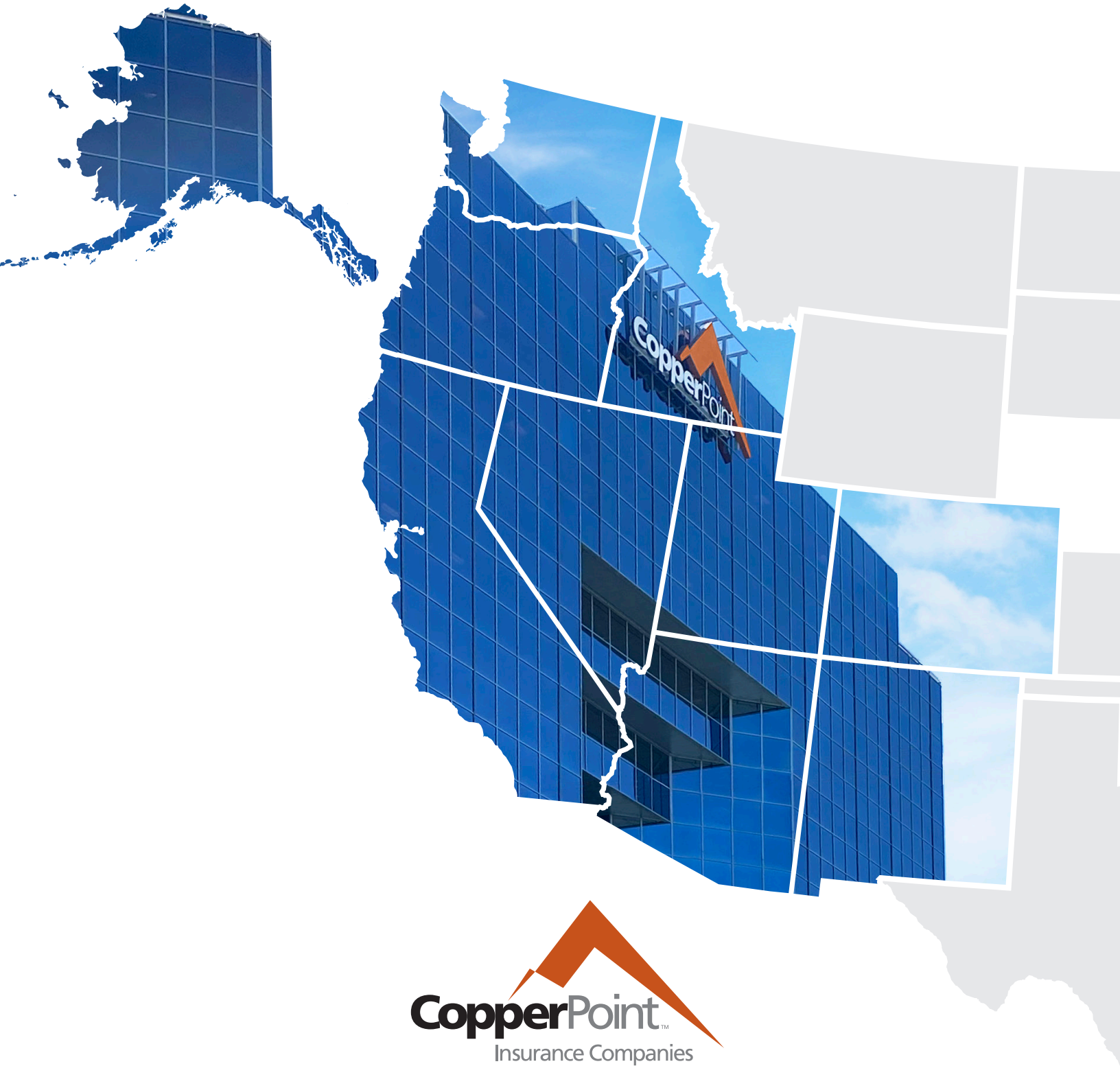


2019 FINANCIAL OVERVIEW



Company Overview



12 LOCAL OFFICES

Anchorage, AK	Portland, OR
Boise, ID	Seattle, WA
Denver, CO	South San Francisco, CA
Irvine, CA	Tucson, AZ
Las Vegas, NV	Walnut Creek, CA
Phoenix, AZ	Westlake Village, CA

We are a western-based
super regional commercial
insurance company and a
leading provider of workers'
compensation and commercial
insurance solutions.

\$4.8 Billion in Assets

\$1.4 Billion in Surplus

\$668 Million in Gross Written Premium

99.4% Combined Ratio

10 State Western Footprint

26 States Licensed

Rated A (Excellent) by AM Best

750 Employees

21 US Ranking in Workers' Compensation

*As of December 31, 2019

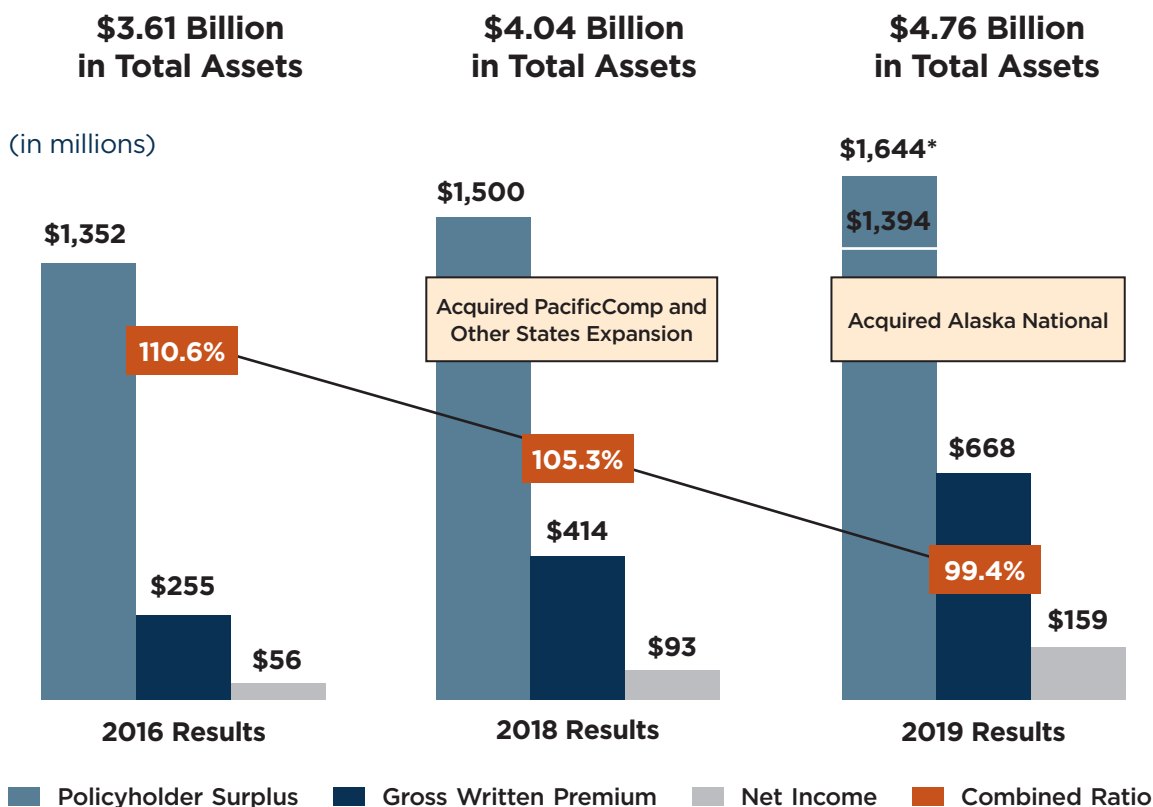
CopperPoint Mutual Insurance Holding Company is the corporate parent of CopperPoint Insurance Company (CopperPoint), Pacific Compensation Insurance Company (PacificComp) and Alaska National Insurance Company (Alaska National).

CopperPoint's strong financial position supports continued growth and diversification.

During the past three years, CopperPoint has delivered on its strategy of becoming a super regional property and casualty insurance company while building upon its financial strength.

- Capital and surplus totaled \$1.4 billion at December 31, 2019 supporting a premium to surplus ratio significantly better than industry averages.
- Total assets of nearly \$4.8 billion have increased over 30% during this period.
- Gross written premiums totaled nearly \$700 million in 2019 and greatly expanded CopperPoint's product and geographic diversification.
- CopperPoint's combined ratio of 99.4% in 2019 demonstrates its consistently improving operating performance.

Financial Performance



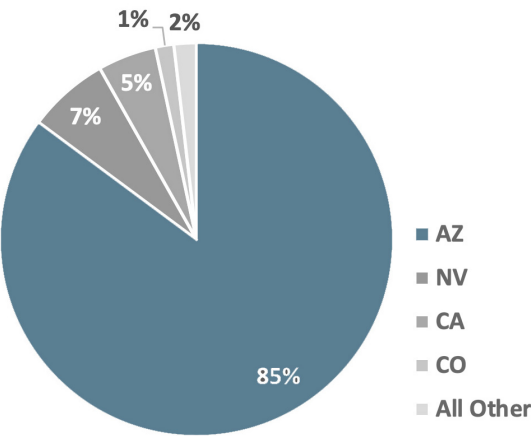
*CopperPoint's surplus, after consideration of non-admitted, acquisition related goodwill, totaled \$1,644 at December 31, 2019.

Geographic and product diversification significantly expanded CopperPoint’s business profile.

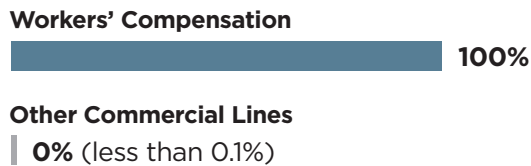
- CopperPoint has significantly increased its geographic footprint and delivered on its vision to become a super regional, commercial insurance company.
- The acquisition of Pacific Compensation Insurance Company in 2017 allowed CopperPoint to expand its writing capabilities of workers’ compensation insurance to California.
- During 2018, CopperPoint expanded its writing capabilities into Colorado, Nevada, New Mexico and Utah.
- Most recently CopperPoint’s acquisition of Alaska National Insurance Company in 2019 expanded its presence in 26 states with significant growth in Alaska, California, Idaho, Oregon and Washington.
- The acquisition of Alaska National expanded CopperPoint’s product diversification in both workers’ compensation and other commercial lines.

2016 CopperPoint \$255M Gross Written Premium

By State

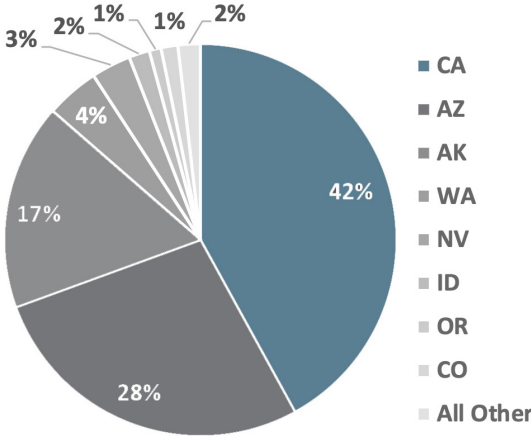


2016 GWP by Line of Business

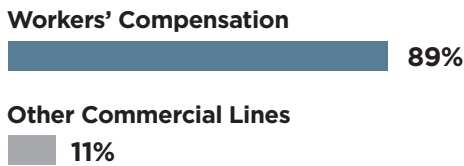


2019 CopperPoint Family \$668M Gross Written Premium

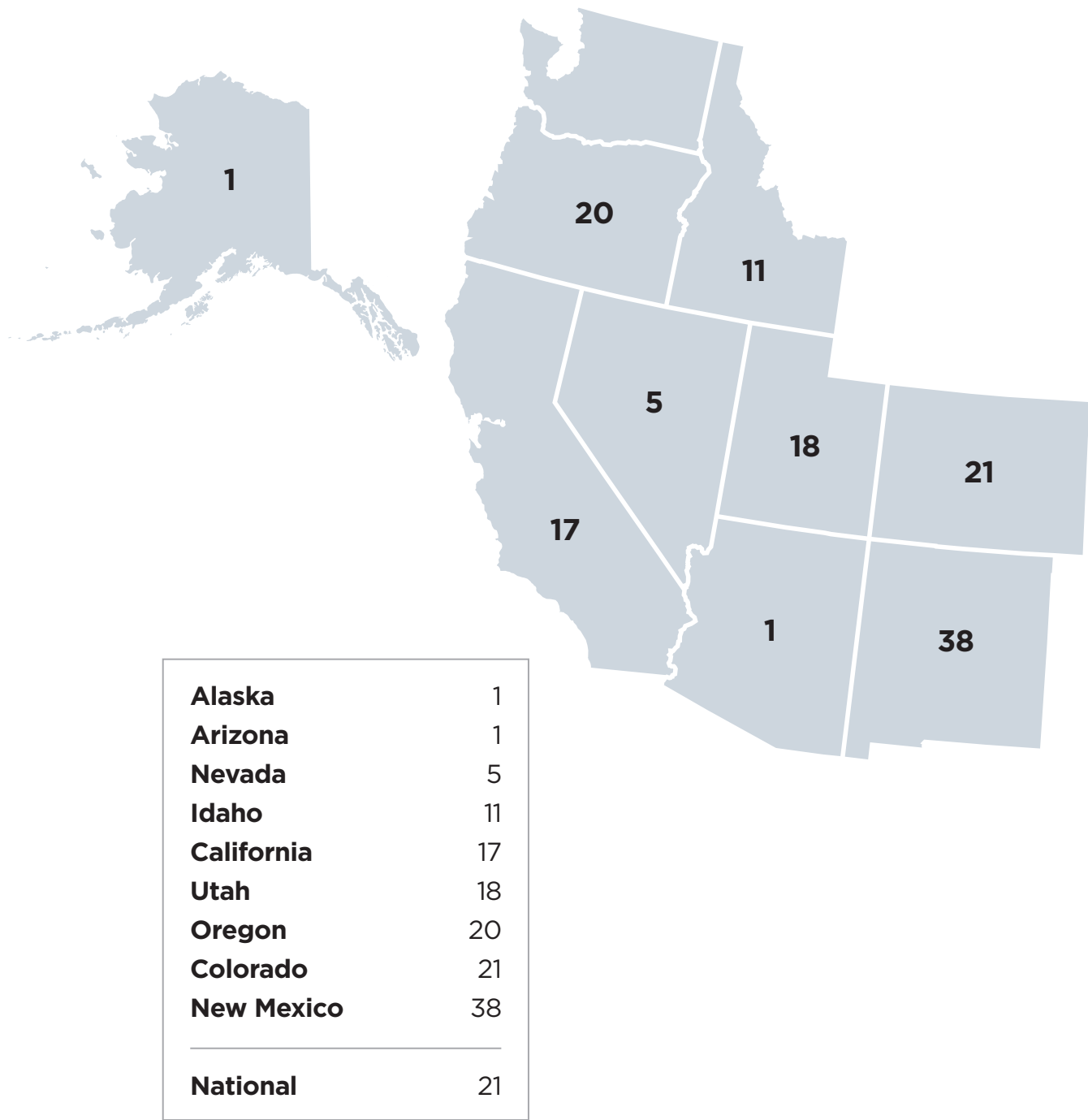
By State



2019 GWP by Line of Business



**CopperPoint family workers' compensation
market share ranking by state.**



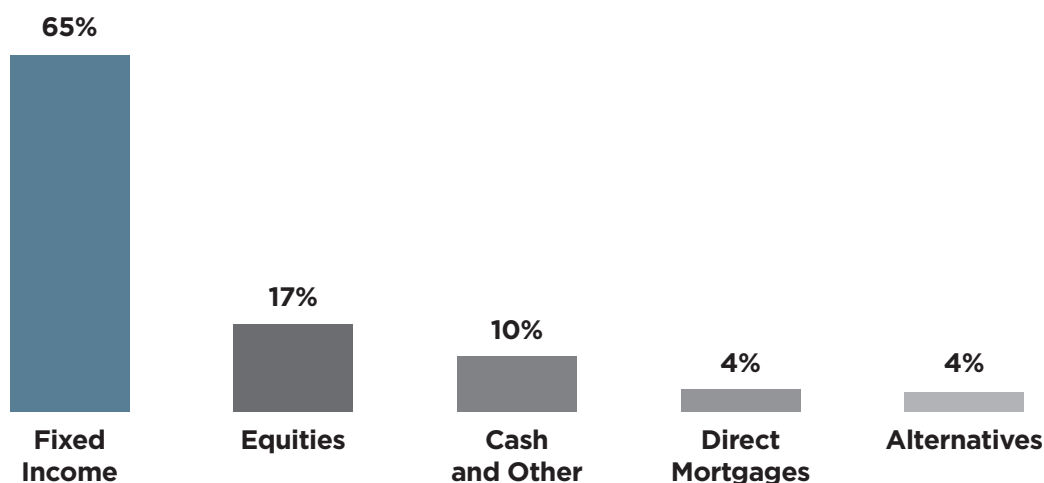
AM Best upgraded the financial strength rating of CopperPoint and its subsidiaries to A (Excellent).

- Additionally, the Financial Strength Rating of Alaska National Insurance Company was affirmed at A (Excellent).
- The rating reflects CopperPoint's balance sheet strength, which AM Best categorizes as "strongest," and is reflected in its Best Capital Adequacy Ratio (BCAR) which is in the top quartile of all A rated entities.
- The rating also reflects CopperPoint's strong operating performance and expanded business profile.



Investments

- CopperPoint's investment objectives are to protect policyholders by maintaining sufficient funds to meet policyholder obligations, optimize investment income, and generate long-term surplus growth.
- Total invested assets were \$4.4 billion at December 31, 2019. During 2019, net investment gains totaled nearly \$210 million, a significant increase from 2018.
- CopperPoint achieves its investment objectives while maintaining a well-diversified, conservatively managed portfolio.
- CopperPoint is further strengthened by its strong liquidity position enabling it to provide additional policyholder protection and leverage opportunities as they arise.



Consolidated Financials

CopperPoint Insurance Companies

Consolidated Financial Statements (in thousands, unaudited)

Statements of Admitted Assets, Liabilities and Policyholders' Surplus

	December 31	
	2019*	2018
Admitted Assets		
Investments		
Bonds	\$2,827,454	\$2,769,113
Equity securities	612,602	414,812
Goodwill	154,058	54,966
Mortgages	167,225	179,546
Real estate, net	30,859	29,623
Cash, short-term investments and other invested assets	587,953	325,347
Total cash and invested assets	\$4,380,151	\$3,773,407
Other Assets		
Premiums and considerations due	175,990	95,888
Accrued investment income	21,371	20,664
Net tax assets	21,223	19,058
Other assets	162,974	129,045
Total admitted assets	\$4,761,709	\$4,038,062
Liabilities and Policyholders' Surplus		
Liability for losses and loss adjustment expenses	\$2,649,854	\$2,289,691
Unearned premium reserve	200,089	99,140
Borrowed money	300,726	-
Policyholders' dividends (declared but unpaid)	318	333
Provision for reinsurance	95	2,035
Other liabilities	216,008	146,789
Total liabilities	\$3,367,090	\$2,537,988
Policyholders' surplus	1,394,619	1,500,074
Total liabilities and policyholders' surplus	\$4,761,709	\$4,038,062

Statements of Operations

Year Ended December 31

Insurance Operations	2019*	2018
Net premiums earned	\$614,568	\$374,940
Operating Expenses:		
Loss incurred	296,114	209,107
Loss adjustment expenses incurred	100,542	55,982
Other underwriting expense incurred	211,432	129,702
Total operating expenses	\$608,088	\$394,790
Net underwriting gain (loss)	6,480	(19,850)
Investment Income		
Net investment income	152,209	114,835
Net realized investment gains	54,011	18,150
Net investment gain	\$206,220	\$132,985
Other expense	(14,108)	(1,896)
Net income before policyholders' dividends and federal income tax	198,542	111,239
Provision for policyholders' dividends	1,367	1,736
Federal income tax expense	37,750	16,094
Net income	\$159,475	\$93,409

* The financial results of Alaska National are included for the full year of 2019.

* In 2019, CopperPoint reported significant net realized investment gains in conjunction with its acquisition of Alaska National and rebalancing the consolidated investment portfolio.



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All companies are rated A (Excellent) by AM Best.