



# A Culture of Commitment.

2021 ANNUAL REPORT



# Culture

Of the many values that drive our success, our commitment to 'People First' remains most cherished.



For more than a decade, the contributions of more than 1,500 teammates have distinguished our organization in the marketplace, and their unwavering dedication to each other and to our agent partners and policyholders continues to drive our purpose and our work.

In 2021, this outstanding culture was again recognized as a 'Best Place to Work' – now more than 12 years running – and our efforts to further build purposeful connection through inclusion and diversity were embraced by teammates across our brands.

 [SEE OUR 2021 ANTHEM](#)

AWARDS



**Cristin Croce**  
Employee of the Year



**Debbie Jaskolski**  
Leader of the Year

# Community

While the lingering impact of COVID-19 continued to limit in-person engagement in 2021, AF Group teammates channeled their historic generosity and benevolence through personal contributions to our annual employee giving campaign.



Matched by the company, contributions totaled more than \$1 million to 100 charities nationwide. Additionally, thousands of virtual volunteer hours provided support and resources to organizations that embrace our core areas of focus: education, economic development, diversity and health and human services.



**\$300K**

IN EMPLOYEE DONATIONS  
/ \$1M IN CORPORATE  
DONATIONS

**2,600**

HOURS  
VOLUNTEERED  
VIRTUALLY

**101**

PINTS OF BLOOD  
DONATED

**104**

CHARITABLE  
GROUPS  
SUPPORTED

**Prep and Pack  
Kitchen**

Nourished by



One of AF Group's community partnerships includes Allen Neighborhood Center, which aims to create a strong sense of place, belonging and community pride by building safe, sustainable and thriving neighborhoods.

[LEARN MORE ABOUT THE ALLEN NEIGHBORHOOD CENTER](#)

# Financials

Our sustained financial success is the culmination of the outstanding commitment and hard work of our teammates – which has made AF Group truly unique in the marketplace.



In 2021, AF Group continued its outperformance of the industry – thanks to the strong performance in workers' compensation and our AF Specialty, Fundamental Underwriters and Assigned Risk Solutions brands. The result was an end-of-year combined ratio better-than-plan of 93.5%.

Entrance into the Assumed Reinsurance market helped drive diversification premium to more than \$700 million, and the year was culminated by the completion of our five-year Digital Transformation effort, which has significantly improved the customer experience and ease of doing business for our customers.

## 93.5%

**BETTER-THAN-PLANNED  
END-OF-YEAR COMBINED RATIO**

## \$700M+

**FROM DIVERSIFICATION PREMIUM**

FINANCIAL AWARDS



# Collective Financial Performance

Year Ended December 31  
(dollars in thousands)



## Gross Written Premium

2021	2,312,031
2020	2,281,130
2019	2,071,700

## Underwriting Ratios as a Percentage of Net Earned Premium Calendar Year Combined Ratio

	2021	2020	2019
	<b>93.5%</b>	<b>98.6%</b>	<b>92.4%</b>
	2021	2020	2019
<b>Net Income</b>	174,432	149,287	224,265
<b>Return on Equity</b>	10.6%	9.7%	16.8%
<b>Statutory Net Written Premium/Surplus</b>	1.18	1.32	1.49

# Workers' Compensation Division

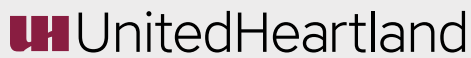
## Selected Financial Data (dollars in thousands)



### Direct Written Premium



### GAAP Combined Ratio



### Direct Written Premium



### GAAP Combined Ratio





### Direct Written Premium

2021	156,550
2020	153,880
2019	154,297

### GAAP Combined Ratio

**102.8%**  
2021

**108.0%**  
2020

**89.4%**  
2019



### Direct Written Premium

2021	99,433
2020	98,147
2019	108,380

### GAAP Combined Ratio

**100.4%**  
2021

**103.1%**  
2020

**91.3%**  
2019



## Diversification Brands

**Selected Financial Data**  
(dollars in thousands)

### AF Specialty

#### Gross Written Premium

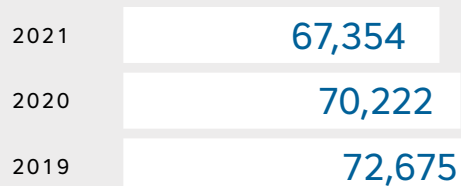


#### Underwriting Margin %



### Assigned Risk Solutions

#### Gross Written Premium



#### Fee Income Earned







### Gross Written Premium

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2021	58,446
2020	41,911
2019	24,604

### GAAP Calendar Year Combined Ratio

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**97.8%**

2021

**99.2%**

2020

**122.2%**

2019



With a tireless passion for our policyholders, genuine compassion toward the injured workers we serve, and a clear desire to create innovative specialty product solutions offered in partnership with our valued agents, we continue to redefine our business to create the best customer experiences.

# Leadership

**Lisa Corless**  
President & CEO



**Stephan Cooper**  
President, Workers' Compensation Division



**Kelly Fusner**  
Chief Underwriting Officer



**Paul Kearney**  
Chief Claims Officer



**Mike Hicks**  
Senior Vice President, Digital Experience



**Kevin Zielke**  
Senior Vice President & General Counsel



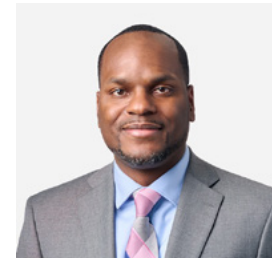
**Amy Fournier**  
Vice President and Chief Actuary



**Keri Kittmann**  
Vice President, Integration Office and Chief of Staff



**Walter Matthews**  
Vice President, AF Specialty



**Abel Travis**  
Vice President, Fundamental Underwriters



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