




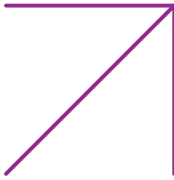
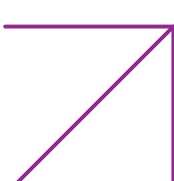
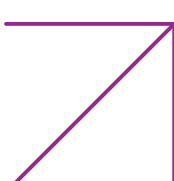
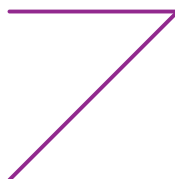
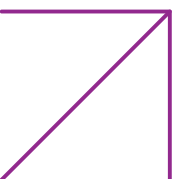


Making *it* Happen

TURNING GOOD IDEAS
INTO GREAT RESULTS

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Press Play





Making *Progress* Happen

At EMC Insurance Companies, we stand for so much more than insurance — our mission is to improve the lives of all the people, businesses and communities who *Count on EMC®*.

In 2022, EMC redefined what was possible — we put into play new strategies to take customer experience, innovation and relationships to the next level. Today, EMC stands with confidence, and continues to make progress on our four corporate priorities — inspiration, operational excellence, customer experience and profitable growth.

Making *Culture* Happen

Our strategy for success starts with an inspired culture — it's the backbone of our organization. And while being surrounded by a bunch of people who think insurance is cool is its own reward, our culture is so much more than just insurance. It's about relationships, inclusion and connecting as a work community.





Uplifting Our Communities

At EMC, we uplift the communities where our team members live and work by combining philanthropy, volunteerism and workplace giving. What really sets us apart is the dedication of our team members, who make an impact inside and outside the walls of EMC. EMC and its team members donated more than a half million dollars to United Way through our annual giving campaign in 2022, and the EMC Foundation gave \$1.7M through grants to organizations in central Iowa and around the country.



Diversity, Equity and Inclusion

EMC is committed to building a diverse and inclusive team that's representative of the customers we serve. We're proud to sponsor various cultural and inclusion events that foster a sense of home and community. We strive to prioritize DEI through all our operations—from recruitment to training—and we're dedicated to creating an inclusive workplace that holds true to our values.



EMC Earns Prestigious Awards: [Top Workplaces USA Award](#) | [Patriot Award](#) | [Best P/C Company](#) | [Best Life Company](#)



Speaking of Values, Here Are Ours

How We Treat Each Other



Integrity
We believe that honesty makes for a more transparent and productive environment. You can count on EMC to always do the right thing, no matter who's watching.



Trust
We establish a strong partnership of trust with our co-workers and customers. We build human connections in order to understand each other.



Inclusion
We strive to celebrate people of diverse backgrounds, recognizing that differing perspectives help us make better decisions and have more fulfilling experiences.

How We Treat Our Work



Relationships
We believe that relationships are the foundation of our success. Each of our team members care deeply not only about our mission, but also about our agents, policyholders and communities.



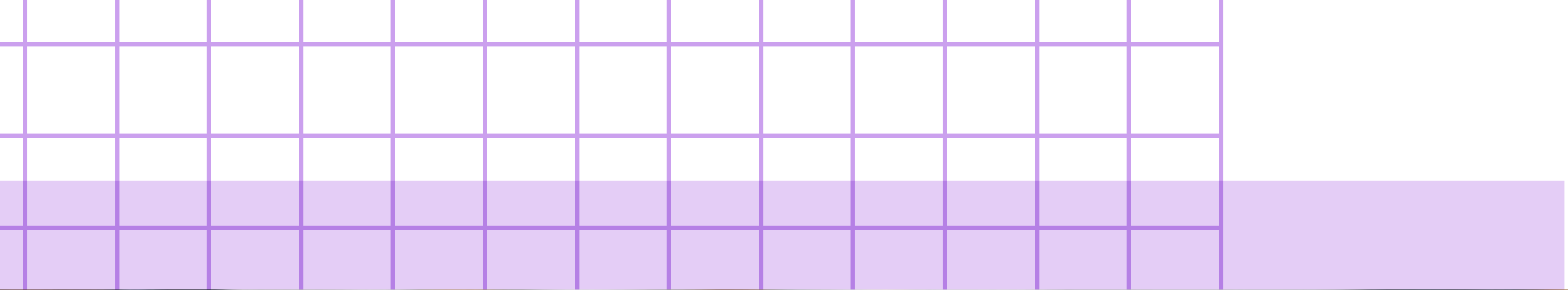
Resilience
We celebrate our success and own our failures. Taking responsibility for our actions allows us to learn from our experiences and push forward to find solutions.

More Proof

Our long-standing commitment to corporate sustainability and responsibility further demonstrates how EMC is so much more than an insurance company. Visit our Environmental, Social & Governance (ESG) Report to learn about the EMC Insurance Foundation, community involvement activities, waste reduction efforts, compliance programs and more.

[Learn more about our ESG commitment](#)

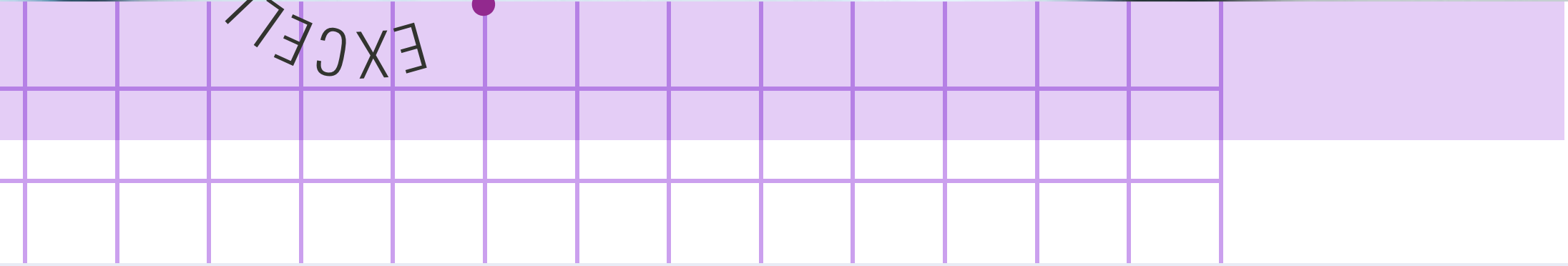




OPERATIONAL
EXCELLENCE

Making *Transformation* Happen

Technology is changing the workplace, and, by extension, the way we do business. Our customers are seeking seamless interactions across multiple channels. Centralized claims handling, expanded self-service capabilities, enhanced online experiences — these are a few of the technologies that are shaping the future of insurance. And they're all happening under EMC's roof.





Digital Embrace

We're breaking up with legacy processes and systems that no longer meet the changing needs and expectations of our team members and customers and opening our arms to fully embrace digital transformation. EMC's digital transformation journey is all about integrating and updating our technology to improve overall security, efficiency and ease of doing business. In fact, we've implemented 20 new systems in roughly the last three years. And the best part ... embracing new technology means more time for building relationships and less time filling out complicated forms.

Innovation Transformation

So, the real question remains: how does EMC deliver the innovation and differentiation that's needed to meet our team member and customer needs? We listen to feedback and leverage the talents and insights of over 2,200 colleagues to find creative solutions to business problems. Here are some highlights from 2022:

12

Innovation events featuring insurtech startups, productivity tools, industry trends and more.

4

Innovation labs where team members explore emerging technology, and research and recommend solutions to problems facing EMC and our customers.

1,157

Team members attended at least one of our monthly Innovation for Breakfast learning sessions.



And the Award Goes to...

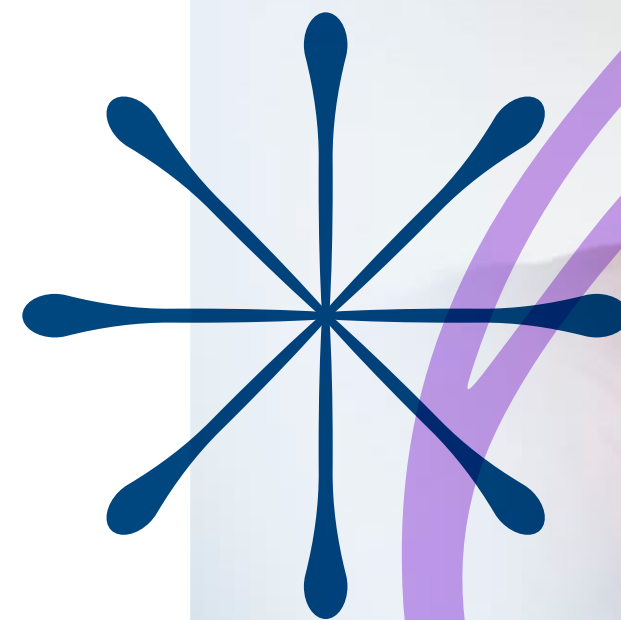
EMC was named a 2022 winner of the Insurance Technology Impact Awards by Aite-Novarica Group. This prestigious award recognizes insurers for using technology to better understand and manage risk, streamline processes and improve operational efficiency. And, two EMC technology leaders received high honors at the 2022 Technology Association of Iowa's 17th Annual Prometheus Awards.

✱ **Emerging Technology Leader of the Year**
Katie Jones, Platform Engineering Manager

✱ **CIO/CTO/CISO of the Year**
Joe Riesberg, Senior Vice President
Chief Information Officer

Making *Connections* Happen

At EMC, customer experience is everything. By putting our agents and policyholders at the center of every decision we make, we're able to provide proactive solutions and unmatched value. So, even as we become more technology-enabled, we remain people-focused, always remembering that relationships come first.



Making Insurance Easy: [EMC was named a 2023 DCC Elite®](#) for our ongoing performance in, and commitment to, the ease of doing business as experienced by independent agents.



We’re All Ears

To broaden the scope and impact of our customer experience efforts, EMC relies on a team of Customer Experience Advocates (CXAs). Our CXA network consists of 34 team members representing various departments across the company. They have their ear to the ground to identify pain points and advocate for our customers (agents, policyholders and claimants). Think about when you get upgraded from economy to First Class—they’re crafting that kind of experience, but for insurance.

Sensational Customer Service

There’s no other way to describe it. At the core of EMC beats the heart of a customer-focused organization. For us, it’s about finding big and small ways to improve the lives of others. It’s the kind of customer service that you want to yell about from the rooftops.

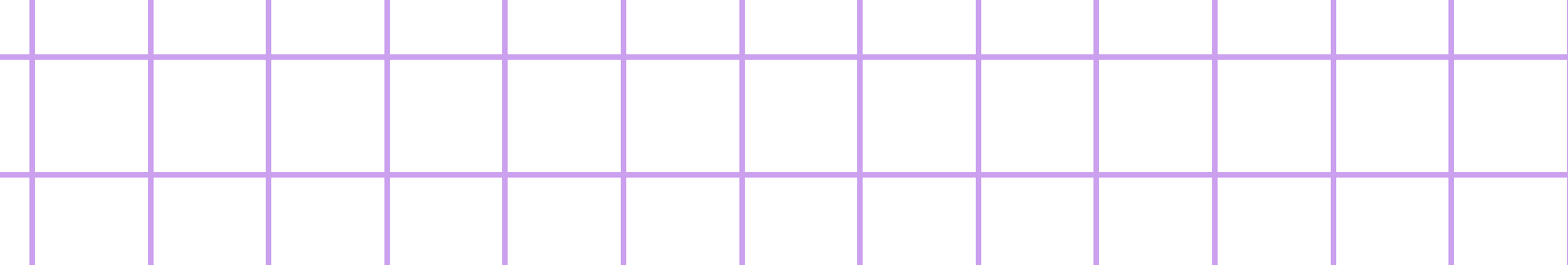
Don’t believe us? Hear it straight from the source:

“I had the best claims experience with EMC. I feel like most insurers look for a reason to not pay a claim, but not EMC! EMC delivered fair numbers and paid efficiently and professionally.”

“Our adjuster is top notch. So much so that I’ve recommended EMC to other companies.”

Our Commitment to Our Customers

For the last 22 years our brand promise has pledged that you can *Count on EMC*. That’s not just fluff; we actually mean it. *Count on EMC* is a daily reminder of why we do what we do—to improve the lives of our agents, policyholders, team members and communities. In short, you can *Count on EMC* to always have your back.



PROFITABLE
GROWTH

Making *Success* Happen

Our formula for success is rooted in profitable growth. There are a number of drivers we rely on to make this happen:

- ✓ Offering a diverse range of products
- ✓ Investing in innovation
- ✓ Broadening our markets
- ✓ Prioritizing relationships
- ✓ Expanding services to create more value



An Informed Approach

2022 was the year of “walking the walk” in terms of truly understanding and serving niche industries. EMC experienced continued growth in our profitable Manufacturing Program, increasing written premiums by over 30% from 2021. Our comprehensive campaign strategy, based on research and customer feedback, made our manufacturing business more robust, reliable and profitable — and provided us with a scalable framework to enhance and grow our construction and contractors niche program in 2023.

Manufacturers

Includes makers of electronic equipment or accessories, food products, furniture and fixtures, metal goods, plastics, rubber goods, textiles and wood products.

Contractors

Includes carpenters, electrical contractors, concrete work and many more.

Workers’ Compensation Growth

In 2022, we increased our geographic spread, with notable new business growth in the northwest and south-central regions. We continue to focus on partnering with policyholders to prevent injuries and control claims costs. **Case in point:** [EMC OnCall Nurse](#) — a 24/7 work injury hotline that allows policyholders to receive real-time guidance from a registered nurse to get the advice they need, exactly when they need it. These efforts combined delivered new business growth in the double digits.



EMC National Life Company

EMC National Life Company (EMCNL) added a new distribution partner specializing in insurance technology in 2022. Together, we're focusing on new opportunities to create organic growth for EMC's key trading partners and EMC's broader Commercial Lines focus. We strive to (finally) make life insurance easier, more convenient and accessible, while also providing seamless customer experiences across the board.

Additional EMCNL Highlights

- EMCNL, an affiliate of EMC, has been in business for more than 100 years and markets term, whole life and universal life products in both the individual and workplace channels
- Utilizes powerful accelerated underwriting capabilities in addition to both simplified and traditional underwriting processes
- Life insurance in force of \$15 billion
- Adjusted capital and surplus of \$109 million



A Message From Our CEO

Through severe weather events and challenging equity markets in 2022, EMC stood strong and with confidence. Our future is very bright as we continue to execute on our strategic plan, invest in our business and make tough decisions when needed.

EMC's 2022 results were solid and show continued improvement. Great work was done last year to position ourselves for the future, and the numbers are only beginning to show the impact of those efforts. The advancements we've made in the areas of system modernization, digital transformation and innovation will produce results for years to come.

The EMC Team is truly Making it Happen — anticipating and adapting to meet the needs of our customers, team members and communities, and improving lives every step of the way.

We thank you for the trust you place in us. In today's changing world, we want our customers, partners and other stakeholders to know that we're here for the long term. Our business is built on a solid foundation, and we'll continue growing, thriving and Making It Happen in 2023 and beyond.



A handwritten signature in black ink that reads "Scott R. Jean". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Scott Jean, EMC President and CEO



Making *Results* Happen

2022 Results

The consolidated trade combined ratio (TCR) was 101.7%, an improvement of 2.5 points over prior year. Key drivers of this were an improved Loss Ratio, but offset by increased digital transformation costs.

Net written premium (NWP) was \$2.12 billion, which represents a solid 4.6% increase year over year, due to significant growth in new and renewal premiums in the property and casualty operation.

Surplus was \$1.61 billion at year end, a decrease over 2021. This was driven by declines in unrealized capital gains, as well as pressure from our underwriting losses.

Underwriting Operations	2022	2021	2020
Net Written Premiums	2,121,732,938	2,029,001,991	1,942,943,258
Net Earned Premiums	2,058,050,601	2,012,463,098	1,922,049,983
Losses Incurred	1,167,478,699	1,245,924,878	1,278,438,918
Ratio to Earned Premiums	56.7%	61.9%	66.5%
Loss Adjustment Expenses	238,185,788	201,290,520	213,194,628
Ratio to Earned Premiums	11.6%	10.0%	11.1%
Other Underwriting Expenses	678,618,929	628,056,235	606,342,198
Ratio to Written Premiums	32.0%	31.0%	31.2%
Net Underwriting Gain (Loss) (Before Dividends)	(26,232,815)	(62,808,535)	(175,925,761)
Policyholder Dividends	29,609,185	26,763,249	29,746,655
Ratio to Earned Premiums	1.4%	1.3%	1.5%
Combined Loss & Expense Ratio	101.7%	104.2%	110.4%



Net Investment Gains	2022	2021	2020
Net Investment Income Earned	\$96,499,998	\$83,314,073	\$83,159,223
Net Realized Capital Gains (Loss)	(\$31,065,096)	\$67,704,865	\$105,143,279

Financial Results	2022	2021	2020
Net Income (Loss)	\$6,540,627	\$88,428,285	\$28,920,769
Net Admitted Assets	\$5,542,292,536	\$5,535,204,531	\$5,132,089,116
Liabilities	\$3,937,732,533	\$3,797,906,443	\$3,566,566,377
Surplus	\$1,604,560,003	\$1,737,298,088	\$1,565,522,739

Strong and Stable



Financial Strength Rating
EMC Insurance Companies



Long-Term Issuer Credit Rating
EMC Insurance Companies



Financial Strength Rating
EMC National Life Company



Long-Term Issuer Credit Rating
EMC National Life Company



Highlights from Other Business Operations

EMC Bond Department

- Offering contract and commercial surety bonds since 1942
- 2022 written premium of \$41.7 million, representing a 17.3% increase over 2021 and the highest written premium in EMC Bond history
- Loss ratio of 11.3%
- 10th consecutive year of profitability, averaging \$10 million in net profit annually
- Available in all 50 states

EMC Risk Services, LLC

- Multiline, third-party administrator offering claims administration for loss sensitive business
- 11th consecutive year of profitability
- \$4.2 million in total distributions to parent EMC over the last decade
- Available in most states, depending on statutory requirements

EMC Reinsurance Company

EMC made a strategic decision to exit the assumed reinsurance business conducted through EMC Reinsurance Company (EMC Re). EMC Re represents about 10%, or \$180 million, of EMC's total annual premiums. We're currently exploring options for the management and/or runoff of existing reinsurance business. While an extremely difficult decision, we felt this move was necessary to position the company for the future and the achievement of its strategic plans and goals.

Leading the Way

Meet the leadership team
of EMC Insurance Companies



Strategic
Leadership Team



Board of Directors

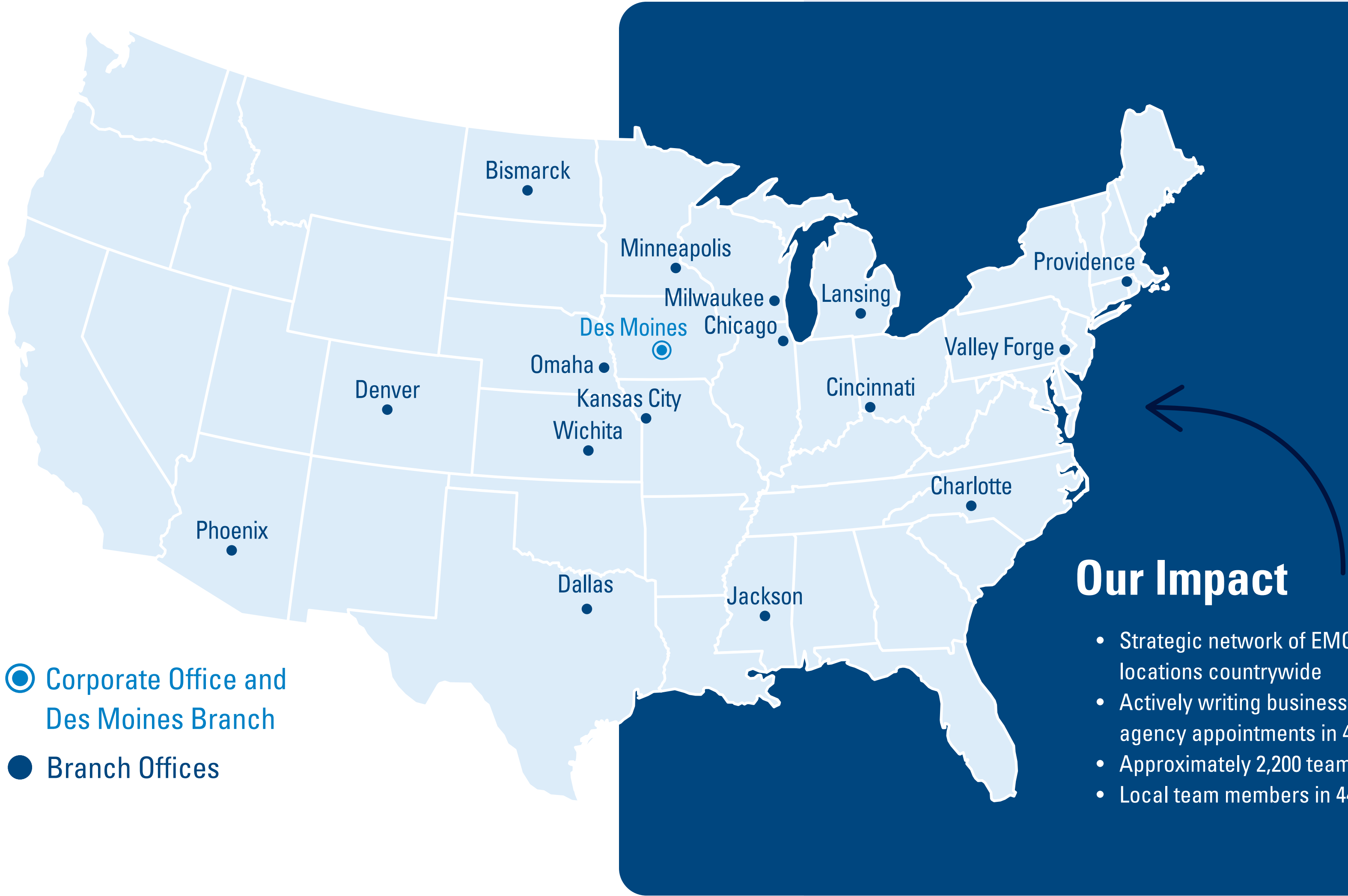
This is the Executive Leadership Team that led EMC through 2022:
(left to right) Beth Nigut, Executive Vice President; Scott Jean,
President & CEO; Ann Collins, Executive Vice President; Todd Strother,
Executive Vice President.



Making *Opportunity* Happen

EMC writes commercial property/casualty insurance, bonds and life insurance countrywide. In fact, we write more than 500 classes of commercial property/casualty business, big and small. Learn more about some of our products:

-  [Business Owners](#)
-  [Specialty Products](#)
-  [Bonds](#)



Employers Mutual Casualty Company*

Dakota Fire Insurance Company
EMC Insurance Group Inc.
EMC Property & Casualty Company
EMC Reinsurance Company
EMC Risk Services, LLC
EMCASCOS Insurance Company
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*All companies operate under the trade name of EMC Insurance Companies
Affiliated with EMC National Life Company

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