannot be substantiated by direct comparison to independent markets, nor can the disclosed value be realized in immediate settlement of the instrument.

Management is responsible for the determination of the value of investments carried at fair value and the supporting methodologies and assumptions. Under the terms of various service agreements, the Company often utilizes independent valuation service providers to gather, analyze, and interpret market information and derive fair values based upon relevant methodologies and assumptions for individual securities. These independent valuation service providers typically obtain data about market transactions and other key valuation model inputs from multiple sources and, through the use of widely accepted valuation models, provide a single fair value measurement for individual securities for which a fair value has been requested. As further described below with respect to specific asset classes, these inputs include, but are not limited to, market prices for recent trades and transactions in comparable securities, benchmark yields, interest rate yield curves, credit spreads, quoted prices for similar securities, and other market-observable information, as applicable. Specific attributes of the security being valued are also considered, including its term, interest rate, credit rating, industry sector, and when applicable, collateral quality and other security- or issuer-specific information. When insufficient market observable information is available upon which to measure fair value, the Company either will request brokers knowledgeable about these securities to provide a non-binding quote or will employ internal valuation models. Fair values received from independent valuation service providers and brokers and those internally modeled or otherwise estimated are assessed for reasonableness.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Fair value measurements are required on a non-recurring basis for certain assets only when an impairment or other events occur. For the periods ended June 30, 2024 and December 31, 2023, the Company recognized impairment adjustments and impairment losses, respectively, to adjust the carrying value of held-for-sale asset and liabilities to their fair value less cost to sell. The value is measured on a nonrecurring basis and categorized within Level 3 of the fair value hierarchy. The fair value was determined using a market approach, estimated based on the negotiated value of the asset and liabilities. See Note 20 of the Notes to these Consolidated Financial Statements for additional details of the Held-for-Sale assets and liabilities.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis are summarized below:

EQUITABLE HOLDINGS, INC.

Notes to Consolidated Financial Statements (Unaudited), Continued

Fair Value Measurements as of June 30, 2024

	Level 1	Level 2	Level 3	Total
		(in millions)		
Assets:				
Investments				
Fixed maturities, AFS:				
Corporate (1)	$ —	$ 43,912	$ 2,518	$ 46,430
U.S. Treasury, government and agency	—	4,411	—	4,411
States and political subdivisions	—	437	—	437
Foreign governments	—	580	—	580
Residential mortgage-backed (2)	—	3,379	—	3,379
Asset-backed (3)	—	12,800	57	12,857
Commercial mortgage-backed	—	3,420	7	3,427
Redeemable preferred stock	—	58	—	58
Total fixed maturities, AFS	—	68,997	2,582	71,579
Fixed maturities, at fair value using the fair value option	—	1,479	224	1,703
Other equity investments (4)	226	410	56	692
Trading securities	401	1,559	57	2,017
Other invested assets:				
Short-term investments	—	252	—	252
Assets of consolidated VIEs/VOEs	31	223	3	257
Swaps	—	(297)	—	(297)
Credit default swaps	—	5	—	5
Futures	(1)	—	—	(1)
Options	—	13,974	—	13,974
Total other invested assets	30	14,157	3	14,190
Cash equivalents	7,834	310	—	8,144
Segregated securities	—	592	—	592
Purchased market risk benefits	—	—	7,993	7,993
Assets for market risk benefits	—	—	803	803
Separate Accounts assets (5)	129,504	2,606	—	132,110
Total Assets	$ 137,995	$ 90,110	$ 11,718	$ 239,823
Liabilities:				
Notes issued by consolidated VIE's, at fair value using the fair value option (6)	$ —	$ 1,552	$ 176	$ 1,728
SCS, SIO, MSO and IUL indexed features' liability	—	14,959	—	14,959
Liabilities of consolidated VIEs and VOEs	—	—	—	—
Liabilities for market risk benefits	—	—	12,593	12,593
Contingent payment arrangements	—	—	255	255
Total Liabilities	$ —	$ 16,511	$ 13,024	$ 29,535

(1) Corporate fixed maturities includes both public and private issues.

(2) Includes publicly traded agency pass-through securities and collateralized obligations.

(3) Includes credit-tranched securities collateralized by sub-prime mortgages, credit risk transfer securities and other asset types.

(4) Includes short position equity securities of $ 16 million that are reported in other liabilities.

(5) Separate Accounts assets included in the fair value hierarchy exclude investments in entities that calculate NAV per share (or its equivalent) as a practical expedient. Such investments excluded from the fair value hierarchy include investments in real estate. As of June 30, 2024, the fair value of such investments was $ 338 million.

(6) Accrued interest payable of $ 12 million is reported in Notes issued by consolidated VIE's, at fair value using the fair value option in the consolidated balance sheets, which is not required to be measured at fair value on a recurring basis.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

Fair Value Measurements as of December 31, 2023

	Level 1	Level 2	Level 3	Total
		(in millions)		
Assets:				
Investments				
Fixed maturities, AFS:				
Corporate (1)	$ —	$ 42,584	$ 2,158	$ 44,742
U.S. Treasury, government and agency	—	4,631	—	4,631
States and political subdivisions	—	522	27	549
Foreign governments	—	611	—	611
Residential mortgage-backed (2)	—	2,355	—	2,355
Asset-backed (3)	—	10,954	47	11,001
Commercial mortgage-backed (2)	—	3,075	7	3,082
Redeemable preferred stock	—	59	—	59
Total fixed maturities, AFS	—	64,791	2,239	67,030
Fixed maturities, at fair value using the fair value option	—	1,473	181	1,654
Other equity investments (4)	217	464	54	735
Trading securities	321	675	61	1,057
Other invested assets:				
Short-term investments	—	429	—	429
Assets of consolidated VIEs/VOEs	61	350	3	414
Swaps	—	(190)	—	(190)
Credit default swaps	—	3	—	3
Futures	(4)	—	—	(4)
Options	—	10,084	—	10,084
Total other invested assets	57	10,676	3	10,736
Cash equivalents	5,901	694	—	6,595
Segregated securities	—	868	—	868
Purchased market risk benefits	—	—	9,427	9,427
Assets for market risk benefits	—	—	591	591
Separate Accounts assets (5)	124,099	2,624	—	126,723
Total Assets	$ 130,595	$ 82,265	$ 12,556	$ 225,416
Liabilities:				
Notes issued by consolidated VIE's, at fair value using the fair value option (6)	$ —	$ 1,539	$ —	$ 1,539
SCS, SIO, MSO and IUL indexed features' liability	—	10,745	—	10,745
Liabilities of consolidated VIEs and VOEs	1	2	—	3
Liabilities for market risk benefits	—	—	14,612	14,612
Contingent payment arrangements	—	—	253	253
Total Liabilities	$ 1	$ 12,286	$ 14,865	$ 27,152

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(1) Corporate fixed maturities includes both public and private issues.

(2) Includes publicly traded agency pass-through securities and collateralized obligations.

(3) Includes credit-tranched securities collateralized by sub-prime mortgages, credit risk transfer securities and other asset types.

(4) Includes short position equity securities of $ 4 million that are reported in other liabilities.

(5) Separate Accounts assets included in the fair value hierarchy exclude investments in entities that calculate NAV per share (or its equivalent) as a practical expedient. Such investments excluded from the fair value hierarchy include investments in real estate. As of December 31, 2023, the fair value of such investments was $ 371 million.

(6) Accrued interest payable of $ 20 million is reported in Notes issued by consolidated VIE's, at fair value using the fair value option in the consolidated balance sheets, which is not required to be measured at fair value on a recurring basis.

Public Fixed Maturities

The fair values of the Company's public fixed maturities, including those accounted for using the fair value option are generally based on prices obtained from independent valuation service providers and for which the Company maintains a vendor hierarchy by asset type based on historical pricing experience and vendor expertise. Although each security generally is priced by multiple independent valuation service providers, the Company ultimately uses the price received from the independent valuation service provider highest in the vendor hierarchy based on the respective asset type, with limited exception. To validate reasonableness, prices also are internally reviewed by those with relevant expertise through comparison with directly observed recent market trades. Consistent with the fair value hierarchy, public fixed maturities validated in this manner generally are reflected within Level 2, as they are primarily based on observable pricing for similar assets and/or other market observable inputs.

Private Fixed Maturities

The fair values of the Company's private fixed maturities, including those accounted for using the fair value option are determined from prices obtained from independent valuation service providers. Prices not obtained from an independent valuation service provider are determined by using a discounted cash flow model or a market comparable company valuation technique. In certain cases, these models use observable inputs with a discount rate based upon the average of spread surveys collected from private market intermediaries who are active in both primary and secondary transactions, taking into account, among other factors, the credit quality and industry sector of the issuer and the reduced liquidity associated with private placements. Generally, these securities have been reflected within Level 2. For certain private fixed maturities, the discounted cash flow model or a market comparable company valuation technique may also incorporate unobservable inputs, which reflect the Company's own assumptions about the inputs market participants would use in pricing the asset. To the extent management determines that such unobservable inputs are significant to the fair value measurement of a security, a Level 3 classification generally is made.

Notes issued by consolidated VIE's, at fair value using the fair value option

These notes are based on the fair values of corresponding fixed maturity collateral. The CLO liabilities are also reduced by the fair value of the beneficial interests the Company retains in the CLO and the carrying value of any beneficial interests that represent compensation for services. As the notes are valued based on the reference collateral, they are classified as Level 2 or 3.

Freestanding Derivative Positions

The net fair value of the Company's freestanding derivative positions as disclosed in Note 4 of the Notes to these Consolidated Financial Statements are generally based on prices obtained either from independent valuation service providers or derived by applying market inputs from recognized vendors into industry standard pricing models. The majority of these derivative contracts are traded in the OTC derivative market and are classified in Level 2. The fair values of derivative assets and liabilities traded in the OTC market are determined using quantitative models that require use of the contractual terms of the derivative instruments and multiple market inputs, including interest rates, prices, and indices to generate continuous yield or pricing curves, including overnight index swap curves, and volatility factors, which then are applied to value the positions. The predominance of market inputs is actively quoted and can be validated through external sources or reliably interpolated if less observable.

Level Classifications of the Company's Financial Instruments

Financial Instruments Classified as Level 1

Investments classified as Level 1 primarily include redeemable preferred stock, trading securities, cash equivalents and Separate Accounts assets. Fair value measurements classified as Level 1 include exchange-traded prices of fixed maturities, equity securities and derivative contracts, and net asset values for transacting subscriptions and redemptions of mutual fund shares held by Separate Accounts. Cash equivalents classified as Level 1 include money market accounts, overnight commercial paper and highly liquid debt instruments purchased with an original maturity of three months or less and are carried at cost as a proxy for fair value measurement due to their short-term nature.

Financial Instruments Classified as Level 2

Investments classified as Level 2 are measured at fair value on a recurring basis and primarily include U.S. government and agency securities, certain corporate debt securities and financial assets and liabilities accounted for using the fair value option, such as public and private fixed maturities. As market quotes generally are not readily available or accessible for these securities, their fair value measures are determined utilizing relevant information generated by market transactions involving comparable securities and often are based on model pricing techniques that effectively discount prospective cash flows to present value using appropriate sector-adjusted credit spreads commensurate with the security's duration, also taking into consideration issuer-specific credit quality and liquidity. Segregated securities classified as Level 2 are U.S. Treasury bills segregated by AB in a special reserve bank custody account for the exclusive benefit of brokerage customers, as required by Rule 15c3-3 of the Exchange Act and for which fair values are based on quoted yields in secondary markets.

Observable inputs generally used to measure the fair value of securities classified as Level 2 include benchmark yields, reported secondary trades, issuer spreads, benchmark securities and other reference data. Additional observable inputs are used when available, and as may be appropriate, for certain security types, such as pre-payment, default, and collateral information for the purpose of measuring the fair value of mortgage- and asset-backed securities. The Company's AAA-rated mortgage- and asset-backed securities are classified as Level 2 for which the observability of market inputs to their pricing models is supported by sufficient, albeit more recently contracted, market activity in these sectors.

Certain Company products, such as the SCS, EQUI-VEST variable annuity products, IUL and the MSO fund available in some life contracts, offer investment options which permit the contract owner to participate in the performance of an index, ETF or commodity price. These investment options, which depending on the product and on the index selected, can currently have one, three, five or six year terms, provide for participation in the performance of specified indices, ETF or commodity price movement up to a segment-specific declared maximum rate. Under certain conditions that vary by product, e.g., holding these segments for the full term, these segments also shield policyholders from some or all negative investment performance associated with these indices, ETF or commodity prices. These investment options have defined formulaic liability amounts, and the current values of the option component of these segment reserves are classified as Level 2 embedded derivatives. The fair values of these embedded derivatives are based on data obtained from independent valuation service providers.

Financial Instruments Classified as Level 3

The Company's investments classified as Level 3 primarily include corporate debt securities and financial assets and liabilities accounted for using the fair value option, such as private fixed maturities and asset-backed securities. Determinations to classify fair value measures within Level 3 of the valuation hierarchy generally are based upon the significance of the unobservable factors to the overall fair value measurement. Included in the Level 3 classification are fixed maturities with indicative pricing obtained from brokers that otherwise could not be corroborated to market observable data.

The Company has certain variable annuity contracts with GMDB, GMIB, GIB and GWBL and other features in-force that guarantee one of the following:

- Return of Premium: the benefit is the greater of current account value or premiums paid (adjusted for withdrawals);
- Ratchet: the benefit is the greatest of current account value, premiums paid (adjusted for withdrawals), or the highest account value on any anniversary up to contractually specified ages (adjusted for withdrawals);
- Roll-Up: the benefit is the greater of current account value or premiums paid (adjusted for withdrawals) accumulated at contractually specified interest rates up to specified ages;
- Combo: the benefit is the greater of the ratchet benefit or the roll-up benefit, which may include either a five year or an annual reset; or
- Withdrawal: the withdrawal is guaranteed up to a maximum amount per year for life.

The Company also issues certain benefits on its variable annuity products that are accounted for as MRBs carried at fair value and are also considered Level 3 for fair value leveling.

The GMIBNLG feature allows the policyholder to receive guaranteed minimum lifetime annuity payments based on predetermined annuity purchase rates applied to the contract's benefit base if and when the contract account value is depleted and the NLG feature is activated. The optional GMIB feature allows the policyholder to receive guaranteed minimum lifetime annuity payments based on predetermined annuity purchase rates.

The GMWB feature allows the policyholder to withdraw at a minimum, over the life of the contract, an amount based on the contract's benefit base. The GWBL feature allows the policyholder to withdraw, each year for the life of the contract, a specified annual percentage of an amount based on the contract's benefit base. The GMAB feature increases the contract account value at the end of a specified period to a GMAB base. The GIB feature provides a lifetime annuity based on predetermined annuity purchase rates if and when the contract account value is depleted. This lifetime annuity is based on predetermined annuity purchase rates applied to a GIB base. The GMDB feature guarantees that the benefit paid upon death will not be less than a guaranteed benefit base. If the contract's account value is less than the benefit base at the time a death claim is paid, the amount payable will be equal to the benefit base.

The MRBs fair value will be equal to the present value of benefits less the present value of ascribed fees. Considerable judgment is utilized by management in determining the assumptions used in determining present value of benefits and ascribed fees related to lapse rates, withdrawal rates, utilization rates, non-performance risk, volatility rates, annuitization rates and mortality (collectively, the significant MRB assumptions).

Purchased MRB assets, which are accounted for as MRBs carried at fair value are also considered Level 3 for fair value leveling. The purchased MRB asset fair value reflects the present value of reinsurance premiums, net of recoveries, adjusted for risk margins and nonperformance risk over a range of market consistent economic scenarios while the MRB asset and liability reflects the present value of expected future payments (benefits) less fees, adjusted for risk margins and nonperformance risk, attributable to the MRB asset and liability over a range of market-consistent economic scenarios.

The valuations of the MRBs and purchased MRB assets incorporate significant non-observable assumptions related to policyholder behavior, risk margins and projections of equity Separate Accounts funds. The credit risks of the counterparty and of the Company are considered in determining the fair values of its MRBs and purchased MRB assets after taking into account the effects of collateral arrangements. Incremental adjustment to the risk-free curve for counterparty non-performance risk is made to the fair values of the purchased MRB assets. Risk margins were applied to the non-capital markets inputs to the MRBs and purchased MRB valuations.

After giving consideration to collateral arrangements, the Company reduced the fair value of its purchased MRB asset by $ 544 million and $ 687 million as of June 30, 2024 and December 31, 2023, respectively, to recognize incremental counterparty non-performance risk.

The Company's Level 3 liabilities include contingent payment arrangements associated with acquisitions in 2020 and 2022 by AB. At each reporting date, AB estimates the fair values of the contingent consideration expected to be paid based upon revenue and discount rate projections, using unobservable market data inputs, which are included in Level 3 of the valuation hierarchy. The Company's consolidated VIEs/VOEs hold investments that are classified as Level 3, primarily corporate bonds that are vendor priced with no ratings available, bank loans, non-agency collateralized mortgage obligations and asset-backed securities.

Transfers of Financial Instruments Between Levels 2 and 3

During the six months ended June 30, 2024, fixed maturities with fair values of $ 141 million were transferred out of Level 3 and into Level 2 principally due to the availability of trading activity and/or market observable inputs to measure and validate their fair values. In addition, fixed maturities with fair value of $ 136 million were transferred from Level 2 into the Level 3 classification. These transfers in the aggregate represent approximately 8.2 % of total equity as of June 30, 2024.

During the six months ended June 30, 2023, fixed maturities with fair values of $ 495 million were transferred out of Level 3 and into Level 2 principally due to the availability of trading activity and/or market observable inputs to measure and validate their fair values. In addition, fixed maturities with fair value of $ 118 million were transferred from Level 2 into the Level 3 classification. These transfers in the aggregate represent approximately 11.7 % of total equity as of June 30, 2023.

The tables below present reconciliations for all Level 3 assets and liabilities and changes in unrealized gains (losses). Not included below are the changes in balances related to MRBs and purchased MRBs level 3 assets and liabilities, which are included in Note 9 of the Notes to these Consolidated Financial Statements.

	Three Months Ended June 30, 2024			
	Corporate	State and Political Subdivisions	Asset-backed	CMBS
	(in millions)			
Balance, beginning of period	$ 2,338	$ —	$ 71	$ 7
Total gains and (losses), realized and unrealized, included in:				
Net income (loss) as:				
Net investment income (loss)	2	—	—	—
Investment gains (losses), net	(1)	—	—	—
Subtotal	1	—	—	—
Other comprehensive income (loss)	1	—	—	—
Purchases	542	—	(2)	—
Sales	(365)	—	(12)	—
Settlements	—	—	—	—
Other	—	—	—	—
Activity related to consolidated VIEs/VOEs	—	—	—	—
Transfers into Level 3 (1)	—	—	—	—
Transfers out of Level 3 (1)	1	—	—	—
Balance, end of period	$ 2,518	$ —	$ 57	$ 7
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ 1	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.

(2) For instruments held as of June 30, 2024, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

	Three Months Ended June 30, 2024				
	Fixed maturities, at FVO	Other Equity Investments (3)	Trading Securities, at Fair Value	Separate Accounts Assets	Contingent Payment Arrangement
	(in millions)				
Balance, beginning of period	$ 244	$ 58	$ 61	$ 1	$ (254)
Total gains and (losses), realized and unrealized, included in:					
Net income (loss) as:					
Net investment income (loss)	(12)	—	—	—	—
Investment gains (losses), net	—	—	(4)	—	—
Subtotal	(12)	—	(4)	—	—
Other comprehensive income (loss)	—	—	—	—	—
Purchases	(33)	(38)	—	(1)	—
Sales	(18)	39	—	—	—
Settlements	—	—	—	—	2
Other	—	—	—	—	(3)
Activity related to consolidated VIEs/VOEs	—	—	—	—	—
Transfers into Level 3 (1)	16	—	—	—	—
Transfers out of Level 3 (1)	27	—	—	—	—
Balance, end of period	$ 224	$ 59	$ 57	$ —	$ (255)
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ (12)	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.

(2) For instruments held as of June 30, 2024, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

(3) Other Equity Investments include other invested assets.

	Three Months Ended June 30, 2023			
	Corporate	State and Political Subdivisions	Asset-backed	CMBS
	(in millions)			
Balance, beginning of period	$ 1,950	$ 28	$ 12	$ 34
Total gains and (losses), realized and unrealized, included in:				
Net income (loss) as:				
Net investment income (loss)	1	—	—	—
Investment gains (losses), net	(8)	—	—	—
Subtotal	(7)	—	—	—
Other comprehensive income (loss)	(8)	—	—	—
Purchases	205	—	(12)	—
Sales	(71)	(1)	—	—
Settlements	—	—	—	—
Other	—	—	—	—
Activity related to consolidated VIEs/VOEs	—	—	—	—
Transfers into Level 3 (1)	11	—	—	—
Transfers out of Level 3 (1)	(43)	—	—	—
Balance, end of period	$ 2,037	$ 27	$ —	$ 34
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ (8)	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.

(2) For instruments held as of June 30, 2023, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

	Three Months Ended June 30, 2023				
	Fixed maturities, at FVO	Other Equity Investments (3)	Trading Securities, at Fair Value	Separate Accounts Assets	Contingent Payment Arrangement
	(in millions)				
Balance, beginning of period	$ 196	$ 15	$ 55	$ 1	$ (248)
Total gains and (losses), realized and unrealized, included in:					
Net income (loss) as:					
Net investment income (loss)	(4)	—	—	—	—
Investment gains (losses), net	(2)	—	—	—	—
Subtotal	(6)	—	—	—	—
Other comprehensive income (loss)	—	—	—	—	—
Purchases	62	44	1	—	—
Sales	(35)	—	—	—	—
Settlements	—	—	—	—	—
Other	—	—	—	—	(2)
Activity related to consolidated VIEs/VOEs	—	47	—	—	—
Transfers into Level 3 (1)	51	(1)	—	—	—
Transfers out of Level 3 (1)	(51)	—	—	—	—
Balance, end of period	$ 217	$ 105	$ 56	$ 1	$ (250)
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ (4)	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.
(2) For instruments held as of June 30, 2023, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.
(3) Other Equity Investments include other invested assets.

	Six Months Ended June 30, 2024			
	Corporate	State and Political Subdivisions	Asset-backed	CMBS
	(in millions)			
Balance, beginning of period	$ 2,158	$ 27	$ 47	$ 7
Total gains and (losses), realized and unrealized, included in:				
Net income (loss) as:				
Net investment income (loss)	4	—	—	—
Investment gains (losses), net	(2)	—	—	—
Subtotal	2	—	—	—
Other comprehensive income (loss)	11	—	—	—
Purchases	757	—	46	—
Sales	(421)	—	(22)	—
Settlements	—	—	—	—
Other	—	—	—	—
Activity related to consolidated VIEs/VOEs	—	—	—	—
Transfers into Level 3 (1)	57	—	—	—
Transfers out of Level 3 (1)	(46)	(27)	(14)	—
Balance, end of period	$ 2,518	$ —	$ 57	$ 7
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ 11	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.

(2) For instruments held as of June 30, 2024, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

	Six Months Ended June 30, 2024			
	Fixed maturities, at FVO	Other Equity Investments (3)	Trading Securities, at Fair Value	Contingent Payment Arrangement
	(in millions)			
Balance, beginning of period	$ 181	$ 57	$ 61	$ (253)
Total gains and (losses), realized and unrealized, included in:				
Net income (loss) as:				
Net investment income (loss)	4	1	—	—
Investment gains (losses), net	—	—	(4)	—
Subtotal	4	1	(4)	—
Other comprehensive income (loss)	—	—	—	—
Purchases	47	4	—	—
Sales	(33)	(3)	—	—
Settlements	—	—	—	3
Other	—	—	—	(5)
Activity related to consolidated VIEs/VOEs	—	—	—	—
Transfers into Level 3 (1)	79	—	—	—
Transfers out of Level 3 (1)	(54)	—	—	—
Balance, end of period	$ 224	$ 59	$ 57	$ (255)

	Six Months Ended June 30, 2024			
	Fixed maturities, at FVO	Other Equity Investments (3)	Trading Securities, at Fair Value	Contingent Payment Arrangement
	(in millions)			
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ 1	$ (4)	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ 31	$ —	$ —	$ —

(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.
(2) For instruments held as of June 30, 2024, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.
(3) Other Equity Investments include other invested assets.

	Six Months Ended June 30, 2023				
	Corporate	State and Political Subdivisions	Asset-backed	RMBS	CMBS
	(in millions)				
Balance, beginning of period	$ 2,121	$ 28	$ —	$ 34	$ 32
Total gains and (losses), realized and unrealized, included in:					
Net income (loss) as:					
Net investment income (loss)	3	—	—	—	—
Investment gains (losses), net	(11)	—	—	—	—
Subtotal	(8)	—	—	—	—
Other comprehensive income (loss)	10	—	—	—	—
Purchases	376	—	—	—	2
Sales	(162)	(1)	—	—	—
Settlements	—	—	—	—	—
Other	—	—	—	—	—
Activity related to consolidated VIEs/VOEs	—	—	—	—	—
Transfers into Level 3 (1)	11	—	—	—	—
Transfers out of Level 3 (1)	(311)	—	—	(34)	—
Balance, end of period	$ 2,037	$ 27	$ —	$ —	$ 34
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ 9	$ —	$ —	$ —	$ —

(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.
(2) For instruments held as of June 30, 2023, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

	Six Months Ended June 30, 2023				
	Fixed maturities, at FVO	Other Equity Investments (3)	Trading Securities, at Fair Value	Separate Accounts Assets	Contingent Payment Arrangement
	(in millions)				
Balance, beginning of period	$ 224	$ 17	$ 55	$ 1	$ (247)
Total gains and (losses), realized and unrealized, included in:					
Net income (loss) as:					
Net investment income (loss)	(1)	(3)	—	—	—
Investment gains (losses), net	(2)	—	—	—	—
Subtotal	(3)	(3)	—	—	—
Other comprehensive income (loss)	—	—	—	—	—
Purchases	74	44	—	—	—
Sales	(35)	—	1	—	—
Settlements	—	—	—	—	1
Other	—	—	—	—	(4)
Activity related to consolidated VIEs/VOEs	—	47	—	—	—
Transfers into Level 3 (1)	107	—	—	—	—
Transfers out of Level 3 (1)	(150)	—	—	—	—
Balance, end of period	$ 217	$ 105	$ 56	$ 1	$ (250)
Change in unrealized gains or losses for the period included in earnings for instruments held at the end of the reporting period (2)	$ —	$ (3)	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for instruments held at the end of the reporting period (2)	$ (2)	$ —	$ —	$ —	$ —

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(1) Transfers into/out of the Level 3 classification are reflected at beginning-of-period fair values.

(2) For instruments held as of June 30, 2023, amounts are included in net investment income or net derivative gains (losses) in the consolidated statements of income (loss) or unrealized gains (losses) on investments in the consolidated statements of comprehensive income.

(3) Other Equity Investments include other invested assets.

Quantitative and Qualitative Information about Level 3 Fair Value Measurements

The following tables disclose quantitative information about Level 3 fair value measurements by category for assets and liabilities:

Quantitative Information about Level 3 Fair Value Measurements as of June 30, 2024

	Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average (2)
			(Dollars in millions)		
Assets:					
Investments:					
Fixed maturities, AFS:					
Corporate	$ 362	Matrix pricing model	Spread over Benchmark	45 bps - 220 bps	135 bps
	1,063	Market comparable companies	EBITDA multiples	4.0 x - 33.0 x	13.4 x
			Discount rate	0.0 % - 28.9 %	3.7 %
			Cash flow multiples	0.0 x - 9.0 x	6.0 x
			Loan to value	9.6 % - 12.8 %	3.6 %
Trading securities, at fair value	61	Discounted cash flow	Earnings multiple	9.1 x	
			Discount factor	10.0 %	
			Discount years	7	
Other equity investments	—	Discounted cash flow	Earnings Multiple	6.9 x - 0.0 x	0.0 x
Purchased MRB asset (1) (2) (4)	7,993	Discounted cash flow	Lapse rates	0.21 %- 12.38 %	2.00 %
			Withdrawal rates	0.07 %- 14.97 %	0.57 %
			GMIB Utilization rates	0.04 %- 66.21 %	6.81 %
			Non-performance risk	40 bps - 101 bps	43 bps
			Volatility rates - Equity	11 %- 31 %	24 %
			Mortality: Ages 0-40	0.01 %- 0.18 %	3.16 %
			Ages 41-60	0.07 %- 0.53 %	(same for all ages)
			Ages 61-115	0.33 %- 42.00 %	(same for all ages)
Liabilities:					
AB Contingent consideration payable	$ 255	Discounted cash flow	Expected revenue growth rates	2.0 % - 29.3 %	7.9 %
			Discount rate	1.9 % - 10.4 %	4.6 %
Direct MRB (1) (2) (3) (4)	11,790	Discounted cash flow	Non-performance risk	109 bps	109 bps
			Lapse rates	0.21 %- 29.37 %	3.22 %
			Withdrawal rates	0.00 %- 14.97 %	0.73 %
			Annuitization rates	0.04 %- 100.00 %	5.18 %
			Mortality: Ages 0-40	0.01 %- 0.18 %	2.76 %
			Ages 41-60	0.07 %- 0.53 %	(same for all ages)
			Ages 61-115	0.33 %- 42.00 %	(same for all ages)

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(1) Mortality rates vary by age and demographic characteristic such as gender. Mortality rate assumptions are based on a combination of company and industry experience. A mortality improvement assumption is also applied. For any given contract, mortality rates vary throughout the period over which cash flows are projected for purposes of valuating the embedded derivatives.

(2) Lapses and pro-rata withdrawal rates were developed as a function of the policy account value. Dollar for dollar withdrawal rates were developed as a function of the dollar for dollar threshold, the dollar for dollar limit. Utilization rates were developed as a function of the benefit base.

(3) MRB liabilities are shown net of MRB assets. Net amount is made up of $ 12.6 billion of MRB liabilities and $ 803 million of MRB assets.

(4) Includes Legacy and Core products.

EQUITABLE HOLDINGS, INC.

Notes to Consolidated Financial Statements (Unaudited), Continued

Quantitative Information about Level 3 Fair Value Measurements as of December 31, 2023

		Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average (2)
		(Dollars in millions)				
ets:						
estments:						
xed maturities, AFS:						
porate	$	370	Matrix pricing model	Spread over benchmark	20 bps - 747 bps	181 bps
		979	Market comparable companies	EBITDA multiples	3.3 x - 29.0 x	13.6 x
				Discount rate	0.0 % - 22.8 %	3.9 %
				Cash flow multiples	0.8 x- 10.0 x	6.3 x
				Loan to value	3.4 %- 61.0 %	13.8 %
ding securities, at fair value		61	Discounted cash flow	Earnings multiple	9.1 x	
				Discounts factor	10.00 %	
				Discount years	7	
er equity investments		2	Discounted cash flow	Earnings Multiple	3.9 x - 8.4 x	6.5 x
chased MRB asset (1) (2) (4)		9,427	Discounted cash flow	Lapse rates	0.21 % - 12.38 %	1.79 %
				Withdrawal rates	0.07 % - 14.97 %	0.46 %
				GMIB Utilization rates	0.04 % - 66.21 %	7.44 %
				Non-performance risk	35 bps - 97 bps	45 bps
				Volatility rates - Equity	11 % - 28 %	23 %
				Mortality: Ages 0-40	0.01 % - 0.18 %	3.07 %
				Ages 41-60	0.07 % - 0.53 %	(same for all ages)
				Ages 61-115	0.33 % - 42.00 %	(same for all ages)
bilities:						
Contingent consideration payable	$	253	Discounted cash flow	Expected revenue growth rates	2.0 % - 83.9 %	10.3 %
				Discount rate	1.9 % - 10.4 %	4.6 %
ect MRB (1) (2) (3) (4)		14,021	Discounted cash flow	Non-performance risk	118 bps	118 bps
				Lapse rates	0.21 % - 29.37 %	3.07 %
				Withdrawal rates	0.00 % - 14.97 %	0.64 %
				Annuitization rates	0.04 % - 100.00 %	5.38 %
				Mortality: Ages 0-40	0.01 % - 0.18 %	2.50 %
				Ages 41-60	0.07 % - 0.53 %	(same for all ages)
				Ages 61-115	0.33 % - 42.00 %	(same for all ages)

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(1) Mortality rates vary by age and demographic characteristic such as gender and benefits elected with the policy. Mortality rate assumptions are based on a combination of company and industry experience. A mortality improvement assumption is also applied. For any given contract, mortality rates vary throughout the period over which cash flows are projected for purposes of valuating the embedded derivatives.

(2) Lapses and pro-rata withdrawal rates were developed as a function of the policy account value. Dollar for dollar withdrawal rates were developed as a function of the dollar for dollar threshold, the dollar for dollar limit. Utilization rates were developed as a function of the benefit base.

(3) MRB liabilities are shown net of MRB assets. Net amount is made up of $ 14.6 billion of MRB liabilities and $ 591 million of MRB assets.

(4) Includes Legacy and Core products.

Level 3 Financial Instruments for which Quantitative Inputs are Not Available

Certain Privately Placed Debt Securities with Limited Trading Activity

Excluded from the tables above as of June 30, 2024 and December 31, 2023, respectively, are approximately $ 1.4 billion and $ 1.1 billion of Level 3 fair value measurements of investments for which the underlying quantitative inputs are not developed by the Company and are not readily available. These investments primarily consist of certain privately placed debt securities with limited trading activity, including residential mortgage- and asset-backed instruments, and their fair values generally reflect unadjusted prices obtained from independent valuation service providers and indicative, non-binding quotes obtained from third-party broker-dealers recognized as market participants. Significant increases or decreases in the fair value amounts received from these pricing sources may result in the Company reporting significantly higher or lower fair value measurements for these Level 3 investments.

- The fair value of private placement securities is determined by application of a matrix pricing model or a market comparable company value technique. The significant unobservable input to the matrix pricing model valuation technique is the spread over the industry-specific benchmark yield curve. Generally, an increase or decrease in spreads would lead to directionally inverse movement in the fair value measurements of these securities. The significant unobservable input to the market comparable company valuation technique is the discount rate. Generally, a significant increase (decrease) in the discount rate would result in significantly lower (higher) fair value measurements of these securities.
- Residential mortgage-backed securities classified as Level 3 primarily consist of non-agency paper with low trading activity. Included in the tables above as of June 30, 2024 and December 31, 2023, there were no Level 3 securities that were determined by application of a matrix pricing model and for which the spread over the U.S. Treasury curve is the most significant unobservable input to the pricing result. Generally, a change in spreads would lead to directionally inverse movement in the fair value measurements of these securities.
- Asset-backed securities classified as Level 3 primarily consist of non-agency mortgage loan trust certificates, including subprime and Alt-A paper, credit risk transfer securities, and equipment financings. Included in the tables above as of June 30, 2024 and December 31, 2023, there were no securities that were determined by the application of matrix-pricing for which the spread over the U.S. Treasury curve is the most significant unobservable input to the pricing result. Significant increases (decreases) in spreads would have resulted in significantly lower (higher) fair value measurements.

Other Equity Investments

Included in other equity investments classified as Level 3 are venture capital securities in the Technology, Media and Telecommunications industries. The fair value measurements of these securities include significant unobservable inputs including an enterprise value to revenue multiples and a discount rate to account for liquidity and various risk factors. Significant increases (decreases) in the enterprise value to revenue multiple inputs in isolation would have resulted in a significantly higher (lower) fair value measurement. Significant increases (decreases) in the discount rate would have resulted in a significantly lower (higher) fair value measurement.

Market Risk Benefits

Significant unobservable inputs with respect to the fair value measurement of the purchased MRB assets and MRB liabilities identified in the table above are developed using Company data. Future policyholder behavior is an unobservable market assumption and, as such, all aspects of policyholder behavior are derived based on recent historical experience. These policyholder behaviors include lapses, pro-rata withdrawals, dollar for dollar withdrawals, GMIB utilization, deferred mortality and payout phase mortality. Many of these policyholder behaviors have dynamic adjustment factors based on the relative value of the rider as compared to the account value in different economic environments. This applies to all variable annuity related products; products with GMxB riders including but not limited to GMIB, GMDB, and GWL.

Lapse rates are adjusted at the contract level based on a comparison of the value of the GMxB rider and the current policyholder account value, which include other factors such as considering surrender charges. Generally, lapse rates are assumed to be lower in periods when a surrender charge applies. A dynamic lapse function reduces the base lapse rate when the guaranteed amount is greater than the account value as in-the-money contracts are less likely to lapse. For valuing purchased MRB assets and MRB liabilities, lapse rates vary throughout the period over which cash flows are projected.

Carrying Value of Financial Instruments Not Otherwise Disclosed in Note 3 and Note 4 of the Notes to these Consolidated Financial Statements

The carrying values and fair values for financial instruments not otherwise disclosed in Note 3 and Note 4 of the Notes to these Consolidated Financial Statements were as follows:

Carrying Values and Fair Values for Financial Instruments Not Otherwise Disclosed

	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	(in millions)				
June 30, 2024:					
Mortgage loans on real estate	**$ 18,802**	**$ —**	**$ —**	**$ 17,112**	**$ 17,112**
Policy loans	**$ 4,247**	**$ —**	**$ —**	**$ 4,496**	**$ 4,496**
Policyholders' liabilities: Investment contracts	**$ 2,085**	**$ —**	**$ —**	**$ 2,033**	**$ 2,033**
FHLB funding agreements	**$ 7,167**	**$ —**	**$ 7,090**	**$ —**	**$ 7,090**
FABN funding agreements	**$ 6,251**	**$ —**	**$ 5,870**	**$ —**	**$ 5,870**
Funding agreement-backed commercial paper (FABCP)	**$ 242**	**$ —**	**$ 250**	**$ —**	**$ 250**
Long-term debt	**$ 3,830**	**$ —**	**$ 3,722**	**$ —**	**$ 3,722**
Separate Accounts liabilities	**$ 11,323**	**$ —**	**$ —**	**$ 11,323**	**$ 11,323**
December 31, 2023:					
Mortgage loans on real estate	$ 18,171	$ —	$ —	$ 16,471	$ 16,471
Policy loans	$ 4,158	$ —	$ —	$ 4,485	$ 4,485
Policyholders' liabilities: Investment contracts	$ 1,663	$ —	$ —	$ 1,634	$ 1,634
FHLB funding agreements	$ 7,618	$ —	$ 7,567	$ —	$ 7,567
FABN funding agreements	$ 6,267	$ —	$ 5,840	$ —	$ 5,840
Funding agreement-backed commercial paper (FABCP)	$ 939	$ —	$ 948	$ —	$ 948
Long-term debt	$ 3,820	$ —	$ 3,742	$ —	$ 3,742
Separate Accounts liabilities	$ 10,715	$ —	$ —	$ 10,715	$ 10,715

Mortgage Loans on Real Estate

Fair values for commercial, agricultural and residential mortgage loans on real estate are measured by discounting future contractual cash flows to be received on the mortgage loan using interest rates at which loans with similar characteristics and credit quality would be made. The discount rate is derived based on the appropriate U.S. Treasury rate with a like term to the remaining term of the loan to which a spread reflective of the risk premium associated with the specific loan is added. Fair values for mortgage loans anticipated to be foreclosed and problem mortgage loans are limited to the fair value of the underlying collateral, if lower.

Policy Loans

The fair value of policy loans is calculated by discounting expected cash flows based upon the U.S. Treasury yield curve and historical loan repayment patterns.

Policyholder Liabilities - Investment Contracts and Separate Accounts Liabilities

The fair values for deferred annuities and certain annuities, which are included in policyholders' account balances, and liabilities for investment contracts with fund investments in Separate Accounts, are estimated using projected cash flows discounted at rates reflecting current market rates. Significant unobservable inputs reflected in the cash flows include lapse rates and withdrawal rates. Incremental adjustments may be made to the fair value to reflect non-performance risk. Certain other products such as the Company's association plans contracts, supplementary contracts not involving life contingencies, Access Accounts and Escrow Shield Plus product reserves are held at book value.

FHLB Funding Agreements

The fair values of Equitable Financial's FHLB long term funding agreements' fair values are determined based on indicative market rates published by the FHLB, provided to AB and modeled for each note's FMV. FHLB short-term funding agreements' fair values are reflective of notional/par value plus accrued interest.

FABN Funding Agreements

The fair values of Equitable Financial's FABN funding agreements are determined by Bloomberg's evaluated pricing service, which uses direct observations or observed comparables.

FABCP Funding Agreements

The fair value of Equitable Financial's FABCP funding agreements are reflective of the notional/par value outstanding.

Short-term Debt

The Company's short-term debt primarily includes long-term debt that has been reclassified to short-term due to an upcoming maturity date within one year. The fair values for the Company's short-term debt are determined by Bloomberg's evaluated pricing service, which uses direct observations or observed comparables.

Long-term Debt

The fair values for the Company's long-term debt are determined by Bloomberg's evaluated pricing service, which uses direct observations or observed comparables.

Financial Instruments Exempt from Fair Value Disclosure or Otherwise Not Required to be Disclosed

Exempt from Fair Value Disclosure Requirements

Certain financial instruments are exempt from the requirements for fair value disclosure, such as insurance liabilities other than financial guarantees and investment contracts, limited partnerships accounted for under the equity method and pension and other postretirement obligations.

Otherwise Not Required to be Included in the Table Above

The Company's investment in COLI policies are recorded at their cash surrender value and therefore are not required to be included in the table above. See Note 2 of the Notes to these Consolidated Financial Statements for further description of the Company's accounting policy related to its investment in COLI policies.

8) LIABILITIES FOR FUTURE POLICYHOLDER BENEFITS

The following table reconciles the net liability for future policy benefits and liability of death benefits to the liability for future policy benefits in the consolidated balance sheets:

	June 30, 2024	December 31, 2023
	(in millions)	
Reconciliation		
Term	**$ 1,297**	$ 1,348
Individual Retirement - Payout	**802**	844
Legacy - Payout	**3,900**	3,620
Group Pension - Benefit Reserve & DPL	**457**	490
Health	**1,414**	1,505
UL	**1,203**	1,193
Subtotal	**9,073**	9,000
Whole Life Closed Block and Open Block products	**5,318**	5,444
Other (1)	**936**	970
Future policyholder benefits total	**15,327**	15,414
Other policyholder funds and dividends payable	**2,090**	1,949
Total	**$ 17,417**	$ 17,363

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(1) Primarily consists of future policy benefits related to Protective Life and Annuity, Assumed Life and Disability, Group Life Run off, Variable Interest Sensitive Life rider and EB.

The following table summarizes balances and changes in the liability for future policy benefits for nonparticipating traditional and limited pay contracts:

	Six Months Ended June 30, 2024					Six Months Ended June 30, 2023				
	Protection Solutions	**Individual Retirement**	**Legacy**	**Corporate & Other**		Protection Solutions	Individual Retirement	Legacy	Corporate & Other	
	Term	**Payout**	**Payout**	**Group Pension**	**Health**	Term	Payout	Payout	Group Pension	Health
	(in millions)									
Present Value of Expected Net Premiums										
Balance, beginning of period	**$ 2,133**	**$ —**	**$ —**	**$ —**	**$ (21)**	$ 2,100	$ —	$ —	$ —	$ (5)
Beginning balance at original discount rate	**2,058**	**—**	**—**	**—**	**(22)**	2,078	—	—	—	(5)
Effect of changes in cash flow assumptions	**(18)**	**—**	**—**	**—**	**(3)**	8	—	—	—	(1)
Effect of actual variances from expected experience	**(51)**	**—**	**—**	**—**	**2**	4	—	—	—	(6)
Adjusted beginning of period balance	**1,989**	**—**	**—**	**—**	**(23)**	2,090	—	—	—	(12)
Issuances	**26**	**—**	**—**	**—**	**—**	32	—	—	—	—
Interest accrual	**49**	**—**	**—**	**—**	**—**	50	—	—	—	—
Net premiums collected	**(95)**	**—**	**—**	**—**	**1**	(100)	—	—	—	1
Ending Balance at original discount rate	**1,969**	**—**	**—**	**—**	**(22)**	2,072	—	—	—	(11)
Effect of changes in discount rate assumptions	**(21)**	**—**	**—**	**—**	**1**	36	—	—	—	—
Balance, end of period	**$ 1,948**	**$ —**	**$ —**	**$ —**	**$ (21)**	$ 2,108	$ —	$ —	$ —	$ (11)
Present Value of Expected Future Policy Benefits										
Balance, beginning of period	**$ 3,480**	**$ 844**	**$ 3,620**	**$ 490**	**$ 1,484**	$ 3,465	$ 828	$ 2,689	$ 523	$ 1,553
Beginning balance of original discount rate	**3,330**	**840**	**3,840**	**536**	**1,672**	3,391	845	3,024	583	1,795
Effect of changes in cash flow assumptions	**(20)**	**—**	**—**	**—**	**—**	9	—	—	—	(1)
Effect of actual variances from expected experience	**(66)**	**(2)**	**—**	**1**	**7**	5	—	—	—	(6)
Adjusted beginning of period balance	**3,244**	**838**	**3,840**	**537**	**1,679**	3,405	845	3,024	583	1,788
Issuances	**28**	**22**	**500**	**—**	**—**	34	26	473	—	—
Interest accrual	**82**	**20**	**69**	**9**	**27**	84	19	44	10	29
Benefits payments	**(116)**	**(47)**	**(181)**	**(31)**	**(79)**	(183)	(46)	(131)	(34)	(71)
Ending Balance at original discount rate	**3,238**	**833**	**4,228**	**515**	**1,627**	3,340	844	3,410	559	1,746
Effect of changes in discount rate assumptions	**6**	**(31)**	**(328)**	**(58)**	**(234)**	91	(10)	(309)	(56)	(224)
Balance, end of period	**$ 3,244**	**$ 802**	**$ 3,900**	**$ 457**	**$ 1,393**	$ 3,431	$ 834	$ 3,101	$ 503	$ 1,522

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	Six Months Ended June 30, 2024					Six Months Ended June 30, 2023				
	Protection Solutions	Individual Retirement	Legacy	Corporate & Other		Protection Solutions	Individual Retirement	Legacy	Corporate & Other	
	Term	Payout	Payout	Group Pension	Health	Term	Payout	Payout	Group Pension	Health
	(in millions)									
Impact of flooring LFPB at zero	1	—	—	—	—	1	—	—	—	—
Net liability for future policy benefits	$ 1,297	802	3,900	457	1,414	1,324	834	3,101	503	1,533
Less: Reinsurance recoverable	14	(1)	(1,143)	—	(1,116)	24	—	(680)	—	(1,217)
Net liability for future policy benefits, after reinsurance recoverable	$ 1,311	$ 801	$ 2,757	$ 457	$ 298	$ 1,348	$ 834	$2,421	$ 503	$ 316
Weighted-average duration of liability for future policyholder benefits (years)	6.9	9.3	7.5	7.0	8.6	7.0	9.4	7.8	7.1	8.8

The following table provides the amount of undiscounted and discounted expected gross premiums and expected future benefits and expenses related to nonparticipating traditional and limited payment contracts:

	June 30, 2024	December 31, 2023
	(in millions)	
Term		
Expected future benefit payments and expenses (undiscounted)	$ 5,695	$ 5,878
Expected future gross premiums (undiscounted)	6,824	6,979
Expected future benefit payments and expenses (discounted; AOCI basis)	3,244	3,480
Expected future gross premiums (discounted; AOCI basis)	3,629	3,879
Payout - Legacy		
Expected future benefit payments and expenses (undiscounted)	5,798	5,204
Expected future gross premiums (undiscounted)	—	—
Expected future benefit payments and expenses (discounted; AOCI basis)	3,820	3,538
Expected future gross premiums (discounted; AOCI basis)	—	—
Payout		
Expected future benefit payments and expenses (undiscounted)	1,404	1,426
Expected future gross premiums (undiscounted)	—	—
Expected future benefit payments and expenses (discounted; AOCI basis)	767	812
Expected future gross premiums (discounted; AOCI basis)	—	—
Group Pension		
Expected future benefit payments and expenses (undiscounted)	640	668
Expected future gross premiums (undiscounted)	—	—
Expected future benefit payments and expenses (discounted; AOCI basis)	439	471
Expected future gross premiums (discounted; AOCI basis)	—	—

	June 30, 2024	December 31, 2023
	(in millions)	
Health		
Expected future benefit payments and expenses (undiscounted)	**2,246**	2,318
Expected future gross premiums (undiscounted)	**78**	85
Expected future benefit payments and expenses (discounted; AOCI basis)	**1,378**	1,468
Expected future gross premiums (discounted; AOCI basis)	**$ 61**	$ 68

The table below summarizes the revenue and interest related to nonparticipating traditional and limited payment contracts:

	Six Months Ended June 30,			
	2024	2023	**2024**	2023
	Gross Premium		Interest Accretion	
	(in millions)			
Revenue and Interest Accretion				
Term	**$ 171**	$ 140	**$ 33**	$ 34
Payout - Legacy	**109**	66	**79**	44
Payout	**18**	25	**20**	20
Group Pension	**—**	—	**9**	10
Health	**6**	4	**28**	29
Total	**$ 304**	$ 235	**$ 169**	$ 137

The following table provides the weighted average interest rates for the liability for future policy benefits:

	June 30, 2024	December 31, 2023
Weighted Average Interest Rate		
Term		
Interest accretion rate	**5.6 %**	5.6 %
Current discount rate	**5.3 %**	4.8 %
Payout - Legacy		
Interest accretion rate	**4.1 %**	4.0 %
Current discount rate	**5.3 %**	4.9 %
Payout		
Interest accretion rate	**5.0 %**	5.0 %
Current discount rate	**5.4 %**	4.9 %
Group Pension		
Interest accretion rate	**3.3 %**	3.3 %
Current discount rate	**5.3 %**	4.8 %
Health		
Interest accretion rate	**3.4 %**	3.4 %
Current discount rate	**5.4 %**	4.9 %

The following table provides the balance, changes in and the weighted average durations of the additional insurance liabilities:

	Six Months Ended June 30, 2024	2023
	Protection Solutions	
	UL	
	(Dollars in millions)	
Balance, beginning of period	**$ 1,193**	$ 1,109
Beginning balance before AOCI adjustments	**1,230**	1,135
Effect of changes in interest rate & cash flow assumptions and model changes	**—**	—
Effect of actual variances from expected experience	**(3)**	3
Adjusted beginning of period balance	**1,227**	1,138
Interest accrual	**27**	25
Net assessments collected	**36**	36
Benefit payments	**(35)**	(30)
Ending balance before shadow reserve adjustments	**1,255**	1,169
Effect of reserve adjustment recorded in AOCI	**(52)**	(24)
Balance, end of period	**$ 1,203**	$ 1,145
Net liability for additional liability	**$ 1,203**	$ 1,145
Less: Reinsurance recoverable	**—**	—
Net liability for additional liability, after reinsurance recoverable	**$ 1,203**	$ 1,145
Weighted-average duration of additional liability - death benefit (years)	19.5	21.4

The following tables provide the revenue, interest and weighted average interest rates, related to the additional insurance liabilities:

	Six Months Ended June 30, 2024	2023	2024	2023
	Assessments		Interest Accretion	
	(in millions)			
Revenue and Interest Accretion				
UL	**$ 338**	$ 350	**$ 27**	$ 25
Total	**$ 338**	$ 350	**$ 27**	$ 25

	Six Months Ended June 30, 2024	2023
Weighted Average Interest Rate		
UL	**4.5 %**	4.5 %
Interest accretion rate	**4.5 %**	4.5 %

The discount rate used for additional insurance liabilities reserve is based on the crediting rate at issue.

9) MARKET RISK BENEFITS

The following table presents the balances and changes to the balances for MRBs for the GMxB benefits on deferred variable annuities:

	Three Months Ended June 30,							
	2024				2023			
	Individual Retirement	Legacy			Individual Retirement	Legacy		
	GMxB Core	GMxB Legacy	Purchased MRB	Net Legacy	GMxB Core	GMxB Legacy	Purchased MRB	Net Legacy
	(in millions)							
Balance, beginning of period	**$ 315**	**$ 11,701**	**$ (8,333)**	**$ 3,368**	$ 317	$ 14,082	$ (10,669)	$ 3,413
Balance BOP before changes in the instrument specific credit risk	**70**	**11,326**	**(8,306)**	**3,020**	550	15,599	(10,570)	5,029
Model changes and effect of changes in cash flow assumptions	**—**	**—**	**—**	**—**	—	—	—	—
Actual market movement effect	**(4)**	**45**	**5**	**50**	(119)	(636)	315	(321)
Interest accrual	**15**	**153**	**(110)**	**43**	20	194	(134)	60
Attributed fees accrued (1)	**111**	**198**	**(56)**	**142**	111	209	(58)	151
Benefit payments	**(11)**	**(311)**	**162**	**(149)**	(12)	(344)	185	(159)
Actual policyholder behavior different from expected behavior	**9**	**—**	**(10)**	**(10)**	5	(7)	(8)	(15)
Changes in future economic assumptions	**(71)**	**(513)**	**345**	**(168)**	(202)	(873)	443	(430)
Issuances	**—**	**—**	**—**	**—**	(2)	—	—	—
Balance EOP before changes in the instrument-specific credit risk	**119**	**10,898**	**(7,970)**	**2,928**	351	14,142	(9,827)	4,315
Changes in the instrument-specific credit risk (2)	**285**	**520**	**(19)**	**501**	(220)	(1,422)	(96)	(1,518)
Balance, end of period	**$ 404**	**$ 11,418**	**$ (7,989)**	**$ 3,429**	$ 131	$ 12,720	$ (9,923)	$ 2,797
Weighted-average age of policyholders (years)	**64.9**	**73.3**	**72.9**	**N/A**	64.0	72.8	72.3	N/A
Net amount at risk	**$ 2,867**	**$ 19,710**	**$ 10,443**	**N/A**	$ 3,165	$ 22,195	$ 11,821	N/A

(1) Attributed fees accrued represents the portion of the fees needed to fund future GMxB claims.
(2) Changes are recorded in OCI except for reinsurer credit which is reflected in the consolidated income statement.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

	Six Months Ended June 30,							
	2024				2023			
	Individual Retirement	Legacy			Individual Retirement	Legacy		
	GMxB Core	GMxB Legacy	Purchased MRB (3)	Net Legacy	GMxB Core	GMxB Legacy	Purchased MRB (3)	Net Legacy
	(in millions)							
Balance, beginning of period	$ 590	$ 13,418	$ (9,420)	$ 3,998	$ 530	$ 14,699	$ (10,415)	$ 4,284
Balance BOP before changes in the instrument specific credit risk	322	13,028	(9,387)	3,641	529	15,314	(10,358)	4,956
Model changes and effect of changes in cash flow assumptions (4)	(2)	(8)	150	142	—	—	—	—
Actual market movement effect	(164)	(743)	398	(345)	(330)	(1,380)	702	(678)
Interest accrual	31	314	(223)	91	38	391	(287)	104
Attributed fees accrued (1)	206	398	(136)	262	206	418	(141)	277
Benefit payments	(21)	(632)	331	(301)	(24)	(686)	370	(316)
Actual policyholder behavior different from expected behavior	14	(23)	(1)	(24)	12	14	(26)	(12)
Changes in future economic assumptions	(265)	(1,436)	898	(538)	(77)	71	(87)	(16)
Issuances	(2)	—	—	—	(3)	—	—	—
Balance EOP before changes in the instrument-specific credit risk	119	10,898	(7,970)	2,928	351	14,142	(9,827)	4,315
Changes in the instrument-specific credit risk (2)	285	520	(19)	501	(220)	(1,422)	(96)	(1,518)
Balance, end of period	$ 404	$ 11,418	$ (7,989)	$ 3,429	$ 131	$ 12,720	$ (9,923)	$ 2,797
Weighted-average age of policyholders (years)	64.9	73.3	72.9	N/A	64.0	72.8	72.3	N/A
Net amount at risk	$ 2,867	$ 19,710	$ 10,443	N/A	$ 3,165	$ 22,195	$ 11,821	N/A

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(1) Attributed fees accrued represents the portion of the fees needed to fund future GMxB claims.
(2) Changes are recorded in OCI except for reinsurer credit which is reflected in the consolidated income statement.
(3) Purchased MRB is the impact of non-affiliated reinsurance.
(4) Includes the impact primarily of a non-affiliated recapture of reinsurance completed in the first quarter of 2024.

The following table reconciles MRBs by the amounts in an asset position and amounts in a liability position to the MRB amounts in the consolidated balance sheets:

	June 30, 2024					December 31, 2023				
	Direct Asset	Direct Liability	Net Direct MRB	Purchased MRB	Total	Direct Asset	Direct Liability	Net Direct MRB	Purchased MRB	Total
	(in millions)									
Individual Retirement										
GMxB Core	$ (524)	$ 928	$ 404	$ —	$ 404	$ (418)	$ 1,008	$ 590	$ —	$ 590
Legacy Segment										
GMxB Legacy	(179)	11,597	11,418	(7,989)	3,429	(102)	13,520	13,418	(9,420)	3,998
Other (1)	(100)	68	(32)	(4)	(36)	(71)	84	13	(7)	6
Total	$ (803)	$ 12,593	$ 11,790	$ (7,993)	$ 3,797	$ (591)	$ 14,612	$ 14,021	$ (9,427)	$ 4,594

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(1) Other primarily includes SCS.

10) POLICYHOLDER ACCOUNT BALANCES

The following table reconciles the policyholders account balances to the policyholders' account balance liability in the consolidated balance sheets:

	June 30, 2024	December 31, 2023
	(in millions)	
Policyholders' account balance reconciliation		
Protection Solutions		
Universal Life	$ 5,129	$ 5,202
Variable Universal Life	4,904	4,862
Legacy Segment		
GMxB Legacy	595	618
Individual Retirement		
GMxB Core	23	36
SCS	57,978	49,002
EQUI-VEST Individual	2,182	2,322
Group Retirement		
EQUI-VEST Group	11,369	11,563
Momentum	575	608
Other (1) (2)	7,606	6,570
Balance (exclusive of Funding Agreements)	90,361	80,783
Funding Agreements (2)	13,711	14,890
Balance, end of period	$ 104,072	$ 95,673

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(1) Primarily reflects products IR Payout, IR Other, Indexed Universal Life, Investment Edge, Group Pension, Closed Block and Corporate and Other.

(2) Balances as of December 31, 2023 were revised from previously filed financial statements.

The following table summarizes the balances and changes in policyholder's account balances:

	Six Months Ended June 30, 2024							
	Protection Solutions		Legacy	Individual Retirement			Group Retirement	
	Universal Life	Variable Universal Life	GMxB Legacy	GMxB Core	SCS (1)	EQUI-VEST Individual	EQUI-VEST Group	Momentum
	(Dollars in millions)							
Balance, beginning of period	$ 5,202	$ 4,862	$ 618	$ 36	$ 49,002	$ 2,322	$ 11,563	$ 608
Premiums received	327	61	36	119	9	15	305	37
Policy charges	(359)	(130)	18	—	(10)	—	(3)	—
Surrenders and withdrawals	(45)	(25)	(43)	(18)	(1,897)	(168)	(806)	(69)
Benefit payments	(106)	(56)	(49)	(1)	(149)	(26)	(35)	(1)
Net transfers from (to) separate account	—	86	3	(117)	6,325	6	170	(6)
Interest credited (2)	110	106	12	4	4,698	33	175	6
Other	—	—	—	—	—	—	—	—
Balance, end of period	$ 5,129	$ 4,904	$ 595	$ 23	$ 57,978	$ 2,182	$ 11,369	$ 575
Weighted-average crediting rate	3.80 %	3.71 %	2.74 %	1.67 %	N/A	2.98 %	2.67 %	2.32 %
Net amount at risk (3)	$ 34,364	$ 116,133	$ 19,710	$ 2,867	$ 1	$ 104	$ 9	$ —
Cash surrender value	$ 3,393	$ 3,172	$ 531	$ 252	$ 54,146	$ 2,176	$ 11,313	$ 576

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(1) SCS sales are recorded as a Separate Account liability until they are swept into the General Account. This sweep is recorded as Net Transfers from (to) separate account.

(2) SCS and EQUI-VEST Group includes amounts related to the change in embedded derivative.

(3) For life insurance products, the net amount at risk is death benefit less account value for the policyholder. For variable annuity products, the net amount at risk is the maximum GMxB NAR for the policyholder.

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

	Six Months Ended June 30, 2023							
	Protection Solutions		Legacy	Individual Retirement			Group Retirement	
	Universal Life	Variable Universal Life	GMxB Legacy	GMxB Core	SCS (1)	EQUI-VEST Individual	EQUI-VEST Group	Momentum
	(Dollars in millions)							
Balance, beginning of period	$ 5,340	$ 4,909	$ 688	$ 69	$ 35,702	$ 2,652	$ 12,045	$ 702
Premiums received	359	75	42	114	1	19	317	35
Policy charges	(384)	(128)	20	4	(3)	—	(3)	—
Surrenders and withdrawals	(38)	(23)	(47)	(17)	(1,323)	(178)	(821)	(71)
Benefit payments	(128)	(60)	(52)	(1)	(121)	(40)	(35)	(3)
Net transfers from (to) separate account	—	(64)	2	(103)	4,562	3	146	(12)
Interest credited (2)	110	109	13	3	4,267	38	210	6
Other	—	—	—	—	—	3	11	—
Balance, end of period	$ 5,259	$ 4,818	$ 666	$ 69	$ 43,085	$ 2,497	$ 11,870	$ 657
Weighted-average crediting rate	3.67 %	3.81 %	2.71 %	1.57 %	N/A	3.04 %	2.52 %	2.33 %
Net amount at risk (3)	$ 36,505	$ 114,554	$ 22,195	$ 3,165	$ 11	$ 118	$ 24	$ —
Cash surrender value	$ 3,463	$ 3,230	$ 630	$ 289	$ 39,238	$ 2,490	$ 11,782	$ 657

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(1) SCS sales are recorded as a Separate Account liability until they are swept into the General Account. This sweep is recorded as Net Transfers from (to) separate account.

(2) SCS and EQUI-VEST includes amounts related to the change in embedded derivative.

(3) For life insurance products, the net amount at risk is the death benefit less account value for the policyholder. For variable annuity products, the net amount at risk is the maximum GMxB NAR for the policyholder.

The following table presents the account values by range of guaranteed minimum crediting rates and the related range of the difference in basis points, between rates being credited policyholders and the respective guaranteed minimums:

		June 30, 2024				
Product	**Range of Guaranteed Minimum Crediting Rate**	**At Guaranteed Minimum**	**1 Basis Point - 50 Basis Points Above**	**51 Basis Points - 150 Basis Points Above**	**Greater Than 150 Basis Points Above**	**Total**
		(in millions)				
		Protection Solutions				
Universal Life	**0.00 % - 1.50 %**	**$ —**	**$ —**	**$ —**	**$ 6**	**$ 6**
	1.51 % - 2.50 %	**29**	**88**	**366**	**542**	**1,025**
	Greater than 2.50 %	**3,455**	**612**	**—**	**—**	**4,067**
	Total	**$ 3,484**	**$ 700**	**$ 366**	**$ 548**	**$ 5,098**
Variable Universal Life	**0.00 % - 1.50 %**	**$ 13**	**$ 17**	**$ 78**	**$ 25**	**$ 133**
	1.51 % - 2.50 %	**34**	**425**	**122**	**—**	**581**
	Greater than 2.50 %	**3,660**	**—**	**29**	**—**	**3,689**
	Total	**$ 3,707**	**$ 442**	**$ 229**	**$ 25**	**$ 4,403**
		Legacy Segment				
GMxB Legacy	**0.00 % - 1.50 %**	**$ 73**	**$ 3**	**$ —**	**$ —**	**$ 76**
	1.51 % - 2.50 %	**20**	**—**	**—**	**—**	**20**
	Greater than 2.50 %	**436**	**—**	**—**	**—**	**436**
	Total	**$ 529**	**$ 3**	**$ —**	**$ —**	**$ 532**

EQUITABLE HOLDINGS, INC.
Notes to Consolidated Financial Statements (Unaudited), Continued

June 30, 2024						
Product	**Range of Guaranteed Minimum Crediting Rate**	**At Guaranteed Minimum**	**1 Basis Point - 50 Basis Points Above**	**51 Basis Points - 150 Basis Points Above**	**Greater Than 150 Basis Points Above**	**Total**
			(in millions)			
			Individual Retirement			
GMxB Core	**0.00 % - 1.50 %**	**$ 13**	**$ 176**	**$ —**	**$ —**	**$ 189**
	1.51 % - 2.50 %	**12**	**—**	**—**	**—**	**12**
	Greater than 2.50 %	**58**	**—**	**—**	**—**	**58**
	Total	**$ 83**	**$ 176**	**$ —**	**$ —**	**$ 259**
EQUI-VEST Individual	**0.00 % - 1.50 %**	**$ 45**	**$ 209**	**$ —**	**$ —**	**$ 254**
	1.51 % - 2.50 %	**40**	**—**	**—**	**—**	**40**
	Greater than 2.50 %	**1,887**	**—**	**—**	**—**	**1,887**
	Total	**$ 1,972**	**$ 209**	**$ —**	**$ —**	**$ 2,181**
			Group Retirement			
EQUI-VEST Group	**0.00 % - 1.50 %**	**$ 746**	**$ 2,372**	**$ 35**	**$ 279**	**$ 3,432**
	1.51 % - 2.50 %	**349**	**—**	**—**	**—**	**349**
	Greater than 2.50 %	**6,352**	**—**	**—**	**—**	**6,352**
	Total	**$ 7,447**	**$ 2,372**	**$ 35**	**$ 279**	**$ 10,133**
Momentum	**0.00 % - 1.50 %**	**$ —**	**$ 13**	**$ 315**	**$ 52**	**$ 380**
	1.51 % - 2.50 %	**122**	**1**	**—**	**—**	**123**
	Greater than 2.50 %	**67**	**—**	**5**	**—**	**72**
	Total	**$ 189**	**$ 14**	**$ 320**	**$ 52**	**$ 575**

December 31, 2023						
Product	Range of Guaranteed Minimum Crediting Rate	At Guaranteed Minimum	1 Basis Point - 50 Basis Points Above	51 Basis Points - 150 Basis Points Above	Greater Than 150 Basis Points Above	Total
			(in millions)			
			Protection Solutions			
Universal Life	0.00 % - 1.50 %	$ —	$ —	$ —	$ 6	$ 6
	1.51 % - 2.50 %	61	69	462	430	1,022
	Greater than 2.50 %	3,515	627	—	—	4,142
	Total	$ 3,576	$ 696	$ 462	$ 436	$ 5,170
Variable Universal Life	0.00 % - 1.50 %	$ 16	$ 33	$ 53	$ 9	$ 111
	1.51 % - 2.50 %	35	495	28	—	558
	Greater than 2.50 %	3,712	—	13	5	3,730
	Total	$ 3,763	$ 528	$ 94	$ 14	$ 4,399
			Legacy Segment			
GMxB Legacy	0.00 % - 1.50 %	$ 75	$ 16	$ —	$ —	$ 91
	1.51 % - 2.50 %	21	—	—	—	21
	Greater than 2.50 %	461	—	—	—	461
	Total	$ 557	$ 16	$ —	$ —	$ 573

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December 31, 2023

Product	Range of Guaranteed Minimum Crediting Rate	At Guaranteed Minimum	1 Basis Point - 50 Basis Points Above	51 Basis Points - 150 Basis Points Above	Greater Than 150 Basis Points Above	Total
		(in millions)				
Individual Retirement						
GMxB Core	0.00 % - 1.50 %	$ 13	$ 192	$ —	$ —	$ 205
	1.51 % - 2.50 %	13	—	—	—	13
	Greater than 2.50 %	55	—	—	—	55
	Total	$ 81	$ 192	$ —	$ —	$ 273
EQUI-VEST Individual	0.00 % - 1.50 %	$ 49	$ 218	$ —	$ —	$ 267
	1.51 % - 2.50 %	43	—	—	—	43
	Greater than 2.50 %	2,011	—	—	—	2,011
	Total	$ 2,103	$ 218	$ —	$ —	$ 2,321
SCS	Products with either a fixed rate or no guaranteed minimum	N/A	N/A	N/A	N/A	N/A
Group Retirement						
EQUI-VEST Group	0.00 % - 1.50 %	$ 772	$ 2,338	$ 36	$ 315	$ 3,461
	1.51 % - 2.50 %	345	—	—	—	345
	Greater than 2.50 %	6,610	—	—	—	6,610
	Total	$ 7,727	$ 2,338	$ 36	$ 315	$ 10,416
Momentum	0.00 % - 1.50 %	$ —	$ 12	$ 330	$ 53	$ 395
	1.51 % - 2.50 %	138	1	—	—	139
	Greater than 2.50 %	68	—	5	—	73
	Total	$ 206	$ 13	$ 335	$ 53	$ 607

Separate Account - Summary

The following table reconciles the Separate Account liabilities to the Separate Account liability balance in the consolidated balance sheets:

	June 30, 2024	December 31, 2023
	(in millions)	
Separate Account Reconciliation		
Protection Solutions		
Variable Universal Life	**$ 17,212**	$ 15,821
Legacy Segment		
GMxB Legacy	**33,966**	33,794
Individual Retirement		
GMxB Core	**30,476**	29,829
EQUI-VEST Individual	**4,785**	4,582
Investment Edge	**4,588**	4,275
Group Retirement		
EQUI-VEST Group	**29,225**	26,959
Momentum	**4,702**	4,421
Other (1)	**7,710**	7,570
Total	**$ 132,664**	$ 127,251

(1) Primarily reflects Corporate and Other products and Group Retirement products including Association and Group Retirement Other.

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The following table presents the balances of and changes in Separate Account liabilities:

	Six Months Ended June 30, 2024						
	Protection Solutions	Legacy	Individual Retirement			Group Retirement	
	VUL	GMxB Legacy	GMxB Core	EQUI-VEST Individual	Investment Edge	EQUI-VEST Group	Momentum
	(in millions)						
Balance, beginning of period	**$ 15,821**	**$ 33,794**	**$ 29,829**	**$ 4,582**	**$ 4,275**	**$ 26,959**	**$ 4,421**
Premiums and deposits	**616**	**112**	**1,000**	**40**	**739**	**1,180**	**379**
Policy charges	**(287)**	**(324)**	**(249)**	**(1)**	**—**	**(8)**	**(11)**
Surrenders and withdrawals	**(330)**	**(1,629)**	**(1,720)**	**(248)**	**(254)**	**(1,113)**	**(476)**
Benefit payments	**(30)**	**(385)**	**(135)**	**(26)**	**(15)**	**(32)**	**(7)**
Investment performance (1)	**1,508**	**(3)**	**117**	**(7)**	**(465)**	**(170)**	**6**
Net transfers from (to) General Account	**(86)**	**2,401**	**1,634**	**445**	**308**	**2,409**	**390**
Other charges	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Balance, end of period	**$ 17,212**	**$ 33,966**	**$ 30,476**	**$ 4,785**	**$ 4,588**	**$ 29,225**	**$ 4,702**
Cash surrender value	**$ 16,840**	**$ 33,702**	**$ 29,644**	**$ 4,752**	**$ 4,501**	**$ 28,935**	**$ 4,694**

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(1) Investment performance is reflected net of M&E fees.

	Six Months Ended June 30, 2023						
	Protection Solutions	Legacy	Individual Retirement			Group Retirement	
	VUL	GMxB Legacy	GMxB Core	EQUI-VEST Individual	Investment Edge	EQUI-VEST Group	Momentum
	(in millions)						
Balance, beginning of period	$ 13,187	$ 32,616	$ 27,772	$ 4,161	$ 3,798	$ 22,393	$ 3,885
Premiums and deposits	573	110	698	49	470	1,116	332
Policy charges	(278)	(340)	(245)	(1)	—	(8)	(10)
Surrenders and withdrawals	(282)	(1,324)	(1,227)	(197)	(198)	(744)	(364)
Benefit payments	(49)	(382)	(120)	(27)	(24)	(28)	(5)
Investment performance (1)	1,687	3,392	2,144	538	326	2,850	452
Net transfers from (to) General Account	64	(2)	103	(3)	(257)	(144)	11
Other charges (2)	—	—	—	4	—	25	—
Balance, end of period	$ 14,902	$ 34,070	$ 29,125	$ 4,524	$ 4,115	$ 25,460	$ 4,301
Cash surrender value	$ 14,561	$ 33,792	$ 28,276	$ 4,491	$ 4,023	$ 25,210	$ 4,295

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(1) Investment performance is reflected net of M&E fees.

(2) EQUI-VEST Individual and EQUI-VEST Group for the six months ending June 30, 2023, amounts reflect a total special payment applied to the accounts of active clients as part of a previously disclosed settlement agreement between Equitable Financial Life Insurance Company and the Securities & Exchange Commission.

The following table presents the aggregate fair value of Separate Account assets by major asset category:

	June 30, 2024					
	Protection Solutions	Individual Retirement	Group Retirement	Corp & Other	Legacy Segment	Total
	(in millions)					
Asset Type						
Debt securities	**$ 51**	**$ 1**	**$ 7**	**$ 19**	**$ —**	**$ 78**
Common Stock	**67**	**35**	**452**	**1,706**	**—**	**2,260**
Mutual Funds	**17,597**	**41,320**	**35,388**	**670**	**33,990**	**128,965**
Bonds and Notes	**111**	**4**	**14**	**1,232**	**—**	**1,361**
Total	**$ 17,826**	**$ 41,360**	**$ 35,861**	**$ 3,627**	**$ 33,990**	**$ 132,664**

	December 31, 2023					
	Protection Solutions	Individual Retirement	Group Retirement	Corp & Other	Legacy Segment	Total
	(in millions)					
Asset Type						
Debt securities	$ 48	$ 1	$ 21	$ 6	$ —	$ 76
Common Stock	65	34	447	1,667	—	2,213
Mutual Funds	16,199	40,113	32,780	689	33,802	123,583
Bonds and Notes	91	4	1	1,283	—	1,379
Total	$ 16,403	$ 40,152	$ 33,249	$ 3,645	$ 33,802	$ 127,251

11) EMPLOYEE BENEFIT PLANS

Pension Plans

Holdings and Equitable Financial Retirement Plans

Holdings sponsors the MONY Life Retirement Income Security Plan for Employees and Equitable Financial sponsors the Equitable Retirement Plan (the “Equitable Financial QP”), both of which are frozen qualified defined benefit plans covering eligible employees and financial professionals. These pension plans are non-contributory, and their benefits are generally based on a cash balance formula and/or, for certain participants, years of service and average earnings over a specified period. Holdings and Equitable Financial also sponsor certain nonqualified defined benefit plans, including the Equitable Excess Retirement Plan, that provide retirement benefits in excess of the amount permitted under the tax law for the qualified plans. Holdings has assumed primary liability for both plans. Equitable Financial remains secondarily liable for its obligations under the Equitable Financial QP and would recognize such liability in the event Holdings does not perform.

AB Retirement Plans

AB maintains a qualified, non-contributory, defined benefit retirement plan covering current and former employees who were employed by AB in the United States prior to October 2, 2000 (the “AB Plan”). Benefits under the AB Plan are based on years of credited service, average final base salary, and primary Social Security benefits. Service and compensation after December 31, 2008 are not taken into account in determining participants’ retirement benefits.

Net Periodic Pension Expense

Components of net periodic pension expense for the Company's plans were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Service cost	**$ 2**	$ 2	**$ 4**	$ 4
Interest cost	**31**	31	**59**	62
Expected return on assets	**(37)**	(39)	**(73)**	(78)
Prior period service cost amortization	**(1)**	(1)	**(1)**	(1)
Actuarial (gain) loss	**—**	—	**—**	—
Net amortization	**14**	9	**28**	18
Net Periodic Pension Expense	**$ 9**	$ 2	**$ 17**	$ 5

12) INCOME TAXES

Income tax expense for the three and six months ended June 30, 2024 and 2023 was computed using an estimated annual effective tax rate ("ETR"), with discrete items recognized in the period in which they occur. The estimated ETR is revised, as necessary, at the end of successive interim reporting periods.

During the fourth quarter of 2022, the Company established a valuation allowance against its deferred tax asset related to unrealized capital losses in the available for sale securities portfolio. During the year ended December 31, 2023, management took actions to increase its available liquidity so that the Company has the ability and intent to hold the majority of securities in its available for sale portfolio to recovery. For liquidity and other purposes, the Company maintains a smaller pool of securities that it does not intend to hold to recovery. The Company maintains a valuation allowance against the deferred tax asset on available for sale securities that will not be held to recovery.

For the three and six months ended June 30, 2024, the Company recorded increases to the valuation allowance of $ 4 million and $ 7 million, respectively, due to changes in the value of unrealized losses in the available for sale portfolio that will not be held to recovery. This adjustment was recorded in other comprehensive income. A valuation allowance of $ 241 million remains against the portion of the deferred tax asset that is still not more-likely-than-not to be realized.

The Company uses the aggregate portfolio approach related to the stranded or disproportionate income tax effects in accumulated other comprehensive income related to available for sale securities. Under this approach, the disproportionate tax effect remains intact as long as the investment portfolio remains.

13) EQUITY

Preferred Stock

Preferred stock authorized, issued and outstanding was as follows:

	June 30, 2024			December 31, 2023		
Series	**Shares Authorized**	**Shares Issued**	**Shares Outstanding**	Shares Authorized	Shares Issued	Shares Outstanding
Series A	**32,000**	**32,000**	**32,000**	32,000	32,000	32,000
Series B	**20,000**	**20,000**	**20,000**	20,000	20,000	20,000
Series C	**12,000**	**12,000**	**12,000**	12,000	12,000	12,000
Total	**64,000**	**64,000**	**64,000**	64,000	64,000	64,000

Dividends declared per share were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
Series A dividends declared	**$ 328**	$ 328	**$ 656**	$ 656
Series B dividends declared	**$ 619**	$ 619	**$ 619**	$ 619
Series C dividends declared	**$ 269**	$ 269	**$ 538**	$ 538

Common Stock

Dividends declared per share of common stock were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
Dividends declared	**$ 0.24**	$ 0.22	**$ 0.46**	$ 0.42

Share Repurchase

On February 9, 2022, the Company's Board of Directors authorized a new $ 1.2 billion share repurchase program. Under this program, the Company may, from time to time purchase shares of its common stock through various means. The Company may choose to suspend or discontinue the repurchase program at any time. The repurchase program does not obligate the Company to purchase any particular number of shares. On February 9, 2023, the Company's Board of Directors authorized a new $ 700 million share repurchase program. Under this program, the Company may, from time to time, purchase shares of its common stock through various means. The Company may choose to suspend or discontinue the repurchase program at any time. The repurchase program does not obligate the Company to purchase any particular number of shares. As of June 30, 2024, Holdings had authorized capacity of approximately $ 958 million remaining in its share repurchase program.

Holdings repurchased a total of 6.3 million and 13.8 million shares of its common stock at an average price of $ 39.21 and $ 36.31 through open market repurchases, ASRs and privately negotiated transactions for the three and six months ended June 30, 2024, respectively and repurchased a total of 8.9 million and 16.2 million shares of its common stock at an average price of $ 25.33 and $ 27.19 through open market repurchases, ASRs and privately negotiated transactions for the three and six months ended June 30, 2023, respectively.

During the three and six months ended June 30, 2024, Holdings repurchased 3.2 million and 6.4 millions shares, respectively, of its common stock through open market repurchases. During the three and six months ended June 30, 2023, Holdings repurchased 3.6 million and 8.1 million shares, respectively, of its common stock through open market repurchases.

In June 2024 Holdings entered into an ASR with a third-party financial institution to repurchase an aggregate of $ 35 million of Holdings' common stock. Pursuant to the ASR, Holdings made a pre-payment of $ 35 million and received initial delivery of 0.7 million Holdings' shares. The ASR terminated in July 2024, at which time an additional 166,723 shares of common stock were received.

In March 2024, Holdings established an obligation to enter into an ASR with a third-party financial institution to repurchase an aggregate of $ 80 million of Holdings' common stock. Pursuant to the ASR, on April 3, 2024, Holdings made a pre-payment of $ 80 million and received initial delivery of 1.7 million shares. The ASR terminated in May 2024, at which time an additional 466,923 shares of common stock were received.

In March 2024 Holdings entered into an ASR with a third-party financial institution to repurchase an aggregate of $ 50 million of Holdings' common stock, Pursuant to the ASR, Holdings made a pre-payment of $ 50 million and received initial delivery of 1.0 million Holdings' shares. The ASR terminated in April 2024, at which time an additional 235,302 shares of common stock were received.

In December 2023, Holdings established an obligation to enter into an ASR with a third-party financial institution to repurchase an aggregate of $ 95 million of Holdings' common stock. Pursuant to the ASR, on January 4, 2024, Holdings made a pre-payment of $ 95 million and received initial delivery of 2.3 million shares. The ASR terminated in January 2024, at which time an additional 625,040 shares of common stock were received.

Accumulated Other Comprehensive Income (Loss)

AOCI represents cumulative gains (losses) on items that are not reflected in net income (loss). The balances as of June 30, 2024 and December 31, 2023 follow:

	June 30, 2024	December 31, 2023
	(in millions)	
Unrealized gains (losses) on investments	**$ (7,569)**	$ (6,638)
Market risk benefits - instrument-specific credit risk component	**(795)**	(633)
Liability for future policy benefits - current discount rate component	**391**	182
Defined benefit pension plans	**(634)**	(652)
Foreign currency translation adjustments	**(79)**	(76)
Total accumulated other comprehensive income (loss)	**(8,686)**	(7,817)
Less: Accumulated other comprehensive income (loss) attributable to noncontrolling interest	**(41)**	(40)
Accumulated other comprehensive income (loss) attributable to Holdings	**$ (8,645)**	$ (7,777)

The components of OCI, net of taxes for three and six months ended June 30, 2024 and 2023 are as follow:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Change in net unrealized gains (losses) on investments:				
Net unrealized gains (losses) arising during the period	**$ (442)**	$ (700)	**$ (985)**	$ 871
(Gains) losses reclassified into net income (loss) during the period (1)	**—**	37	**21**	100
Net unrealized gains (losses) on investments	**(442)**	(663)	**(964)**	971
Adjustments for policyholders' liabilities, DAC, insurance liability loss recognition and other	**34**	39	**43**	31
Change in unrealized gains (losses), net of adjustments (net of deferred income tax expense (benefit) of $(103), $(332), $(236) and $ 9)	**(408)**	(624)	**(921)**	1,002
Change in LFPB discount rate and MRB credit risk, net of tax				
Market risk benefits - changes in instrument-specific credit risk (net of deferred income tax expense (benefit) of $(41), $(23), $(34) and $ 226)	(153)	(87)	**(128)**	851
Liability for future policy benefits - changes in current discount rate (net of deferred income tax expense (benefit) of $ 18 , $ 20 , $ 44 and $(10))	67	74	**165**	(38)
Change in defined benefit plans:				
Reclassification to Net income (loss) of amortization of net prior service credit included in net periodic cost	**10**	9	**18**	29
Change in defined benefit plans (net of deferred income tax expense (benefit) of $(3), $(2), $(5), and $(7))	**10**	9	**18**	29
Foreign currency translation adjustments:				
Foreign currency translation gains (losses) arising during the period	**8**	5	**(3)**	11
Foreign currency translation adjustment	**8**	5	**(3)**	11
Total other comprehensive income (loss), net of income taxes	**(476)**	(623)	**(869)**	1,855
Less: Other comprehensive income (loss) attributable to noncontrolling interest	**3**	3	**(1)**	5
Other comprehensive income (loss) attributable to Holdings	**$ (479)**	$ (626)	**$ (868)**	$ 1,850

(1) See "Reclassification adjustment" in Note 3 of the Notes to these Consolidated Financial Statements. Reclassification amounts presented net of income tax expense (benefit) of $ 0 million, $(10) million, $(5) million and $(26) million for the three and six months ended June 30, 2024 and 2023, respectively.

Investment gains and losses reclassified from AOCI to net income (loss) primarily consist of realized gains (losses) on sales and credit losses of AFS securities and are included in total investment gains (losses), net on the consolidated statements of income (loss). Amounts reclassified from AOCI to net income (loss) as related to defined benefit plans primarily consist of amortization of net (gains) losses and net prior service cost (credit) recognized as a component of net periodic cost and reported in compensation and benefits in the consolidated statements of income (loss). Amounts presented in the table above are net of tax.

14) SHORT-TERM AND LONG-TERM DEBT

Borrowings

Our financial strategy going forward will remain subject to market conditions and other factors. For example, we may from time to time enter into additional bank or other financing arrangements, including public or private debt, structured facilities and contingent capital arrangements, under which we could incur additional indebtedness.

The following table sets forth the Company's total consolidated borrowings. Short-term and long-term debt consists of the following:

	June 30, 2024	December 31, 2023
	(in millions)	
Short-term debt:		
AB commercial paper	$ —	$ 254
Total short-term debt	—	254
Long-term debt:		
Senior Debenture, (7.00 %, due 2028)	250	349
Senior Note (4.35 % due 2028)	1,494	1,493
Senior Note (4.572 % due 2029)	300	—
Senior Note (5.594 % due 2033)	497	497
Senior Note (5.00 % due 2048)	1,289	1,481
Total long-term debt	3,830	3,820
Total borrowings	$ 3,830	$ 4,074

Pre-Capitalized Trust Securities

In June 2024, the Company exercised its issuance right under the 2029 Trust Facility Agreement (as subsequently defined) to issue $ 600 million principal amount of the Company's 2029 Notes (as subsequently defined) in exchange for the portfolio of principal and interest strips of U.S. Treasury securities held by the 2029 Trust (as subsequently defined). Following the Company's exercise of its issuance right under the 2029 Trust Facility Agreement, the Company issued $ 600 million principal amount of the 2029 Notes to the 2029 Trust (as subsequently defined) on June 6, 2024 in exchange for the 2029 Trust Eligible Assets (as subsequently defined). See note 16 for additional details on the Pre-Capitalized Trust Securities.

Holdings Senior Notes and Debentures Repayment

In June 2024, Holdings made principal pre-payments of $ 275 million on the 2029 Notes, $ 99 million on the 7.0 % 2028 Senior Debentures, and $ 195 million on the 5.0 % 2048 Senior Notes, and recorded a loss on extinguishment of $ 11 million.

15) REDEEMABLE NONCONTROLLING INTEREST

The changes in the components of redeemable noncontrolling interests were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Balance, beginning of period	**$ 991**	$ 613	**$ 770**	$ 455
Net earnings (loss) attributable to redeemable noncontrolling interests	**16**	6	**34**	18
Purchase/change of redeemable noncontrolling interests	**81**	(88)	**284**	58
Balance, end of period	**$ 1,088**	$ 531	**$ 1,088**	$ 531

16) COMMITMENTS AND CONTINGENT LIABILITIES

Litigation and Regulatory Matters

Litigation, regulatory and other loss contingencies arise in the ordinary course of the Company’s activities as a diversified financial services firm. The Company is a defendant in a number of litigation matters arising from the conduct of its business. In some of these matters, claimants seek to recover very large or indeterminate amounts, including compensatory, punitive, treble and exemplary damages. Modern pleading practice permits considerable variation in the assertion of monetary damages and other relief. Claimants are not always required to specify the monetary damages they seek, or they may be required only to state an amount sufficient to meet a court’s jurisdictional requirements. Moreover, some jurisdictions allow claimants to allege monetary damages that far exceed any reasonably possible verdict. The variability in pleading requirements and past experience demonstrates that the monetary and other relief that may be requested in a lawsuit or claim often bears little relevance to the merits or potential value of a claim. Litigation against the Company includes a variety of claims including, among other things, insurers’ sales practices, alleged agent misconduct, alleged failure to properly supervise agents, contract administration, product design, features and accompanying disclosure, COI increases, payments of death benefits and the reporting and escheatment of unclaimed property, alleged breach of fiduciary duties, alleged mismanagement of client funds and other matters.

The outcome of a litigation or regulatory matter is difficult to predict, and the amount or range of potential losses associated with these or other loss contingencies requires significant management judgment. It is not possible to predict the ultimate outcome or to provide reasonably possible losses or ranges of losses for all pending regulatory matters, litigation and other loss contingencies. While it is possible that an adverse outcome in certain cases could have a material adverse effect upon the Company’s financial position, based on information currently known, management believes that neither the outcome of pending litigation and regulatory matters, nor potential liabilities associated with other loss contingencies, are likely to have such an effect. However, given the large and indeterminate amounts sought in certain litigation and the inherent unpredictability of all such matters, it is possible that an adverse outcome in certain of the Company’s litigation or regulatory matters, or liabilities arising from other loss contingencies, could, from time to time, have a material adverse effect upon the Company’s results of operations or cash flows in a particular quarterly or annual period.

For some matters, the Company is able to estimate a range of loss. For such matters in which a loss is probable, an accrual has been made. For matters where the Company believes a loss is reasonably possible, but not probable, no accrual is required. For matters for which an accrual has been made, but there remains a reasonably possible range of loss in excess of the amounts accrued or for matters where no accrual is required, the Company develops an estimate of the unaccrued amounts of the reasonably possible range of losses. As of June 30, 2024, the Company estimates the aggregate range of reasonably possible losses, in excess of any amounts accrued for these matters as of such date, to be up to approximately $ 100 million.

For other matters, the Company is currently not able to estimate the reasonably possible loss or range of loss. The Company is often unable to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support an assessment of the range of possible loss, such as quantification of a damage demand from plaintiffs, discovery from plaintiffs and other parties, investigation of factual allegations, rulings by a court on motions or appeals, analysis by experts and the progress of settlement discussions. On a quarterly and annual basis, the Company reviews relevant information with respect to litigation and regulatory contingencies and updates the Company's accruals, disclosures and reasonably possible losses or ranges of loss based on such reviews.

In February 2016, a lawsuit was filed in the Southern District of New York entitled Brach Family Foundation, Inc. v. AXA Equitable Life Insurance Company. This lawsuit is a putative class action brought on behalf of all owners of UL policies subject to Equitable Financial's COI rate increase. In early 2016, Equitable Financial raised COI rates for certain UL policies issued between 2004 and 2008, which had both issue ages 70 and above and a current face value amount of $ 1 million and above. A second putative class action was filed in the District of Arizona in 2017 and consolidated with the Brach matter in federal court in New York. The consolidated amended class action complaint alleged the following claims: breach of contract; misrepresentations in violation of Section 4226 of the New York Insurance Law; violations of New York General Business Law Section 349; and violations of the California Unfair Competition Law, and the California Elder Abuse Statute. Plaintiffs sought: (a) compensatory damages, costs, and, pre- and post-judgment interest; (b) with respect to their claim concerning Section 4226, a penalty in the amount of premiums paid by the plaintiffs and the putative class; and (c) injunctive relief and attorneys' fees in connection with their statutory claims. In August 2020, the federal district court issued a decision certifying nationwide breach of contract and Section 4226 classes, and a New York State Section 349 class. Owners of a substantial number of policies opted out of the Brach class action. Most have settled pre-litigation, but a minority of opt-out policies are not yet the subject of litigation. Others filed suit previously, including three pending individual federal actions that were coordinated with the Brach action and contained similar allegations. In May 2023, the Brach class action and Equitable Financial informed the federal district court that they had mutually agreed to settle the class action, and in October 2023, the federal district court entered an order of final approval of the settlement agreement. Equitable Financial is fully accrued for the class settlement, which will have no impact on earnings or distributable cash projections. In October 2023, Equitable Financial and the three plaintiffs with individual federal actions coordinated with the Brach action informed the court that they had reached a settlement, and those actions were dismissed. Equitable Financial is likewise fully accrued for those individual settlements, which will have no impact on earnings or distributable cash projections. Equitable Financial has settled other actual and threatened litigations challenging the COI increase by individual policy owners and entities.

Finally, one action is also pending against Equitable Financial in New York state court. In July 2022, the trial court in Hobish v. AXA Equitable Life Insurance Company, granted in significant part Equitable Financial's motion for summary judgment and denied plaintiff's cross motion. That plaintiff appealed but the appellate court affirmed the trial court's decision. In March 2024, the intermediate appellate court granted plaintiff's motion for leave to appeal to the state's highest appellate court. Equitable Financial is vigorously defending each of these matters.

As with other financial services companies, Equitable Financial periodically receives informal and formal requests for information from various state and federal governmental agencies and self-regulatory organizations in connection with inquiries and investigations of the products and practices of the Company or the financial services industry. It is the practice of the Company to cooperate fully in these matters.

Obligations under Funding Agreements

Pre-Capitalized Trust Securities ("P-Caps")

In April 2019, pursuant to separate Purchase Agreements among Holdings, Credit Suisse Securities (USA) LLC, as representative of the several initial purchasers, and the Trusts (as defined below), Pine Street Trust I, a Delaware statutory trust (the "2029 Trust"), completed the issuance and sale of 600,000 of its Pre-Capitalized Trust Securities redeemable February 15, 2029 (the "2029 P-Caps") for an aggregate purchase price of $ 600 million and Pine Street Trust II, a Delaware statutory trust (the "2049 Trust" and, together with the 2029 Trust, the "Trusts"), completed the issuance and sale of 400,000 of its Pre-Capitalized Trust Securities redeemable February 15, 2049 (the "2049 P-Caps" and, together with the 2029 P-Caps, the "P-Caps") for an aggregate purchase price of $ 400 million in each case to qualified institutional buyers in reliance on Rule 144A that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended.

In June 2024, the Company exercised its issuance right under the Facility Agreement, dated April 5, 2019 (the “2029 Trust Facility Agreement”) to issue $ 600 million principal amount of the Company’s 4.572 % Senior Notes due 2029 (the “2029 Notes”) in exchange for the portfolio of principal and interest strips of U.S. Treasury securities held by the 2029 Trust (the “2029 Trust Eligible Assets”). Following the Company’s exercise of its issuance right under the 2029 Trust Facility Agreement, the Company: (i) issued $ 600 million principal amount of the 2029 Notes to the 2029 Trust on June 6, 2024 in exchange for the 2029 Trust Eligible Assets; (ii) waived its right to repurchase the 2029 Notes; and (iii) directed the trustee of the 2029 Trust to dissolve the 2029 Trust in accordance with its declaration of trust and deliver the 2029 Notes to the beneficial holders of the 2029 P-Caps pro rata in respect of each 2029 P-Cap. The 2029 Trust was dissolved on June 11, 2024 and the beneficial holders of the 2029 P-Caps received the 2029 Notes through the facilities of The Depository Trust Company. See Note 14 for additional details on the 2029 Notes.

In addition, in June 2024, pursuant to the Purchase Agreement among Holdings, TD Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as representative of the several initial purchasers, and Pine Street Trust III, a Delaware statutory trust (“2054 Trust”), completed the issuance and sale of 600,000 of its Pre-Capitalized Trust Securities redeemable May 15, 2054 (the “2054 P-Caps”) for an aggregate purchase price of $ 600 million to qualified institutional buyers in reliance on Rule 144A that are also “qualified purchasers” for purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended.

The P-Caps are an off-balance sheet contingent funding arrangement that, upon Holdings’ election, gives Holdings the right over a thirty-year period to issue senior notes to the 2049 Trust and the 2054 Trusts. The Trust have invested the proceeds from the respective sales of their P-Caps in separate portfolios of principal and/or interest strips of U.S. Treasury securities. In return, Holdings will, in the case of the 2054 Trust, pay, and in the case of the 2049 Trust, continue to pay, a semi-annual facility fee to the 2049 Trust and 2054 Trust calculated at a rate of 2.715 % and 1.779 % per annum, respectively, which will be applied to the unexercised portion of the contingent funding arrangement and Holdings will reimburse the Trusts for certain expenses. The facility fees are recorded in other operating costs and expenses in the consolidated statements of income (loss).

Federal Home Loan Bank (“FHLB”)

As a member of the FHLB, Equitable Financial has access to collateralized borrowings. It also may issue funding agreements to the FHLB. Both the collateralized borrowings and funding agreements would require Equitable Financial to pledge qualified mortgage-backed assets and/or government securities as collateral. Equitable Financial issues short-term funding agreements to the FHLB and uses the funds for asset, liability, and cash management purposes. Equitable Financial issues long-term funding agreements to the FHLB and uses the funds for spread lending purposes.

Entering into FHLB membership, borrowings and funding agreements requires the ownership of FHLB stock and the pledge of assets as collateral. Equitable Financial has purchased FHLB stock of $ 336 million and pledged collateral with a carrying value of $ 10.0 billion as of June 30, 2024.

Funding agreements are reported in policyholders’ account balances in the consolidated balance sheets. For other instruments used for asset/liability and cash management purposes, see “Offsetting of Financial Assets and Liabilities and Derivative Instruments” included in Note 4 of the Notes to these Consolidated Financial Statements. The table below summarizes the Company’s activity of funding agreements with the FHLB.

Change in FHLB Funding Agreements during the Six Months Ended June 30, 2024

	Outstanding Balance at December 31, 2023	Issued During the Period	Repaid During the Period	Long-term Agreements Maturing Within One Year	Long-term Agreements Maturing Within Five Years	Outstanding Balance at June 30, 2024
			(in millions)			
Short-term funding agreements:						
Due in one year or less	$ 6,168	**$ 30,425**	**$ (30,875)**	**$ 125**	**$ —**	**$ 5,843**
Long-term funding agreements:						
Due in years two through five	799	**—**	**—**	**(82)**	**—**	**717**
Due in more than five years	648	**—**	**—**	**(43)**	**—**	**605**

Total long-term funding agreements	1,447	—	—	(125)	—	1,322
Total funding agreements (1)	$ 7,615	$ 30,425	$ (30,875)	$ —	$ —	$ 7,165

(1) The $ 2 million and $ 3 million difference between the funding agreements carrying value shown in fair value table for June 30, 2024 and December 31, 2023, respectively, reflects the remaining amortization of a hedge implemented and closed, which locked in the funding agreements borrowing rates.

Funding Agreement-Backed Notes Program ("FABN")

Under the FABN program, Equitable Financial may issue funding agreements in U.S. dollar or other foreign currencies to a Delaware special purpose statutory trust (the "Trust") in exchange for the proceeds from issuances of fixed and floating rate medium-term marketable notes issued by the Trust from time to time (the "Trust Notes"). The funding agreements have matching interest, maturity and currency payment terms to the applicable Trust Notes. The Company hedges the foreign currency exposure of foreign currency denominated funding agreements using cross currency swaps as discussed in Note 4 of the Notes to these Consolidated Financial Statements. As of June 30, 2024, the maximum aggregate principal amount of Trust Notes permitted to be outstanding at any one time is $ 10.0 billion. Funding agreements issued to the Trust, including any foreign currency transaction adjustments, are reported in policyholders' account balances in the consolidated balance sheets. Foreign currency transaction adjustments to policyholder's account balances are recognized in net income (loss) as an adjustment to interest credited to policyholders' account balances and are offset in interest credited to policyholders' account balances by a release of AOCI from deferred changes in fair value of designated and qualifying cross currency swap cash flow hedges. The table below summarizes Equitable Financial's activity of funding agreements under the FABN program.

Change in FABN Funding Agreements during the Six Months Ended June 30, 2024

	Outstanding Balance at December 31, 2023	Issued During the Period	Repaid During the Period	Long-term Agreements Maturing Within One Year	Long-term Agreements Maturing Within Five Years	Foreign Currency Transaction Adjustment	Outstanding Balance at June 30, 2024
				(in millions)			
Short-term funding agreements:							
Due in one year or less	$ 1,000	$ —	$ —	$ —	$ —	$ —	$ 1,000
Long-term funding agreements:							
Due in years two through five	4,984	—	—	—	—	(19)	4,965
Due in more than five years	300	—	—	—	—	—	300
Total long-term funding agreements	5,284	—	—	—	—	(19)	5,265
Total funding agreements (1)	$ 6,284	$ —	$ —	$ —	$ —	$ (19)	$ 6,265

(1) The $ 14 million and $ 17 million difference between the funding agreements notional value shown and carrying value table as of June 30, 2024 and December 31, 2023, respectively, reflects the remaining amortization of the issuance cost of the funding agreements and the foreign currency transaction adjustment.

Funding Agreement-Backed Commercial Paper Program ("FABCP")

In May 2023, Equitable Financial and Equitable America established a FABCP program, pursuant to which a SPLLC may issue commercial paper and deposit the proceeds with Equitable Financial or Equitable America pursuant to a funding agreement issued by Equitable Financial or Equitable America to the SPLLC. The current maximum aggregate principal amount permitted to be outstanding at any one time under the FABCP program is $ 3.0 billion for Equitable Financial and $ 1.0 billion for Equitable America. As of June 30, 2024, Equitable Financial and Equitable America had $ 250 million and $ 0 million outstanding under the program, respectively.

Credit Facilities

For information regarding activity pertaining to our credit facilities arrangements, see Note 14 of the Notes to these Consolidated Financial Statements.

Guarantees and Other Commitments

The Company provides certain guarantees or commitments to affiliates and others. As of June 30, 2024, these arrangements include commitments by the Company to provide equity financing of $ 1.3 billion to certain limited partnerships and real estate joint ventures under certain conditions as well as a guarantee of a subsidiary's performance under a reinsurance arrangement that will no longer be in effect once certain conditions at the subsidiary are met and notice is provided. Management believes the Company will not incur material losses as a result of these commitments.

The Company had $ 17 million of undrawn letters of credit related to reinsurance as of June 30, 2024. The Company had $ 705 million of commitments under existing mortgage loan agreements as of June 30, 2024.

The Company is the obligor under certain structured settlement agreements it had entered into with unaffiliated insurance companies and beneficiaries. To satisfy its obligations under these agreements, the Company owns single premium annuities issued by previously wholly-owned life insurance subsidiaries. The Company has directed payment under these annuities to be made directly to the beneficiaries under the structured settlement agreements. A contingent liability exists with respect to these agreements should the previously wholly-owned subsidiaries be unable to meet their obligations. Management believes the need for the Company to satisfy those obligations is remote.

17) BUSINESS SEGMENT INFORMATION

As previously announced, effective January 1, 2023, our financial reporting presentation was revised to reflect the reorganization of the Company's reportable segments to reflect how the Company's chief operating decision maker now makes operating decisions and assesses performance. We now have six reportable segments. Prior period results have been revised in connection with updates to our reportable segments.

The six reportable segments are: Individual Retirement, Group Retirement, Asset Management, Protection Solutions, Wealth Management and Legacy.

These segments reflect the manner by which the Company's chief operating decision maker views and manages the business. A brief description of these segments follows:

- The Individual Retirement segment offers a diverse suite of variable annuity products which are primarily sold to affluent and high net worth individuals saving for retirement or seeking retirement income.
- The Group Retirement segment offers tax-deferred investment and retirement services or products to plans sponsored by educational entities, municipalities, and not-for-profit entities, as well as small and medium-sized businesses.
- The Asset Management segment provides diversified investment management and related solutions globally to a broad range of clients through three main client channels - Institutional, Retail and Private Wealth.
- The Protection Solutions segment includes our life insurance and group employee benefits businesses. Our life insurance business offers a variety of VUL, UL and term life products to help affluent and high net worth individuals, as well as small and medium-sized business owners, with their wealth protection, wealth transfer and corporate needs. Our group employee benefits business offers a suite of life, and short- and long-term disability, dental and vision insurance products to small and medium-size businesses across the United States.
- The Wealth Management segment offers discretionary and non-discretionary investment advisory accounts, financial planning and advice, life insurance, and annuity products through Equitable Advisors.
- The Legacy segment primarily consists of the capital intensive fixed-rate GMxB business written in the Individual Retirement market prior to 2011. This business offered GMDB features in isolation or together with GMLB features. This business also historically offered variable annuities with four types of guaranteed living benefit riders: GMIB, GWBL/GMWB, and GMAB.

Measurement

Operating earnings (loss) is the financial measure which primarily focuses on the Company's segments' results of operations as well as the underlying profitability of the Company's core business. By excluding items that can be distortive and unpredictable such as investment gains (losses) and investment income (loss) from derivative instruments, the Company believes operating earnings (loss) by segment enhances the understanding of the Company's underlying drivers of profitability and trends in the Company's segments.

Operating earnings is calculated by adjusting each segment's net income (loss) attributable to Holdings for the following items:

- Items related to variable annuity product features, which include: (i) changes in the fair value of market risk benefits and purchased market risk benefits, including the related attributed fees and claims, offset by derivatives and other securities used to hedge the market risk benefits which result in residual net income volatility as the change in fair value of certain securities is reflected in OCI and due to our statutory capital hedge program; and (ii) market adjustments to deposit asset or liability accounts arising from reinsurance agreements which do not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk;
- Investment (gains) losses, which includes credit loss impairments of securities/investments, sales or disposals of securities/investments, realized capital gains/losses and valuation allowances;
- Net actuarial (gains) losses, which includes actuarial gains and losses as a result of differences between actual and expected experience on pension plan assets or projected benefit obligation during a given period related to pension, other postretirement benefit obligations, and the one-time impact of the settlement of the defined benefit obligation;
- Other adjustments, which primarily include restructuring costs related to severance and separation, lease write-offs related to non-recurring restructuring activities, COVID-19 related impacts, net derivative gains (losses) on certain Non-GMxB derivatives, net investment income from certain items including consolidated VIE investments, seed capital mark-to-market adjustments, unrealized gain/losses and realized capital gains/losses from sales or disposals of select securities, certain legal accruals; a bespoke deal to repurchase UL policies from one entity that had invested in numerous policies purchased in the life settlement market, which disposed of the risk of additional COI litigation by that entity related to those UL policies, impact of the annual actuarial assumption updates attributable to LFPB; and
- Income tax expense (benefit) related to the above items and non-recurring tax items, which includes the effect of uncertain tax positions for a given audit period and changes to the deferred tax valuation allowance.

The General Account investment portfolio is used to support the insurance and annuity liabilities of our Individual Retirement, Group Retirement, Protection Solutions and Legacy business segments.

In the fourth quarter of 2023, the Company updated its operating earnings measure to exclude the impact of realized amounts related to equity classified instruments. The recognition of the realized capital gains and losses from investments in current net investment income is generally considered distortive and not reflective of the ongoing core business activities of the segments. The presentation of operating earnings in prior periods was not revised to reflect this modification. The impact to operating earnings was immaterial for the three and six months ended June 30, 2023.

In the first quarter of 2024, the Company began allocating to its business segments collateral expense resulting from a designated rate to be paid on the collateral held back to counterparties. The new segment allocation methodology for collateral expense is based on the income earned on cash equivalents held in the surplus segments and income earned in portfolios backing collateral expenses, such that the collateral expense would be allocated to the segments up to that amount. Any remaining amount is included within Corporate and Other. This expense was previously recorded in Corporate and Other with no allocation to our business segments in prior reporting periods.

The presentation of operating earnings in prior periods was not revised to reflect this modification, however, the Company estimated that allocating collateral expense to the segments for the twelve months ended December 31, 2023 and 2022, respectively, would have resulted in a decrease to operating earnings of $ 4.0 million and $ 0.8 million for Individual Retirement, $ 7.7 million and $ 1.4 million for Group Retirement, $ 21.9 million and $ 2.5 million for Protection Solutions, $ 4.2 million and $ 1.0 million for Legacy, and an increase of $ 37.8 million and $ 5.7 million for Corporate and Other. The impact to operating earnings for each segment during the quarters of 2023 was not material. Total Company operating earnings were not impacted.

Revenues derived from any customer did not exceed 10% of revenues for the three and six months ended June 30, 2024 and 2023.

The Company accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, that is, at current market prices.

EQUITABLE HOLDINGS, INC.

Notes to Consolidated Financial Statements (Unaudited), Continued

The table below presents operating earnings (loss) by segment and Corporate and Other and a reconciliation to net income (loss) attributable to Holdings:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Net income (loss) attributable to Holdings	**$ 428**	$ 759	**$ 542**	$ 936
Adjustments related to:				
Variable annuity product features	**79**	(65)	**398**	796
Investment (gains) losses	**16**	56	**55**	143
Net actuarial (gains) losses related to pension and other postretirement benefit obligations	**14**	9	**31**	18
Other adjustments (1) (2)	**(32)**	62	**59**	107
Income tax expense (benefit) related to above adjustments	**(16)**	(13)	**(114)**	(223)
Non-recurring tax items (3)	**5**	(367)	**13**	(972)
Non-GAAP Operating Earnings	**$ 494**	$ 441	**$ 984**	$ 805
Operating earnings (loss) by segment:				
Individual Retirement	**$ 234**	$ 234	**$ 462**	$ 434
Group Retirement	**$ 123**	$ 107	**$ 249**	$ 196
Asset Management	**$ 101**	$ 99	**$ 207**	$ 198
Protection Solutions	**$ 67**	$ 24	**$ 108**	$ (11)
Wealth Management	**$ 44**	$ 42	**$ 87**	$ 74
Legacy	**$ 41**	$ 45	**$ 92**	$ 105
Corporate and Other (4)	**$ (116)**	$ (110)	**$ (221)**	$ (191)

(1) Includes certain gross legal expenses related to the cost of insurance litigation of $ 0 million and $ 106 million for the three and six months ended June 30, 2024, respectively, and $ 35 million and $ 35 million for the three and six months ended June 30, 2023, respectively.

(2) For the three and six months ended June 30, 2024, includes $ 82 million of the gain on sale on AB's Bernstein Research Service attributable to Holdings.

(3) For the three and six months ended June 30, 2024, includes non-recurring tax items reflects the effect of uncertain tax positions for a given audit period and for the three and six months ended June 30, 2023 primarily includes a decrease of the deferred tax valuation allowance of $ 376 million and $ 990 million.

(4) Includes interest expense and financing fees of $ 58 million and $ 114 million for the three and six months ended June 30, 2024, respectively, and $ 57 million and $ 119 million for the three and six months ended June 30, 2023, respectively.

Segment revenues is a measure of the Company’s revenue by segment as adjusted to exclude certain items. The following table reconciles segment revenues to total revenues by excluding the following items:

- Items related to variable annuity product features, which include certain changes in the fair value of the derivatives and other securities we use to hedge these features and changes in the fair value of the embedded derivatives reflected within the net derivative results of variable annuity product features;
- Investment (gains) losses, which includes credit loss impairments of securities/investments, sales or disposals of securities/investments, realized capital gains/losses and valuation allowances;
- Other adjustments, which primarily includes net derivative gains (losses) on certain Non-GMxB derivatives and net investment income from certain items including consolidated VIE investments, seed capital mark-to-market adjustments and unrealized gain/losses associated with equity securities.

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The table below presents revenues by segment and Corporate and Other:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Segment revenues:				
Individual Retirement (1)	**$ 810**	$ 647	**$ 1,576**	$ 1,235
Group Retirement (1)	**283**	267	**575**	504
Asset Management (2)	**1,051**	1,000	**2,144**	2,009
Protection Solutions (1)	**834**	784	**1,659**	1,551
Wealth Management (3)	**442**	391	**865**	753
Legacy (1)	**200**	203	**410**	409
Corporate and Other (1)	**228**	262	**474**	543
Eliminations	**(227)**	(218)	**(443)**	(398)
Adjustments related to:				
Variable annuity product features	**(79)**	65	**(398)**	(796)
Investment gains (losses), net	**(16)**	(56)	**(55)**	(143)
Other adjustments to segment revenues	**(16)**	(968)	**(1,067)**	(933)
Total revenues	**$ 3,510**	$ 2,377	**$ 5,740**	$ 4,734

(1) Includes investment expenses charged by AB of $ 37 million and $ 73 million for the three and six months ended June 30, 2024, respectively, and $ 31 million and $ 69 million for the three and six months ended June 30, 2023, respectively, for services provided to the Company.

(2) Inter-segment investment management and other fees of $(126) million and $(84) million for the three and six months ended June 30, 2024, respectively, and $ 37 million and $ 80 million for the three and six months ended June 30, 2023, respectively, are included in segment revenues of the Asset Management segment.

(3) Inter-segment distribution fees of $ 214 million and $ 414 million for the three and six months ended June 30, 2024, respectively, and $ 193 million and $ 368 million for the three and six months ended June 30, 2023, respectively, are included in segment revenues of the Wealth Management segment.

Total assets by segment were as follows:

	June 30, 2024	December 31, 2023
	(in millions)	
Total assets by segment:		
Individual Retirement	**$ 96,709**	$ 90,805
Group Retirement	**49,880**	47,260
Asset Management	**10,585**	11,088
Protection Solutions	**40,258**	38,933
Wealth Management	**237**	144
Legacy	**47,765**	49,487
Corporate and Other	**42,335**	39,097
Total assets	**$ 287,769**	$ 276,814

18) INSURANCE STATUTORY FINANCIAL INFORMATION

Prescribed and Permitted Accounting Practices

As of June 30, 2024, the following five prescribed and permitted practices resulted in net income (loss) and capital and surplus that is different from the statutory surplus that would have been reported had NAIC statutory accounting practices been applied.

Equitable Financial was granted a permitted practice by the NYDFS to apply SSAP 108, Derivatives Hedging Variable Annuity Guarantees on a retroactive basis from January 1, 2021 through June 30, 2021, after reflecting the impacts of our reinsurance transaction with Venerable. The permitted practice was amended to also permit Equitable Financial to adopt SSAP 108 prospectively as of July 1, 2021 and to consider the impact of both the interest rate derivatives and the General Account assets used to fully hedge the interest rate risk inherent in its variable annuity guarantees when determining the amount of the deferred asset or liability under SSAP 108. Application of the permitted practice partially mitigates the New York Insurance Regulation 213 (“Reg 213”) impact of the Venerable Transaction on Equitable Financial’s statutory capital and surplus and enables Equitable Financial to more effectively neutralize the impact of interest rates on its statutory surplus and to better align with our economic hedging program. The impact of applying this permitted practice relative to SSAP 108 as written was a decrease of approximately $ 60 million in statutory special surplus funds as of June 30, 2024. The Reinsurance Treaty reduced the amount of interest rate hedging needed at Equitable Financial going forward, affecting future deferrals, but leaves our historical SSAP 108 deferred amounts unchanged. The permitted practice also reset Equitable Financial’s unassigned surplus to zero as of June 30, 2021 to reflect the transformative nature of the Venerable Transaction.

The NAIC Accounting Practices and Procedures manual (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State of New York. However, Reg 213 adopted in May of 2019 and as amended in February 2020 and March 2021, differs from the NAIC variable annuity reserve and capital framework. Reg 213 requires Equitable Financial to carry statutory basis reserves for its variable annuity contract obligations equal to the greater of those required under (i) the NAIC standard or (ii) a revised version of the NYDFS requirement in effect prior to the adoption of the first amendment for contracts issued prior to January 1, 2020, and for policies issued after that date a new standard that in current market conditions imposes more conservative reserving requirements for variable annuity contracts than the NAIC standard.

The impact of the application of Reg 213 was a decrease of approximately $ 333 million in statutory surplus as of June 30, 2024 compared to statutory surplus under the NAIC variable annuity framework. Our hedging program is designed to hedge the economics of our insurance liabilities and largely offsets Reg 213 and NAIC framework reserve movements due to interest rates and equities. The NYDFS allows domestic insurance companies a five year phase-in provision for Reg 213 reserves. As of September 30, 2022, Equitable Financial’s Reg 213 reserves were 100 % phased-in. As of June 30, 2024, given the prevailing market conditions and business mix, there are $ 323 million Reg 213 redundant reserves over the US RBC CTE 98 total asset requirement (“TAR”).

During the fourth quarter 2020, Equitable Financial received approval from NYDFS for its proposed amended Plan of Operation for Separate Account No. 68 (“SA 68”) for our Structured Capital Strategies product and Separate Account No. 69 (“SA 69”) for our EQUI-VEST product Structured Investment Option, to change the accounting basis of these two non-insulated Separate Accounts from fair value to book value in accordance with Section 1414 of the Insurance Law to align with how we manage and measure our overall General Account asset portfolio. In order to facilitate this change and comply with Section 4240(a)(10), the Company also sought approval to amend the Plans to remove the requirement to comply with Section 4240(a)(5)(iii) and substitute it with a commitment to comply with Section 4240(a)(5)(i). Similarly, the Company updated the reserves section of each Plan to reflect the fact that Regulation 128 would no longer be applicable upon the change in accounting basis. We applied this change effective January 1, 2021. The impact of the application is an increase of approximately $ 1.4 billion in statutory surplus as of June 30, 2024.

During 2022, Equitable America received approval from the Arizona Department of Insurance and Financial Institutions pursuant to A.R.S. 20-515 for Separate Account No. 68A (“SA 68A”) for our Structured Capital Strategies product, Separate Account No. 69A (“SA 69A”) for our EQUI-VEST product Structured Investment Option and Separate Account No. 71A (“SA 71A”) for our Investment Edge Structured Investment Option, to permit us to use book value as the accounting basis of these three non-insulated Separate Accounts instead of fair value in accordance with the NAIC Accounting and Practices and Procedures Manual to align with how we manage and measure our overall General Account asset portfolio. The impact of the application is a decrease of approximately $ 97 million in statutory surplus as of June 30, 2024.

The Arizona Department of Insurance and Financial Institutions granted to Equitable America a permitted practice to deviate from SSAP No. 108 by applying special accounting treatment for specific derivatives hedging variable annuity benefits subject to fluctuations as a result of interest rate sensitivities. The permitted practice expands on SSAP No. 108 hedge accounting to include equity risks for the full scope of Variable Annuity (VA) contracts (i.e., not just the rider guarantees but for the VA total contract). The permitted practice allows Equitable America to adopt SSAP 108 retroactively from October 1, 2023 and applies to both directly held VA hedges as well as VA hedges in the Equitable America funds withheld asset that resulted from the Reinsurance Treaty. In the calculation of the amount of excess VA equity and interest rate derivative hedging gains/losses to defer (including Net investment income on our Equity Total Return Swaps), the permitted practice allows us to compare our total equity and interest derivatives gains and losses to 100 % of our target liability change. Any hedge gain or loss deferrals will follow SSAP No. 108 amortization rules (i.e. 10-year straight line).

The impact of applying this revised permitted practice relative to SSAP 108 was an increase of approximately $ 905 million in statutory special surplus funds as of June 30, 2024.

19) EARNINGS PER COMMON SHARE

The following table presents a reconciliation of net income (loss) and weighted-average common shares used in calculating basic and diluted earnings per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions, except per share data)			
Weighted-average common shares outstanding:				
Weighted-average common shares outstanding — basic	**324.2**	355.2	**327.2**	358.5
Effect of dilutive potential common shares:				
Employee share awards (1)	**3.1**	0.9	**3.2**	1.5
Weighted-average common shares outstanding — diluted	**327.3**	356.1	**330.4**	360.0
Net income (loss):				
Net income (loss)	**$ 565**	$ 831	**$ 782**	$ 1,097
Less: Net income (loss) attributable to the noncontrolling interest	**137**	72	**240**	161
Net income (loss) attributable to Holdings	**428**	759	**542**	936
Less: Preferred stock dividends	**26**	26	**40**	40
Net income (loss) available to Holdings' common shareholders	**$ 402**	$ 733	**$ 502**	$ 896
Earnings per common share:				
Basic	**$ 1.24**	$ 2.06	**$ 1.53**	$ 2.50
Diluted	**$ 1.23**	$ 2.06	**$ 1.52**	$ 2.49

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(1) Calculated using the treasury stock method.

For the three and six months ended June 30, 2024 and 2023, 3.0 million, 3.1 million, 3.0 million and 2.5 million, respectively, of outstanding stock awards, were not included in the computation of diluted earnings per share because their effect was anti-dilutive.

20) HELD-FOR-SALE

Assets and liabilities related to the business classified as HFS are separately reported in the consolidated balance sheets beginning in the period in which the business is classified as HFS.

AB Bernstein Research Services

On November 22, 2022, AB and Société Générale (“SocGen”), a leading European bank, announced plans to form a joint venture combining their respective cash equities and research businesses (the “Initial Plan”). In the Initial Plan, AB would own a 49 % interest in the global joint venture and SocGen would own a 51 % interest, with an option to reach 100 % ownership after five years .

During the fourth quarter of 2023, AB and SocGen revised a plan (the “Revised Plan”) to form a global joint venture with two joint venture holding companies, one outside of North America and one within North America (“NA JV”, and together the “JVs”). Effective April 1, 2024, AB and SocGen completed their previously announced transaction in accordance with the Revised Plan. AB owns a 66.7 % majority interest in the NA JV while SocGen owns a 51 % majority interest in the joint venture outside of North America. While AB currently owns a majority of the NA JV, the structure of the Board of Directors of the NA JV, which includes two independent directors, in addition to four directors from AB and three directors from SocGen, precludes AB’s control of the Board thereby permitting deconsolidation of the BRS business. Going forward, AB will maintain an equity method investment in each of the JVs and report on the performance of the two JV holding companies on a combined basis.

As a result of the greater value of the business AB contributed to the JVs, SocGen paid AB $ 304 million in cash to equalize the value of the contributions by AB and SocGen to the JVs. The cash payment of $ 304 million included $ 103 million of prepaid consideration for an option, exercisable by AB during the next five years , that would result in SocGen having a 51 % ownership of the NA JV (the “AB option”) and bringing the transaction ownership terms back in line with the Initial Plan. AB’s option may only be exercised upon receipt of appropriate regulatory approvals. The $ 304 million cash payment was used to pay down debt under AB’s existing credit facilities.

Under the terms of the transaction and assuming AB exercises its option as noted above, SocGen would increase its ownership to a majority interest of the NA JV, without further consideration payable. AB has an additional option to sell its ownership interests in the JVs to SocGen after five years , at the fair market value of AB’s interests in the JVs, subject to regulatory approval. The ultimate objective of SocGen and AB is for SocGen to eventually own 100 % of the JVs after five years .

AB has deconsolidated the BRS business and retained the Bernstein Private Wealth Management business within its existing U.S. broker dealer, SCB LLC. AB’s Private Wealth Management business continues to operate through SCB LLC and SCB LLC continues to serve as custodian for nearly all Private Wealth assets under management. AB continues to serve as investment adviser to these Private Wealth clients. Further AB entered into certain transition services agreements with the JVs in connection with the divestiture of the BRS business. From April 1, 2024 through June 30, 2024 AB provided services and recognized revenues of $ 12.4 million associated with these transition services agreements.

The net carrying amount of the BRS business assets and liabilities included in the sale was $ 312 million. As a result of the sale, AB recognized a pre-tax gain of $ 135 million during the second quarter of 2024. AB deconsolidated approximately $ 312 million of net assets and liabilities of the BRS business and contributed those assets and liabilities to the JVs. AB recorded an initial investment in each JV, at fair value, using the equity method of investment totaling $ 284 million. The fair value of the equity method investments was determined using a dividend discount model whereby a forecast of net banking income attributable to each of the JVs is discounted using an estimated cost of capital to determine the present value of expected future dividends.

In addition, AB recorded a liability of approximately $ 103 million, based on the negotiated terms of the Revised Plan, related to the AB option. Upon receipt of appropriate regulatory approvals, AB intends to exercise the AB option and will recognize a gain or loss at that time, dependent upon the fair market value of the additional equity interest that would result in SocGen having 51 % ownership interest in NA JV.

As of December 31, 2023 the assets and liabilities of AB’s research services business recorded at fair value, less cost were classified as held-for-sale in our Consolidated Financial Statements. As a result of classifying these assets as held-for-sale, AB recognized a non-cash valuation adjustment of $ 7 million on the consolidated statement of income, to recognize the net carrying value at lower of cost or fair value, less costs to sell.

The following table summarizes the assets and liabilities classified as held-for-sale on the Company's consolidated balance sheets:

	December 31, 2023 (1)
	(in millions)
Cash and cash equivalents	$ 153
Broker-dealer related receivables	107
Trading securities, at fair value	17
Goodwill and other intangible assets ,net	164
Other assets (2)	124
Total assets held-for-sale	$ 565
Broker-dealer related payables	$ 39
Customers related payables	17
Other liabilities	97
Total liabilities held-for-sale	$ 153

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(1) The assets and liabilities classified as held-for-sale are reported within our Asset Management segment.

(2) Other assets includes a valuation adjustment decrease of $ 7 million as of December 31, 2023.

These assets and liabilities are reported under the Asset Management segment. The Company determined that AB's exit from the research business did not represent a strategic shift that had a major effect on AB's or the Company's consolidated results of operations, and therefore, are not classified as discontinued operations.

21) SUBSEQUENT EVENTS

In June 2024, Holdings established an obligation to enter into an ASR with a third-party financial institution to repurchase an aggregate of $ 85 million of Holdings' common stock. Pursuant to the ASR, on July 2, 2024, Holdings made a pre-payment of $ 85 million and received initial delivery of 1.6 million shares. The ASR will terminate in August 2024, at which time additional shares of common stock will be received.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in its entirety and in conjunction with the consolidated financial statements and related notes contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, as well as “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section contained in our Annual Report on Form 10-K for the year ended December 31, 2023 (“2023 Form 10-K”).

In addition to historical data, this discussion contains forward-looking statements about our business, operations and financial performance based on current expectations that involve risks, uncertainties and assumptions. Actual results may differ materially from those discussed in the forward-looking statements as a result of various factors. See the Note Regarding Forward-Looking Statements and Information. Investors are directed to consider the risks and uncertainties discussed in Part II, Item 1A of this Quarterly Report on Form 10-Q, as well as in other documents we have filed with the SEC.

Executive Summary

Overview

We are one of America’s leading financial services companies, providing: (i) advice and solutions for helping Americans set and meet their retirement goals and protect and transfer their wealth across generations; and (ii) a wide range of investment management insights, expertise and innovations to drive better investment decisions and outcomes for clients worldwide.

We manage our business through six segments: Individual Retirement, Group Retirement, Asset Management, Protection Solutions, Wealth Management and Legacy. We report certain activities and items that are not included in these segments in Corporate and Other. See Note 17 of the Notes to the Consolidated Financial Statements for further information on our segments.

We benefit from our complementary mix of businesses. This business mix provides diversity in our earnings sources, which helps offset fluctuations in market conditions and variability in business results, while offering growth opportunities.

Macroeconomic and Industry Trends

Our business and consolidated results of operations are significantly affected by economic conditions and consumer confidence, conditions in the global capital markets and the interest rate environment.

Financial and Economic Environment

U.S. equity markets showed strength in the second quarter of 2024, benefiting from a resilient U.S. economy with job creation consistently exceeding expectations, cooling inflation, and a widely held outlook for monetary easing, including expected interest rate reductions (based on statements of members of the Board of Governors of the Federal Reserve System), albeit at a slower pace than previously expected.

A wide variety of factors continue to impact financial and economic conditions. These factors include, among others, uncertainty regarding the federal debt limit, concerns regarding inflation, high fuel and energy costs, changes in fiscal or monetary policy and geopolitical tensions, including the U.S. presidential election. The Russian invasion of the Ukraine, the Israel-Hamas war and the potential for broader regional hostilities, and the ensuing conflicts and the sanctions and other measures imposed in response to these conflicts significantly contributed to volatility in the financial markets and have increased the level of economic and political uncertainty.

Stressed conditions, volatility and disruptions in the capital markets, particular markets, or financial asset classes can have an adverse effect on us, in part because we have a large investment portfolio. In addition, our insurance liabilities and derivatives are sensitive to changing market factors, including equity market performance and interest rates. An increase in market volatility could continue to affect our business, including through effects on the yields we earn on invested assets, changes in required reserves and capital and fluctuations in the value of our AUM, AV or AUA from which we derive our fee income. These effects could be exacerbated by uncertainty about future fiscal policy, changes in tax policy, the scope of potential deregulation and levels of global trade.

The potential for increased volatility could pressure sales and reduce demand for our products as consumers consider purchasing alternative products to meet their objectives. In addition, this environment could make it difficult to consistently develop products that are attractive to customers. Financial performance can be adversely affected by market volatility and equity market declines as fees driven by AV and AUM fluctuate, hedging costs increase and revenues decline due to reduced sales and increased outflows.

We monitor the behavior of our customers and other factors, including mortality rates, morbidity rates, annuitization rates and lapse and surrender rates, which change in response to changes in capital market conditions, to ensure that our products and solutions remain attractive and profitable. For additional information on our sensitivity to interest rates and capital market prices, see “Quantitative and Qualitative Disclosures About Market Risk” in the 2023 Form 10-K.

Regulatory Developments

Our life insurance subsidiaries are regulated primarily at the state level, with some policies and products also subject to federal regulation. In addition, Holdings and its insurance subsidiaries are subject to regulation under the insurance holding company laws of various U.S. jurisdictions. Furthermore, on an ongoing basis, regulators refine capital requirements and introduce new reserving standards. Regulations recently adopted or currently under review can potentially impact our statutory reserve, capital requirements and profitability of the industry and result in increased regulation and oversight for the industry.

Insurance Regulation

Regulation of Investments

The NAIC is evaluating the risks associated with insurers’ investments in certain categories of structured securities, including CLOs. In March 2023, the NAIC adopted an amendment to the Purposes and Procedures Manual to give the NAIC’s Structured Securities Group, housed within the SVO, responsibility for modeling CLO securities and evaluating tranche level losses across all debt and equity tranches under a series of calibrated and weighted collateral stress scenarios in order to assign NAIC designations. Under the amended Purposes and Procedures Manual, CLO investments will no longer be broadly exempt from filing with the SVO based on ratings from Credit Rating Providers. The NAIC’s goal is to ensure that the weighted average RBC factor for owning all tranches of a CLO more closely aligns with what would be required for directly owning all of the underlying loan collateral, in order to avoid RBC arbitrage. In June 2024, the NAIC approved interim rules that raise capital requirements for holdings of CLO and other asset-backed security residual interests. The NAIC is also collaborating with interested parties to develop and refine the process for modeling CLO investments. Insurers are required to begin reporting the financially modeled NAIC designations for CLOs with their year-end 2024 financial statement filings, although the NAIC announced in March 2024 that implementation is expected to be delayed by a year to allow more time to develop the modeling methodology. The delay requires an amendment to the Purposes and Procedures Manual, which the NAIC is likely to adopt in August 2024.

Climate Risks

In March 2024, the SEC adopted new rules that will require registrants to provide certain climate-related information in their registration statements and annual reports. The rules require information about a registrant’s climate-related risks that are reasonably likely to have a material impact on its business, results of operations, or financial condition. The required information about climate-related risks will also include disclosure of a registrant’s greenhouse gas emissions. In addition, the rules will require registrants to present certain climate-related financial metrics in their audited financial statements. In April 2024, citing litigation challenging the rules that commenced immediately after they were issued, the SEC issued an order staying applicability of the rules while judicial review proceeds. We are currently evaluating the potential impact of these rules on our consolidated financial statements and related disclosures.

Fiduciary Rules

In 2023, the U.S. Department of Labor (the "DOL") proposed a regulation to change the definition of "fiduciary" for purposes of the Employee Retirement Income Security Act of 1974 ("ERISA") and parallel provisions of the Internal Revenue Code of 1986, as amended (the "Code"), when a financial professional, including an insurance producer, provides investment advice, and proposed amendments to various existing prohibited transaction exemptions ("PTEs"), including PTE 84-14, that financial professionals rely on when they make investment recommendations to retirement investors. On April 23, 2024, the DOL finalized and published this new definition of "fiduciary" for purposes of ERISA and parallel provisions of the Code and finalized and published amendments to these PTEs (the "Final Rule"). Shortly thereafter, these changes were challenged in court, including by a coalition of insurance industry trade associations that filed a motion for a preliminary injunction and stay of portions of the Final Rule, including the regulation that changes the definition of "fiduciary" and the amendments to the PTEs. On July 25 and July 26, 2024, two federal district courts entered separate stays of the effective date of the Final Rule, including the regulation that changes the definition of "fiduciary" and the amendments to the PTEs. While this litigation proceeds, we are evaluating the potential impact of the Final Rule on our business, particularly as it pertains to the sale of insurance products to retirement investors.

In August 2023, the SEC adopted final private fund adviser reform rules under the Investment Advisers Act requiring private fund advisers registered with the SEC to, among other things, provide investors with quarterly and annual statements detailing information regarding private fund performance, fees, and expenses; obtain an annual audit for each private fund; obtain a fairness opinion or valuation opinion in connection with an adviser-led secondary transaction; not provide certain preferential rights to investors in a fund and disclose other preferential rights prior to an investor closing into the fund; and obtain investor consent prior to allocating certain fees or expenses to a fund or borrowing or receiving credit from a fund. On June 5, 2024, the United States Court of Appeals for the Fifth Circuit unanimously vacated the private fund adviser reform rules in their entirety. The SEC missed a deadline to ask for a rehearing after the Fifth Circuit Court of Appeals, and it is unclear whether the SEC will petition the United States Supreme Court to review the Fifth Circuit's ruling.

Privacy and Security of Customer Information and Cybersecurity Regulation

Innovation and Technology

The NAIC and state insurance regulators have been focused on addressing unfair discrimination in the use of consumer data and technology, and some states have passed laws targeting unfair discrimination practices. In New York, the NYDFS released a proposed circular letter for public comment in January 2024 on how insurers should develop and manage their use of external consumer data and artificial intelligence ("AI") systems in underwriting and pricing so as not to harm consumers.

On July 11, 2024, the NYDFS issued the final version of the circular letter, which applies to all authorized insurers in New York, such as Equitable Financial Life Insurance Company. Pursuant to the guidance, the NYDFS expects a licensed insurer to: (i) use a risk-based approach for utilizing external consumer data and information sources ("ECDIS") and AI systems based on the company's business model and the materiality of the risks inherent in using ECDIS and AI systems; (ii) analyze ECDIS and AI systems for unfair and unlawful discrimination; (iii) develop a corporate governance framework that provides oversight of the insurer's use of ECDIS and AI systems; (iv) maintain appropriate risk management (e.g., using qualified personnel with clearly defined responsibilities) and internal controls, including over third-party vendors; and (v) provide notice to an insured or potential insured with certain information, such as whether the insurer uses AI systems in its underwriting or pricing process.

For additional information on regulatory developments and the risks we face, see "Business—Regulation" in the Annual Report on Form 10-K for the year ended December 31, 2023 and "Risk Factors—Legal and Regulatory Risks" in the 2023 Form 10-K.

Revenues

Our revenues come from three principal sources:

- fee income derived from our retirement and protection products and our asset management services;
- premiums from our traditional life insurance and annuity products; and
- investment income from our General Account investment portfolio.

Our fee income varies directly in relation to the amount of the underlying AV or benefit base of our retirement and protection products, the amount of AUM and AUA in our Wealth Management business, and the amount of AUM in our Asset Management business. AV and AUM, each as defined in "Key Operating Measures," are influenced by changes in economic conditions, primarily equity market returns, as well as net flows. Our premium income is driven by the growth in new policies written and the persistency of our in-force policies, both of which are influenced by a combination of factors, including our efforts to attract and retain customers and market conditions that influence demand for our products. Our investment income is driven by the yield on our General Account investment portfolio and is impacted by the prevailing level of interest rates as we reinvest cash associated with maturing investments and net flows to the portfolio.

Benefits and Other Deductions

Our primary expenses are:

- policyholders' benefits and interest credited to policyholders' account balances;
- sales commissions and compensation paid to intermediaries and advisors that distribute our products and services; and
- compensation and benefits provided to our employees and other operating expenses.

Policyholders' benefits are driven primarily by mortality, customer withdrawals, and benefits which change in response to changes in capital market conditions. In addition, some of our policyholders' benefits are directly tied to the AV and benefit base of our variable annuity products. Interest credited to policyholders varies in relation to the amount of the underlying AV or benefit base. Sales commissions and compensation paid to intermediaries and advisors vary in relation to premium and fee income generated from these sources, whereas compensation and benefits to our employees are more constant and impacted by market wages and decline with increases in efficiency. Our ability to manage these expenses across various economic cycles and products is critical to the profitability of our company.

Net Income Volatility

We have offered and continue to offer variable annuity products with GMxB features. The future claims exposure on these features is sensitive to movements in the equity markets and interest rates. Accordingly, we have implemented hedging and reinsurance programs designed to mitigate the economic exposure to us from these features due to equity market and interest rate movements. Changes in the values of the derivatives associated with these programs due to equity market and interest rate movements, together with the GMxB MRBs assets and liabilities are recognized in the periods in which they occur. This results in net income volatility as further described below. In addition, net income is impacted by changes in our reinsurers credit spread, while changes in the Company's credit spread is recorded in other comprehensive income. See "—Significant Factors Impacting Our Results—Impact of Hedging and GMxB Reinsurance on Results."

In addition to our dynamic hedging strategy, we have static hedge positions designed to mitigate the adverse impact of changing market conditions on our statutory capital. We believe this program will continue to preserve the economic value of our variable annuity contracts and better protect our target variable annuity asset level. However, these static hedge positions increase the size of our derivative positions and may result in net income volatility on a period-over-period basis.

Due to the impacts on our net income of equity market and interest rate movements and other items that are not part of the underlying profitability drivers of our business, we evaluate and manage our business performance using Non-GAAP Operating Earnings, a non-GAAP financial measure that is intended to remove these impacts from our results. See "—Key Operating Measures—Non-GAAP Operating Earnings. "

Significant Factors Impacting Our Results

The following significant factors have impacted, and may in the future impact, our financial condition, results of operations or cash flows.

Impact of Hedging and GMxB Reinsurance on Results

We have offered and continue to offer variable annuity products with GMxB features. The future claims exposure on these features is sensitive to movements in the equity markets and interest rates. Accordingly, we have implemented hedging and reinsurance programs designed to mitigate the economic exposure to us from these features due to equity market and interest rate movements. These programs include:

- Variable annuity hedging programs. We use a dynamic hedging program (within this program, generally, we reevaluate our economic exposure at least daily and rebalance our hedge positions accordingly) to mitigate certain risks associated with the GMxB features that are embedded in our liabilities for our variable annuity products. This program utilizes various derivative instruments that are managed in an effort to reduce the economic impact of unfavorable changes in GMxB features' exposures attributable to movements in the equity markets and interest rates. Although this program is designed to provide a measure of economic protection against the impact of adverse market conditions, it does not qualify for hedge accounting treatment. Accordingly, changes in value of the derivatives will be recognized in the period in which they occur with offsetting changes in reserves recognized in the current period. In addition, we utilize AFS fixed maturity securities in our General Account to mitigate the economic impact of unfavorable changes in GMxB features' exposures attributable to movements in interest rates. However, the economic effect of interest rate changes on such securities is reflected in OCI, which results in net income volatility as the economic effect of interest rates on our GMxB MRB liabilities is reflected in net income.
- In addition to our dynamic hedging program, we have a hedging program using static hedge positions (derivative positions intended to be HTM with less frequent re-balancing) to protect our statutory capital against stress scenarios. This program, in addition to our dynamic hedge program, has increased the size of our derivative positions, resulting in additional net income volatility. The impacts are most pronounced for variable annuity products.
- *GMxB reinsurance contracts.* Historically, GMxB reinsurance contracts were used to cede to non-affiliated reinsurers a portion of our exposure to variable annuity products that offer GMxB features. We account for the reinsurance contracts as MRBs and report them at fair value. In addition, on June 1, 2021, we ceded legacy variable annuity policies sold by Equitable Financial between 2006-2008 (the "Block"), comprised of non-New York "Accumulator" policies containing fixed rate GMIB and/or GMDB guarantees.

Effect of Assumption Updates on Operating Results

During the third quarter of each year, we conduct our annual review of the assumptions underlying the valuation of DAC, deferred sales inducement assets, unearned revenue liabilities, liabilities for future policyholder benefits and market risk benefits for our Individual Retirement, Group Retirement, Protection Solutions, and Legacy segments (assumption reviews are not relevant for the Asset Management and Wealth Management segments). Assumptions are based on a combination of Company experience, industry experience, management actions and expert judgement and reflect our best estimate as of the date of the applicable financial statements.

Most of the variable annuity products, variable universal life insurance and universal life insurance products we offer maintain policyholder deposits that are reported as liabilities and classified within either Separate Accounts liabilities or policyholder account balances. Our products and riders also impact liabilities for future policyholder benefits, market risk benefits and unearned revenues and assets for DAC and DSI. The valuation of these assets and liabilities (other than deposits) is based on differing accounting methods depending on the product, each of which requires numerous assumptions and considerable judgment. The accounting guidance applied in the valuation of these assets and liabilities includes, but is not limited to, the following: (i) traditional life insurance products for which assumptions are updated annually to estimate the value of future death, morbidity or income benefits; (ii) universal life insurance and variable life insurance secondary guarantees for which benefit liabilities are determined by estimating the expected value of death benefits payable when the account balance is projected to be zero and recognizing those benefits ratably over the accumulation period based on total expected assessments; and (iii) certain product guarantees reported as market risk benefits at fair value.

Key Operating Measures

In addition to our results presented in accordance with U.S. GAAP, we report Non-GAAP Operating Earnings, Non-GAAP Operating ROE, and Non-GAAP operating common EPS, each of which is a measure that is not determined in accordance with U.S. GAAP. Management principally uses these non-GAAP financial measures in evaluating performance because they present a clearer picture of our operating performance and they allow management to allocate resources. Similarly, management believes that the use of these Non-GAAP financial measures, together with relevant U.S. GAAP measures, provide investors with a better understanding of our results of operations and the underlying profitability drivers and trends of our business. These non-GAAP financial measures are intended to remove from our results of operations the impact of market changes (where there is a mismatch in the valuation of assets and liabilities) as well as certain other expenses which are not part of our underlying profitability drivers or likely to re-occur in the foreseeable future, as such items fluctuate from period-to-period in a manner inconsistent with these drivers. These measures should be considered supplementary to our results that are presented in accordance with U.S. GAAP and should not be viewed as a substitute for the U.S. GAAP measures. Other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures. Consequently, our non-GAAP financial measures may not be comparable to similar measures used by other companies.

We also discuss certain operating measures, including AUM, AUA, AV, Protection Solutions reserves and certain other operating measures, which management believes provide useful information about our businesses and the operational factors underlying our financial performance.

Non-GAAP Operating Earnings

Non-GAAP Operating Earnings is an after-tax non-GAAP financial measure used to evaluate our financial performance on a consolidated basis that is determined by making certain adjustments to our consolidated after-tax net income attributable to Holdings. The most significant of such adjustments relates to our derivative positions, which protect economic value and statutory capital, and the variable annuity product MRBs. This is a large source of volatility in net income.

Non-GAAP Operating Earnings equals our consolidated after-tax net income attributable to Holdings adjusted to eliminate the impact of the following items:

- Items related to variable annuity product features, which include: (i) changes in the fair value of market risk benefits and purchased market risk benefits, including the related attributed fees and claims, offset by derivatives and other securities used to hedge the market risk benefits which result in residual net income volatility as the change in fair value of certain securities is reflected in OCI and due to our statutory capital hedge program; and (ii) market adjustments to deposit asset or liability accounts arising from reinsurance agreements which do not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk;
- Investment (gains) losses, which includes credit loss impairments of securities/investments, sales or disposals of securities/investments, realized capital gains/losses and valuation allowances;
- Net actuarial (gains) losses, which includes actuarial gains and losses as a result of differences between actual and expected experience on pension plan assets or projected benefit obligation during a given period related to pension, other postretirement benefit obligations, and the one-time impact of the settlement of the defined benefit obligation;
- Other adjustments, which primarily include restructuring costs related to severance and separation, lease write-offs related to non-recurring restructuring activities, COVID-19 related impacts, net derivative gains (losses) on certain Non-GMxB derivatives, net investment income from certain items including consolidated VIE investments, seed capital mark-to-market adjustments, unrealized gain/losses and realized capital gains/losses from sales or disposals of select securities, certain legal accruals; a bespoke deal to repurchase UL policies from one entity that had invested in numerous policies purchased in the life settlement market, which disposed of the risk of additional COI litigation by that entity related to those UL policies, impact of the annual actuarial assumption updates attributable to LFPB; and
- Income tax expense (benefit) related to the above items and non-recurring tax items, which includes the effect of uncertain tax positions for a given audit period and changes to the deferred tax valuation allowance.

In the fourth quarter of 2023, the Company updated its operating earnings measure to exclude the impact of realized amounts related to equity classified instruments. The recognition of the realized capital gains and losses from investments in current net investment income is generally considered distortive and not reflective of the ongoing core business activities of the segments. The presentation of operating earnings in prior periods was not revised to reflect this modification. The impact to operating earnings was immaterial for the three and six months ended June 30, 2023.

In the first quarter of 2024, the Company began allocating to its business segments collateral expense resulting from a designated rate to be paid on the collateral held back to counterparties. The new segment allocation methodology for collateral expense is based on the income earned on cash equivalents held in the surplus segments and income earned in portfolios backing collateral expenses, such that the collateral expense would be allocated to the segments up to that amount. Any remaining amount is included within Corporate and Other. This expense was previously recorded in Corporate and Other with no allocation to our business segments in prior reporting periods.

The presentation of operating earnings in prior periods was not revised to reflect this modification, however, the Company estimated that allocating collateral expense to the segments for the twelve months ended December 31, 2023 and 2022, respectively, would have resulted in a decrease to operating earnings of $4.0 million and $0.8 million for Individual Retirement, $7.7 million and $1.4 million for Group Retirement, $21.9 million and $2.5 million for Protection Solutions, $4.2 million and $1.0 million for Legacy, and an increase of $37.8 million and $5.7 million for Corporate and Other. The impact to operating earnings for each segment during the quarters of 2023 was not material. Total Company operating earnings were not impacted.

Because Non-GAAP Operating Earnings excludes the foregoing items that can be distortive or unpredictable, management believes that this measure enhances the understanding of the Company's underlying drivers of profitability and trends in our business, thereby allowing management to make decisions that will positively impact our business.

We use the prevailing corporate federal income tax rate of 21% while taking into account any non-recurring differences for events recognized differently in our financial statements and federal income tax returns as well as partnership income taxed at lower rates when reconciling Net income (loss) attributable to Holdings to Non-GAAP Operating Earnings.

The table below presents a reconciliation of net income (loss) attributable to Holdings to Non-GAAP Operating Earnings:

	Three Months Ended June 30		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Net income (loss) attributable to Holdings	**$ 428**	$ 759	**$ 542**	$ 936
Adjustments related to:				
Variable annuity product features	**79**	(65)	**398**	796
Investment (gains) losses	**16**	56	**55**	143
Net actuarial (gains) losses related to pension and other postretirement benefit obligations	**14**	9	**31**	18
Other adjustments (1) (2)	**(32)**	62	**59**	107
Income tax expense (benefit) related to above adjustments	**(16)**	(13)	**(114)**	(223)
Non-recurring tax items (3)	**5**	(367)	**13**	(972)
Non-GAAP Operating Earnings	**$ 494**	$ 441	**$ 984**	$ 805

(1) Includes certain gross legal expenses related to the cost of insurance litigation of $0 million and $106 million for the three and six months ended June 30, 2024, respectively and $35 million and $35 million for the three and six months ended June 30, 2023.

(2) For the three and six months ended June 30, 2024, includes $82 million of the gain on sale on AB's Bernstein Research Service attributable to Holdings.

(3) For the three and six months ended June 30, 2024, non-recurring tax items reflects the effect of uncertain tax positions for a given audit period and for the three and six months ended June 30, 2023 primarily includes a decrease of the deferred tax valuation allowance of $376 million and $990 million.

Non-GAAP Operating ROE

We calculate Non-GAAP Operating ROE by dividing Non-GAAP Operating Earnings for the previous twelve calendar months by consolidated average equity attributable to Holdings' common shareholders, excluding AOCI. AOCI fluctuates period-to-period in a manner inconsistent with our underlying profitability drivers as the majority of such fluctuation is related to the market volatility of the unrealized gains and losses associated with our AFS securities. Therefore, we believe excluding AOCI is more effective for analyzing the trends of our operations.

The following table presents return on average equity attributable to Holdings' common shareholders, excluding AOCI and Non-GAAP Operating ROE for the year ended June 30, 2024.

	Six Months Ended June 30, 2024
	(in millions)
Net income (loss) available to Holdings' common shareholders	**$ 828**
Average equity attributable to Holdings' common shareholders, excluding AOCI	**$ 9,048**
Return on average equity attributable to Holdings' common shareholders, excluding AOCI	**9.2 %**
Non-GAAP Operating Earnings available to Holdings' common shareholders	**$ 1,793**
Average equity attributable to Holdings' common shareholders, excluding AOCI	**$ 9,048**
Non-GAAP Operating ROE	**19.8 %**

Non-GAAP Operating Common EPS

Non-GAAP operating common EPS is calculated by dividing Non-GAAP Operating Earnings by diluted common shares outstanding. The following table sets forth Non-GAAP operating common EPS:

	Three Months Ended June 30		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(per share amounts)			
Net income (loss) attributable to Holdings	**$ 1.31**	$ 2.13	**$ 1.64**	$ 2.60
Less: Preferred stock dividends	**0.08**	0.07	**0.12**	0.11
Net income (loss) available to Holdings' common shareholders	**1.23**	2.06	**1.52**	2.49
Adjustments related to:				
Variable annuity product features	**0.24**	(0.18)	**1.20**	2.21
Investment (gains) losses	**0.05**	0.16	**0.17**	0.40
Net actuarial (gains) losses related to pension and other postretirement benefit obligations	**0.04**	0.03	**0.09**	0.05
Other adjustments (1) (2)	**(0.10)**	0.17	**0.18**	0.30
Income tax expense (benefit) related to above adjustments	**(0.05)**	(0.04)	**(0.35)**	(0.62)
Non-recurring tax items (3)	**0.02**	(1.03)	**0.04**	(2.70)
Non-GAAP Operating Earnings	**$ 1.43**	$ 1.17	**$ 2.85**	$ 2.13

(1) Includes certain gross legal expenses related to the cost of insurance litigation of $0.00 and $0.32 for the three and six months ended June 30, 2024, respectively and $0.10 and $0.10 for the three and six months ended June 30, 2023.

(2) For the three and six months ended June 30, 2024, includes $0.25 of the gain on sale on AB's Bernstein Research Service attributable to Holdings.

(3) For the three and six months ended June 30, 2024, non-recurring tax items reflects the effect of uncertain tax positions for a given audit period and for the three and six months ended June 30, 2023 primarily includes a decrease of the deferred tax valuation allowance of $1.06 and $2.75.

Assets Under Management

AUM means investment assets that are managed by one of our subsidiaries and includes: (i) assets managed by AB; (ii) the assets in our General Account investment portfolio; and (iii) the Separate Accounts assets of our Individual Retirement, Group Retirement and Protection Solutions businesses. Total AUM reflects exclusions between segments to avoid double counting.

Assets Under Administration

AUA includes non-insurance client assets that are invested in our savings and investment products or serviced by our Equitable Advisors platform. We provide administrative services for these assets and generally record the revenues received as distribution fees.

Account Value

AV generally equals the aggregate policy account value of our retirement products. General Account AV refers to account balances in investment options that are backed by the General Account while Separate Accounts AV refers to Separate Accounts investment assets.

Protection Solutions Reserves

Protection Solutions reserves equals the aggregate value of policyholders' account balances and future policy benefits for policies in our Protection Solutions segment.

Consolidated Results of Operations

Our consolidated results of operations are significantly affected by conditions in the capital markets and the economy because we offer market sensitive products. These products have been a significant driver of our results of operations. Because the future claims exposure on these products is sensitive to movements in the equity markets and interest rates, we have in place various hedging and reinsurance programs that are designed to mitigate the economic risk of movements in the equity markets and interest rates. The volatility in net income attributable to Holdings for the periods presented below results from the mismatch between: (i) the change in carrying value of the reserves for GMDB and certain GMIB features that do not fully and immediately reflect the impact of equity and interest market fluctuations; (ii) the change in fair value of products with the GMIB feature that have a no-lapse guarantee; and (iii) our hedging and reinsurance programs.

Ownership and Consolidation of AllianceBernstein

Our indirect, wholly-owned subsidiary, AllianceBernstein Corporation, is the General Partner of AB. Accordingly, AB's results are fully reflected in our consolidated financial statements. For additional information on our economic interest in AB see Note 1 of the Notes to Consolidated Financial Statements.

Consolidated Results of Operations

The following table summarizes our consolidated statements of income (loss):

Consolidated Statements of Income (Loss)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions, except per share data)			
REVENUES				
Policy charges and fee income	**$ 617**	$ 594	**$ 1,231**	$ 1,182
Premiums	**282**	280	**557**	556
Net derivative gains (losses)	**(208)**	(917)	**(1,584)**	(1,758)
Net investment income (loss)	**1,166**	1,036	**2,385**	2,026
Investment gains (losses), net:				
Credit losses on available-for-sale debt securities and loans	**(15)**	(14)	**(35)**	(80)
Other investment gains (losses), net	**(1)**	(42)	**(20)**	(63)
Total investment gains (losses), net	**(16)**	(56)	**(55)**	(143)
Investment management and service fees	**1,240**	1,182	**2,518**	2,362
Other income	**429**	258	**688**	509
Total revenues	**3,510**	2,377	**5,740**	4,734

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions, except per share data)			
BENEFITS AND OTHER DEDUCTIONS				
Policyholders' benefits	**667**	684	**1,344**	1,414
Remeasurement of liability for future policy benefits	**(8)**	(7)	**(7)**	(3)
Change in market risk benefits and purchased market risk benefits	**(133)**	(975)	**(1,233)**	(955)
Interest credited to policyholders' account balances	**605**	501	**1,171**	964
Compensation and benefits	**577**	566	**1,197**	1,149
Commissions and distribution-related payments	**463**	393	**900**	773
Interest expense	**62**	55	**119**	116
Amortization of deferred policy acquisition costs	**169**	155	**341**	307
Other operating costs and expenses	**427**	466	**980**	889
Total benefits and other deductions	**2,829**	1,838	**4,812**	4,654
Income (loss) from continuing operations, before income taxes	**681**	539	**928**	80
Income tax (expense) benefit	**(116)**	292	**(146)**	1,017
Net income (loss)	**565**	831	**782**	1,097
Less: Net income (loss) attributable to the noncontrolling interest	**137**	72	**240**	161
Net income (loss) attributable to Holdings	**428**	759	**542**	936
Less: Preferred stock dividends	**26**	26	**40**	40
Net income (loss) available to Holdings' common shareholders	**$ 402**	$ 733	**$ 502**	$ 896
EARNINGS PER COMMON SHARE				
Net income (loss) applicable to Holdings' common shareholders per common share:				
Basic	**$ 1.24**	$ 2.06	**$ 1.53**	$ 2.50
Diluted	**$ 1.23**	$ 2.06	**$ 1.52**	$ 2.49
Weighted average common shares outstanding (in millions):				
Basic	**324.2**	355.2	**327.2**	358.5
Diluted	**327.3**	356.1	**330.4**	360.0

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Non-GAAP Operating Earnings	**$ 494**	$ 441	**$ 984**	$ 805

The following table summarizes our Non-GAAP Operating Earnings per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
Non-GAAP Operating Earnings per common share:				
Basic	**$ 1.44**	$ 1.17	**$ 2.88**	$ 2.13
Diluted	**$ 1.43**	$ 1.17	**$ 2.86**	$ 2.13

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023

Net Income (Loss) Attributable to Holdings

Net income attributable to Holdings decreased $331 million to $428 million for the three months ended June 30, 2024 from $759 million in the three months ended June 30, 2023. The following notable items were the primary drivers for the change in net income (loss):

Unfavorable items included:

- Change in market risk benefits and purchased market risk benefits increased by $842 million mainly due to higher equity market appreciation and higher interest rate movements during the second quarter 2023 compared to the second quarter 2024.
- Interest credited to policyholders' account balances increased by $104 million mainly due to growth of SCS account values in our Individual Retirement segment, partially offset by lower interest expense on funding agreements in Corporate and Other.
- Commissions and distribution-related payments increased by $70 million mainly due to higher distribution and advisory fee type revenue from higher retirement sales and average asset balances in our Wealth Management segment and higher payments for the distribution of AB mutual funds resulting from higher average AUM in our Asset Management segment.
- Net income attributable to noncontrolling interest increased by $65 million mainly due to higher pre-tax earnings.
- Amortization of DAC increased by $14 million mainly due to growth in the Individual Retirement segment from sales momentum.
- Income tax expense increased by $408 million primarily due to a partial release of the valuation allowance of $376 million on the deferred tax asset for the second quarter 2023 compared to no valuation allowance release for the second quarter 2024.

These were partially offset by the following favorable items:

- Net derivative losses decreased by $709 million mainly due to lower equity market appreciation during the second quarter 2024 compared to the second quarter 2023.
- Fee-type revenue increased by $254 million mainly due to the gain on sale of AB's Bernstein Research Service and higher advisory base fees and distribution revenue from higher average AUM from our Asset Management segment and higher advisory fees type revenue from our Wealth Management segment due to higher retirement sales and average asset balances.
- Net investment income increased by $130 million mainly due to higher assets balances, higher investment yields and higher Alternative investment income, partially offset by losses from our JV equity method investments within our Asset Management segment.
- Investment losses decreased by $40 million mainly due to liquidity sales in 2023.
- Compensation, benefits, interest and other operating expenses decreased by $21 million mainly due to lower restructuring expenses, partially offset by an increase in compensation and benefits and interest expense.
- Policyholders' benefits decreased by $17 million mainly due to lower net mortality in our Protection Solutions segment.

Non-GAAP Operating Earnings

Non-GAAP Operating Earnings increased by $53 million to $494 million for the three months ended June 30, 2024 from $441 million in the three months ended June 30, 2023. The following notable items were the primary drivers for the change in Non-GAAP Operating Earnings:

Favorable items included:

- Net investment income increased by $166 million mainly due to higher assets balances, higher investment yields and higher Alternative investment income.
- Fee-type revenue increased by $100 million mainly due to higher advisory base fees and distribution revenue from higher average AUM from our Asset Management segment and advisory fees type revenue from our Wealth Management segment due to higher retirement sales and average asset balances and Employee Benefits premium growth in our Protection Solution segment, partially offset by lower revenue from Bernstein Research Services due to the sale of this business completed during April 2024.
- Net derivative losses decreased $19 million mainly due to inflation swaps.

- Policyholders' benefits decreased by $17 million mainly due to lower net mortality in our Protection Solutions segment.

These were partially offset by the following unfavorable items:

- Interest credited to policyholders' account balances increased by $103 million mainly due to growth of SCS account values in our Individual Retirement segment, partially offset by lower interest expense on funding agreements in Corporate and Other;
- Commissions and distribution-related payments increased by $70 million mainly due to higher distribution and advisory fee type revenue from higher retirement sales and average asset balances in our Wealth Management segment and higher payments for the distribution of AB mutual funds resulting from higher average AUM in our Asset Management segment.
- Amortization of DAC increased by $14 million mainly due to growth in the Individual Retirement segment from sales momentum.
- Net income attributable to the noncontrolling interest increased by $24 million mainly due to higher pre-tax earnings.
- Income tax expense increased by $36 million primarily due to a higher effective tax rate and higher pre-tax earnings for second quarter 2024 compared to second quarter 2023.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023

Net Income (Loss) Attributable to Holdings

Net income attributable to Holdings decreased by $394 million to a net income of $542 million for the six months ended June 30, 2024 from a net income of $936 million for the six months ended June 30, 2023. The following were notable changes in net income (loss):

Unfavorable items included:

- Interest credited to policyholders' account balances increased by $207 million mainly due to growth of SCS account values in our Individual Retirement segment, partially offset by lower interest expense on funding agreements.
- Compensation, benefits, interest and other operating expenses increased by $142 million mainly due to an increase in legal expenses and higher compensation and benefits expense, partially offset by the recognition of incentive grant gain in connection with the AB headquarters relocation to Nashville in our Asset Management segment.
- Commissions and distribution-related payments increased by $127 million mainly due to higher distribution and advisory fee-type revenue from higher retirement sales and average asset balances in our Wealth Management segment and higher payments to financial intermediaries for the distribution of AB mutual funds resulting from average AUM in Asset Management segment.
- Amortization of DAC increased by $34 million mainly due to growth in our Individual Retirement segment from sales momentum.
- Net income attributable to noncontrolling interest increased by $79 million mainly due to higher pre-tax earnings.

These were partially offset by the following favorable items:

- Fee-type revenue increased by $385 million mainly driven by the gain on sale of AB's Bernstein Research Service, higher advisory base fees and distribution revenue due to higher average AUM from our Asset Management segment and higher advisory fees type revenue from our Wealth Management segment from higher retirement sales and average asset balances.
- Net investment income increased by $359 million mainly due to higher SCS assets balances, higher investment yields and higher Alternative investment income.
- Change in market risk benefits and purchased market risk benefits decreased by $278 million mainly due to an increase in interest rates in the first quarter of 2024 compared to a decrease in the first quarter of 2023. This was partially offset by less favorable equity market movements in the second quarter of 2024 compared to second quarter of 2023.

- Net derivative losses decreased by $174 million mainly due to lower equity market appreciation during the first six months of 2024 compared to the first six months of 2023, partially offset by a larger interest rate movement during the first six months of 2024 compared to the first six months of 2023.
- Investment losses decreased by $88 million mainly due to credit losses recognized in the first quarter of 2023 when intending to sell securities in an unrealized loss position in anticipation of Equitable Financial's ordinary dividend to Holdings and liquidity sales.
- Policyholders' benefits decreased by $70 million mainly due to lower net mortality, partially offset by growth in Employee Benefits in our Protection Solutions segment and higher benefits from GMIB annuitizations, partially offset by higher premiums in fee-type revenue in our Legacy segment.
- Income tax expense increased by $1.2 billion primarily due to a partial release of the valuation allowance of $990 million on the deferred tax asset for the six months ended June 30, 2023 compared to no valuation allowance release for the six months ended June 30, 2024.

See "—Significant Factors Impacting Our Results—Effect of Assumption Updates on Operating Results" for more information regarding assumption updates.

Non-GAAP Operating Earnings

Non-GAAP Operating Earnings increased by $179 million to $984 million for the six months ended June 30, 2024 from $805 million in the six months ended June 30, 2023. The following were notable changes in Non-GAAP Operating Earnings:

Favorable items included:

- Net investment income increased by $372 million mainly due to higher income primarily due to higher asset balances, higher investment yields and higher Alternative investment income.
- Fee-type revenue increased by $256 million mainly driven by higher advisory base fees and distribution revenue from higher average AUM from our Asset Management segment and advisory fees type revenue from our Wealth Management segment from higher retirement sales and average asset balances, Employee Benefits premium growth in our Protection Solutions segment, partially offset by lower revenue from Bernstein Research Services due to the sale of this business completed during April 2024.
- Policyholders' benefits decreased by $70 million mainly due to lower net mortality, partially offset by growth in Employee Benefits in our Protection Solutions segment, and higher benefits from GMIB annuitizations, partially offset by higher premiums in fee-type revenue in our Legacy segment.
- Net derivative losses decreased by $26 million mainly due to inflation swaps.

These were partially offset by the following unfavorable items:

- Interest credited to policyholders' account balances increased by $206 million mainly due to growth of SCS account values in our Individual Retirement segment and higher interest rates in our Protection Solution segment, partially offset by lower interest expense on funding agreements.
- Commissions and distribution-related payments increased by $127 million mainly due to higher distribution and advisory fee-type revenue from higher retirement sales and average asset balances in our Wealth Management segment and higher payments to financial intermediaries for the distribution of AB mutual funds resulting from average AUM in Asset Management.
- Compensation, benefits, interest expense and other operating costs increased by $77 million mainly due to higher incentive compensation expense, partially offset by lower base compensation and other expenses driven by the sale of Bernstein Research Services and the recognition of an incentive grant gain in connection with the AB headquarters relocation to Nashville in our Asset Management segment; higher Benefits and Taxes and Sub-Advisory fees from our Protection Solutions and Legacy segments, and higher variable compensation from higher sales from our Individual Retirement and Wealth Management segments.
- Amortization of DAC increased by $34 million mainly due to growth in our Individual Retirement segment from sales momentum.
- Net income attributable to the noncontrolling interest increased by $41 million mainly due to higher pre-tax earnings.

- Income tax expense increased by $64 million mainly driven by higher pre-tax earnings in 2024.

Results of Operations by Segment

We manage our business through the following six segments: Individual Retirement, Group Retirement, Asset Management, Protection Solutions, Wealth Management and Legacy. We report certain activities and items that are not included in our six segments in Corporate and Other. The following section presents our discussion of operating earnings (loss) by segment and AUM, AV and Protection Solutions Reserves by segment, as applicable. Consistent with U.S. GAAP guidance for segment reporting, operating earnings (loss) is our U.S. GAAP measure of segment performance. See Note 17 of the Notes to the Consolidated Financial Statements for further information on our segments.

The following table summarizes operating earnings (loss) on our segments and Corporate and Other:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss) by segment:				
Individual Retirement	**$ 234**	$ 234	**$ 462**	$ 434
Group Retirement	**123**	107	**249**	196
Asset Management	**101**	99	**207**	198
Protection Solutions	**67**	24	**108**	(11)
Wealth Management	**44**	42	**87**	74
Legacy	**41**	45	**92**	105
Corporate and Other	**(116)**	(110)	**(221)**	(191)
Non-GAAP Operating Earnings	**$ 494**	$ 441	**$ 984**	$ 805

Effective Tax Rates by Segment

Income tax expense is calculated using the ETR and then allocated to our business segments using a 14% ETR for our retirement and protection businesses (Individual Retirement, Group Retirement, Protection Solutions and Legacy), a 27% ETR for Wealth Management and a 29% ETR for Asset Management.

Individual Retirement

The Individual Retirement segment includes our variable annuity products which primarily meet the needs of individuals saving for retirement or seeking retirement income.

The following table summarizes operating earnings (loss) of our Individual Retirement segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 234**	$ 234	**$ 462**	$ 434

Key components of operating earnings (loss) were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
REVENUES				
Policy charges, fee income and premiums	**$ 176**	$ 165	**$ 350**	$ 328
Net investment income	**548**	391	**1,058**	731
Net derivative gains (losses)	**(6)**	(5)	**(11)**	(10)
Investment management, service fees and other income	**92**	96	**179**	186
Segment revenues	**$ 810**	$ 647	**$ 1,576**	$ 1,235
BENEFITS AND OTHER DEDUCTIONS				
Policyholders' benefits	**$ 19**	$ 19	**$ 36**	$ 43
Remeasurement of liability for future policy benefits	**—**	(1)	**(2)**	—
Interest credited to policyholders' account balances	**278**	160	**524**	289
Commissions and distribution-related payments	**80**	63	**157**	123
Amortization of deferred policy acquisition costs	**111**	92	**220**	181
Compensation, benefits and other operating costs and expenses	**48**	43	**102**	90
Segment benefits and other deductions	**$ 536**	$ 376	**$ 1,037**	$ 726

The following table summarizes AV for our Individual Retirement segment:

	June 30, 2024	December 31, 2023
	(in millions)	
AV (1)		
General Account	**$ 61,128**	$ 52,062
Separate Accounts	**40,810**	39,619
Total AV	**$ 101,938**	$ 91,681

(1) AV presented are net of reinsurance.

The following table summarizes a roll-forward of AV for our Individual Retirement segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Balance, beginning of period	**$ 98,319**	$ 78,800	**$ 91,681**	$ 74,277
Gross premiums	**4,505**	3,675	**8,843**	6,546
Surrenders, withdrawals and benefits	**(2,648)**	(2,174)	**(5,337)**	(4,113)
Net flows	**1,857**	1,501	**3,506**	2,433
Investment performance, interest credited and policy charges	**1,762**	3,592	**6,751**	7,176
Other (1)	**—**	—	**—**	7
Balance, end of period	**$ 101,938**	$ 83,893	**$ 101,938**	$ 83,893

(1) For the six months ended June 30, 2023, amounts reflect a total special payment applied to the accounts of active clients as part of a previously disclosed settlement agreement between Equitable Financial and the SEC.

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023 for the Individual Retirement Segment

Operating earnings

Operating earnings were flat at $234 million during the three months ended June 30, 2024 and in the three months ended June 30, 2023. The following notable items were the primary drivers of the change in operating earnings:

Favorable items included:

- Net investment income increased by $157 million mainly due to higher SCS asset balances and higher investment yields.
- Fee-type revenue increased by $7 million due to higher average Separate Accounts values as a result of higher equity markets in 2024.

These were partially offset by the following unfavorable items:

- Interest credited to policyholders' account balances increased by $118 million mainly due to the growth of SCS account values.
- Amortization of DAC increased by $19 million mainly driven by growth in the business from sales momentum.
- Commissions and distribution-related payments increased by $17 million mainly due to higher asset levels commissions and sales volumes.

Net Flows and AV

- Total AV as of June 30, 2024 was $101.9 billion, an increase of $3.6 billion, compared to March 31, 2024. The increase in AV was primarily due to $1.9 billion of net inflows, as well as $1.7 billion of equity market appreciation in second quarter 2024.
- Net inflows of $1.9 billion were $356 million higher than in the three months ended June 30, 2023, mainly driven by higher gross premiums.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Individual Retirement Segment

Operating earnings

Operating earnings increased $28 million to $462 million during the six months ended June 30, 2024 from $434 million in the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Favorable items included:

- Net investment income increased by $327 million mainly due to higher income primarily due to higher SCS asset balances, higher investment yields and higher Alternative investment income.
- Fee-type revenue increased by $15 million mainly due to higher average separate account values.

These were partially offset by the following unfavorable items:

- Interest credited to policyholders' account balances increased by $235 million mainly due to growth of SCS account values.
- Amortization of DAC increased by $39 million mainly due to growth in the business from sales momentum.
- Commissions and distribution-related payments increased by $34 million mainly due to higher asset levels commissions and sales volumes.

Net Flows and AV

- The increase in AV of $10.3 billion in the six months ended June 30, 2024 was driven by an increase in investments performance as a result of equity market appreciation of $6.8 billion in the six months ended June 30, 2024, as well as net inflows of $3.5 billion.

- Net inflows of $3.5 billion were $1.1 billion higher than in the six months ended June 30, 2023, mainly driven by higher sales in the six months ended June 30, 2024.

Group Retirement

The Group Retirement segment offers tax-deferred investment and retirement services or products to plans sponsored by educational entities, municipalities and not-for-profit entities, as well as small and medium-sized businesses.

The following table summarizes operating earnings (loss) of our Group Retirement segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 123**	$ 107	**$ 249**	$ 196

Key components of operating earnings (loss) are:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
REVENUES				
Policy charges, fee income and premiums	**$ 79**	$ 66	**$ 152**	$ 130
Net investment income	**139**	132	**281**	244
Net derivative gains (losses)	**—**	—	**—**	(1)
Investment management, service fees and other income	**65**	69	**142**	131
Segment revenues	**$ 283**	$ 267	**$ 575**	$ 504
BENEFITS AND OTHER DEDUCTIONS				
Interest credited to policyholders' account balances	**56**	52	**108**	102
Commissions and distribution-related payments	**45**	47	**89**	84
Amortization of deferred policy acquisition costs	**8**	15	**23**	30
Compensation, benefits and other operating costs and expenses	**29**	29	**64**	58
Segment benefits and other deductions	**$ 138**	$ 143	**$ 284**	$ 274

The following table summarizes AV and AUA for our Group Retirement segment:

	June 30, 2024	December 31, 2023
	(in millions)	
AV and AUA		
General Account	**$ 9,383**	$ 8,963
Separate Accounts and Mutual Funds	**29,884**	27,507
Total AV and AUA (1)	**$ 39,267**	$ 36,470

(1) AV presented are net of reinsurance.

The following table summarizes a roll-forward of AV and AUA for our Group Retirement segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Balance, beginning of period	**$ 38,490**	$ 33,567	**$ 36,470**	$ 32,005
Gross Premiums	**1,570**	965	**2,588**	1,862
Surrenders, withdrawals and benefits	**(1,162)**	(985)	**(2,312)**	(1,853)
Net flows (1)	**408**	(20)	**276**	9
Investment performance, interest credited and policy charges (1)	**369**	1,439	**2,521**	**2,946**
Other (2)	**—**	—	**—**	26
Balance, end of period	**$ 39,267**	$ 34,986	**$ 39,267**	$ 34,986

(1) Net of the Global Atlantic transaction.

(2) For the six months ended June 30, 2023, amounts reflect a total special payment applied to the accounts of active clients as part of a previously disclosed settlement agreement between Equitable Financial and the SEC.

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023 for the Group Retirement Segment

Operating earnings

Operating earnings increased by $16 million to $123 million during the three months ended June 30, 2024 from $107 million in the three months ended June 30, 2023. The following notable items were the primary drivers of the change in operating earnings:

Favorable items included:

- Fee-type revenue increased by $9 million primarily due to higher average Separate Account AV from market appreciation.
- Amortization of DAC decreased by $7 million mainly due to a favorable one-time adjustment.
- Net investment income increased by $7 million due to higher investment yields and higher asset balances.

These were partially offset by the following unfavorable items:

- Interest credited to policyholders' account balances increased by $4 million mainly due to higher account balances in our institutional market and higher crediting rates.
- Income tax expense increased by $5 million mainly driven by higher pretax earnings for the second quarter 2024 compared to the second quarter2023.

See "—Significant Factors Impacting Our Results—Effect of Assumption Updates on Operating Results" for more information regarding assumption updates.

Net Flows and AV

- The increase in AV of $0.8 billion in the three months ended June 30, 2024 was driven by equity market depreciation of $369 million and net inflows of $408 million.
- Net inflows of $408 million for the three months ended June 30, 2024 increased by $428 million compared to the three months ended June 30, 2023, driven by large lump sum premium in our institutional market partially offset by higher surrenders from our tax-exempt and corporate markets.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Group Retirement Segment

Operating earnings

Operating earnings increased by $53 million to $249 million during the six months ended June 30, 2024 from $196 million during the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Favorable items included:

- Net investment income increased by $37 million due to higher investment yields, higher Alternative investment income and higher asset balances.
- Fee-type revenue increased by $33 million primarily due to higher average Separate Account AV from market appreciation.
- Amortization of DAC decreased by $7 million mainly due to a favorable one-time balance adjustment.

These were partially offset by the following unfavorable items:

- Compensation, benefits and other operating costs and expenses increased by $6 million mainly due to expansion of our Institutional business.
- Commissions and distribution-related payments increased by $5 million mainly due to higher premium-based and asset-based commission payments.
- Income tax expense increased by $8 million due to higher pre-tax earnings partially offset by a lower effective tax rate for the six months ended June 30, 2024 compared to six months ended June 30, 2023.

Net Flows and AV

- The increase in AV of $2.8 billion in the six months ended June 30, 2024 was driven by equity market appreciation and net outflows of $276 million.
- Net inflows of $276 million for the six months ended June 30, 2024 increased $267 million compared to the six months ended June 30, 2023, driven by large lump sum premium in our institutional market partially offset by higher surrenders from our tax-exempt and corporate markets.

Asset Management

The Asset Management segment provides diversified investment management and related services to a broad range of clients around the world. Operating earnings (loss), net of tax, presented here represents our average economic interest in AB of approximately 61%, and 61% during the three and six months ended June 30, 2024 and 2023.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 101**	$ 99	**$ 207**	$ 198

Key components of operating earnings (loss) were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
REVENUES				
Net investment income (loss)	**$ 7**	$ 2	**$ 15**	$ 11
Net derivative gains (losses)	**(1)**	(1)	**(6)**	(11)
Investment management, service fees and other income	**1,045**	999	**2,135**	2,009
Segment revenues	**$ 1,051**	$ 1,000	**$ 2,144**	$ 2,009

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
BENEFITS AND OTHER DEDUCTIONS				
Commissions and distribution related payments	**$ 180**	$ 150	**$ 353**	$ 298
Compensation, benefits and other operating costs and expenses	**621**	633	**1,276**	1,256
Interest expense	**12**	14	**29**	28
Segment benefits and other deductions	**$ 813**	$ 797	**$ 1,658**	$ 1,582

Changes in AUM in the Asset Management segment were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in billions)			
Balance, beginning of period	**$ 758.7**	$ 675.9	**$ 725.2**	$ 646.4
Long-term flows				
Sales/new accounts	**31.9**	22.4	**64.5**	48.0
Redemptions/terminations	**(25.7)**	(23.1)	**(50.8)**	(43.7)
Cash flow/unreinvested dividends	**(5.3)**	(3.3)	**(12.3)**	(7.5)
Net long-term (outflows) inflows	**0.9**	(4.0)	**1.4**	(3.2)
Market appreciation (depreciation)	**9.9**	19.6	**42.9**	48.3
Net change	**10.8**	15.6	**44.3**	45.1
Balance, end of period	**$ 769.5**	$ 691.5	**$ 769.5**	$ 691.5

Average AUM in the Asset Management segment for the periods presented by distribution channel and investment services were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in billions)			
Distribution Channel:				
Institutions	**$ 319.6**	$ 305.1	**$ 318.2**	$ 304.6
Retail	**308.0**	259.9	**301.7**	255.9
Private Wealth	**127.9**	113.4	**125.7**	111.6
Total	**$ 755.5**	$ 678.4	**$ 745.6**	$ 672.1
Investment Service:				
Equity Actively Managed	**$ 259.7**	$ 230.3	**$ 255.9**	$ 228.4
Equity Passively Managed (1)	**64.2**	57.7	**63.9**	56.8
Fixed Income Actively Managed – Taxable	**212.9**	199.4	**211.0**	197.2
Fixed Income Actively Managed – Tax-exempt	**64.7**	55.5	**63.5**	54.8
Fixed Income Passively Managed (1)	**11.0**	9.5	**11.1**	9.5
Alternatives/Multi-Asset Solutions (2)	**143.0**	126.0	**140.2**	125.4
Total	**$ 755.5**	$ 678.4	**$ 745.6**	$ 672.1

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services not included in equity of fixed income services.

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023 for the Asset Management Segment

Operating earnings

Operating earnings increased $2 million to $101 million during the three months ended June 30, 2024 from $99 million during the three months ended June 30, 2023. The following notable items were the primary drivers of the change in operating earnings:

Favorable items included:

- Fee-type revenue increased by $46 million primarily due to higher investment base advisory fees and higher distribution revenue from higher average AUM, higher performance based fees, partially offset by lower revenue from Bernstein Research Services due to the sale of this business completed during April 2024.
- Compensation, benefits, interest expense and other operating costs decreased by $14 million mainly due to lower base compensation and other expenses driven by the sale of Bernstein Research Services, partially offset by higher incentive compensation related to higher average AUM.
- Net investment income increased by $5 million mainly due to higher gains primarily from seed capital investments.

These were partially offset by the following unfavorable items included:

- Commissions and distribution-related payments increased by $30 million mainly due to higher payments for the distribution of AB mutual funds resulting from higher average AUM.
- Net income attributable to noncontrolling interest increased by $15 million due to higher pre-tax earnings.
- Income tax expense increased by $18 million primarily due to higher effective tax rate and higher pre-tax earnings for the second quarter 2024 compared to the second quarter 2023.

Long-Term Net Flows and AUM

- Total AUM as of June 30, 2024 was $769.5 billion, up $10.8 billion or 1.4%, compared to March 31, 2024. During the second quarter 2024, AUM increased as a result of market appreciation of $9.9 billion and net inflows of $0.9 billion. Market appreciation was attributed to Retail of 5.6 billion, Private Wealth of 2.3 billion and Institutions of 2.0 billion. Net inflows were due to Retail net inflows of $2.8 billion offset by Institutions net outflows of $1.8 billion, and Private Wealth net outflows of $0.1 billion.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Asset Management Segment

Operating earnings

Operating earnings increased $9 million to $207 million during the six months ended June 30, 2024 from $198 million in the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Favorable items included:

- Fee-type revenue increased by $126 million primarily due to higher investment base advisory fees and higher distribution revenue from higher average AUM, higher performance based fees, partially offset by lower revenue from Bernstein Research Services due to the sale of this business completed during April 2024.

These were offset by the following unfavorable items:

- Commissions and distribution-related payments increased by $55 million mainly due to higher payments to financial intermediaries for the distribution of AB mutual funds resulting from higher average AUM.
- Compensation, benefits, interest expense and other operating costs increased by $21 million mainly due to higher incentive compensation expense, partially offset by lower base compensation and other expenses driven by the sale of Bernstein Research Services and the recognition of a $21 million incentive grant gain in connection with the AB headquarters relocation to Nashville.
- Net income attributable to noncontrolling interest increased by $24 million due to higher pre-tax earnings.
- Income tax expense increased by $26 million primarily due to a higher effective tax rate and higher pre-tax earnings for the six months ended June 30, 2024 compared to six months ended June 30, 2023.

Long-Term Net Flows and AUM

- Total AUM as of June 30, 2024 was $769.5 billion, up $44.3 billion, or 6.1%, compared to December 31, 2023. The increase is a result of market appreciation of $42.9 billion and net inflows of $1.4 billion. Market appreciation of $42.9 billion attributed to Retail of $22.7 billion, Institutions of $11.6 billion and Private Wealth of $8.6 billion. Net inflows were driven by Retail and Private Wealth net inflows of $6.9 billion and $0.5 billion, which were partially offset by Institutions net outflows of $6.0 billion.

Protection Solutions

The Protection Solutions segment includes our life insurance and employee benefits businesses. We provide a targeted range of products aimed at serving the financial needs of our clients throughout their lives, including VUL, IUL and term life products. In 2015, we entered the employee benefits market and currently offer a suite of dental, vision, life, as well as short- and long-term disability insurance products to small and medium-size businesses.

The following table summarizes operating earnings (loss) of our Protection Solutions segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 67**	$ 24	**$ 108**	$ (11)

Key components of operating earnings (loss) were:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
	(in millions)			
REVENUES				
Policy charges, fee income and premiums	**$ 532**	$ 524	**$ 1,060**	$ 1,044
Net investment income	**260**	242	**517**	459
Net derivative gains (losses)	**(1)**	(16)	**(1)**	(18)
Investment management, service fees and other income	**43**	34	**83**	66
Segment revenues	**$ 834**	$ 784	**$ 1,659**	$ 1,551
BENEFITS AND OTHER DEDUCTIONS				
Policyholders' benefits	**$ 473**	$ 484	**$ 960**	$ 1,019
Remeasurement of liability for future policy benefits	**(12)**	(2)	**(16)**	4
Interest credited to policyholders' account balances	**135**	130	**268**	255
Commissions and distribution related payments	**43**	36	**83**	70
Amortization of deferred policy acquisition costs	**32**	30	**62**	59
Compensation, benefits and other operating costs and expenses	**86**	77	**177**	157
Segment benefits and other deductions	**$ 757**	$ 755	**$ 1,534**	$ 1,564

The following table summarizes Protection Solutions Reserves for our Protection Solutions segment:

	June 30, 2024	December 31, 2023
	(in millions)	
Protection Solutions Reserves (1)		
General Account	**$ 18,150**	$ 18,184
Separate Accounts	**17,761**	16,337
Total Protection Solutions Reserves	**$ 35,911**	$ 34,521

(1) Does not include Protection Solutions Reserves for our employee benefits business as it is a scaling business and therefore has immaterial in-force policies.

The following table presents our in-force face amounts for our individual life insurance products:

	June 30, 2024	December 31, 2023
	(in billions)	
In-force face amount by product: (1)		
Universal Life (2)	**$ 39.6**	$ 40.9
Indexed Universal Life	**26.5**	26.9
Variable Universal Life (3)	**139.0**	136.9
Term	**205.5**	206.5
Whole Life	**1.1**	1.1
Total in-force face amount	**$ 411.7**	$ 412.3

(1) Includes individual life insurance and does not include employee benefits as it is a scaling business and therefore has immaterial in-force policies.
(2) UL includes GUL.
(3) VUL includes VL and COLI.

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023 for the Protection Solutions Segment

Operating earnings (loss)

Operating earnings increased by $43 million to $67 million during the three months ended June 30, 2024 from $24 million in the three months ended June 30, 2023. The following notable items were the primary drivers of the change in operating earnings:

Favorable items included:

- Net investment income increased by $18 million mainly due to higher Alternative investment income and higher investment yields.
- Fee-type revenue increased by $17 million mainly driven by Employee Benefits premium growth.
- Net derivative lossses decreased by $15 million mainly due to inflation swaps.
- Policyholders’ benefits decreased by $11 million mainly due to lower net mortality.
- Remeasurement of liability for future policy benefits decreased by $10 million mainly due to impact from more favorable mortality in the second quarter of 2024 as compared to the second quarter of 2023.

These were partially offset by the following unfavorable items:

- Compensation, benefits, interest expense and other operating costs increased by $9 million mainly driven by higher Benefits and Taxes and higher Sub-Advisory fees.
- Commissions and distribution-related payments increased by $7 million mainly due to growth in Employee Benefits and Life Insurance.
- Income tax expense increased by $6 million primarily due to higher pre-tax earnings, partially offset by a lower effective tax rate for the second quarter 2024 compared to the second quarter 2023.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Protection Solutions Segment

Operating earnings (loss)

Operating earnings increased $119 million to $108 million during the six months ended June 30, 2024 from $11 million loss in the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Favorable items included:

- Policyholders’ benefits decreased by $59 million mainly due to lower net mortality, partially offset growth in Employee Benefits.
- Net investment income increased by $58 million mainly due to higher Alternative investment income and higher investment yields.
- Fee-type revenue increased by $33 million mainly driven by higher premiums due to growth in Employee Benefits.
- Remeasurement of liability for future policy benefits decreased by $20 million mainly due to impact from more favorable mortality in the second quarter of 2024 as compared to the second quarter of 2023.
- Net derivative losses decreased by $17 million mainly due to inflation swaps.

These were partially offset by the following unfavorable items:

- Compensation, benefits, interest expense and other operating costs increased by $20 million mainly due to higher Benefits and Taxes and higher Sub-Advisory fees.
- Interest credited to policyholders’ account balances increased by $13 million mainly due to higher interest rates.
- Commissions and distribution-related payments increased by $13 million mainly due to growth in Employee Benefits and Life.

- Income tax expense increased by $20 million primarily due to higher pre-tax earnings, partially offset by a lower effective tax rate for the six months ended June 30, 2024 compared to the six months ended June 30,2023.

Wealth Management

The Wealth Management segment is an emerging leader in the wealth management space with a differentiated advice value proposition that offers discretionary and non-discretionary investment advisory accounts, financial planning and advice, life insurance, and annuity products. In 2023, we began reporting this business separately from our other segments and Corporate and Other.

The following table summarizes operating earnings (loss) of our Wealth Management segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 44**	$ 42	**$ 87**	$ 74

Key components of operating earnings (loss) were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
REVENUES				
Net investment income	**$ 4**	$ 3	**$ 8**	$ 5
Investment management, service fees and other income	**438**	388	**857**	748
Segment revenues	**$ 442**	$ 391	**$ 865**	$ 753
BENEFITS AND OTHER DEDUCTIONS				
Commissions and distribution-related payments	**$ 282**	$ 243	**$ 542**	$ 471
Compensation, benefits and other operating costs and expenses	**99**	94	**204**	185
Segment benefits and other deductions	**$ 381**	$ 337	**$ 746**	$ 656

The following table summarizes revenue by activity type for our Wealth Management segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Revenue by Activity Type				
Investment management, service fees and other income:				
Investment management and advisory fees	$ 161	$ 134	$ 311	$ 261
Distribution fees	**260**	239	**513**	456
Interest income	**12**	13	**25**	24
Service and other income	**5**	3	**8**	7
Total Investment management, service fees and other income	**$ 438**	$ 388	**$ 857**	$ 748

The following table summarizes a roll-forward of AUA for our Wealth Management segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
		(in millions)		
Total Wealth Management Assets				
Advisory assets:				
Beginning, beginning of period	**$ 58,075**	$ 47,844	**$ 55,072**	$ 45,544
Advisory Net Flows	1,539	697	1,364	1,525
Advisory Market appreciation (depreciation) and other	**784**	2,321	**3,962**	3,793
Advisory ending assets	**$ 60,398**	$ 50,862	**$ 60,398**	$ 50,862
Brokerage and direct assets	33,418	$ 29,559	**$ 33,418**	$ 29,559
Balance, end of period	**$ 93,816**	$ 80,421	**$ 93,816**	$ 80,421

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2023 for the Wealth Management Segment

Operating earnings

Operating earnings increased by $2 million to $44 million during the three months ended June 30, 2024 from $42 million in the three months ended June 30, 2023. The following were notable changes:

Favorable items included:

- Investment management, service fees and other income increased by $50 million mainly due to higher Advisory fee type revenue attributed to higher average assets balances combined with increased distribution fees from higher retirement sales.

These were partially offset by the following unfavorable items:

- Commissions and distribution-related payments increased by $39 million mainly due to higher distribution and advisory fee type revenue from higher retirement sales and average asset balances.
- Compensation, benefits and other operating costs and expenses increased by $5 million mainly due to higher variable compensation from higher sales.
- Income tax expense increased by $5 million primarily due to higher pre-tax earnings.

Net Flows and AV

- The increase in AUA of $2.3 billion.in the three months ended June 30, 2024 was mainly driven by strong advisory net flows of $$1.5 billion and market appreciation.
- Advisory net inflows of $1.5 billion were $842 million higher than in the three months ended June 30, 2023 mainly driven by increased sales.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Wealth Management Segment

Operating earnings

Operating earnings increased $13 million to $87 million during the six months ended June 30, 2024 compared to $74 million in the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Favorable items included:

- Investment management, service fees and other income increased by $109 million mainly due to higher distribution and advisory fees type revenue from higher retirement sales and average asset balances.

These were partially offset by the following unfavorable items:

- Commissions and distribution-related payments increased by $71 million mainly due to higher distribution and advisory fee-type revenue from higher retirement sales and average asset balances.
- Compensation, benefits and other operating costs and expenses increased by $19 million mainly due to higher variable compensation from higher sales.
- Income tax expense increased by $9 million primarily due to higher effective tax rate and higher pre-tax earnings for 2024 compared to 2023.

Net Flows and AUA

- The increase in AUA of $6.8 billion in the six months ended June 30, 2024 was driven by equity market appreciation and advisory net flows of $1.4 billion driven by sales.

Legacy

The Legacy segment consists of our capital intensive fixed-rate GMxB business written prior to 2011.

The following table summarizes operating earnings (loss) of our Legacy segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ 41**	$ 45	**$ 92**	$ 105

Key components of operating earnings (loss) were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
REVENUES				
Policy charges, fee income and premiums	**$ 41**	$ 44	**$ 88**	$ 78
Net investment income	**59**	60	**121**	126
Investment management, service fees and other income	**100**	99	**201**	205
Segment revenues	**$ 200**	$ 203	**$ 410**	$ 409
BENEFITS AND OTHER DEDUCTIONS				
Policyholders' benefits	**$ 60**	$ 61	**$ 119**	$ 107
Remeasurement of liability for future policy benefits	**2**	—	**—**	—
Interest credited to policyholders' account balances	**11**	12	**22**	24
Commissions and distribution-related payments	**41**	43	**81**	86
Amortization of deferred policy acquisition costs	**15**	16	**31**	32
Compensation, benefits and other operating costs and expenses	**23**	19	**50**	37
Segment benefits and other deductions	**$ 152**	$ 151	**$ 303**	$ 286

The following table summarizes AV for our Legacy segment:

		June 30, 2024		December 31, 2023
		(in millions)		
AV (1)				
General Account	**$**	**810**	$	849
Separate Accounts		**21,417**		21,316
Total AV	**$**	**22,227**	$	22,165

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(1) AV presented are net of reinsurance.

The following table summarizes a roll-forward of AV for our Legacy segment net of the Venerable Transaction :

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	(in millions)							
Balance, beginning of period	**$**	**22,840**	$	22,020	**$**	**22,165**	$	21,482
Gross Premiums		**63**		54		**124**		126
Surrenders, withdrawals and benefits		**(735)**		(623)		**(1,455)**		(1,218)
Net flows		**(672)**		(569)		**(1,331)**		(1,092)
Investment performance, interest credited and policy charges		**59**		921		**1,393**		1,982
Balance, end of period	**$**	**22,227**	$	22,372	**$**	**22,227**	$	22,372

Three Months Ended June 30, 2024 Compared to the Three Months Ended June 30, 2024 for the Legacy segment

Operating earnings

Operating earnings decreased $4 million to $41 million during the three months ended June 30, 2024 from $45 million in the three months ended June 30, 2023. The primary driven by lower Venerable cost of reinsurance amortization from run-off of the business and lower mortality margin primarily due to unfavorable mortality.

Net Flows and AV

- The decrease in AV of $613 million in the three months ended June 30, 2024 was driven by net outflows of $672 million partially offset a positive investment performance of $59 million.
- Net outflows of $672 million were $103 million higher than in the three months ended June 30, 2024, mainly driven by continuing runoff of the business.

Six Months Ended June 30, 2024 Compared to the Six Months Ended June 30, 2023 for the Legacy Segment

Operating earnings

Operating earnings decreased $13 million to $92 million during the three months ended June 30, 2024 from $105 million in the six months ended June 30, 2023. The following were notable changes in operating earnings (losses):

Unfavorable items included:

- Compensation, benefits, interest expense and other operating costs increased by $13 million mainly due to higher subadvisory expenses as a result of higher average Separate Account AV and increased benefits cost.
- Policyholders' benefits increased by $12 million mainly due to higher benefits from GMIB annuitizations, partially offset by higher premiums in fee-type revenue.

- Net investment income decreased by $5 million mainly due to lower asset balances.

These were partially offset by the following favorable items:

- Fee-type revenue increased by $6 million mainly driven by higher separate account values.
- Commissions and distribution-related payments decreased by $5 million mainly due to an adjustment to the Wealth Management commissions calculation.

Net Flows and AV

- The increase in AV of $62 million in the six months ended June 30, 2024 was driven by equity market appreciation, partially offset by net outflows of $1.3 billion.
- Net outflows of $1.3 billion were $239 million higher than in the six months ended June 30, 2023, mainly driven by continuing runoff of the bus

Corporate and Other

Corporate and Other includes some of our financing and investment expenses. It also includes: the Closed Block, run-off variable annuity reinsurance business, run-off group pension business, run-off health business, benefit plans for our employees, certain strategic investments and certain unallocated items, including capital and related investments, interest expense and financing fees and corporate expense. AB's results of operations are reflected in the Asset Management segment. Accordingly, Corporate and Other does not include any items applicable to AB.

The following table summarizes operating earnings (loss) of Corporate and Other:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	**2024**	2023
	(in millions)			
Operating earnings (loss)	**$ (116)**	$ (110)	**$ (221)**	$ (191)

General Account Investment Portfolio

Our investment philosophy is driven by our long-term commitments to clients, robust risk management and strategic asset allocation. Our General Account investment portfolio investment strategy seeks to achieve sustainable risk-adjusted returns by focusing on principal preservation and investment return, subject to duration and liquidity requirements by product as well as diversification of investment risks. Investment activities are undertaken based on established investment guidelines and are required to comply with applicable laws and insurance regulations.

Risk tolerances are established for credit risk, market risk, liquidity risk and concentration risk across issuers and asset classes, each of which seek to mitigate the impact of cash flow variability arising from these risks. Significant interest rate increases and market volatility since 2022 have reduced the fair value of fixed maturities from a net unrealized gain position to a net unrealized loss. As a part of asset and liability management, we maintain a weighted average duration for our General Account investment portfolio that is within an acceptable range of the estimated duration of our liabilities given our risk appetite and hedging programs.

The General Account investment portfolio consists largely of investment grade fixed maturities, short-term investments, commercial, agricultural and residential mortgage loans, alternative investments and other financial instruments. Fixed maturities include publicly issued corporate bonds, government bonds, privately placed notes and bonds, bonds issued by states and municipalities, agency and non-agency mortgage-backed securities and asset-backed securities. In addition, from time to time we use derivatives to hedge our exposure to equity markets, interest rates, foreign currency and credit spreads.

We incorporate ESG factors into the investment processes for a significant portion of our General Account portfolio. As investors with a long-term horizon, we believe that companies with sustainable practices are better positioned to deliver value to stakeholders over an extended period. These companies are more likely to increase sales through sustainable products, reduce energy costs and attract and retain talent. This belief underpins our approach to sustainable investing, where we seek to enhance the sustainability and quality of our investment portfolio.

Investments in our surplus portfolio are generally comprised of a mix of fixed maturity investment grade and below investment grade securities as well as various alternative investments, primarily private equity and real estate equity. Although alternative investments are subject to period over period earnings fluctuations, they have historically achieved returns in excess of the fixed maturity portfolio.

The General Account investment portfolio reflects certain differences from the presentation of the U.S. GAAP Consolidated Financial Statements. This presentation is consistent with how we manage the General Account investment portfolio. For further investment information, see Note 3 and Note 4 of the Notes to the Consolidated Financial Statements.

Investment Results of the General Account Investment Portfolio

The following table summarizes the General Account investment portfolio results with Non-GAAP Operating Earnings adjustments by asset category for the periods indicated. This presentation is consistent with how we measure investment performance for management purposes.

	Three months ended June 30,									
	2024					2023				
	Yield				Amount (2)	Yield				Amount (2)
	(Dollars in millions)									
Fixed Maturities:										
Income (loss)	4.35	%	a	$	838	4.12	%	a	$	750
Ending assets					79,124					73,413
Mortgages:										
Income (loss)	5.10	%	a		238	4.61	%	a		198
Ending assets					18,802					17,364
Other Equity Investments: (1)										
Income (loss)	6.23	%	a		55	0.47	%	a		4
Ending assets					3,598					3,575
Trading Securities:										
Income (loss)	1.46	%			2	—	%			—
Ending assets					495					—
Policy Loans:										
Income (loss)	5.24	%	a		55	5.11	%	a		52
Ending assets					4,247					4,061
Cash and Short-term Investments:										
Income (loss)	(2.26)	%	a		(36)	(1.96)	%	a		(17)
Ending assets					5,817					4,773
Repurchase and funding agreements:										
Interest expense and other					(81)					(107)
Ending assets (liabilities)					(7,165)					(8,875)
Total Invested Assets:										
Income (loss)	4.15	%			1,071	3.80	%			880
Ending Assets					104,918					94,311
Short Duration Fixed Maturities:										
Income (loss)	—	%			—	4.18	%			1
Ending assets					—					67
Total:										
Investment income (loss)	4.15	%			1,071	3.80	%			881
Less: investment fees (3)	(0.18)	%			(47)	(0.17)	%			(38)
Investment Income, Net	3.97	%			1,024	3.64	%			843
Ending Net Assets				$	104,918				$	94,378

	Six Months Ended June 30,				Year Ended December 31	
	2024		2023		2023	
	Yield	Amount (2)	Yield	Amount (2)	Yield	Amount (2)
	(Dollars in millions)					
Fixed Maturities:						
Income (loss)	**4.39 %**	**$ 1,656**	4.03 %	$ 1,464	4.17 %	$ 3,103
Ending assets		**79,124**		73,413		73,526
Mortgages:						
Income (loss)	**5.10 %**	**473**	4.42 %	375	4.65 %	806
Ending assets		**18,802**		17,364		18,171
Other Equity Investments: (1)						
Income (loss)	**6.23 %**	**110**	2.55 %	45	3.88 %	135
Ending assets		**3,598**		3,575		3,433
Trading Securities:						
Income (loss)	**0.73 %**	**2**	— %	—	—	—
Ending assets		**495**		—		—
Policy Loans:						
Income (loss)	**5.23 %**	**110**	5.11 %	103	5.30 %	216
Ending assets		**4,247**		4,061		4,158
Cash and Short-term Investments: (3)						
Income (loss)	**(2.13)%**	**(65)**	(3.00)%	(40)	(2.51)%	(81)
Ending assets		**5,817**		4,773		4,718
Funding agreements:						
Interest expense and other		**(155)**		(194)		(425)
Ending assets (liabilities)		**(7,165)**		(8,875)		(7,616)
Total Invested Assets:						
Income (loss)	**4.21 %**	**2,131**	3.84 %	1,753	3.98 %	3,754
Ending Assets		**104,918**		94,311		96,390
Short Duration Fixed Maturities:						
Income (loss)	**— %**	**—**	3.97 %	2	4.14 %	3
Ending assets		**—**		67		16
Total:						
Investment income (loss)	**4.22 %**	**2,131**	3.84 %	1,755	3.98 %	3,757
Less: investment fees (4)	**(0.17)%**	**(88)**	(0.17)%	(78)	(0.18)%	(166)
Investment Income, Net	**4.04 %**	**2,043**	3.67 %	1,677	3.80 %	3,591
Ending Net Assets		**$ 104,918**		$ 94,378		$ 96,406

(1) Includes, as of June 30, 2024, June 30, 2023 and December 31, 2023 respectively, $371 million, $466 million and $361 million of other invested assets. Amounts for certain consolidated VIE investments are shown net of associated non-controlling interest.

(2) Amount for fixed maturities and mortgages represents original cost, reduced by repayments, write-downs, adjusted amortization of premiums, accretion of discount and allowances. Cost for equity securities represents original cost reduced by write-downs; cost for other limited partnership interests represents original cost adjusted for equity in earnings and reduced by distributions.

(3) Cash and Short-term net of collateral expense.

(4) Fixed maturities yield excludes out of period income adjustment .

AFS Fixed Maturities

The fixed maturity portfolio consists largely of investment grade corporate debt securities and includes significant amounts of U.S. government and agency obligations. The below investment grade securities in the General Account investment portfolio consist of loans to middle market companies, public high yield securities, bank loans, as well as “fallen angels,” originally purchased as investment grade investments.

AFS Fixed Maturities by Industry

The following table sets forth these fixed maturities by industry category along with their associated gross unrealized gains and losses:

AFS Fixed Maturities by Industry (1)

	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Percentage of Total (%)
	(Dollars in millions)					
As of June 30, 2024						
Corporate Securities:						
Finance	**$ 15,718**	**$ —**	**$ 44**	**$ 1,569**	**$ 14,193**	**20 %**
Manufacturing	**11,467**	**1**	**25**	**1,557**	**9,934**	**14 %**
Utilities	**7,545**	**—**	**32**	**1,050**	**6,527**	**9 %**
Services	**8,718**	**3**	**53**	**1,125**	**7,643**	**11 %**
Energy	**2,790**	**—**	**16**	**339**	**2,467**	**4 %**
Retail and wholesale	**2,540**	**—**	**21**	**247**	**2,314**	**3 %**
State and Political	**99**	**—**	**—**	**18**	**81**	**— %**
Transportation	**1,557**	**—**	**6**	**153**	**1,410**	**2 %**
Other	**1,388**	**—**	**12**	**194**	**1,206**	**2 %**
Total corporate securities	**51,822**	**4**	**209**	**6,252**	**45,775**	**65 %**
U.S. government	**5,773**	**—**	**—**	**1,363**	**4,410**	**6 %**
Residential mortgage-backed (2)	**3,519**	**—**	**10**	**150**	**3,379**	**5 %**
Preferred stock	**56**	**—**	**3**	**1**	**58**	**— %**
State & political	**519**	**—**	**2**	**84**	**437**	**— %**
Foreign governments	**707**	**—**	**1**	**128**	**580**	**1 %**
Commercial mortgage-backed	**3,864**	**—**	**2**	**439**	**3,427**	**5 %**
Asset-backed securities (3)	**12,864**	**—**	**64**	**76**	**12,852**	**18 %**
Total	**$ 79,124**	**$ 4**	**$ 291**	**$ 8,493**	**$ 70,918**	**100 %**
As of December 31, 2023						
Corporate Securities:						
Finance	$ 13,181	$ 2	$ 49	$ 1,209	$ 12,019	18 %
Manufacturing	11,333	1	60	1,330	10,062	15 %
Utilities	6,838	1	44	826	6,055	9 %
Services	8,242	—	79	917	7,404	11 %
Energy	3,758	—	26	447	3,337	5 %
Retail and wholesale	3,253	—	30	306	2,977	4 %
Transportation	2,493	—	22	290	2,225	3 %
Other	190	—	9	13	186	— %
Total corporate securities	49,288	4	319	5,338	44,265	65 %
U.S. government	5,735	—	2	1,106	4,631	7 %
Residential mortgage-backed (2)	2,470	—	18	133	2,355	4 %
Preferred stock	56	—	3	—	59	— %
State & political	614	—	9	74	549	1 %
Foreign governments	719	—	3	111	611	1 %
Commercial mortgage-backed	3,595	—	2	515	3,082	5 %
Asset-backed securities (3)	11,049	—	52	110	10,991	17 %
Total	$ 73,526	$ 4	$ 408	$ 7,387	$ 66,543	100 %

(1) Investment data has been classified based on standard industry categorizations for domestic public holdings and similar classifications by industry for all other holdings.
(2) Includes publicly traded agency pass-through securities and collateralized obligations.
(3) Includes credit-tranched securities collateralized by sub-prime mortgages, credit risk transfer securities and other asset types.

Fixed Maturities Credit Quality

The SVO of the NAIC evaluates the investments of insurers for regulatory reporting purposes and assigns fixed maturities to one of six categories ("NAIC Designations"). NAIC Designations of "1" or "2" include fixed maturities considered investment grade, which include securities rated Baa3 or higher by Moody's or BBB- or higher by Standard & Poor's. NAIC Designations of "3" through "6" are referred to as below investment grade, which include securities rated Ba1 or lower by Moody's and BB+ or lower by Standard & Poor's. As a result of time lags between the funding of investments and the completion of the SVO filing process, the fixed maturity portfolio typically includes securities that have not yet been rated by the SVO as of each balance sheet date. Pending receipt of SVO ratings, the categorization of these securities by NAIC designation is based on the expected ratings indicated by internal analysis.

The following table sets forth the General Account's fixed maturities portfolio by NAIC rating:

AFS Fixed Maturities

NAIC Designation	Rating Agency Equivalent	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
				(in millions)		
As of June 30, 2024						
1...............................	Aaa, Aa, A	**$ 52,384**	**$ —**	**$ 152**	**$ 5,374**	**$ 47,162**
2...............................	Baa	**24,727**	**—**	**127**	**3,040**	**21,814**
	Investment grade	**77,111**	**—**	**279**	**8,414**	**68,976**
3...............................	Ba	**1,066**	**—**	**4**	**52**	**1,018**
4...............................	B	**770**	**—**	**6**	**11**	**765**
5...............................	Caa	**164**	**4**	**1**	**16**	**145**
6...............................	Ca, C	**13**	**—**	**1**	**—**	**14**
	Below investment grade	**2,013**	**4**	**12**	**79**	**1,942**
Total Fixed Maturities		**$ 79,124**	**$ 4**	**$ 291**	**$ 8,493**	**$ 70,918**
As of December 31, 2023:						
1...............................	Aaa, Aa, A	$ 47,694	$ —	$ 217	$ 4,660	$ 43,251
2...............................	Baa	23,476	—	179	2,635	21,020
	Investment grade	71,170	—	396	7,295	64,271
3...............................	Ba	1,292	2	5	60	1,235
4...............................	B	927	—	5	23	909
5...............................	Caa	134	2	2	8	126
6...............................	Ca, C	3	—	—	1	2
	Below investment grade	2,356	4	12	92	2,272
Total Fixed Maturities		$ 73,526	$ 4	$ 408	$ 7,387	$ 66,543

Mortgage Loans

The mortgage portfolio primarily consists of commercial, agricultural, and residential mortgage loans. The investment strategy for the mortgage loan portfolio emphasizes diversification by property type and geographic location with a primary focus on asset quality. The commercial mortgage loan portfolio is backed by high quality properties located in primary markets typically owned by experienced institutional investors with a demonstrated ability to manage their assets through business cycles. Our commercial loan portfolio is monitored on an ongoing basis, assigning credit quality ratings for each loan, with the particular emphasis on loans that are scheduled to mature in the next 12 to 24 months. As of 2Q24, remaining scheduled maturities are $0.9 billion, 6% of the commercial mortgage portfolio.Scheduled maturities for full year 2025, are $1.5 billion, 9% of the commercial mortgage portfolio. The commercial mortgage portfolio consists of 87% fixed rate loans and 13% floating rate loans. For floating rate loans, the borrower is typically required to purchase an interest rate cap to the scheduled maturity of the loan to protect against rising rates.

Commercial mortgage loans are evaluated annually to determine a current LTV ratio. Property financial statements, current rent roll, lease maturities, tenant creditworthiness, property physical inspections, and forecasted leasing market strength are used to develop projected cash flows. A discounted cash flow methodology which incorporates market data is used to determine property values. The average LTV ratio at origination provided by a certified appraisal firm was 53%. The average LTV ratio was 66% and 64% at June 30, 2024 and December 31, 2023, respectively, which reflects the most recent opinion of value on the underlying collateral.

Over the past year, we began working with CarVal to establish investment programs in residential whole loans and other private and public securities. These programs allow us to leverage CarVal's expertise in asset classes where we are looking to increase exposure. The residential mortgage portfolio primarily consists of purchased closed end, amortizing residential mortgage loans. The investment strategy for the mortgage loan portfolio emphasizes high credit quality borrowers, conservative LTV ratios, superior ability to repay and geographic diversification.

Residential mortgage loans are pooled by loan type (i.e., Jumbo, Agency Eligible, Non-Qualified, etc.) and pooled by similar risk profiles (including consumer credit score and LTV ratios). The portfolio is monitored monthly primarily based on payment activity, occurrence of regional natural disasters and borrower interactions with the mortgage servicer.

The tables below show the breakdown of the amortized cost of the General Account's investments in mortgage loans by geographic region and property type:

Mortgage Loans by Region and Property Type

	June 30, 2024		December 31, 2023	
	Amortized Cost	% of Total	Amortized Cost	% of Total
	(Dollars in millions)			
By Region:				
U.S. Regions:				
Pacific	$ 5,223	27 %	$ 5,004	27 %
Middle Atlantic	3,713	20	3,678	20
South Atlantic	2,905	15	2,809	15
East North Central	1,115	6	1,102	6
Mountain	1,669	9	1,557	8
West North Central	811	4	828	5
West South Central	1,371	7	1,336	7
New England	885	5	865	5
East South Central	610	3	527	3
Total U.S.	18,302	96	17,706	96
Other Regions:				
Europe	734	4	744	4
Total Other	734	4	744	4
Total Mortgage Loans	$ 19,036	100 %	$ 18,450	100 %
By Property Type:				
Office	$ 4,718	25 %	$ 4,756	26 %
Multifamily	6,488	34	6,500	34
Agricultural loans	2,562	13	2,545	14
Retail	629	3	305	2
Industrial	2,322	12	2,366	13
Hospitality	631	4	595	3
Residential	777	4	298	2
Other	909	5	1,085	6
Total Mortgage Loans	$ 19,036	100 %	$ 18,450	100 %

Other Equity Assets

The following table includes information related to our alternative investments in certain other equity investments and consolidated VIEs, including private equity funds, real estate funds and other alternative investments. These investments are typically structured as limited partnerships or LLCs and are reported to us on a lag of one month and three months for hedge funds and private equity funds, respectively.

At June 30, 2024 and December 31, 2023, the fair value of alternative investments was $3.0 billion and $2.7 billion respectively. Alternative investments were 2.5% and 2.5% of cash and invested assets at June 30, 2024 and December 31, 2023, respectively.

Alternative Investments (1)

	June 30, 2024		December 31, 2023	
	Fair Value	**%**	**Fair Value**	**%**
	(in millions)			
Private Equity	**$ 1,508**	**51 %**	$ 1,455	53 %
Private Debt	**267**	**9 %**	161	6 %
Infrastructure	**221**	**7 %**	208	8 %
Real Estate	**638**	**22 %**	603	22 %
Hedge Funds	**55**	**2 %**	57	2 %
Other (2)	**276**	**9 %**	264	9 %
Total (3)	**$ 2,965**	**100 %**	$ 2,748	100 %

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(1) Reported in Other Equity Investments in the consolidated balance sheets.

(2) Includes CLO equity, co-investments and investments in other strategies. CLO equity investments are consolidated and assets are reported in Fixed Maturities, at fair value using the fair value option in the consolidated balance sheets.

(3) Includes $456 million and $455 million of non-General Account assets as of June 30, 2024 and December 31, 2023, respectively.

Liquidity and Capital Resources

Liquidity refers to our ability to generate adequate amounts of cash from our operating, investment and financing activities to meet our cash requirements with a prudent margin of safety. Capital refers to our long-term financial resources available to support business operations and future growth. Our ability to generate and maintain sufficient liquidity and capital is dependent on the profitability of our businesses, timing of cash flows related to our investments and products, our ability to access the capital markets, general economic conditions and the alternative sources of liquidity and capital described herein. When considering our liquidity and cash flows, we distinguish between the needs of Holdings and the needs of our insurance and non-insurance subsidiaries. We also distinguish and separately manage the liquidity and capital resources of our retirement and protection businesses (our Individual Retirement, Group Retirement, Protection Solutions and Legacy segments) and our Asset Management and Wealth Management segments.

Sources and Uses of Liquidity

The Company has sufficient cash flows from operations to satisfy liquidity requirements in 2024.

Cash Flows of Holdings

As a holding company with no business operations of its own, Holdings primarily derives cash flows from dividends from its subsidiaries and distributions related to its economic interest in AB, all of which is currently held outside our insurance company subsidiaries. These principal sources of liquidity are augmented by cash and short-term investments held by Holdings and access to bank lines of credit and the capital markets. The main uses of liquidity for Holdings are interest payments and debt repayment, payment of dividends and other distributions to stockholders (which may include stock repurchases) loans and capital contributions, if needed, to our insurance subsidiaries. Our principal sources of liquidity and our capital position are described in the following paragraphs.

Sources and Uses of Holding Company Highly Liquid Assets

The following table sets forth Holdings' principal sources and uses of highly liquid assets:

	Six Months Ended June 30,	
	2024	2023
	(in millions)	
Highly Liquid Assets, beginning of period	**$ 1,998**	$ 1,992
Dividends from subsidiaries	**338**	1,335
Issuance of loans to affiliates	**—**	—
Capital contribution from parent company	**—**	—

	Six Months Ended June 30,	
	2024	2023
	(in millions)	
Capital contributions to subsidiaries	**—**	(1,050)
M&A Activity	**—**	—
Total Business Capital Activity	**338**	285
Purchase of treasury shares	**(500)**	(440)
Shareholder dividends paid	**(151)**	(150)
Total Share Repurchases, Dividends and Acquisition Activity	**(651)**	(590)
Issuance of preferred stock	**—**	—
Preferred stock dividend	**(40)**	(40)
Total Preferred Stock Activity	**(40)**	(40)
Issuance of long-term debt	**600**	500
Repayment of long-term debt	**(570)**	(520)
Total External Debt Activity	**30**	(20)
Proceeds from loans from affiliates	**—**	—
Net decrease (increase) in existing facilities to affiliates (1)	**281**	120
Total Affiliated Debt Activity	**281**	120
Interest paid on external debt and P-Caps	**(114)**	(104)
Others, net	**88**	(11)
Total Other Activity	**(26)**	(115)
Net increase (decrease) in highly liquid assets	**(68)**	(360)
Highly Liquid Assets, end of period	**$ 1,930**	$ 1,632

(1) Represents net activity of draws and repayments of existing credit facilities between Holdings and affiliates.

Capital Contribution to Our Subsidiaries

No capital contributions were made during the six months ended June 30, 2024.

Loans from Our Subsidiaries

There were no new loans from our subsidiaries during the six months ended June 30, 2024.

Cash Distributions from Our Non-Insurance Subsidiaries

During the six months ended June 30, 2024, Holdings received cash distributions of $221 million from AB and $117 million from the investment management contracts with EFIM and EIM.

Distributions from Insurance Subsidiaries

Our insurance companies are subject to limitations on the payment of dividends and other transfers of funds to Holdings and other affiliates under applicable insurance law and regulation. Also, more generally, the ability of our insurance subsidiaries to pay dividends can be affected by market conditions and other factors beyond our control.

Equitable's primary insurance regulators are the NYDFS and the state of Arizona. Under New York's insurance laws, which are applicable to Equitable Financial, a domestic stock life insurer may not pay an Ordinary Dividend exceeding an amount calculated based on a statutory formula without prior approval of the NYDFS. Extraordinary Dividends require the insurer to file a notice of its intent to declare the dividends with the NYDFS and obtain prior approval or non-disapproval from the NYDFS. Similarly, under Arizona Insurance Law, which is applicable to Equitable America, a domestic life insurer may not pay a dividend to its shareholders that exceeds an amount calculated based on a statutory formula without prior approval of the Arizona Superintendent.

In 2024, Equitable America has Ordinary Dividend capacity of approximately $440 million. Based on the NYDFS formula, Equitable Financial has no Ordinary Dividend capacity in 2024. Holdings received a dividend distribution from Equitable America of $$441 million during July 2024.

Distributions from AllianceBernstein

ABLP is required to distribute all of its Available Cash Flow, as defined in the Amended and Restated Partnership Agreement of ABLP, to the holders of AB Units and to the General Partner. Available Cash Flow is defined as the cash flow received by ABLP from operations minus such amounts as the General Partner determines, in its sole discretion, should be retained by ABLP for use in its business, or plus such amounts as the General Partner determines, in its sole discretion, should be released from previously retained cash flow. Distributions by ABLP are made 1% to the General Partner and 99% among the limited partners.

Typically, Available Cash Flow has been the adjusted diluted net income per unit for the quarter multiplied by the number of general and limited partnership interests at the end of the quarter. In future periods, management of AB anticipates that Available Cash Flow will be based on adjusted diluted net income per unit, unless management of AB determines, with the concurrence of the Board of Directors of AB, that one or more adjustments that are made for adjusted net income should not be made with respect to the Available Cash Flow calculation.

AB Holding is required to distribute all of its Available Cash Flow, as defined in the Amended and Restated Agreement of Limited Partnership of AB Holding, to holders of AB Holding Units pro rata in accordance with their percentage interest in AB Holding. Available Cash Flow is defined as the cash distributions AB Holding receives from ABLP minus such amounts as the General Partner determines, in its sole discretion, should be retained by AB Holding for use in its business (such as the payment of taxes) or plus such amounts as the General Partner determines, in its sole discretion, should be released from previously retained cash flow. AB Holding is dependent on the quarterly cash distributions it receives from ABLP, which is subject to the performance of capital markets and other factors beyond our control. Distributions from AB Holding are made pro rata based on the holder's percentage ownership interest in AB Holding.

As of June 30, 2024, Holdings and its non-insurance company subsidiaries hold approximately 170.1 million AB Units, 4.1 million AB Holding Units and the 1% General Partnership interest in ABLP.

As of June 30, 2024, the ownership structure of ABLP, including AB Units outstanding as well as the general partner's 1% interest, was as follows:

Owner	Percentage Ownership
EQH and its subsidiaries	**59.7 %**
AB Holding	**39.6 %**
Unaffiliated holders	**0.7 %**
Total	**100.0 %**

Including both the general partnership and limited partnership interests in AB Holding and ABLP, Holdings and its subsidiaries had an approximate 61.1% economic interest in AB as of June 30, 2024.

Holdings Credit Facilities

On June 24, 2021, Holdings entered into the Amended and Restated Revolving Credit Agreement with respect to a five-year senior unsecured revolving credit facility (the "Credit Facility"), which lowered the facility amount to $1.5 billion and extended the maturity date to June 24, 2026, among other changes. The Amended and Restated Revolving Credit Agreement amends the Revolving Credit Agreement entered into by Holdings on February 16, 2018, as amended on March 22, 2021.

On December 15, 2023, the Company added a $75 million commitment from TD Bank to the Credit Facility, raising the facility amount to $1.6 billion. Additionally, the Company entered in a letter of credit facility with MUFG Bank on January 23, 2024, in a face amount of $200 million to replace a $150 million facility with HSBC that expired on February 16, 2024.

The Credit Facility may provide significant support to our liquidity position when alternative sources of credit are limited. In addition to the Credit Facility, we have letter of credit facilities with an aggregate principal amount of approximately $1.9 billion (the “LOC Facilities”), primarily to be used to support our life insurance business reinsured to EQ AZ Life Re in April 2018. In June 2021, Holdings entered into amendments with each of the issuers of its bilateral letter of credit facilities to effect changes similar to those effected in the Amended and Restated Revolving Credit Agreement. The respective facility limits of the bilateral letter of credit facilities remained unchanged. On May 12, 2023, the Company entered into an amendment to the Credit Facility and LOC Facilities to replace remaining LIBOR-based benchmark rates with SOFR-based benchmark rates and to make certain other conforming changes.

The Credit Facility and LOC Facilities contain certain administrative, reporting, legal and financial covenants, including requirements to maintain a specified minimum consolidated net worth and to maintain a ratio of indebtedness to total capitalization not in excess of a specified percentage, and limitations on the dollar amount of indebtedness that may be incurred by our subsidiaries and the dollar amount of secured indebtedness that may be incurred by us, which could restrict our operations and use of funds. The right to borrow funds under the Credit Facility and LOC Facilities is subject to the fulfillment of certain conditions, including compliance with all covenants, and the ability to borrow thereunder is also subject to the continued ability of the lenders that are or will be parties to the facilities to provide funds. As of June 30, 2024, we were in compliance with these covenants.

Contingent Funding Arrangements

For information regarding activity pertaining to our contingent funding arrangements and other off-balance sheet commitments, see “Commitments and Contingent Liabilities” in Note 16 of the Notes to the Consolidated Financial Statements in this Form 10-Q.

Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock

For information pertaining to our Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock see Note 13 of the Notes to the Consolidated Financial Statements.

Capital Position of Holdings

We manage our capital position to maintain financial strength and credit ratings that facilitate the distribution of our products and provide our desired level of access to the bank and capital markets. Our capital position is supported by the ability of our subsidiaries to generate cash flows and distribute cash to us and our ability to effectively manage the risk of our businesses and to borrow funds and raise capital to meet our operating and growth needs.

Our Board and senior management are directly involved in the development of our capital management policies. Accordingly, capital actions, including proposed changes to the annual capital plan, capital targets and capital policies, are approved by the Board.

Dividends Declared and Paid

The declaration and payment of future dividends is subject to the discretion of our Board of Directors and depends on our financial condition, results of operations, cash requirements, future prospects, regulatory restrictions on the payment of dividends by Holdings’ insurance subsidiaries and other factors deemed relevant by the Board.

The payment of dividends will be substantially restricted in the event that we do not declare and pay (or set aside) dividends on the Series A , Series B and Series C Preferred Stock for the last proceeding dividend period. For additional information on our preferred stock, see “—Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock”.

For information regarding activity pertaining to common and preferred dividends declared and paid, see Note 13 of the Notes to the Consolidated Financial Statements.

Share Repurchase Programs

For information regarding activity pertaining to share repurchase programs, see Note 13 of the Notes to the Consolidated Financial Statements.

Sources and Uses of Liquidity of Our Insurance Subsidiaries

The principal sources of liquidity for our insurance subsidiaries are premiums, investment and fee income, deposits associated with our insurance and annuity operations, cash and invested assets, as well as internal borrowings. The principal uses of that liquidity include benefits, claims and dividends paid to policyholders and payments to policyholders in connection with surrenders and withdrawals. Other uses of liquidity include commissions, general and administrative expenses, purchases of investments, the payment of dividends to Holdings and hedging activity. Certain of our insurance subsidiaries' principal sources and uses of liquidity are described in the paragraphs that follow.

We manage the liquidity of our insurance subsidiaries with the objective of ensuring that they can meet payment obligations linked to our Individual Retirement, Group Retirement and Protection Solutions businesses and to their outstanding debt and derivative positions, including in our hedging programs, without support from Holdings. We employ an asset/liability management approach specific to the requirements of each of our insurance businesses. We measure liquidity against internally-developed benchmarks that consider the characteristics of our asset portfolio and the liabilities that it supports in both the short-term (the next 12 months) and long-term (beyond the next 12 months). We consider attributes of the various categories of our liquid assets (for example, type of asset and credit quality) in calculating internal liquidity indicators for our insurance and reinsurance operations. Our liquidity benchmarks are established for various stress scenarios and durations, including company-specific and market-wide events. The scenarios we use to evaluate the liquidity of our subsidiaries are defined to allow operating entities to operate without support from Holdings.

Liquid Assets

The investment portfolios of our insurance subsidiaries are a significant component of our overall liquidity. Liquid assets include cash and cash equivalents, short-term investments, U.S. Treasury fixed maturities, fixed maturities that are not designated as HTM and public equity securities. We believe that our business operations and the liquidity profile of our assets provide sufficient liquidity under reasonably foreseeable stress scenarios for each of our insurance subsidiaries.

See "—General Account Investment Portfolio" and Note 3 and Note 4 of the Notes to the Consolidated Financial Statements for a description of our retirement and protection businesses' portfolio of liquid assets.

Hedging Activities

Because the future claims exposure on our insurance products, and in particular our variable annuity products with GMxB features, is sensitive to movements in the equity markets and interest rates, we have in place various hedging and reinsurance programs that are designed to mitigate the economic risks of movements in the equity markets and interest rates. We use derivatives as part of our overall asset/liability risk management program primarily to reduce exposures to equity market and interest rate risks. In addition, we use credit derivatives to replicate exposure to individual securities or pools of securities as a means of achieving credit exposure similar to bonds of the underlying issuer(s) more efficiently. The derivative contracts are an integral part of our risk management program, especially for the management of our variable annuities program, and are collectively managed to reduce the economic impact of unfavorable movements in capital markets. These derivative transactions require liquidity to meet payment obligations such as payments for periodic settlements, purchases, maturities and terminations as well as liquid assets pledged as collateral related to any decline in the net estimated fair value. Collateral calls represent one of our biggest drivers for liquidity needs for our insurance subsidiaries. Our derivatives contracts reside primarily within Equitable Financial, which has a significantly large investment portfolio.

FHLB Membership

Equitable Financial and Equitable America are members of the FHLB, which provides access to collateralized borrowings and other FHLB products.

See Note 16 of the Notes to the Consolidated Financial Statements for further description of our FHLB program.

FABN

Under the FABN program, Equitable Financial may issue funding agreements in U.S. dollar or other foreign currencies.

See Note 16 of the Notes to the Consolidated Financial Statements for further description of our FABN program.

FABCP

Under the FABCP program, Equitable Financial and Equitable America may issue funding agreements in U.S. dollars to the SPLLC.

See Note 16 of the Notes to the Consolidated Financial Statements for further description of our FABCP program.

Sources and Uses of Liquidity of our Asset Management Segment

The principal sources of liquidity for our Asset Management business include investment management fees and borrowings under its credit facilities and commercial paper program. The principal uses of liquidity include general and administrative expenses, business financing and distributions to holders of AB Units and AB Holding Units plus interest and debt service. The primary liquidity risk for our fee-based Asset Management business is its profitability, which is impacted by market conditions and our investment management performance.

AB Commercial Paper

As of June 30, 2024, AB had $0 million of commercial paper outstanding. As of December 31, 2023, AB had $254 million of commercial paper outstanding with an interest rate of 5.4%. The commercial paper is short term in nature, and as such, recorded value is estimated to approximate fair value (and considered a Level 2 security in the fair value hierarchy). Average daily borrowings for the commercial paper outstanding during the second quarter 2024 and full year 2023 were $367 million and $268 million, respectively, with weighted average interest rates of approximately 5.4% and 5.2%, respectively.

AB Credit Facility

AB has an $800 million committed, unsecured senior revolving credit facility (the “AB Credit Facility”) with a group of commercial banks and other lenders which matures on October 13, 2026. The credit facility provides for possible increases in the principal amount by up to an aggregate incremental amount of $200 million. Any such increase is subject to the consent of the affected lenders. The AB Credit Facility is available for AB and SCB LLC for business purposes, including the support of AB’s commercial paper program. Both AB and SCB LLC can draw directly under the AB Credit Facility and AB management expects to draw on the AB Credit Facility from time to time. AB has agreed to guarantee the obligations of SCB LLC under the AB Credit Facility.

The AB Credit Facility contains affirmative, negative and financial covenants, which are customary for facilities of this type, including, among other things, restrictions on dispositions of assets, restrictions on liens, a minimum interest coverage ratio and a maximum leverage ratio. As of June 30, 2024, AB was in compliance with these covenants. The AB Credit Facility also includes customary events of default (with customary grace periods, as applicable), including provisions under which, upon the occurrence of an event of default, all outstanding loans may be accelerated and/or lender’s commitments may be terminated. Also, under such provisions, upon the occurrence of certain insolvency- or bankruptcy-related events of default, all amounts payable under the AB Credit Facility would automatically become immediately due and payable, and the lender’s commitments would automatically terminate.

Amounts under the Credit Facility may be borrowed, repaid and re-borrowed by us from time to time until the maturity of the facility. Voluntary pre-payments and commitment reductions requested by AB are permitted at any time without a fee (other than customary breakage costs relating to the pre-payment of any drawn loans) upon proper notice and subject to a minimum dollar requirement. Borrowings under the AB Credit Facility bear interest at a rate per annum, which will be, at AB’s option, a rate equal to an applicable margin, which is subject to adjustment based on the credit ratings of AB, plus one of the following indices: a term Secured Overnight Financial Rate; a Prime rate; or the Federal Funds rate.

As of June 30, 2024 and December 31, 2023, AB had no amounts outstanding under the AB Credit Facility. During the six months ended June 30, 2024 and the full year 2023, AB and SCB LLC did not draw upon the AB Credit Facility.

In addition, SCB LLC has five uncommitted lines of credit with five financial institutions. Four of these lines of credit permit borrowing up to an aggregate of approximately $315 million, with AB named as an additional borrower, while the other line has no stated limit. AB has agreed to guarantee the obligations on SCB LLC under these lines of credit. As of June 30, 2024 and December 31, 2023, SCB LLC had no outstanding balance on these lines of credit. Average daily borrowings during the six months ended June 30, 2024 and the full year 2023 were $1 million and $1 million with weighted average interest rates of approximately 8.5% and 7.8%, respectively.

EQH Facility

AB has a $900 million committed, unsecured senior credit facility (the “EQH Facility”). The EQH Facility matures on November 4, 2024 and is available for AB’s general business purposes. Our intent is to amend and extend this facility before maturity. Borrowings under the EQH Facility generally bear interest at a rate per annum based on prevailing overnight commercial paper rates.

The EQH Facility contains affirmative, negative and financial covenants which are substantially similar to those in AB’s committed bank facilities. As of June 30, 2024, AB was in compliance with these covenants. The EQH Facility also includes customary events of default substantially similar to those in AB’s committed bank facilities, including provisions under which, upon the occurrence of an event of default, all outstanding loans may be accelerated and/or the lender’s commitment may be terminated.

Amounts under the EQH Facility may be borrowed, repaid and re-borrowed by AB from time to time until the maturity of the facility. AB or Holdings may reduce or terminate the commitment at any time without penalty upon proper notice. Holdings also may terminate the facility immediately upon a change of control of AB’s general partner.

As of June 30, 2024 and December 31, 2023, AB had $620 million and $900 million outstanding under the EQH Facility, with interest rates of approximately 5.3% and 5.3%, respectively. Average daily borrowing of the EQH Facility during the six months of 2024 and full year 2023 were $639 million and $743 million, respectively, with a weighted average interest rates of approximately 5.3% and 4.9%, respectively.

EQH Uncommitted Facility

In addition to the EQH Facility, AB has a $300 million uncommitted, unsecured senior credit facility (the “EQH Uncommitted Facility”) with EQH. The EQH Uncommitted Facility matures on September 1, 2024 and is available for AB’s general business purposes. Our intent is to amend and extend this facility before maturity. Borrowings under the EQH Uncommitted Facility bear interest generally at a rate per annum based on prevailing overnight commercial paper rates. The EQH Uncommitted Facility contains affirmative, negative and financial covenants, which are substantially similar to those in the EQH Facility. As of June 30, 2024, AB was in compliance with these covenants.

As of June 30, 2024 and December 31, 2023, AB had no amounts outstanding under the EQH Uncommitted Facility. During the first six months of 2024, AB did not draw upon the EQH uncommitted Facility. Average daily borrowing for the full year 2023 were $4 million with a weighted average interest rate of approximately 4.6%.

Statutory Capital of Our Insurance Subsidiaries

Our capital management framework for our insurance subsidiaries is primarily based on statutory RBC standards and the CTE asset standard for our variable annuity business.

RBC requirements are used as minimum capital requirements by the NAIC and the state insurance departments to evaluate the capital condition of regulated insurance companies. RBC is based on a formula calculated by applying factors to various asset, premium, claim, expense and statutory reserve items. The formula takes into account the risk characteristics of the insurer, including asset risk, insurance risk, interest rate risk, market risk and business risk and is calculated on a quarterly basis and made public on an annual basis. The formula is used as an early warning regulatory tool to identify possible inadequately capitalized insurers for purposes of initiating regulatory action, and not as a means to rank insurers generally. These rules apply to our insurance company subsidiaries and not to Holdings. State insurance laws provide insurance regulators the authority to require various actions by, or take various actions against, insurers whose TAC does not meet or exceed certain RBC levels. At the date of the most recent annual statutory financial statements filed with insurance regulators, the TAC of each of these insurance company subsidiaries subject to these requirements was in excess of each of those RBC levels.

See Note 18 of the Notes to the Consolidated Financial Statements for additional information relating to Prescribed and Permitted Statutory Accounting practices and its impact on our statutory surplus.

Captive Reinsurance Company

We use a captive reinsurance company to more effectively manage our reserves and capital on an economic basis and to enable the aggregation and transfer of risks. Our captive reinsurance company assumes business from affiliates only and is closed to new business. Our captive reinsurance company is a wholly-owned subsidiary located in the United States. In addition to state insurance regulation, our captive reinsurance company is subject to internal policies governing its activities. We continue to analyze the use of our existing captive reinsurance structure, as well as additional third-party reinsurance arrangements.

Borrowings

Our financial strategy going forward will remain subject to market conditions and other factors. For example, we may from time to time enter into additional bank or other financing arrangements, including public or private debt, structured facilities and contingent capital arrangements, under which we could incur additional indebtedness.

The following table sets forth the Company's total consolidated borrowings. Short-term and long-term debt consists of the following:

	June 30, 2024	December 31, 2023
	(in millions)	
Short-term debt:		
AB commercial paper	**$ —**	$ 254
Total short-term debt	**—**	254
Long-term debt:		
Senior Debenture, (7.0%, due 2028)	**250**	349
Senior Note (4.35% due 2028)	**1,494**	1,493
Senior Note (4.572% due 2029)	**300**	—
Senior Note (5.594% due 2033)	**497**	497
Senior Note (5.00% due 2048)	**1,289**	1,481
Total long-term debt	**3,830**	3,820
Total borrowings	**$ 3,830**	$ 4,074

Notes and Debentures

The Senior Notes and Senior Debentures contain customary affirmative and negative covenants, including a limitation on certain liens and a limit on the Company's ability to consolidate, merge or sell or otherwise dispose of all or substantially all of its assets. The Senior Notes and Senior Debentures also include customary events of default (with customary grace periods, as applicable), including provisions under which, upon the occurrence of an event of default, all outstanding Senior Notes and Senior Debentures may be accelerated. As of June 30, 2024, the Company is in compliance with all debt covenants.

Ratings

Financial strength ratings (which are sometimes referred to as "claims-paying" ratings) and credit ratings are important factors affecting public confidence in an insurer and its competitive position in marketing products. Our credit ratings are also important for our ability to raise capital through the issuance of debt and for the cost of such financing.

Financial strength ratings represent the opinions of rating agencies regarding the financial ability of an insurance company to meet its obligations under an insurance policy. Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. The following table summarizes the ratings for Holdings and certain of its subsidiaries. AM Best, S&P and Moody's have a stable outlook.

	AM Best	S&P	Moody's
Last review date	Feb '24	Feb '24	May '24
Financial Strength Ratings:			
Equitable Financial Life Insurance Company	A	A+	A1
Equitable Financial Life Insurance Company of America	A	A+	A1
Credit Ratings:			
Equitable Holdings, Inc.	bbb+	A-	Baa1
Last review date		May '24	Mar '24
AllianceBernstein L.P.		A	A2

Material Cash Requirement

Our material cash requirements include policyholder obligations, long-term debt, commercial paper, employee benefits, operating leases and various funding commitments. See "Material Cash Requirement" in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report on Form 10-K for the year ended December 31, 2023 for additional information.

Summary of Critical Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to adopt accounting policies and make estimates and assumptions that affect amounts reported in our consolidated financial statements included elsewhere herein. For a discussion of our significant accounting policies, see Note 2 of the Notes to the Consolidated Financial Statements. The most critical estimates include those used in determining:

- market risk benefits and purchased market risk benefits
- accounting for reinsurance;
- estimated fair values of investments in the absence of quoted market values and investment impairments;
- estimated fair values of freestanding derivatives and the recognition and estimated fair value of embedded derivatives requiring bifurcation;
- goodwill and related impairment;
- measurement of income taxes and the valuation of deferred tax assets; and
- liabilities for litigation and regulatory matters.

In applying our accounting policies, we make subjective and complex judgments that frequently require estimates about matters that are inherently uncertain. Many of these policies, estimates and related judgments are common in the insurance and financial services industries while others are specific to our business and operations. Actual results could differ from these estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to the quantitative and qualitative disclosures about market risk described in the Annual Report on Form 10-K for the year ended December 31, 2023 in "Quantitative and Qualitative Disclosures About Market Risk".

Item 4. Controls and Procedures

Management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Exchange Act. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2024, the Company's disclosure controls and procedures were effective.

No change in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) occurred during the quarter ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding certain legal proceedings pending against us, see Note 16 of the Notes to the Consolidated Financial Statements (unaudited) in this Form 10-Q. Also see “Risk Factors—Legal and Regulatory Risks—Legal and regulatory actions” included in the Annual Report on Form 10-K for the year ended December 31, 2023.

Item 1A. Risk Factors

You should carefully consider the risks described in the “Risk Factors” section included in the Annual Report on Form 10-K for the year ended December 31, 2023. Risks to which we are subject also include, but are not limited to, the factors mentioned under “Note Regarding Forward-Looking Statements and Information” above and the risks of our businesses described elsewhere in this Quarterly Report on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about purchases by Holdings during the three months ended June 30, 2024, of its common stock:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
4/1/24 through 4/30/24	2,411,626	$ 37.32	2,411,626	$ 1,122,560,808
5/1/24 through 5/31/24	1,936,409	$ 40.13	1,936,409	1,044,861,349
6/1/24 through 6/30/24	1,963,565	$ 40.64	1,963,565	$ 958,061,717
Total	**6,311,600**	**$ 39.21**	**6,311,600**	**$ 958,061,717**

See Note 13 to the Notes to Consolidated Financial Statements for ASR transaction detail during the three months ended June 30, 2024.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

A significant portion of the compensation of our executive officers is delivered in the form of equity awards, including restricted stock units and performance shares. All vehicles contain vesting requirements related to service, with performance shares also requiring the satisfaction of certain performance criteria related to corporate performance to obtain a payout. This compensation design is intended to align executive compensation with the performance experienced by our shareholders. Following the delivery of shares of our common stock under those equity awards, once any applicable service- or performance-based vesting standards have been satisfied, our executive officers from time to time engage in the open-market sale of some of those shares. Our executive officers may also engage from time to time in other transactions involving our securities.

Transactions in our securities by our executive officers are required to be made in accordance with our Insider Trading Policy, which, among other things, requires that the transactions be in accordance with applicable U.S. federal securities laws that prohibit trading while in possession of material nonpublic information. Rule 10b5-1 under the Exchange Act provides an affirmative defense that enables prearranged transactions in securities in a manner that avoids concerns about initiating transactions at a future date while possibly in possession of material nonpublic information. Our Insider Trading Policy permits our executive officers to enter into trading plans designed to comply with Rule 10b5-1.

The following table describes contracts, instructions or written plans for the sale or purchase of our securities adopted by our executive officers during the three months ended June 30, 2024, which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c), referred to as Rule 10b5-1 trading plans. The plan listed below is only executed when the stock price reaches a required minimum. In addition, the executive identified in the table below is required to maintain an ownership of the Company's common stock with a value equal to at least a multiple of his annual base salary (6 times for Mr. Pearson).

Name and Title	Date of Adoption of Rule 10b5-1 Trading Plan	Scheduled Start Date of Rule 10b5-1 Trading Plan	Scheduled Expiration Date of Rule 10b5-1 Trading Plan(1)	Aggregate Number of Securities to be Purchased or Sold
Mark Pearson President and Chief Executive Officer	5/30/2024	8/29/2024	8/15/2025	Sale of up to 360,000 shares(2) of common stock in several transactions through the scheduled expiration date in 2024.

(1) In each case, a Rule 10b5-1 trading plan may also expire on such earlier date as all transactions under the Rule 10b5-1 trading plan are completed.

(2) 240,000 of Mr. Pearson's shares consist of stock options and 120,000 of Mr. Pearson's shares consist of common stock already owned.

Other than as set forth in the table above, during the three months ended June 30, 2024, none of the Company's directors or executive officers adopted , terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

Item 6. Exhibits

Number	Description and Method of Filing
10.1	#Amendment No. 5 to the Reimbursement Agreement, dated as of June 20, 2024, by and between Equitable Holdings, Inc. and Commerzbank AG, New York Branch.
10.2	#Sixth Amendment to the Reimbursement Agreement, dated as of June 20, 2024, by and between Equitable Holdings, Inc. and Landesbank Hessen- Thüringen Girozentrale, New York Branch.
31.1	#Certification of the Registrant's Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	#Certification of the Registrant's Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	#Certification of the Registrant's Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	#Certification of the Registrant's Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibits 101).

Filed herewith.

GLOSSARY

Selected Financial Terms

Account Value (“AV”)	Generally equals the aggregate policy account value of our retirement and protection products. General Account AV refers to account balances in investment options that are backed by the General Account while Separate Accounts AV refers to Separate Accounts investment assets.
Alternative investments	Investments in real estate and real estate joint ventures and other limited partnerships.
Assets under administration (“AUA”)	Includes non-insurance client assets that are invested in our savings and investment products or serviced by our Equitable Advisors platform. We provide administrative services for these assets and generally record the revenues received as distribution fees.
Assets under management (“AUM”)	Investment assets that are managed by one of our subsidiaries and includes: (i) assets managed by AB, (ii) the assets in our GAIA portfolio and (iii) the Separate Account assets of our retirement and protection businesses. Total AUM reflects exclusions between segments to avoid double counting.
Combined RBC Ratio	Calculated as the overall aggregate RBC ratio for the Company’s insurance subsidiaries including capital held for its life insurance and variable annuity liabilities and non-variable annuity insurance liabilities.
Conditional tail expectation (“CTE”)	Calculated as the average amount of total assets required to satisfy obligations over the life of the contract or policy in the worst x% of scenarios. Represented as CTE (100 *less* x). Example: CTE95 represents the worst five percent of scenarios.
Deferred policy acquisition cost (“DAC”)	Represents the incremental costs related directly to the successful acquisition of new and certain renewal insurance policies and annuity contracts and which have been deferred on the consolidated balance sheet as an asset.
Deferred sales inducements (“DSI”)	Represent amounts that are credited to a policyholder’s account balance that are higher than the expected crediting rates on similar contracts without such an inducement and that are an incentive to purchase a contract and also meet the accounting criteria to be deferred as an asset that is amortized over the life of the contract.
Dividends Received Deduction (“DRD”)	A tax deduction under U.S. federal income tax law received by a corporation on the dividends it receives from other corporations in which it has an ownership stake.
Fee-type revenue	Revenue from fees and related items, including policy charges and fee income, premiums, investment management and service fees, and other income.
Gross Premiums	First year premium and renewal premium and deposits
Invested assets	Includes fixed maturity securities, equity securities, mortgage loans, policy loans, alternative investments and short-term investments.
Protection Solutions Reserves	Equals the aggregate value of Policyholders’ account balances and Future policy benefits for policies in our Protection Solutions segment.
Reinsurance	Insurance policies purchased by insurers to limit the total loss they would experience from an insurance claim.
Renewal premium and deposits	Premiums and deposits after the first twelve months of the policy or contract.
Risk-based capital (“RBC”)	Rules to determine insurance company statutory capital requirements. It is based on rules published by the National Association of Insurance Commissioners (“NAIC”).
Total adjusted capital (“TAC”)	Primarily consists of capital and surplus, and the asset valuation reserve.

Product Terms

401(k)	A tax-deferred retirement savings plan sponsored by an employer. 401(k) refers to the section of the Internal Revenue Code of 1986, as amended (the “Code”) pursuant to which these plans are established.

403(b)	A tax-deferred retirement savings plan available to certain employees of public schools and certain tax-exempt organizations. 403(b) refers to the section of the Code pursuant to which these plans are established.
Affluent	Refers to individuals with $250,000 to $999,999 of investable assets.
Annuitant	The person who receives annuity payments or the person whose life expectancy determines the amount of variable annuity payments upon annuitization of an annuity to be paid for life.
Annuitization	The process of converting an annuity investment into a series of periodic income payments, generally for life.
Benefit base	A notional amount (not actual cash value) used to calculate the owner's guaranteed benefits within an annuity contract. The death benefit and living benefit within the same contract may not have the same benefit base.
Cash surrender value	The amount an insurance company pays (minus any surrender charge) to the policyholder when the contract or policy is voluntarily terminated prematurely.
Dollar-for-dollar withdrawal	A method of calculating the reduction of a variable annuity benefit base after a withdrawal in which the benefit is reduced by one dollar for every dollar withdrawn.
EQUI-VEST Group ("EG")	A traditional variable deferred annuity without enhanced guaranteed benefits with single and ongoing premiums sold in the tax-exempt 403(b)/(457(b) markets.
EQUI-VEST Individual ("EI")	A traditional variable deferred annuity without enhanced guaranteed benefits sold in the individual market.
Future policy benefits	Future policy benefits for the annuities business are comprised mainly of liabilities for life-contingent income annuities, and liabilities for the variable annuity guaranteed minimum benefits accounted for as insurance. Future policy benefits for the life business are comprised mainly of liabilities for traditional life and certain liabilities for universal and variable life insurance contracts (other than the Policyholders' account balance).
General Account Investment Portfolio	The invested assets held in the General Account.
General Account	The assets held in the general accounts of our insurance companies as well as assets held in our Separate Accounts on which we bear the investment risk.
GMxB	A general reference to all forms of variable annuity guaranteed benefits, including guaranteed minimum living benefits, or GMLBs (such as GMIBs, GMWBs and GMABs), and guaranteed minimum death benefits, or GMDBs (inclusive of return of premium death benefit guarantees).
GMxB Core	Retirement Cornerstone and Accumulator sold 2011 and later.
GMxB Legacy	Fixed-rate GMxB business written prior to 2011.
Guaranteed income benefit ("GIB")	An optional benefit which provides the policyholder with a guaranteed lifetime annuity based on predetermined annuity purchase rates applied to a GIB benefit base, with annuitization automatically triggered if and when the contract AV falls to zero.
Guaranteed minimum accumulation benefits ("GMAB")	An optional benefit (available for an additional cost) which entitles an annuitant to a minimum payment, typically in lump-sum, after a set period of time, typically referred to as the accumulation period. The minimum payment is based on the benefit base, which could be greater than the underlying AV.
Guaranteed minimum death benefits ("GMDB")	An optional benefit (available for an additional cost) that guarantees an annuitant's beneficiaries are entitled to a minimum payment based on the benefit base, which could be greater than the underlying AV, upon the death of the annuitant.

Guaranteed minimum income benefits ("GMIB")	An optional benefit (available for an additional cost) where an annuitant is entitled to annuitize the policy and receive a minimum payment stream based on the benefit base, which could be greater than the underlying AV.
Guaranteed minimum living benefits ("GMLB")	A reference to all forms of guaranteed minimum living benefits, including GMIBs, GMWBs and GMABs (does not include GMDBs).
Guaranteed minimum withdrawal benefits ("GMWB")	An optional benefit (available for an additional cost) where an annuitant is entitled to withdraw a maximum amount of their benefit base each year, for which cumulative payments to the annuitant could be greater than the underlying AV.
Guaranteed Universal Life ("GUL")	A universal life insurance offering with a lifetime no lapse guarantee rider, otherwise known as a guaranteed UL policy. With a GUL policy, the premiums are guaranteed to last the life of the policy.
Guaranteed withdrawal benefit for life ("GWBL")	An optional benefit (available for an additional cost) where an annuitant is entitled to withdraw a maximum amount of their benefit base each year, for the duration of the policyholder's life, regardless of account performance.
High net worth	Refers to individuals with $1,000,000 or more of investable assets.
Investment Edge ("IE")	A traditional variable deferred annuity without enhanced guaranteed benefits.
Indexed Universal Life ("IUL")	A permanent life insurance offering built on a universal life insurance framework that uses an equity-linked approach for generating policy investment returns.
Investment Edge ("IE")	A traditional variable deferred annuity without enhanced guaranteed benefits that provides tax-efficient distribution.
Living benefits	Optional benefits (available at an additional cost) that guarantee that the policyholder will get back at least his original investment when the money is withdrawn.
Mortality and expense risk fee ("M&E fee")	A fee charged by insurance companies to compensate for the risk they take by issuing life insurance and variable annuity contracts.
Net flows	Net change in customer account balances in a period including, but not limited to, gross premiums, surrenders, withdrawals and benefits. It excludes investment performance, interest credited to customer accounts and policy charges.
Policyholder account balances	*Annuities.* Policyholder account balances are held for fixed deferred annuities, the fixed account portion of variable annuities and non-life contingent income annuities. Interest is credited to the policyholder's account at interest rates we determine which are influenced by current market rates, subject to specified minimums. *Life Insurance Policies*. Policyholder account balances are held for retained asset accounts, universal life policies and the fixed account of universal variable life insurance policies. Interest is credited to the policyholder's account at interest rates we determine which are influenced by current market rates, subject to specified minimums.
Return of premium ("ROP") death benefit	This death benefit pays the greater of the account value at the time of a claim following the owner's death or the total contributions to the contract (subject to adjustment for withdrawals). The charge for this benefit is usually included in the M&E fee that is deducted daily from the net assets in each variable investment option. We also refer to this death benefit as the Return of Principal death benefit.
Rider	An optional feature or benefit that a policyholder can purchase at an additional cost.
Separate Account	Refers to the separate account investment assets of our insurance subsidiaries excluding the assets held in those Separate Accounts on which we bear the investment risk.
Surrender charge	A fee paid by a contract owner for the early withdrawal of an amount that exceeds a specific percentage or for cancellation of the contract within a specified amount of time after purchase.
Surrender rate	Represents annualized surrenders and withdrawals as a percentage of average AV.

Universal life ("UL") products	Life insurance products that provide a death benefit in return for payment of specified annual policy charges that are generally related to specific costs, which may change over time. To the extent that the policyholder chooses to pay more than the charges required in any given year to keep the policy in-force, the excess premium will be placed into the AV of the policy and credited with a stated interest rate on a monthly basis.
Variable annuity	A type of annuity that offers guaranteed periodic payments for a defined period of time or for life and gives purchasers the ability to invest in various markets though the underlying investment options, which may result in potentially higher, but variable, returns.
Variable Universal Life ("VUL")	Universal life products where the excess amount paid over policy charges can be directed by the policyholder into a variety of Separate Account investment options. In the Separate Account investment options, the policyholder bears the entire risk and returns of the investment results.
Whole Life ("WL")	A life insurance policy that is guaranteed to remain in-force for the policyholder's lifetime, provided the required premiums are paid.

ACRONYMS

- "AB" or "AllianceBernstein" means AB Holding and ABLP
- "AB Holding" means AllianceBernstein Holding L.P., a Delaware limited partnership
- "AB Holding Units" means units representing assignments of beneficial ownership of limited partnership interests in AB Holding
- "AB Units" means units of limited partnership interests in ABLP
- "ABLP" means AllianceBernstein L.P., a Delaware limited partnership and the operating partnership for the AB business
- "AFS" means available-for-sale
- "AOCI" means accumulated other comprehensive income
- "ASC" means Accounting Standards Codification
- "ASR" means accelerated share repurchase
- "ASU" means Accounting Standards Update
- "AXA" means AXA S.A., a société anonyme organized under the laws of France, and formerly our controlling stockholder
- "BOP" means beginning of period
- "BPs" means basis points
- "CDS" means credit default swaps
- "CLO" means collateralized loan obligation
- "COI" means cost of insurance
- "COLI" means corporate owned life insurance
- "Company" means Equitable Holdings, Inc. with its consolidated subsidiaries
- "CS Life" means Corporate Solutions Life Reinsurance Company, a Delaware corporation and a wholly-owned direct subsidiary of Venerable Insurance and Annuity Company RE
- "CSA" means credit support annex
- "DI" means disability income
- "DOL" means U.S. Department of Labor
- "DSC" means debt service coverage
- "EAFE" means European, Australasia, and Far East
- "EB" means Employee Benefits
- "EFS" means Equitable Financial Services, LLC, a Delaware corporation and a wholly-owned direct subsidiary of Holdings
- "EPS" means earnings per share
- "EIMG" means Equitable Investment Management Group, LLC, a Delaware limited liability company and a wholly-owned indirect subsidiary of Holdings.
- "EIM" means Equitable Investment Management, LLC, a Delaware limited liability company and wholly-owned indirect subsidiary of Holdings.
- "EOP" means end of period
- "Equitable Advisors" means Equitable Advisors, LLC, a Delaware limited liability company, our retail broker/dealer for our retirement and protection businesses and a wholly-owned indirect subsidiary of Holdings
- "Equitable America" means Equitable Financial Life Insurance Company of America (f/k/a MONY Life Insurance Company of America), an Arizona corporation and a wholly-owned indirect subsidiary of Holdings
- "Equitable Financial" means Equitable Financial Life Insurance Company, a New York corporation, a life insurance company and a wholly-owned subsidiary of EFS
- "EQ AZ Life Re" means EQ AZ Life Re Company, an Arizona corporation and a wholly-owned indirect subsidiary of Holdings.
- "ERISA" means Employee Retirement Income Security Act of 1974
- "ESG" means environmental, social and governance
- "ETF" means exchange traded funds
- "ETR" means effective tax rate
- "Exchange Act" means Securities Exchange Act of 1934, as amended
- "FABN" means Funding Agreement Backed Notes Program
- "FASB" means Financial Accounting Standards Board
- "FHLB" means Federal Home Loan Bank
- "FYP" means first year premium and deposits
- "General Partner" means AllianceBernstein Corporation, a Delaware corporation and the general partner of AB Holding and ABLP
- "HFS" means held-for-sale
- "Holdings" means Equitable Holdings, Inc.
- "HTM" means held-to-maturity
- "ISDA Master Agreement" means International Swaps and Derivatives Association Master Agreement
- "IUS" means Investments Under Surveillance
- "LIBOR" means London Interbank Offered Rate
- "LTV" means loan-to-value
- "MD&A" means Management's Discussion and Analysis of Financial Condition and Results of Operations

- “MRBs” means market risk benefits
- “MSO” means Market Stabilizer Option
- “MTA” means Master Transaction Agreement
- “NAIC” means National Association of Insurance Commissioners
- “NAR” means net amount at risk
- “NAV” means net asset value
- “NLG” means no-lapse guarantee
- “NYDFS” means New York State Department of Financial Services
- “OCI” means other comprehensive income
- “OTC” means over-the-counter
- “PFBL” means profits followed by losses
- “REIT” means real estate investment trusts
- “SCB LLC” means Sanford C. Bernstein & Co., LLC, a registered investment adviser and broker-dealer.
- “SCS” means Structured Capital Strategies
- “SEC” means U.S. Securities and Exchange Commission
- “Series A Preferred Stock” means Holdings’ Series A Fixed Rate Noncumulative Perpetual Preferred Stock
- “Series B Preferred Stock” means Holdings’ Series B Fixed Rate Reset Noncumulative Perpetual Preferred Stock
- “Series C Preferred Stock” means Holdings’ Series C Fixed Rate Reset Noncumulative Perpetual Preferred Stock
- “SIO” means structured investment option
- “SPE” means special purpose entity
- “SVO” means Securities Valuation Office
- “TDRs” means troubled debt restructurings
- “TIPS” means treasury inflation-protected securities
- “U.S. GAAP” means accounting principles generally accepted in the United States of America
- “UL” means universal life
- “ULSG” means universal life products with secondary guarantee
- “Venerable” means Venerable Holdings, Inc.
- “VIAC” means Venerable Insurance and Annuity Company
- “VIE” means variable interest entity
- “VISL” means variable interest-sensitive life
- “VOE” means voting interest entity

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Equitable Holdings, Inc. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 1, 2024	EQUITABLE HOLDINGS, INC.		
	By:	/s/ Robin M. Raju	
		Name:	Robin M. Raju
		Title:	Chief Financial Officer (Principal Financial Officer)
Date: August 1, 2024	By:	/s/ William Eckert	
		Name:	William Eckert
		Title:	Chief Accounting Officer (Principal Accounting Officer)

AMENDMENT NO. 5 TO REIMBURSEMENT AGREEMENT

AMENDMENT NO. 5 TO REIMBURSEMENT AGREEMENT, dated as of June 20, 2024 (this "Amendment"), is entered into by and among EQUITABLE HOLDINGS, INC. (f/k/a AXA Equitable Holdings, Inc.), a Delaware corporation (the "Guarantor"), the Subsidiary Account Parties party hereto and COMMERZBANK AG, NEW YORK BRANCH, as LC Issuer (the "LC Issuer").

PRELIMINARY STATEMENTS:

WHEREAS, the Guarantor, the Subsidiary Account Parties party thereto and the LC Issuer entered into that certain Reimbursement Agreement, dated as of February 16, 2018 (as amended, amended and restated, supplemented, waived or otherwise modified prior to the date hereof, the "Reimbursement Agreement" and as further amended pursuant to this Amendment, the "Amended Reimbursement Agreement"; capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Reimbursement Agreement);

WHEREAS, the Guarantor has requested that the LC Issuer consent to certain amendments to the Reimbursement Agreement, and the Guarantor, the Subsidiary Account Parties and the LC Issuer have agreed to amend the Reimbursement Agreement as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

SECTION 1. Amendment to Reimbursement Agreement. Each of the parties hereto agrees that, effective on the Amendment No. 5 Effective Date (as defined below), Section 2.01(e) of the Reimbursement Agreement is hereby restated in its entirety as follows:

"(e) Extensions to the Commitment Termination Date. Subject to (i) the absence of any Default or Event of Default that has occurred and is continuing at the time of any extension request and (ii) the written approval being given by the LC Issuer for the relevant extension request and payment of the extension fee as mutually agreed among the Guarantor and the LC Issuer, on or prior to the date that is 30 days after each of the first seven anniversaries of the Effective Date, upon the Obligors' request, the Commitment Termination Date will be extended by one additional year, such that if the Obligors exercise each of the seven extension options, the Commitment Termination Date shall be twelve years from the Effective Date."

SECTION 2. Reference to and Effect on the Credit Documents. (a) On and after the Amendment No. 5 Effective Date, each reference in the Reimbursement Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Reimbursement Agreement, and each reference in the other Credit Documents to "the Reimbursement Agreement", "thereunder", "thereof" or words of like import referring to the "Reimbursement Agreement", shall mean and be a reference to the Reimbursement Agreement, as amended by this Amendment. For the avoidance of doubt, this Amendment shall also constitute a Credit Document under the Amended Reimbursement Agreement.

(a) The Reimbursement Agreement, as specifically amended by this Amendment, and the other Credit Documents are, and shall continue to be, in full force and effect, and are hereby in all respects ratified and confirmed.

(b) Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the LC Issuer under the Reimbursement Agreement or any other Credit Document, nor shall it constitute a waiver of any provision of the Reimbursement Agreement or any Credit Document.

SECTION 1. Conditions of Effectiveness for Agreement. This Amendment shall become effective as of the date (the "Amendment No. 5 Effective Date) on which the following conditions shall have been satisfied (or waived by the LC Issuer):

(a) the LC Issuer shall have received counterparts of this Amendment executed by the Guarantor and the Subsidiary Account Parties party hereto;

(b) the representations and warranties contained in the Reimbursement Agreement and in this Amendment shall be true and correct in all material respects on and as of the Amendment No. 5 Effective Date (except that such representations and warranties which are qualified by materiality or Material Adverse Effect shall be true and correct in all respects) (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date);

(c) no Default or Event of Default shall have occurred and be continuing after giving effect to this Amendment;

(d) to the extent invoiced at least two Business Days prior to the Amendment No. 5 Effective Date, all accrued fees and reasonable and documented fees and out-of-pocket expenses payable to the LC Issuer shall have been paid in accordance with Section 5 of this Amendment and Section 8.03 of the Reimbursement Agreement; and

(e) receipt by the LC Issuer of any information reasonably requested by the LC Issuer in order to comply with "know your customer" or similar identification requirements of the LC Issuer.

By releasing its signature page hereto, the Guarantor shall be deemed to have certified to the LC Issuer that the conditions set forth in clauses (b) and (c) above have been satisfied.

SECTION 2. Representations and Warranties. The Guarantor hereby represents and warrants to the LC Issuer that:

(a) on and as of the date hereof (i) it has all requisite corporate power and authority to enter into and perform its obligations under this Amendment, the Reimbursement Agreement as amended hereby and the other Credit Documents to which it is a party, and (ii) this Amendment has been duly authorized, executed and delivered by it;

(b) the representations and warranties set forth in Article IV of the Amended Reimbursement Agreement and in the other Credit Documents are true and correct in all material respects on and as of the Amendment No. 5 Effective Date, with the same effect as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and

(c) this Amendment, and the Reimbursement Agreement as amended hereby, constitute legal, valid and binding obligations of such party, enforceable against it in accordance with their respective terms, subject to (a) the effects of bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (c) implied covenants of good faith and fair dealing.

SECTION 3. Costs and Expenses. The Guarantor agrees that all reasonable, documented and invoiced out-of-pocket expenses incurred by the LC Issuer in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder or in connection herewith are expenses that the Guarantor is required to pay or reimburse pursuant to, and in accordance with, Section 8.03 of the Reimbursement Agreement.

SECTION 4. Execution in Counterparts. This Amendment may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. Any signature to this Amendment may be delivered by facsimile, electronic mail (including pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. For the avoidance of doubt, the foregoing also applies to any amendment, extension, or renewal of this Amendment.

Each of the parties represents and warrants to the other parties that it has the corporate capacity and authority to execute this Amendment through electronic means and there are no restrictions for doing so in that party's constitutive documents.

SECTION 5. New York Law, Judicial Proceedings and Waiver of Jury Trial. This Amendment is subject to the provisions of Sections 8.06, 8.07 and 8.10 of the Reimbursement Agreement relating to governing law, waiver of trial by jury and submission to jurisdiction and venue, the provisions which are by this reference incorporated herein in full *mutatis mutandis*.

SECTION 6. Obligor Affirmation. Each Subsidiary Account Party party hereto hereby acknowledges and consents to this Amendment. The Guarantor and each Subsidiary Account Party party hereto hereby ratifies and confirms all of its respective obligations and liabilities under the Credit Documents (as amended by this Amendment) to which it is a party and ratifies and confirms that such obligations and liabilities remain in full force and effect.

SECTION 7. No Novation. This Amendment shall not extinguish the obligations for the payment of money outstanding under the Reimbursement Agreement. Nothing herein contained shall be construed as a substitution or novation of the obligations outstanding under the Reimbursement Agreement or any instrument securing the same, which shall remain in full force and effect. Nothing implied in this Amendment or in any other document contemplated hereby shall be construed as a release or other discharge of any of the Obligors under any Credit Document from any of its obligations and liabilities as an Obligor under any of the Credit Documents.

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IN WITNESS WHEREOF, the parties have caused this Amendment No. 5 to Reimbursement Agreement to be executed by their respective authorized officers as of the date first above written.

GUARANTOR:

EQUITABLE HOLDINGS, INC.,
as Guarantor

By: __
Name: Julien Zusslin
Title: Signatory Officer

SUBSIDIARY ACCOUNT PARTIES:

EQ AZ LIFE RE COMPANY

By: __

Name: Julien Zusslin

Title: Vice President

LC ISSUER:

COMMERZBANK AG, NEW YORK BRANCH,
as LC Issuer

By:_______________________________________
Name: Toan B. Chu
Title: Director

By:_______________________________________
Name: Leonard Meyer
Title: Vice President

SIXTH AMENDMENT TO REIMBURSEMENT AGREEMENT

SIXTH AMENDMENT, dated as of June 20, 2024 (this "Sixth Amendment"), to the Reimbursement Agreement, dated as of February 16, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Reimbursement Agreement"), by and among EQUITABLE HOLDINGS, INC. (f/k/a AXA Equitable Holdings, Inc.), a Delaware corporation (the "Guarantor"), the Subsidiary Account Parties party thereto and LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE, acting through its New York Branch, as LC Issuer (the "LC Issuer").

WHEREAS, the Obligors have requested that the LC Issuer agree to extend the Commitment Termination Date, which was set to expire on February 16, 2028 under the Reimbursement Agreement prior to this Sixth Amendment, by one year as provided for herein.

NOW, THEREFORE, in consideration of the material agreements, provisions and covenants contained herein, the parties agree as follows:

Section 1. **Definitions**. Capitalized terms used in this Sixth Amendment but not defined herein shall have the meanings assigned thereto in the Reimbursement Agreement.

Section 2. **Amendments**. Effective as of the Sixth Amendment Effective Date (as defined below), Section 2.01(e) of the Reimbursement Agreement is hereby restated in its entirety as follows:

(a) "(e) Extensions to the Commitment Termination Date. So long as (i) no Default or Event of Default shall have occurred and be continuing on the relevant anniversary of the Effective Date and (ii) the LC Issuer has not given written notice of non-extension to the Obligors no later than on or before 90 days prior to the relevant anniversary of the Effective Date, the Commitment Termination Date will be extended by one additional year as of each of the first six anniversaries of the Effective Date, such that if each of the six extensions take effect, the final Commitment Termination Date shall be eleven years from the Effective Date; provided, however, the then-existing Commitment Termination Date will not be eligible for further extension following the occurrence of a Sell Down Event."

Section 3. **Condition Precedent to Effectiveness**. This Sixth Amendment shall become effective on the date that the LC Issuer shall have received a counterpart of this Sixth Amendment duly executed and delivered by each Obligor (such date, the "Sixth Amendment Effective Date").

Section 4. **Representations and Warranties**. The Guarantor represents and warrants to the LC Issuer that on the Sixth Amendment Effective Date, the following statements are true and correct:

(a) Corporate and Governmental Authorization; Contravention. The execution, delivery and performance by the Guarantor of this Sixth Amendment are within the Guarantor's corporate powers, have been duly authorized by all necessary corporate action, require no action by or in respect of, or filing with, any governmental body, agency or official (except such as have been completed or made and are in full force and effect) and do not contravene, or constitute a default under, any provision of (x) applicable law or regulation, (y) the articles of incorporation or by-laws or other constituent documents of the Guarantor or (z) any material agreement, judgment, injunction, order, decree or other instrument binding upon the Guarantor or result in the creation or imposition of any Lien on any asset of the Guarantor, except in each case referred to in the foregoing clauses (x) and (z) to the extent such contravention or default, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(b) Binding Effect. This Sixth Amendment constitutes the legal, valid and binding obligations of the Guarantor, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by general principles of equity.

Section 5. **Acknowledgment and Consent**.

(a) The Guarantor hereby acknowledges that it has reviewed the terms and conditions of this Sixth Amendment and consents to the amendment of the Reimbursement Agreement effected pursuant to this Sixth Amendment.

(b) The Guarantor acknowledges and agrees that each of the Credit Documents to which it is a party shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Sixth Amendment.

(c) This Sixth Amendment shall not extinguish the obligations for the payment of money outstanding under the Reimbursement Agreement or discharge or release the priority of any Credit Document or any other guarantee or security therefor. Nothing herein contained shall be construed as a substitution or novation of the obligations outstanding under the Reimbursement Agreement or any other Credit Document or instruments securing the same, which shall remain in full force and effect, except to any extent modified hereby or by instruments executed concurrently herewith.

Section 6. **Miscellaneous**.

(a) On and after the date hereof, each reference in the Reimbursement Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Reimbursement Agreement, and each reference in the other Credit Documents to the "Reimbursement Agreement", "thereunder", "thereof" or words of like import referring to the Reimbursement Agreement shall mean and be a reference to the Reimbursement Agreement as amended by this Sixth Amendment.

(b) This Sixth Amendment shall not by implication or, except as expressly provided herein, otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the LC Issuer under the existing Reimbursement Agreement or any other Credit Document, and, except as specifically amended hereby, this Sixth Amendment shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the existing Reimbursement Agreement or any other provision of the existing Reimbursement Agreement or of any other Credit Document, all of which shall remain in full force and effect and are hereby ratified and affirmed in all respects. Nothing herein shall be deemed to entitle the Obligors to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Reimbursement Agreement or any other Credit Document in similar or different circumstances.

(c) The provisions of this Sixth Amendment shall be binding and inure to the benefit of the parties hereto and their respective successors and assigns permitted by the Reimbursement Agreement.

(d) This Sixth Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Each electronic signature, scanned or photocopied manual signature shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature and the parties hereby waive any objection to the contrary.

(e) This Sixth Amendment shall be a Credit Document for all purposes of the Reimbursement Agreement and the other Credit Documents.

(f) This Sixth Amendment shall be governed by and construed in accordance with the laws of the State of New York.

(g) This Sixth Amendment, together with the other Credit Documents, constitutes the entire agreement and understanding among the parties hereto as to the subject matter hereof and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof. Section headings used herein are for convenience of reference only, are not part of this Sixth Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Sixth Amendment.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Amendment to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

GUARANTOR:

EQUITABLE HOLDINGS, INC.

By: __
Name:
Title:

SUBSIDIARY ACCOUNT PARTY:

EQ AZ LIFE RE COMPANY

By: __
Name:
Title:

LC ISSUER:

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE,
Acting through its New York Branch, as LC Issuer

By: __
Name: Jesse A. Reid, Jr.
Title: Senior Vice President

By: __
Name: Stephanie Shinkarev
Title: Vice President

Exhibit 31.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Pearson, President and Chief Executive Officer of Equitable Holdings, Inc., certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Equitable Holdings, Inc. (the "Registrant");

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4) The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5) The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 1, 2024

on

Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robin M. Raju, Chief Financial Officer of Equitable Holdings, Inc., certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Equitable Holdings, Inc. (the “Registrant”);

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4) The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5) The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 1, 2024

/s/ Robin M. Raju

Robin M. Raju
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Equitable Holdings, Inc. (the “Company”) for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark Pearson, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2024

/s/ Mark Pearson

Mark Pearson
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Equitable Holdings, Inc. (the “Company”) for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Robin M. Raju, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2024

/s/ Robin M. Raju

Robin M. Raju

Chief Financial Officer