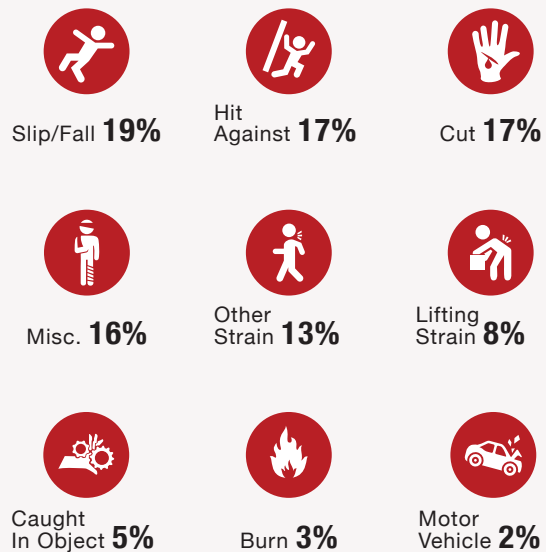
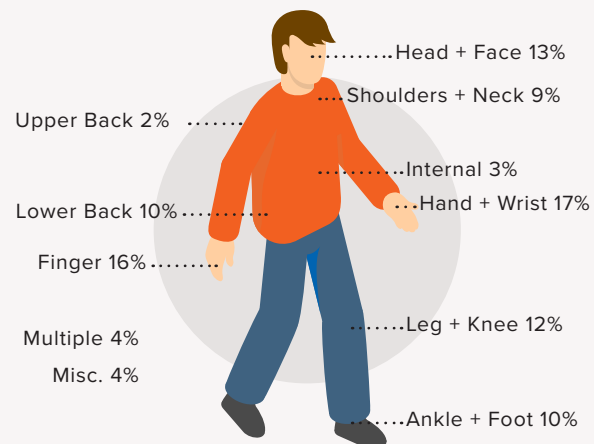


## 2020 CLAIM STATISTICS

### NUMBER OF WCF INSURANCE CLAIMS FILED BY ACCIDENT TYPE



### NUMBER OF WCF INSURANCE CLAIMS FILED BY BODY PART



**WCF**  
INSURANCE



**WCF**  
INSURANCE

## DEAR WCF INSURANCE POLICYHOLDERS,

As we look back on 2020, it is sobering to consider all that has happened. In March 2020, WCF made swift and essential changes in response to the pandemic. In just a few weeks, we transitioned 98% of our workforce to a remote working environment. We accelerated our annual mutual policyholder dividend by two months to inject critically needed funds into the community. We also implemented alternative payment options for customers affected by the pandemic.

Our safety and health consultants connected virtually to assist policyholders and developed COVID-19 guidelines for state and local governments. Our customer service department helped policyholders understand new government programs, and our claims and legal teams navigated employers through COVID-19 claims, new legislation, and state directives.

WCF also acted to provide direct aid to the community and local businesses. We provided \$3.3 million to COVID-19 relief and assistance programs, including grants to rural businesses, small business assistance, donations to local food banks, and funds for personal protective equipment.

Throughout the pandemic, we continued to strive for excellence with every business interaction and to look for additional ways to help our policyholders and agents.

Even through the pandemic, WCF continued to expand geographically. This diversification brings stability in operations and scale that helps optimize our resources and lower premiums. We have started offering commercial auto coverage and businessowners policies for select industries in Utah. The development of these new products represents a substantial investment of resources



and talent. We are excited to provide additional products to our policyholders.

Our expansion efforts have enabled us to recruit some exceptional new talent, which has added depth to our company and fostered innovation.

Matt Lyon has led much of the expansion effort as chief operating officer. Matt was promoted to president of WCF in January 2021. Matt is the right person for this role, and WCF and our policyholders will greatly benefit from his vision and leadership. Matt will continue to serve as chief operating officer in addition to being president.

The future of WCF is bright. We know our success is tied to yours and we are committed to being a strong and helpful business partner. Thank you for your trust and your business.

Be careful out there.

  
Dallas H. Bradford  
Board Chair

  
Ray D. Pickup  
CEO

## 2020 WCF INSURANCE HIGHLIGHTS

### Statement of Operations – Statutory Basis

| Year Ending December 31                   | 2020       | 2019       |
|---|------------|------------|
| (in thousands)                            |            |            |
| Net premiums earned                       | \$ 312,240 | \$ 303,623 |
| Losses and loss adjustment expenses       | 237,197    | 198,891    |
| Underwriting expenses                     | 94,140     | 101,726    |
| Underwriting income                       | (19,097)   | 3,006      |
| Net investment income                     | 56,435     | 74,565     |
| Net realized capital gains on investments | 7,473      | 3,581      |
| Other income (expenses)                   | (1,636)    | 12,754     |
| Policyholder dividends                    | (20,545)   | (16,346)   |
| Federal income tax                        | (355)      | (13,541)   |
| Net income                                | \$ 22,275  | \$ 64,019  |

### Balance Sheet – Statutory Basis

| December 31                                     | 2020         | 2019         |
|---|--------------|--------------|
| (in thousands)                                  |              |              |
| Admitted assets                                 | \$ 2,343,293 | \$ 2,245,251 |
| Reserve for losses and loss adjustment expenses | \$ 1,183,165 | \$ 1,121,523 |
| Other liabilities                               | 85,728       | 83,090       |
| Policyholders' surplus                          | 1,074,400    | 1,040,638    |
| Liabilities and policyholders' surplus          | \$ 2,343,293 | \$ 2,245,251 |

