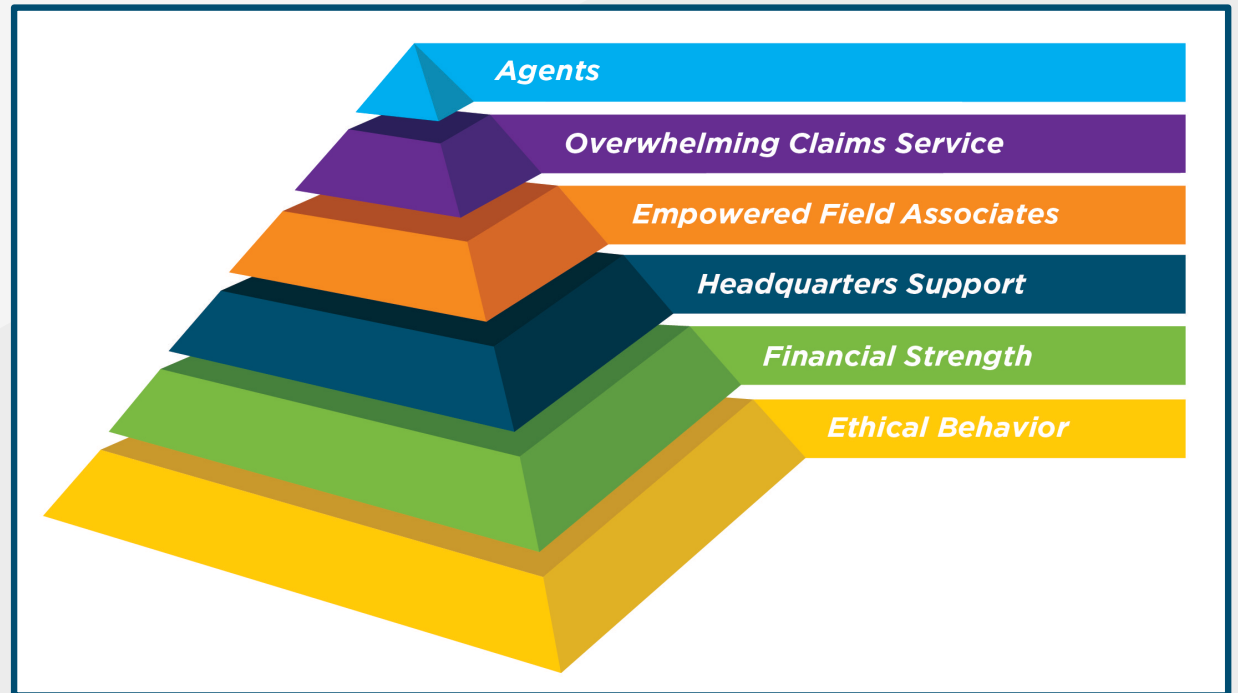**SEAN GIVLER** CIC, CRM
SENIOR VICE PRESIDENT
COMMERCIAL LINES

THE CINCINNATI VISION

Our vision is to be the best company serving independent agents.

Pyramid (top to bottom):
- Agents
- Overwhelming Claims Service
- Empowered Field Associates
- Headquarters Support
- Financial Strength
- Ethical Behavior

TOTAL SHAREHOLDER RETURN

$1 INVESTMENT IN **CINF** AT YEAR-END 1988 HAS GROWN FASTER THAN $1 IN THE S&P 500 INDEX
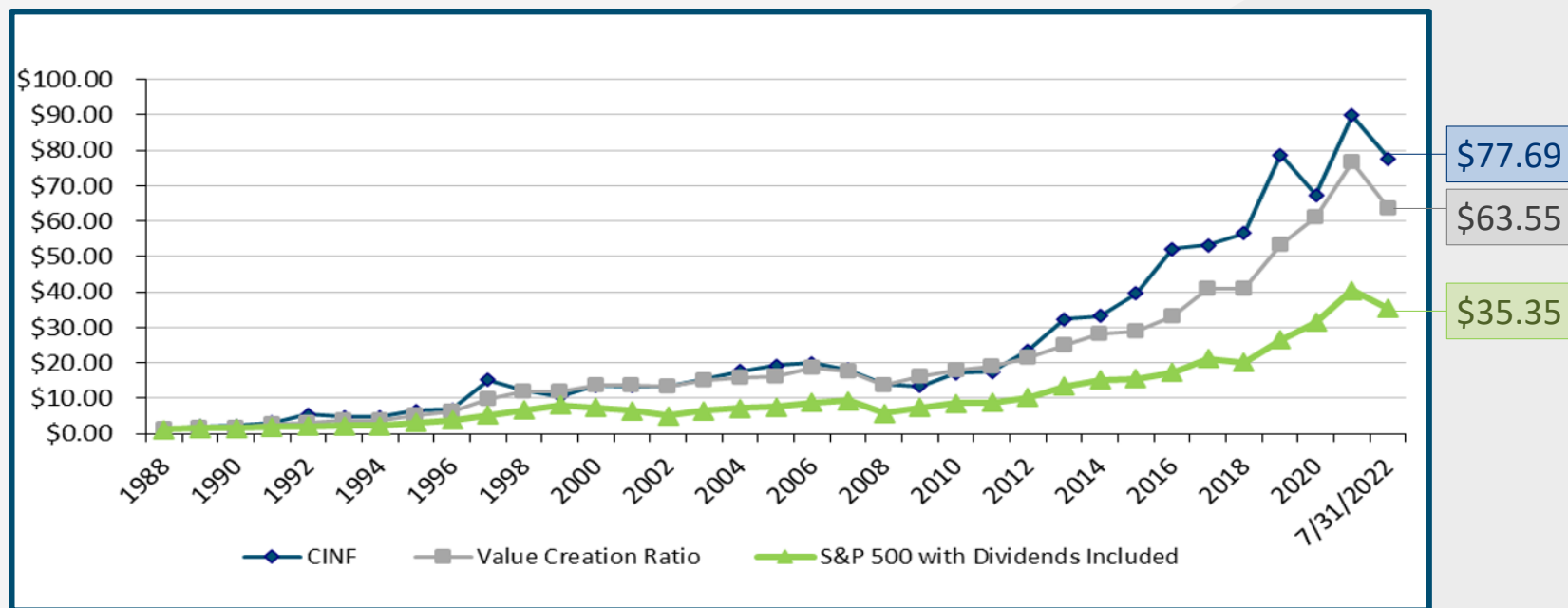
EVERY UNIT CONTRIBUTES

YTD AS OF JUNE 30, 2022

	TOTAL COMBINED RATIO		CAT RATIO		EX-CAT COMBINED RATIO	
	2022	2021	2022	2021	2022	2021
COMMERCIAL	99.4%	84.8%	7.1%	3.7%	92.3%	81.1%
PERSONAL	98.2%	96.8%	10.5%	15.2%	87.7%	81.6%
E & S	85.5%	90.7%	1.1%	0.7%	84.4%	90.0%
TOTAL*	96.7%	88.3%	7.2%	7.1%	89.5%	81.2%

RISKPRONET "FUN FACTS"
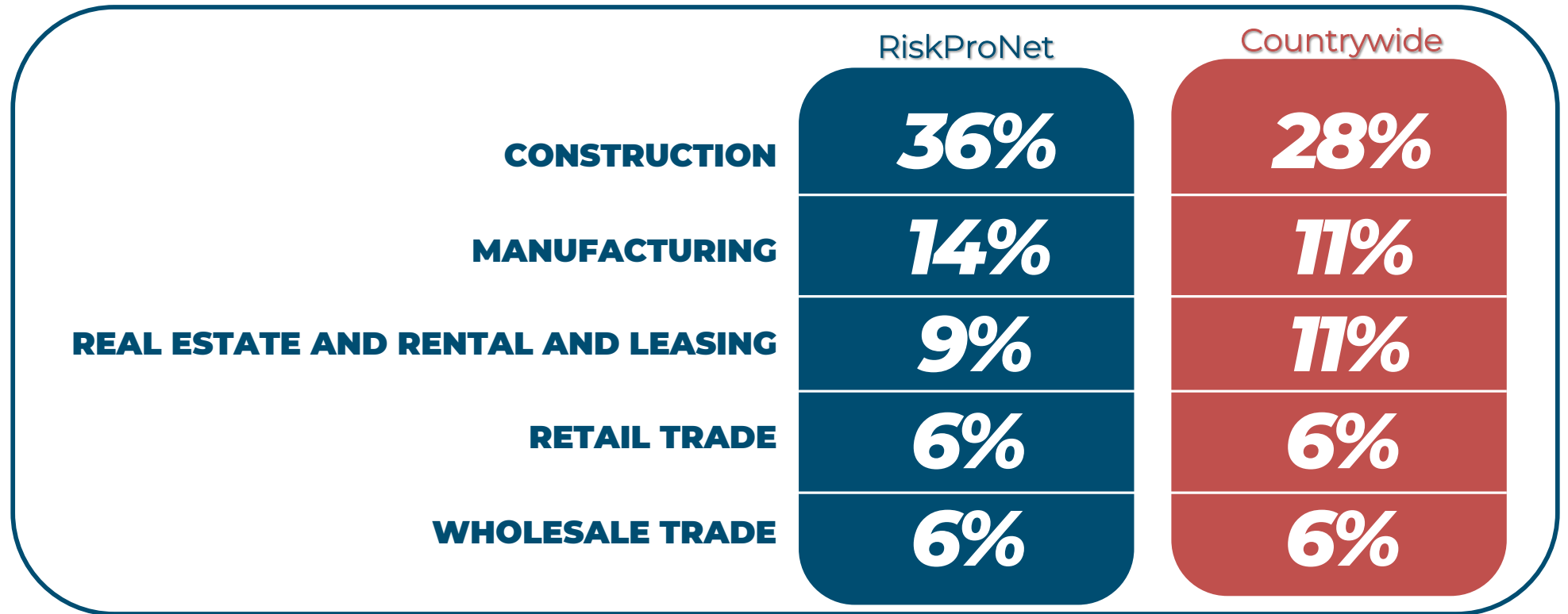
16 STATES REPRESENTED

$133M WRITTEN PREMIUM

6TH LARGEST RELATIONSHIP AS OF YEAR END 2021

ORGANIC GROWTH
NEWLY APPOINTED OVER LAST **10** YEARS
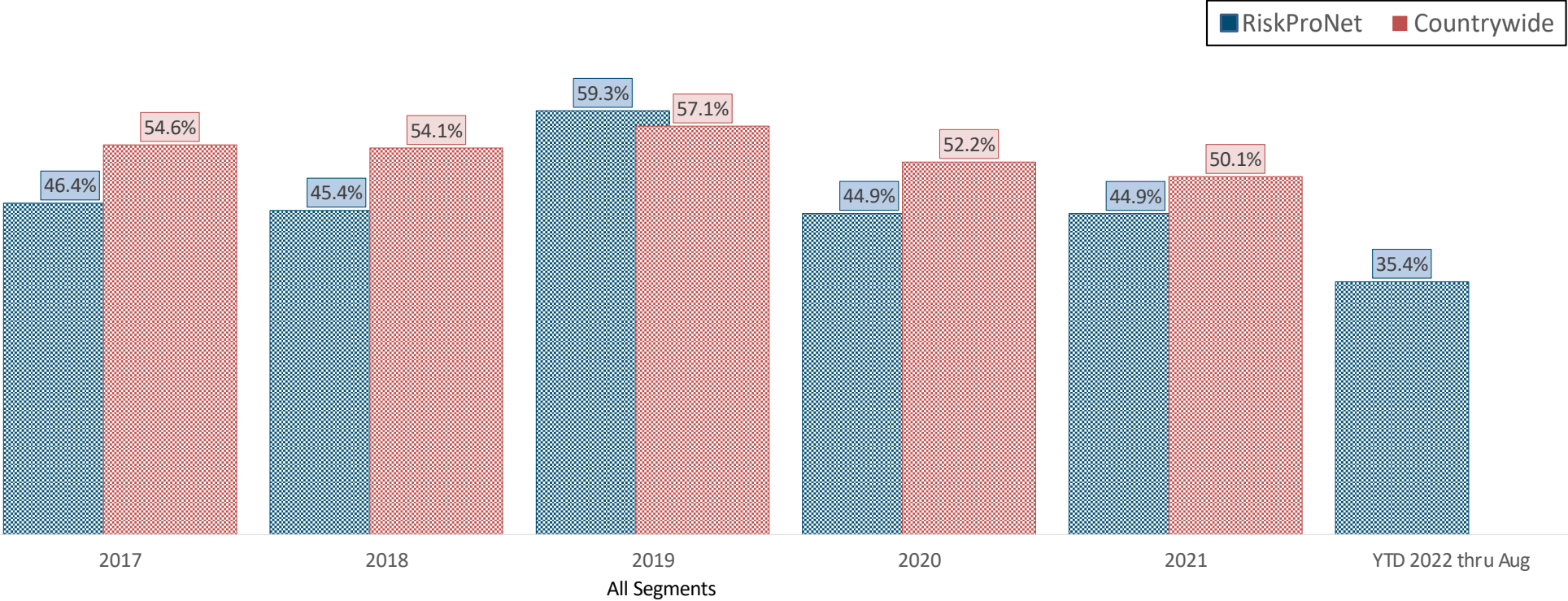
RISK**PRO**NET "FUN FACTS"

	RiskProNet	Countrywide
CONSTRUCTION	36%	28%
MANUFACTURING	14%	11%
REAL ESTATE AND RENTAL AND LEASING	9%	11%
RETAIL TRADE	6%	6%
WHOLESALE TRADE	6%	6%

CALENDAR YEAR LOSS RATIOS

CASE INCURRED LOSS AND ALAE RATIO
RISKPRONET AGENCIES COMPARED TO COUNTRYWIDE
INCLUDES OTHER COMMERCIAL

■RiskProNet ■Countrywide

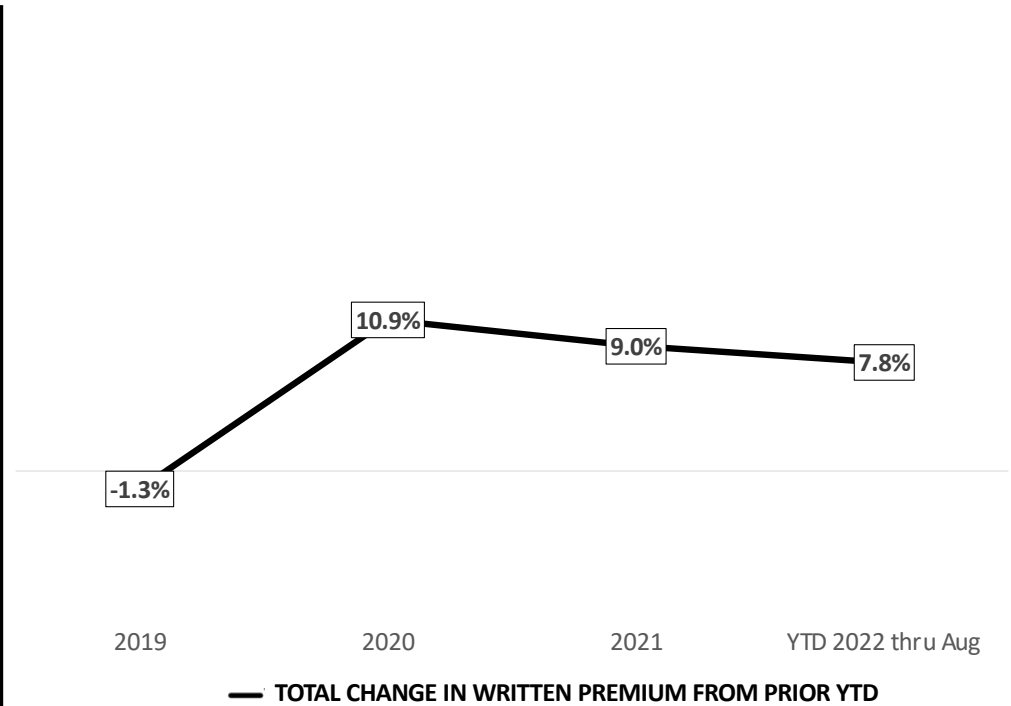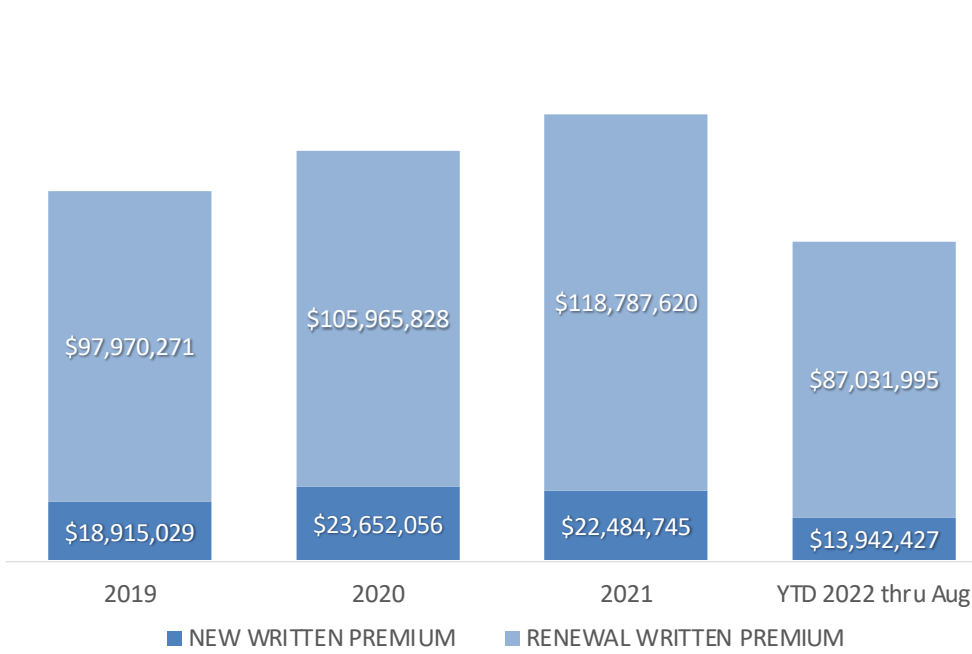| Year	RiskProNet	Countrywide
2017	46.4%	54.6%
2018	45.4%	54.1%
2019	59.3%	57.1%
2020	44.9%	52.2%
2021	44.9%	50.1%
YTD 2022 thru Aug	35.4%	

All Segments

*NOTE THAT IBNR IS NOT ALLOCATED ACROSS ALL FILTER OPTIONS. IN SOME CASES THERE WILL BE NO IBNR PROVISIONS. IN OTHERS, IBNR WILL BE OVERSTATED

PREMIUM GROWTH
ALL BUSINESS SEGMENTS
RiskProNet AGENCIES
(includes OTHER COMMERCIAL) – DATA AS OF 8/31/2022

	2019	2020	2021	YTD 2022 thru Aug
RENEWAL WRITTEN PREMIUM	$97,970,271	$105,965,828	$118,787,620	$87,031,995
NEW WRITTEN PREMIUM	$18,915,029	$23,652,056	$22,484,745	$13,942,427

■ NEW WRITTEN PREMIUM   ■ RENEWAL WRITTEN PREMIUM

Total change in written premium from prior YTD:
-1.3% (2019), 10.9% (2020), 9.0% (2021), 7.8% (YTD 2022 thru Aug)

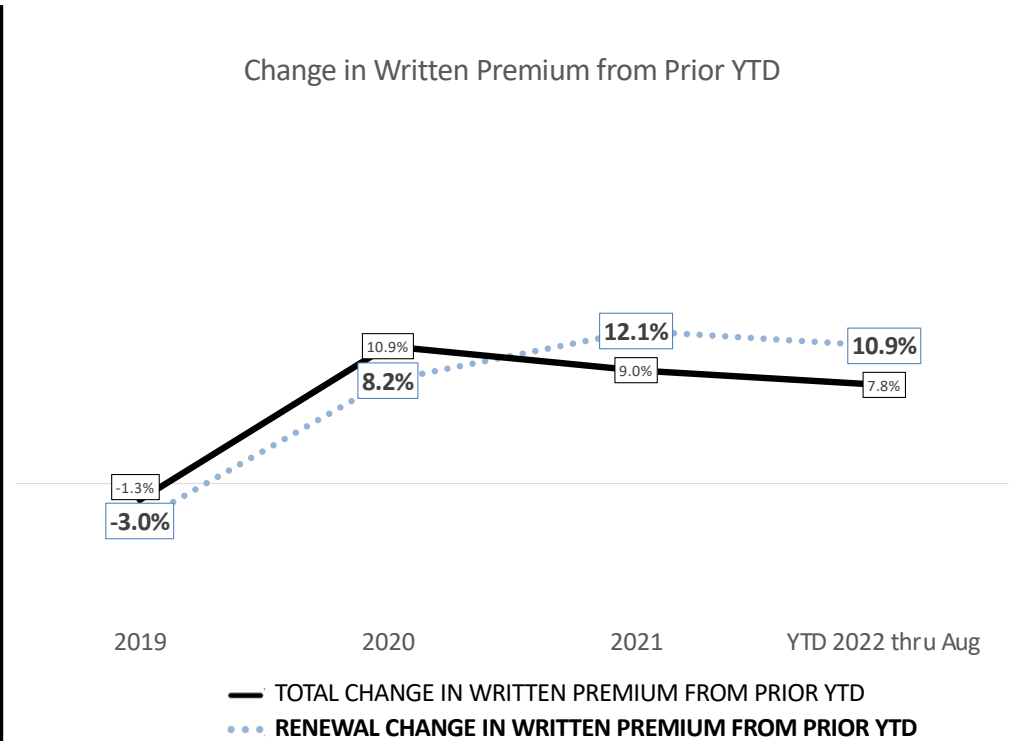— TOTAL CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD

PREMIUM GROWTH

ALL BUSINESS SEGMENTS
RiskProNet AGENCIES
(includes OTHER COMMERCIAL) – DATA AS OF 8/31/2022

Change in Written Premium from Prior YTD

2019
$97,970,271
$18,915,029

2020
$105,965,828
$23,652,056

2021
$118,787,620
$22,484,745

YTD 2022 thru Aug
$87,031,995
$13,942,427

■ NEW WRITTEN PREMIUM   ■ RENEWAL WRITTEN PREMIUM

-1.3%
-3.0%

10.9%
8.2%

12.1%
9.0%

10.9%
7.8%

2019   2020   2021   YTD 2022 thru Aug

── TOTAL CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD
···· **RENEWAL CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD**

PREMIUM GROWTH
ALL BUSINESS SEGMENTS
RiskProNet AGENCIES
(includes OTHER COMMERCIAL) – DATA AS OF 8/31/2022

Change in Written Premium from Prior YTD

Bar chart data (left):

Year	New Written Premium	Renewal Written Premium
2019	18,915,029	97,970,271
2020	23,652,056	105,965,828
2021	22,484,745	118,787,620
YTD 2022 thru Aug	13,942,427	87,031,995

■ NEW WRITTEN PREMIUM ■ RENEWAL WRITTEN PREMIUM

Line chart data (right): Change in Written Premium from Prior YTD

	2019	2020	2021	YTD 2022 thru Aug
TOTAL	-1.3%	10.9%	9.0%	7.8%
RENEWAL	-3.0%	8.2%	12.1%	10.9%
NEW	8.4%	25.0%	-4.9%	-8.2%

—— TOTAL CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD
••••• RENEWAL CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD
– – – **NEW CHANGE IN WRITTEN PREMIUM FROM PRIOR YTD**

SEGMENTATION STRATEGY

SEGMENTATION STRATEGY 101

RiskProNet AGENCIES – ALL BUSINESS UNITS INCLUDED, ANNIVERSARY RENEWALS EXCLUDED
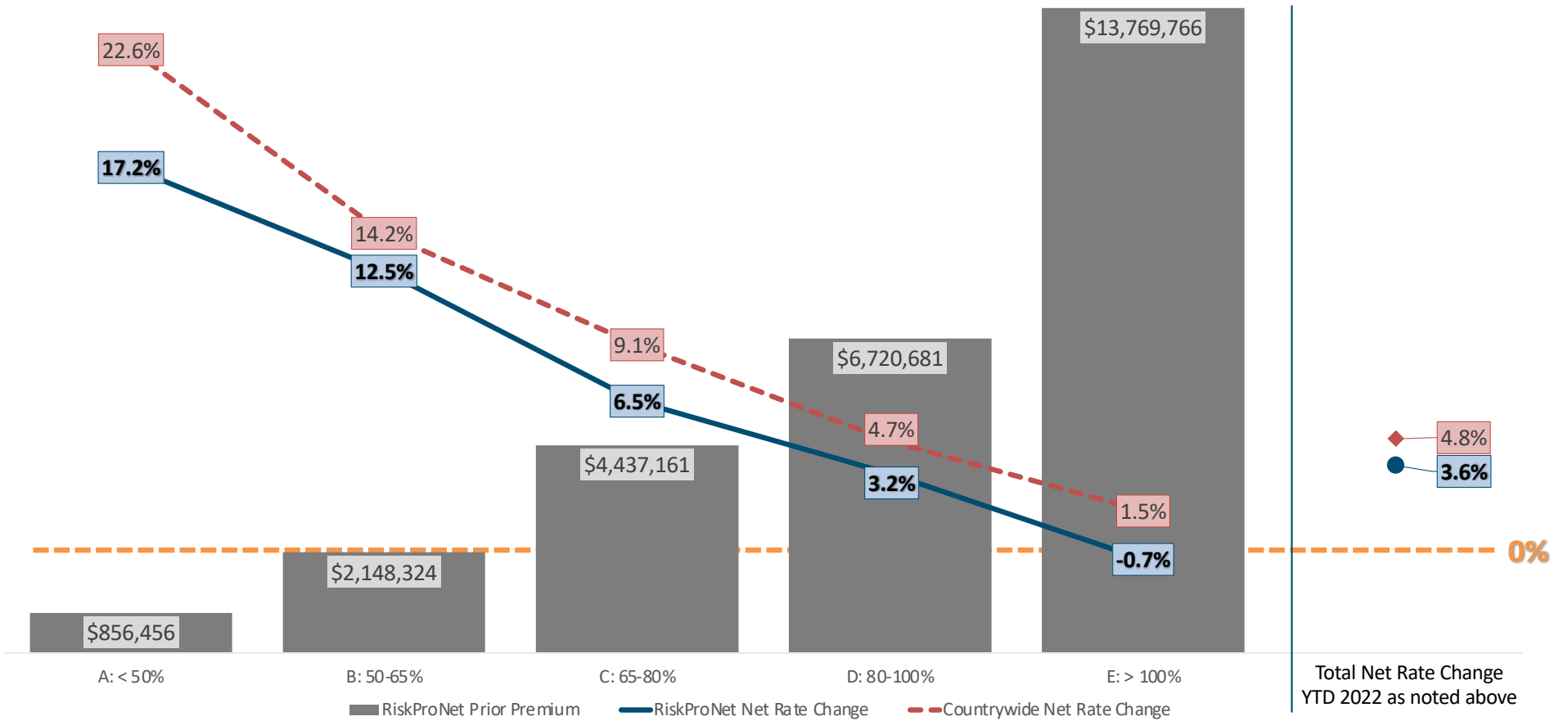
DATA AS OF 9/2/2022

Expiring Policy PAR Band	Expiring Policy Count	Policy Count Retention	Expiring Written Premium	Net Rate Change	Renewal Premium Change	Renewing Premium Retention
A: < 60%	160	73.1%	6,194,513	19.9%	33.4%	81.4%
B: 60% - 70%	236	78.4%	6,632,972	7.3%	13.2%	92.9%
C: 70% - 80%	368	87.2%	8,471,086	6.3%	8.8%	92.2%
D: 80% - 90%	473	88.4%	9,829,441	4.0%	7.0%	86.0%
E: 90% - 100%	495	87.5%	8,134,096	3.4%	3.9%	90.6%
F: >=100%	2,264	89.4%	31,491,225	-0.9%	4.6%	90.4%
Grand Total	**3,996**	**87.5%**	**70,753,333**	**3.6%**	**8.0%**	**89.5%**

NET RATE CHANGE

RISKPRONET AGENCIES – ALL PACKAGE LINES
RiskProNet isYTD 2022 thru September – Countrywide is YTD 2022 thru June
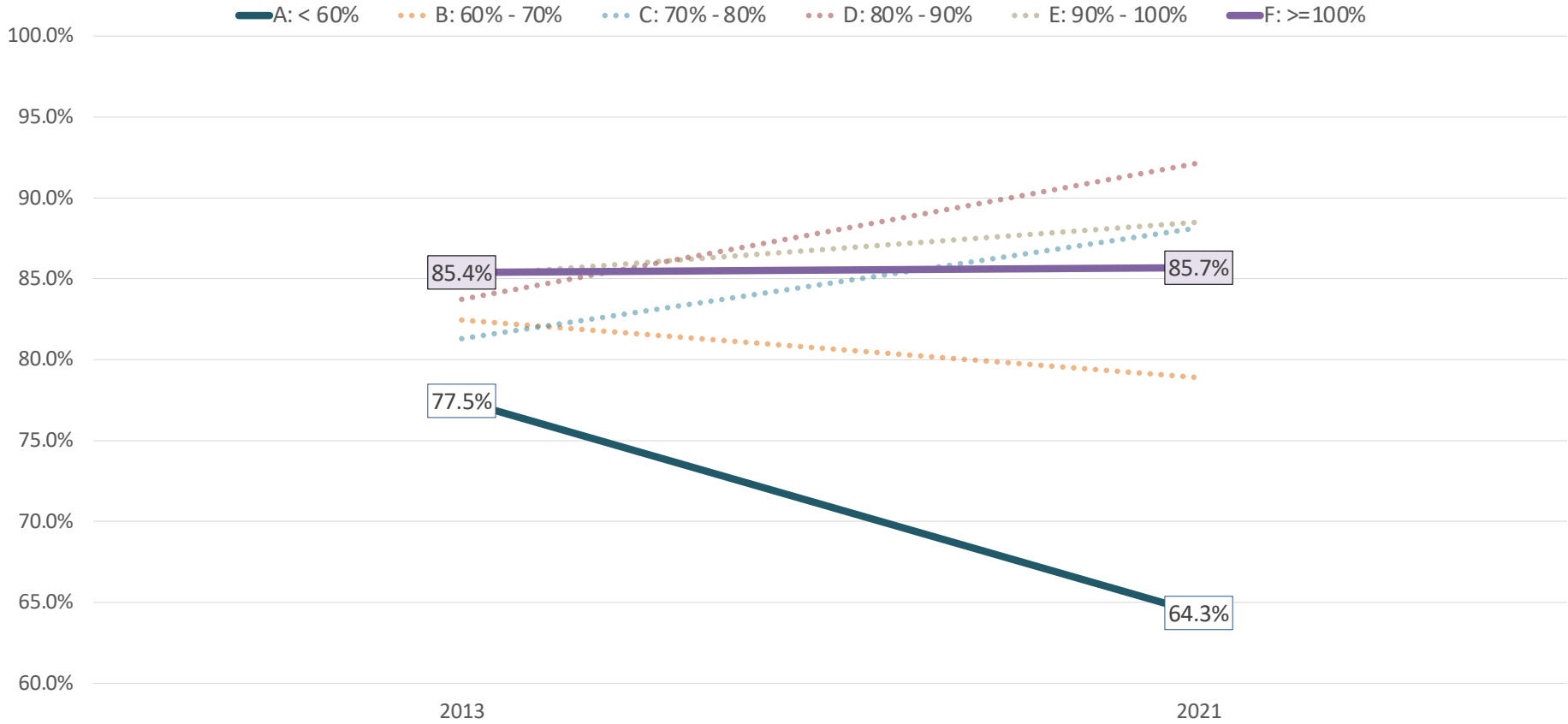
■RiskProNet ■Countrywide

$13,769,766

22.6%

17.2%

14.2%

12.5%

$6,720,681

9.1%

6.5%

$4,437,161

4.7%

4.8%

3.2%

3.6%

1.5%

-0.7%

0%

$2,148,324

$856,456

A: < 50%   B: 50-65%   C: 65-80%   D: 80-100%   E: > 100%

Total Net Rate Change
YTD 2022 as noted above

■ RiskProNet Prior Premium   — RiskProNet Net Rate Change   - - - Countrywide Net Rate Change

MODELED POLICY RETENTION HISTORY

ALL MODELED LINES COMBINED (Auto, GL, Property, Workers Compensation)
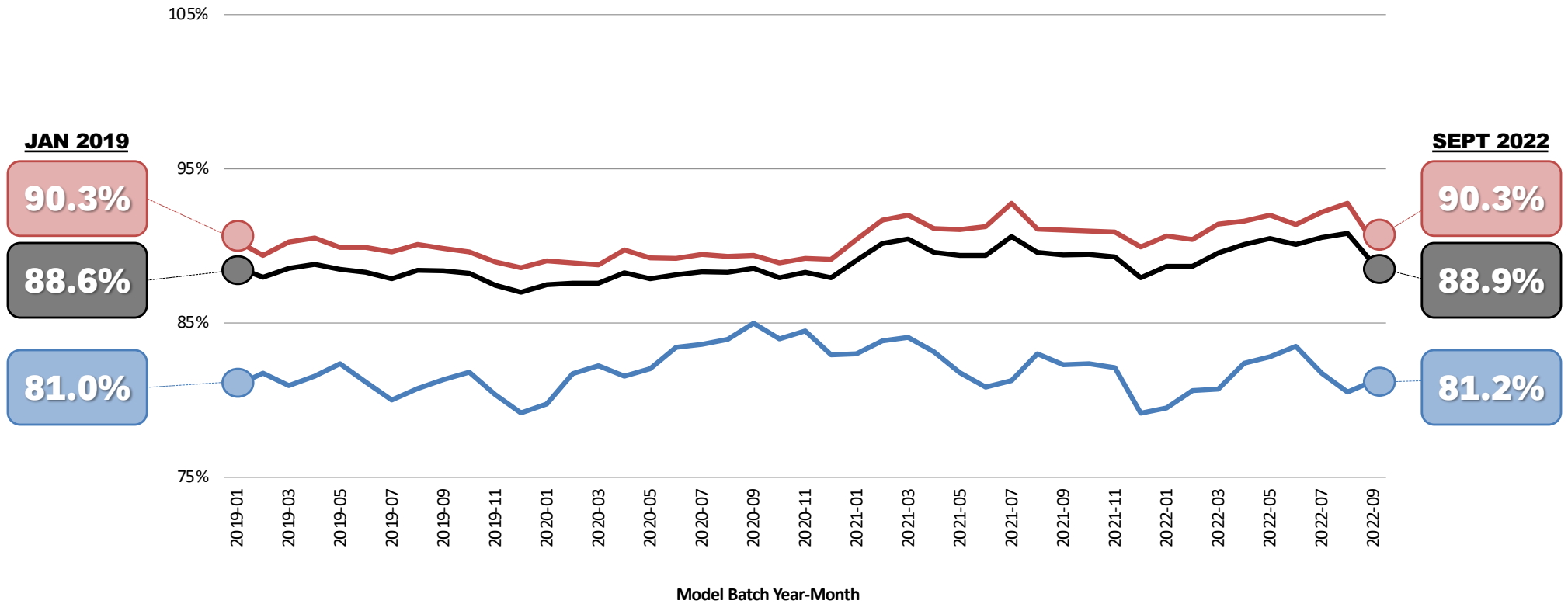
RiskProNet AGENCIES

ALL BUSINESS UNITS excl AR's

A: < 60% · · · · B: 60% - 70% · · · · C: 70% - 80% · · · · D: 80% - 90% · · · · E: 90% - 100% — F: >=100%

85.4%   85.7%

77.5%

64.3%

2013   2021

NORMALIZED* IN FORCE PRICE ADEQUACY RATIO (PAR)

ALL MODELED LINES COMBINED
RiskProNet AGENCIES
(Auto, GL, Property, Workers Compensation)

—New —Renewal —Grand Total

JAN 2019

90.3%

88.6%

81.0%

SEPT 2022

90.3%

88.9%

81.2%

Model Batch Year-Month

*Prior batch months are adjusted for rate indication updates and changes in loss trend. The direction of the line graph should be a representation of Underwriting execution and not reflect actual results at the time of the batch date. The Normalization calculation of older years is not as precise as more recent years.
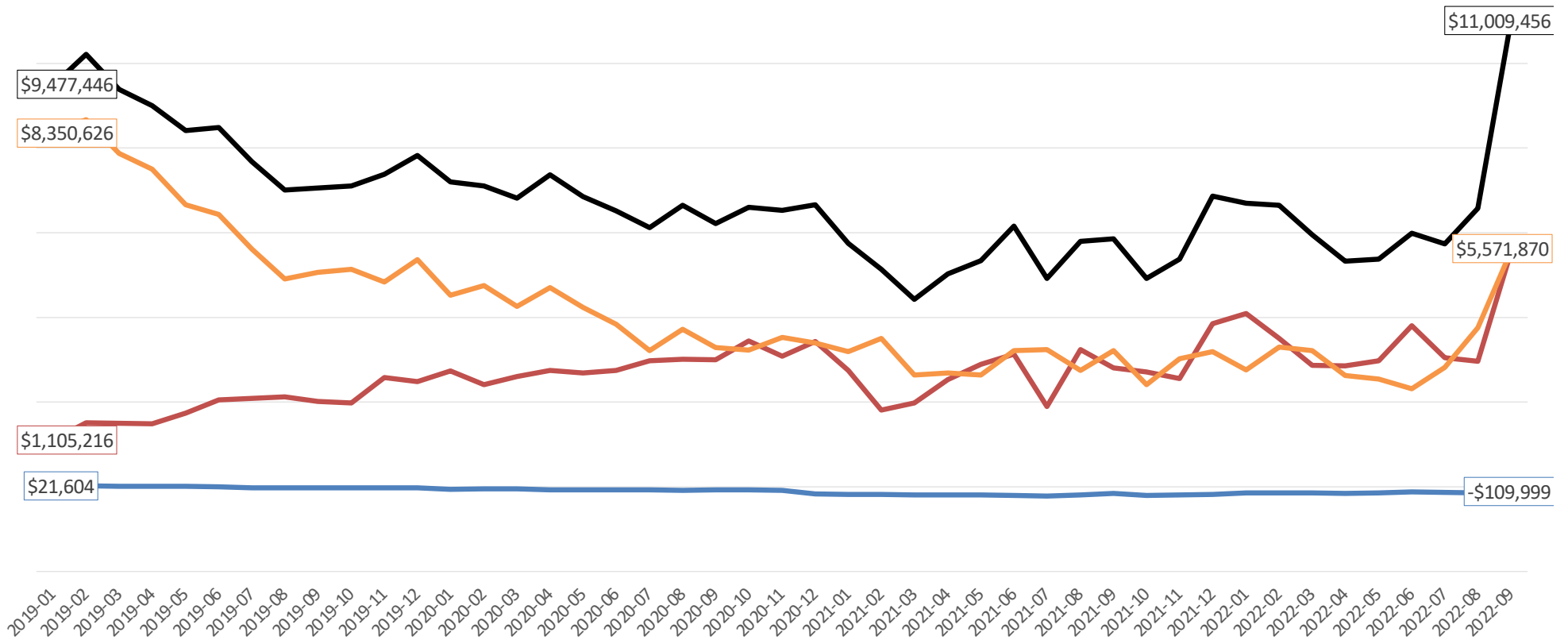
ACTUAL DOLLAR INADEQUACY
ALL MODELED LINES COMBINED
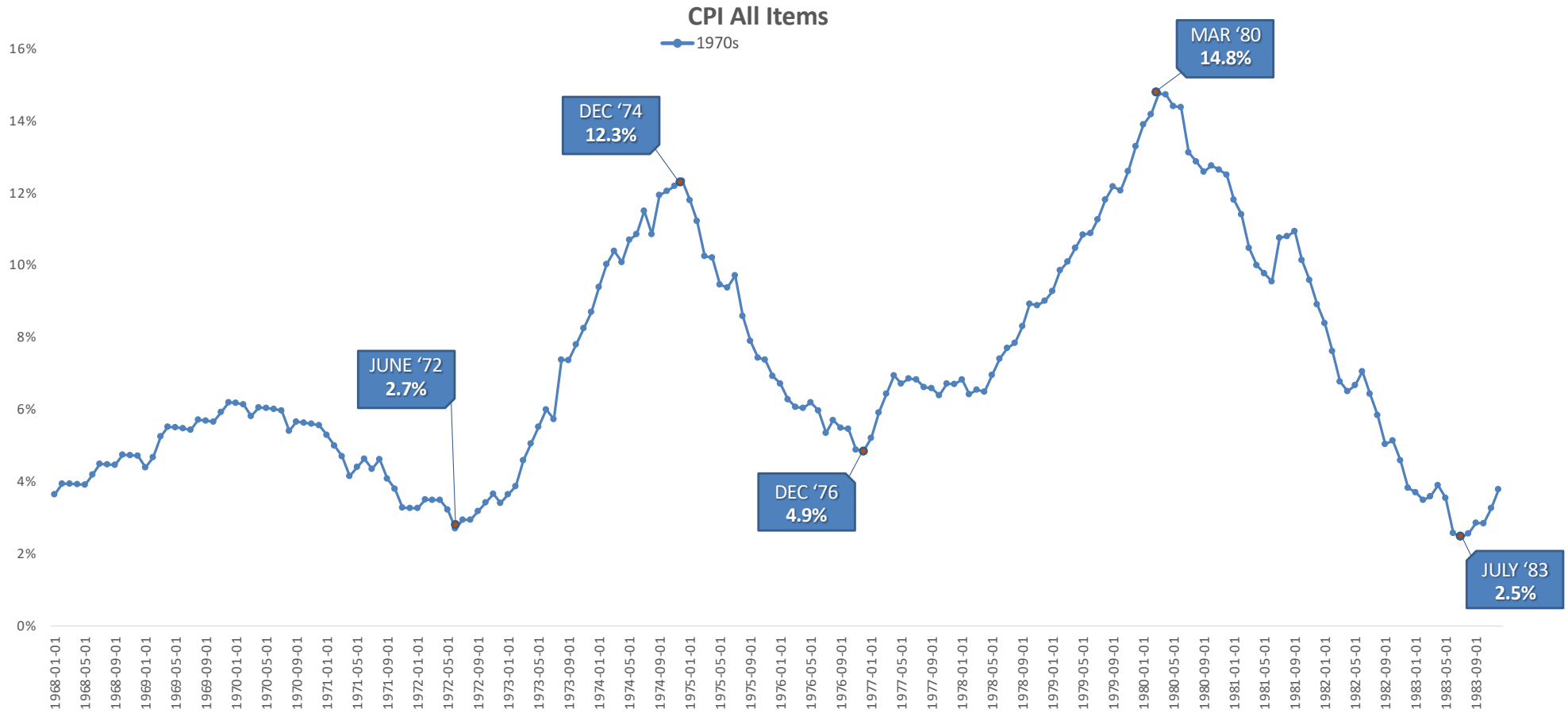### **RiskProNet** AGENCIES
(Auto, GL, Property, Workers Compensation)

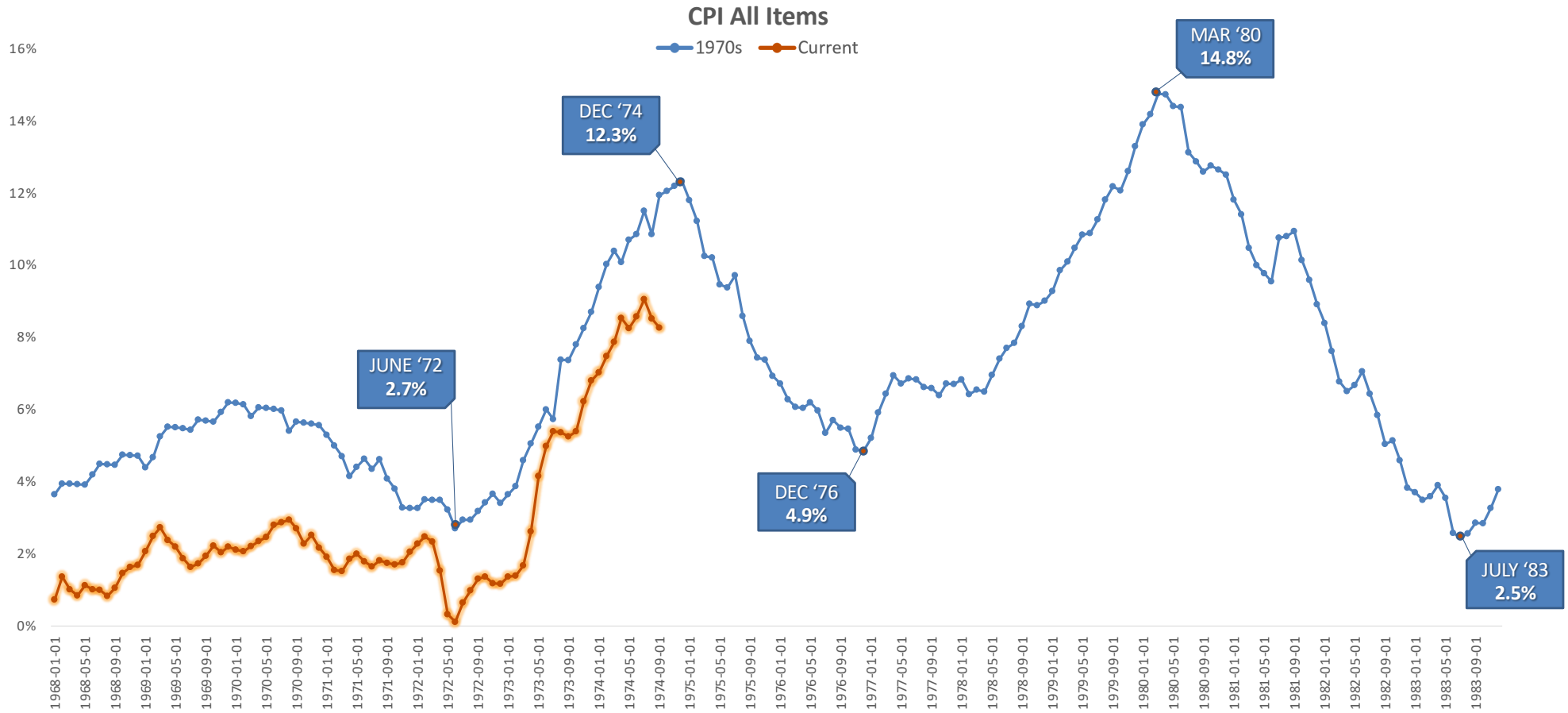— CUSTOMER CARE   — KEY ACCOUNTS   — MIDDLE MARKETS   — Grand Total

$11,009,456

$9,477,446

$8,350,626

$5,571,870

$1,105,216

$21,604

-$109,999

2019-01 2019-02 2019-03 2019-04 2019-05 2019-06 2019-07 2019-08 2019-09 2019-10 2019-11 2019-12 2020-01 2020-02 2020-03 2020-04 2020-05 2020-06 2020-07 2020-08 2020-09 2020-10 2020-11 2020-12 2021-01 2021-02 2021-03 2021-04 2021-05 2021-06 2021-07 2021-08 2021-09 2021-10 2021-11 2021-12 2022-01 2022-02 2022-03 2022-04 2022-05 2022-06 2022-07 2022-08 2022-09

THE GREAT INFLATION OF THE 1970's

CPI All Items

—•— 1970s

JUNE '72
2.7%

DEC '74
12.3%

DEC '76
4.9%

MAR '80
14.8%

JULY '83
2.5%

16%

14%

12%

10%

8%

6%

4%

2%

0%

THE GREAT INFLATION OF THE 1970's

CPI All Items
— 1970s — Current

MAR '80
14.8%

DEC '74
12.3%

JUNE '72
2.7%

DEC '76
4.9%

JULY '83
2.5%

Source: US Bureau of Labor Statistics Consumer Price Index – August 2022

THE GREAT INFLATION OF THE 1970's

CPI All Items

—●— 1970s   —●— Current +2.6%

JUNE '72
2.7%

DEC '74
12.3%

DEC '76
4.9%

MAR '80
14.8%

JULY '83
2.5%
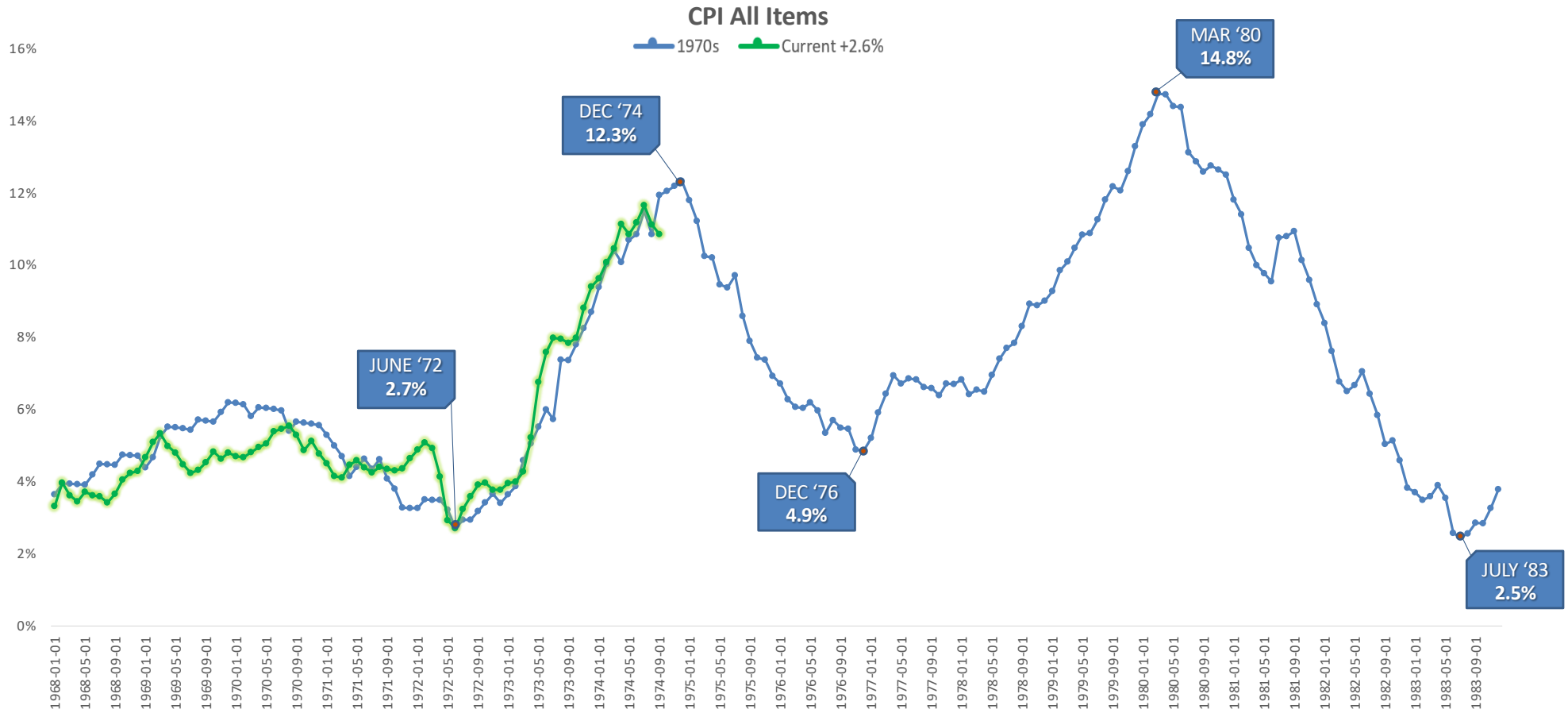
AN ECONOMY UNDER PRESSURE

Consumer Price Index (CPI)

— CPI All Items (avg 2.3%)   — CPI ex Food & Energy (avg 2.4%)

Y-o-Y ANNUAL CHANGE AS OF AUGUST 2022

CONSUMER PRICE INDEX (ALL ITEMS)
8.3%

CONSUMER PRICE INDEX (excl Food & Energy)
6.3%
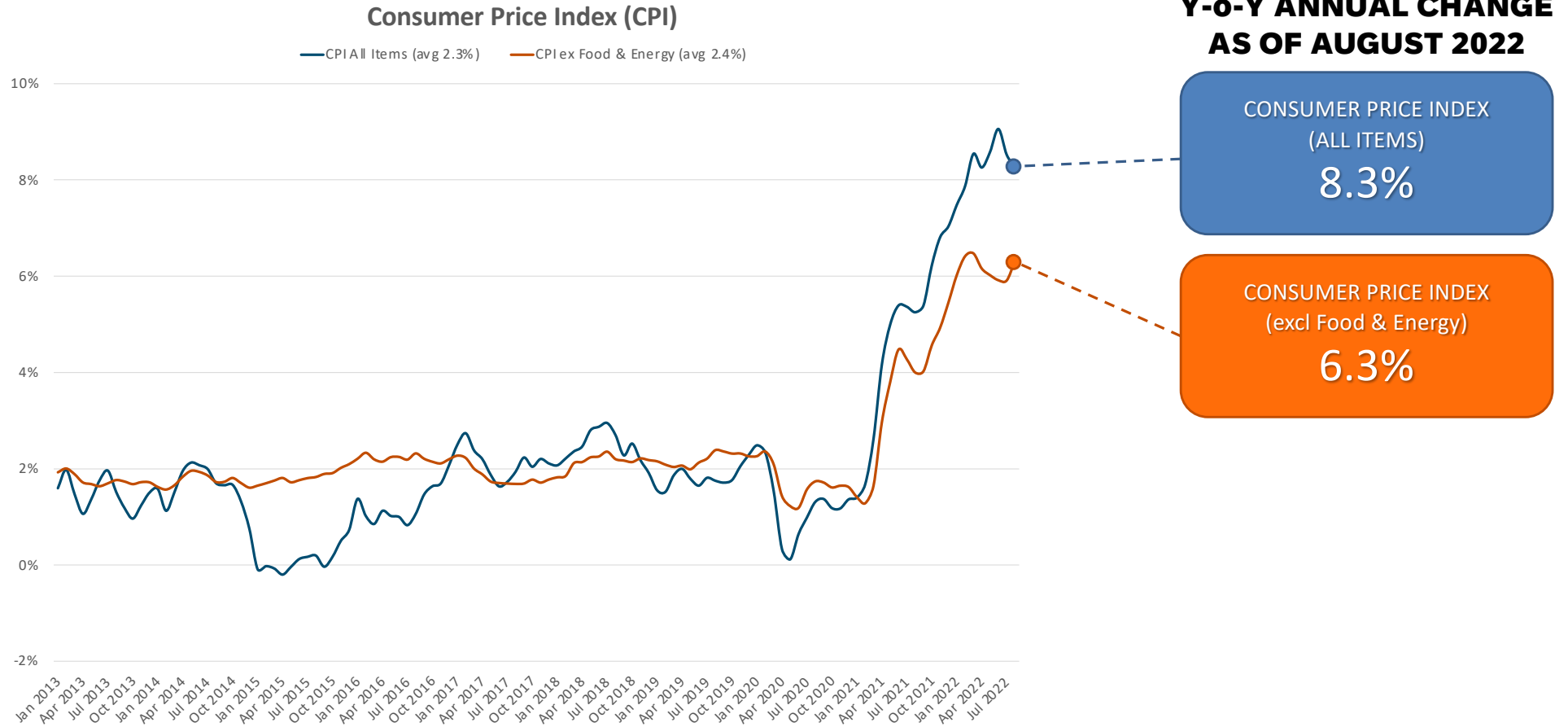
Source: US Bureau of Labor Statistics Consumer Price Index – August 2022

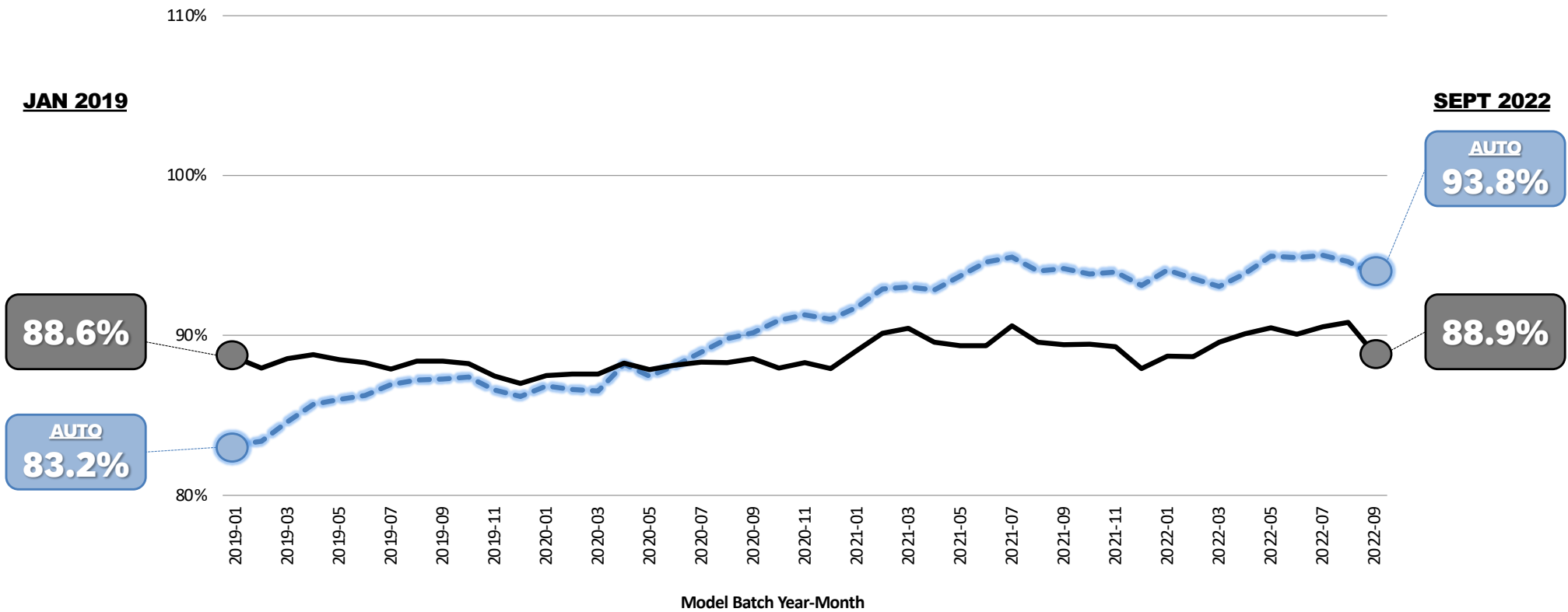INDUSTRY TRENDS

NORMALIZED* IN FORCE PRICE ADEQUACY RATIO (PAR)

ALL MODELED LINES COMBINED

RiskProNet AGENCIES

(Auto)

- - AUTO —— Grand Total

JAN 2019

SEPT 2022

AUTO
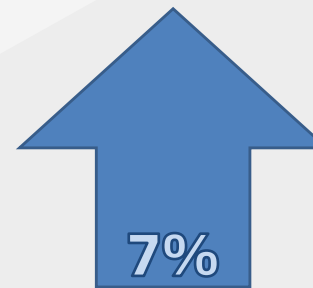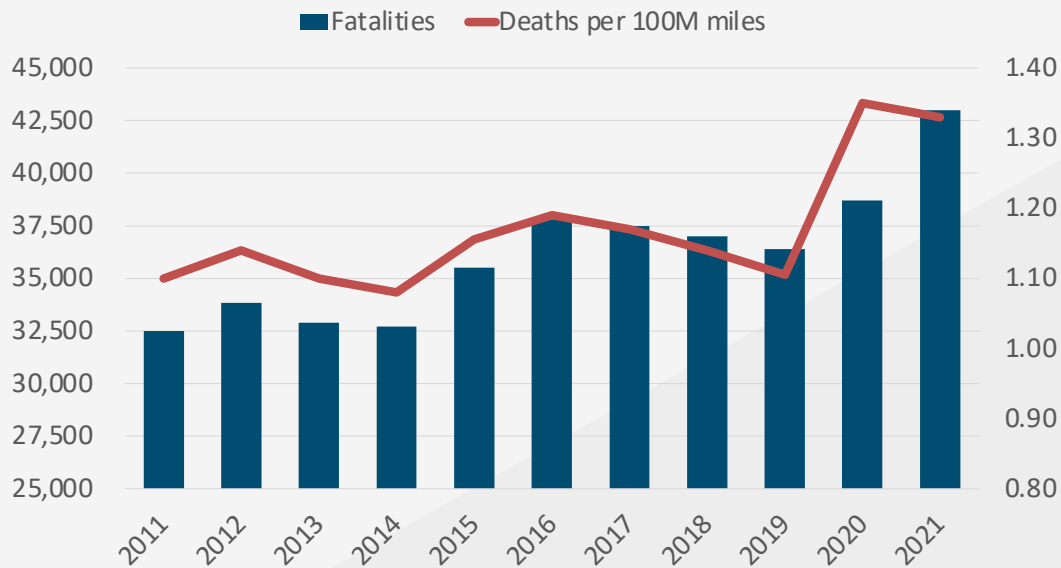**93.8%**

88.6%

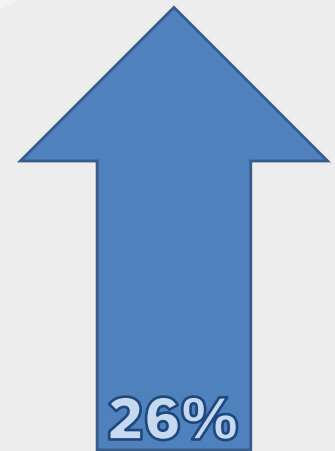**88.9%**

AUTO
83.2%

Model Batch Year-Month

*Prior batch months are adjusted for rate indication updates and changes in loss trend. The direction of the line graph should be a representation of Underwriting execution and not reflect actual results at the time of the batch date. The Normalization calculation of older years is not as precise as more recent years.

PANDEMIC EFFECT ON AUTO BODILY INJURY

Auto Fatalities - U.S.

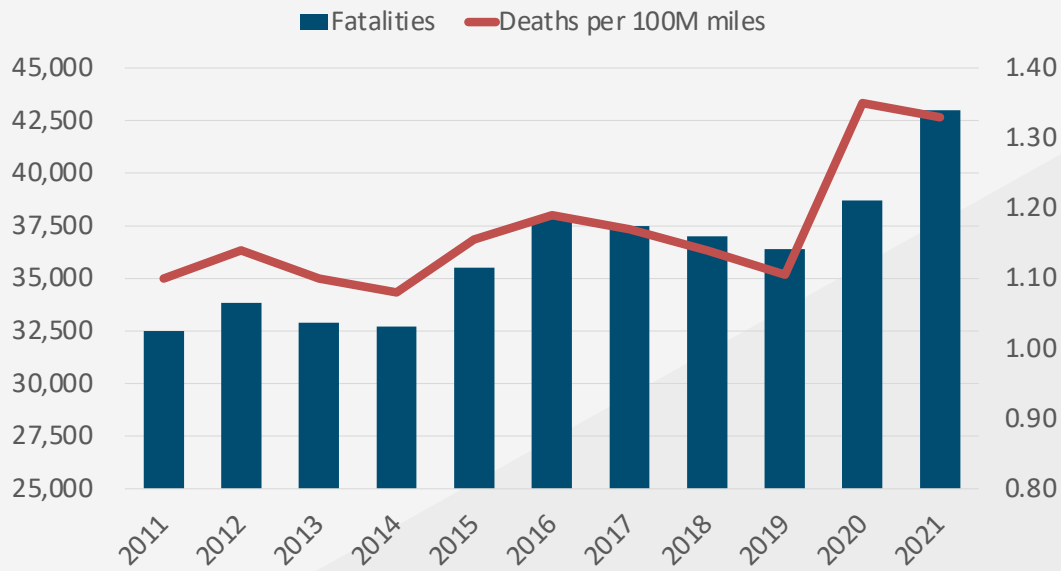■ Fatalities — Deaths per 100M miles

HIGHEST INCREASE IN FATALITY RATE ON THE ROADS SINCE **1975**

- RECKLESS BEHAVIOR
- DISTRACTED DRIVING
- LACK OF SEATBELT USE
- SPEEDING
- FATALITIES DUE TO AUTO AT **HIGHEST LEVEL EVER**
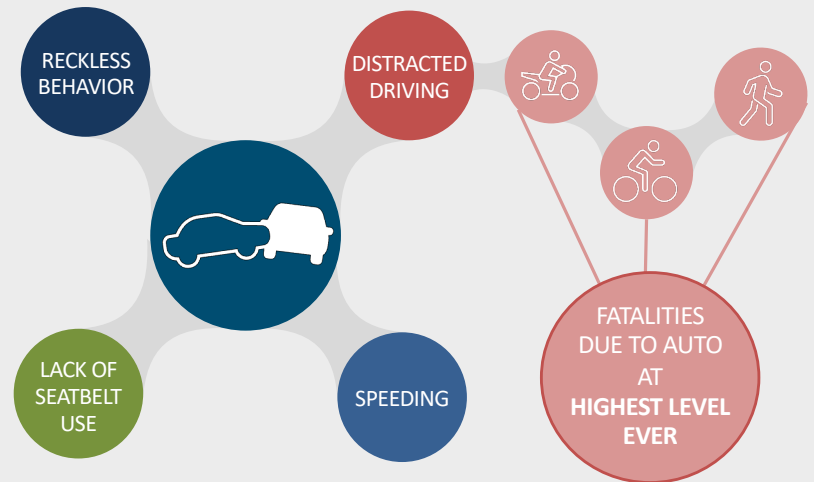
Source: NHTSA

PANDEMIC EFFECT ON AUTO PHYSICAL DAMAGE

—— Body Work ••••• Maint & Repair – – Parts & Equip

15.8%

8.2%

17.0%	
15.0%	
13.0%	
11.0%	
9.0%	
7.0%	
5.0%	
3.0%	
1.0%	
-1.0%	
-3.0%	

2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022
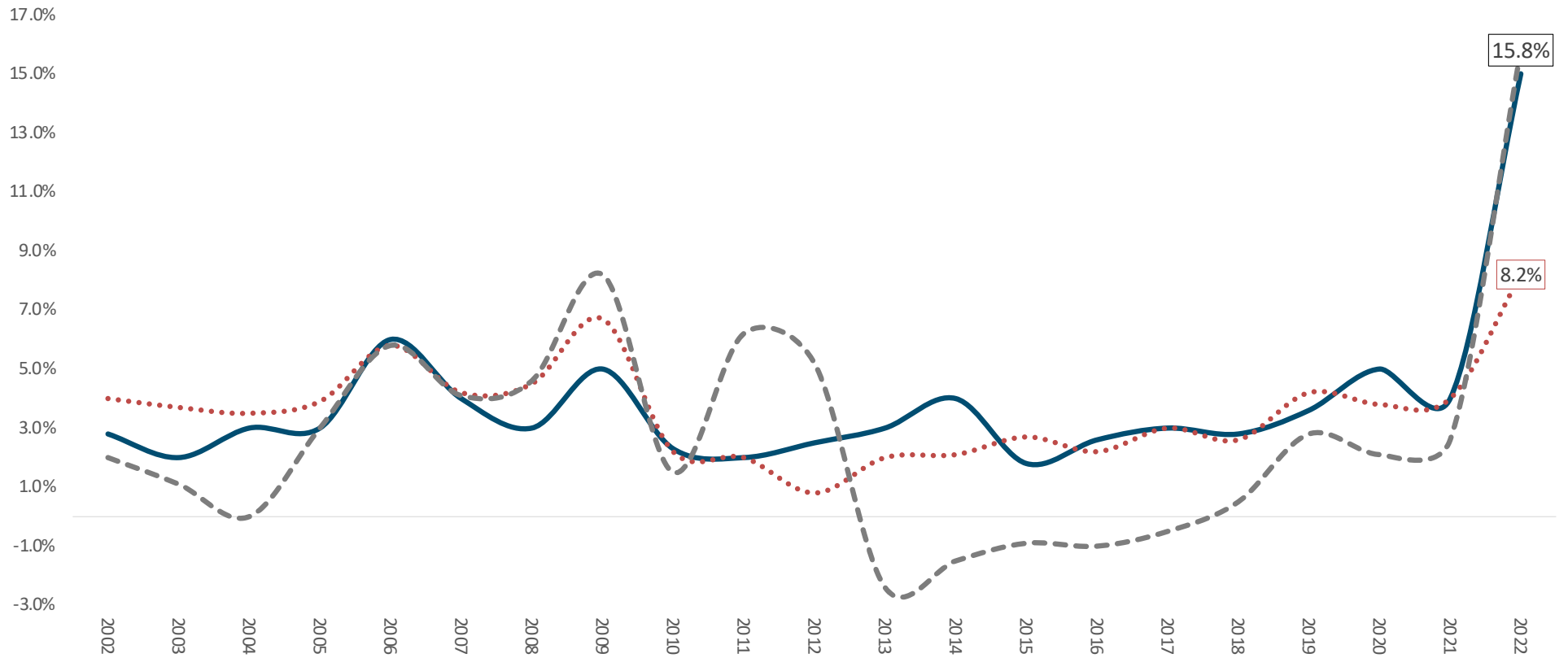
Source: US Bureau of Labor Statistics Consumer Price Index

NOT-SO-FUN *FACTS* ON SOCIAL INFLATION

- **10%** OF THE POPULATION **DOES NOT WEAR SEAT BELTS** BUT **50% OF FATALITIES** ARE PEOPLE WHO DON'T WEAR SEAT BELTS.*

Sources: *American Transportation Research Institute; **Verisk

NOT-SO-FUN FACTS ON SOCIAL INFLATION

- **15%** OF THE POPULATION **DOES NOT WEAR SEAT BELTS** BUT **50% OF FATALITIES** ARE PEOPLE WHO DON'T WEAR SEAT BELTS.*

Sources: *American Transportation Research Institute; **Verisk

NOT-SO-FUN FACTS ON SOCIAL INFLATION

- **15%** OF THE POPULATION **DOES NOT WEAR SEAT BELTS** BUT **50% OF FATALITIES** ARE PEOPLE WHO DON'T WEAR SEAT BELTS.

AVG VERDICT SIZE FOR A LAWSUIT ABOVE $1M INVOLVING A TRUCK CRASH

2010	10x	2018
$2,300,000		**$22,300,000**

NOT-SO-FUN FACTS ON SOCIAL INFLATION

- **15%** OF THE POPULATION **DOES NOT WEAR SEAT BELTS** BUT **50% OF FATALITIES** ARE PEOPLE WHO DON'T WEAR SEAT BELTS.

AVG VERDICT SIZE FOR A LAWSUIT ABOVE $1M INVOLVING A TRUCK CRASH*

2010	10x	2018
$2,300,000		**$22,300,000**

- **THIRD-PARTY LITIGATION** IS CLOSE TO AN EST. **$17 BILLION** GLOBAL BUSINESS.**

Sources: *American Transportation Research Institute; **Verisk
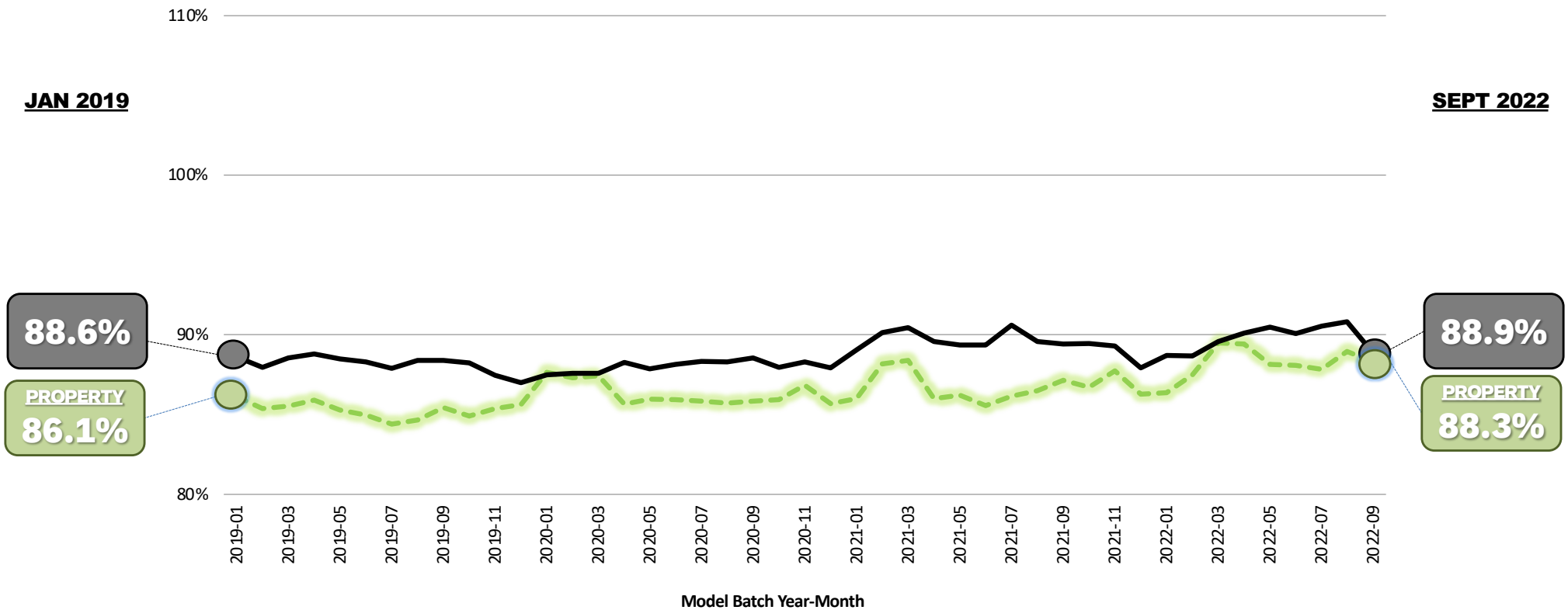
NORMALIZED* IN FORCE PRICE ADEQUACY RATIO (PAR)

ALL MODELED LINES COMBINED
RiskProNet AGENCIES
(Auto, GL, Property, Workers Compensation)

- - - PROP — Grand Total

JAN 2019

SEPT 2022

88.6%

88.9%

PROPERTY
86.1%

PROPERTY
88.3%

110%

100%

90%

80%

2019-01
2019-03
2019-05
2019-07
2019-09
2019-11
2020-01
2020-03
2020-05
2020-07
2020-09
2020-11
2021-01
2021-03
2021-05
2021-07
2021-09
2021-11
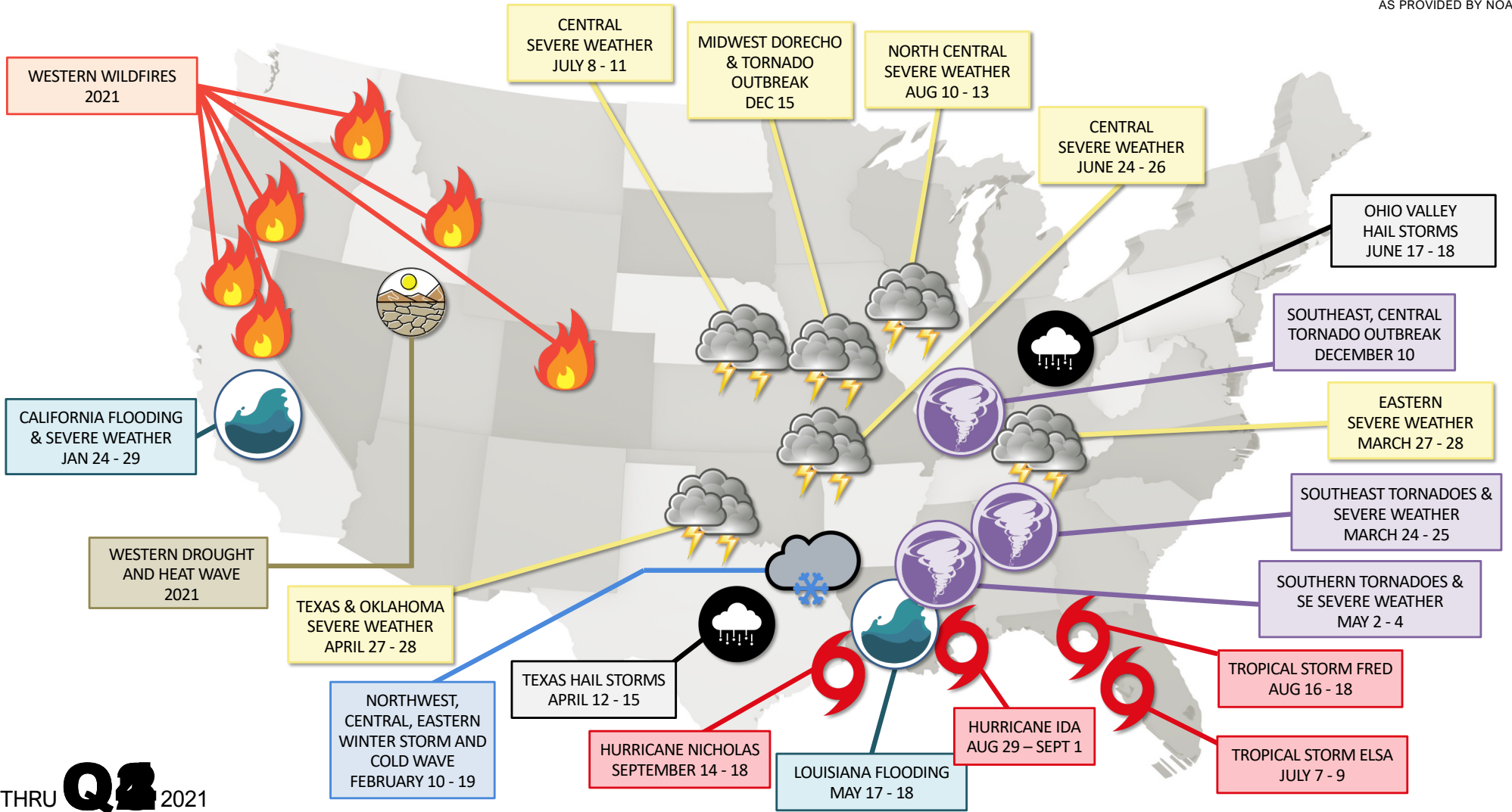2022-01
2022-03
2022-05
2022-07
2022-09

Model Batch Year-Month

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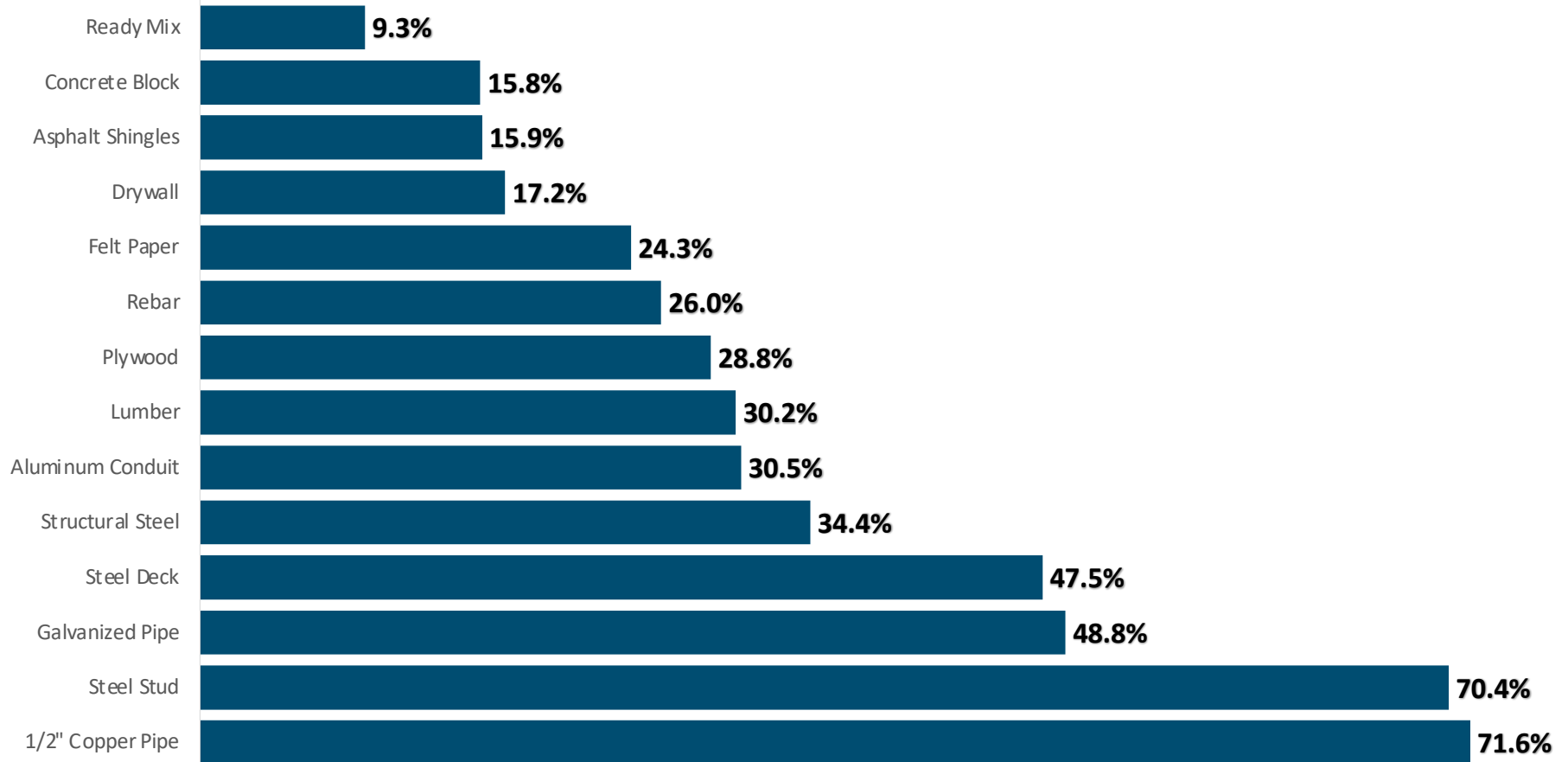
U.S. 2021 BILLION-DOLLAR WEATHER & CLIMATE DISASTERS

AS PROVIDED BY NOAA

WESTERN WILDFIRES
2021

CENTRAL
SEVERE WEATHER
JULY 8 - 11

MIDWEST DORECHO
& TORNADO
OUTBREAK
DEC 15

NORTH CENTRAL
SEVERE WEATHER
AUG 10 - 13

CENTRAL
SEVERE WEATHER
JUNE 24 - 26

OHIO VALLEY
HAIL STORMS
JUNE 17 - 18

CALIFORNIA FLOODING
& SEVERE WEATHER
JAN 24 - 29

SOUTHEAST, CENTRAL
TORNADO OUTBREAK
DECEMBER 10

EASTERN
SEVERE WEATHER
MARCH 27 - 28

WESTERN DROUGHT
AND HEAT WAVE
2021

TEXAS & OKLAHOMA
SEVERE WEATHER
APRIL 27 - 28

SOUTHEAST TORNADOES &
SEVERE WEATHER
MARCH 24 - 25

SOUTHERN TORNADOES &
SE SEVERE WEATHER
MAY 2 - 4

TEXAS HAIL STORMS
APRIL 12 - 15

TROPICAL STORM FRED
AUG 16 - 18

NORTHWEST,
CENTRAL, EASTERN
WINTER STORM AND
COLD WAVE
FEBRUARY 10 - 19

HURRICANE NICHOLAS
SEPTEMBER 14 - 18

LOUISIANA FLOODING
MAY 17 - 18

HURRICANE IDA
AUG 29 – SEPT 1

TROPICAL STORM ELSA
JULY 7 - 9

THRU Q2 2021

Building Material Increases YoY June 2021 to June 2022

Year End June 2022

Material	Increase
Ready Mix	9.3%
Concrete Block	15.8%
Asphalt Shingles	15.9%
Drywall	17.2%
Felt Paper	24.3%
Rebar	26.0%
Plywood	28.8%
Lumber	30.2%
Aluminum Conduit	30.5%
Structural Steel	34.4%
Steel Deck	47.5%
Galvanized Pipe	48.8%
Steel Stud	70.4%
1/2" Copper Pipe	71.6%

Source: US Bureau of Labor Statistics Consumer Price Index

CALENDAR YEAR LOSS RATIOS

CASE INCURRED LOSS AND ALAE RATIO - **CAT**
RISKPRONET AGENCIES COMPARED TO COUNTRYWIDE
INCLUDES OTHER COMMERCIAL
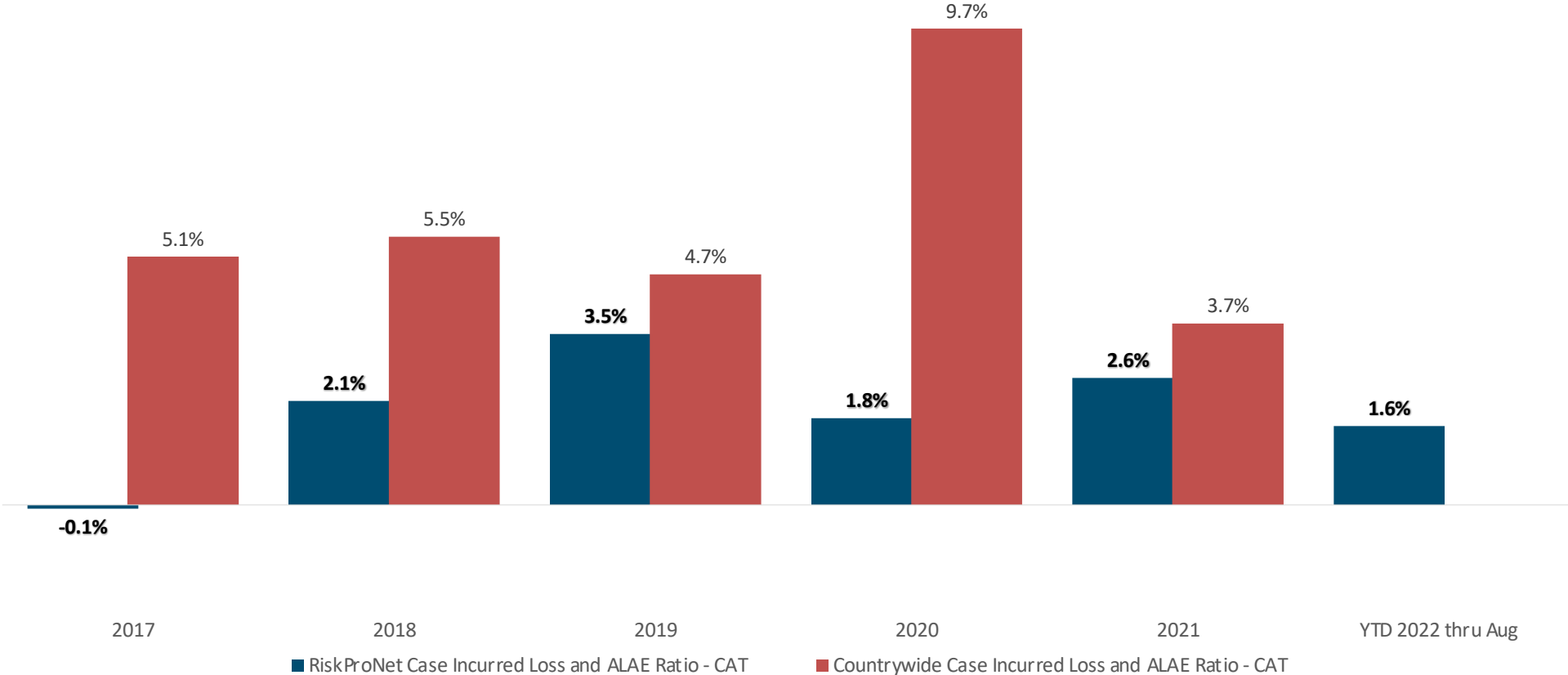
■ RiskProNet   ■ Countrywide

2017: -0.1% / 5.1%
2018: 2.1% / 5.5%
2019: 3.5% / 4.7%
2020: 1.8% / 9.7%
2021: 2.6% / 3.7%
YTD 2022 thru Aug: 1.6%

■ RiskProNet Case Incurred Loss and ALAE Ratio - CAT   ■ Countrywide Case Incurred Loss and ALAE Ratio - CAT

*NOTE THAT IBNR IS NOT ALLOCATED ACROSS ALL FILTER OPTIONS. IN COME CASES THERE WILL BE NO IBNR PROVISIONS. IN OTHERS, IBNR WILL BE OVERSTATED

HISTORICAL EXPOSURE CHANGE
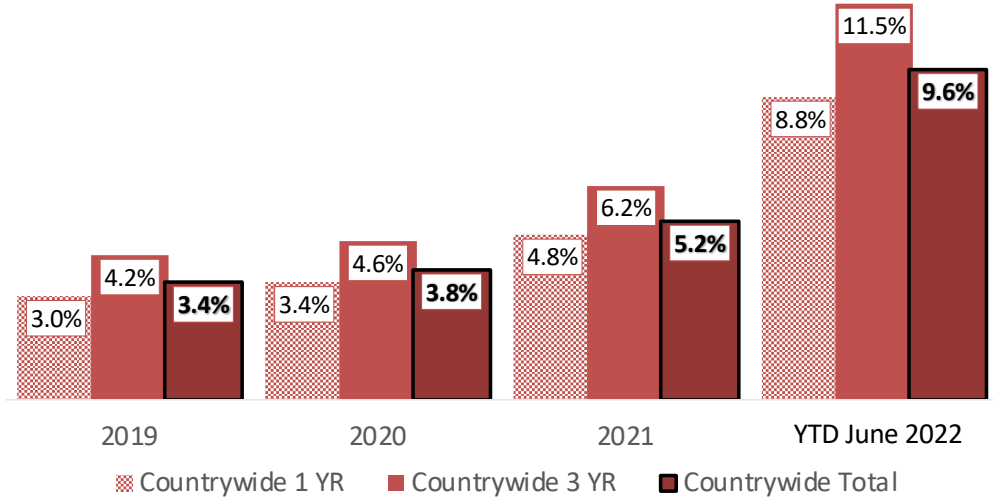
RiskProNet AGENCIES
(Package Lines Only) – YTD 2022 thru September – DATA AS OF 10/3/2022

■ RiskProNet ■ Countrywide

COMMERCIAL FIRE - RiskProNet

	2019	2020	2021	YTD Sep 2022
RiskProNet 1 YR	2.7%	4.6%	5.3%	11.0%
RiskProNet 3 YR	2.9%	4.1%	6.3%	12.2%
RiskProNet Total	2.8%	4.5%	5.6%	11.3%
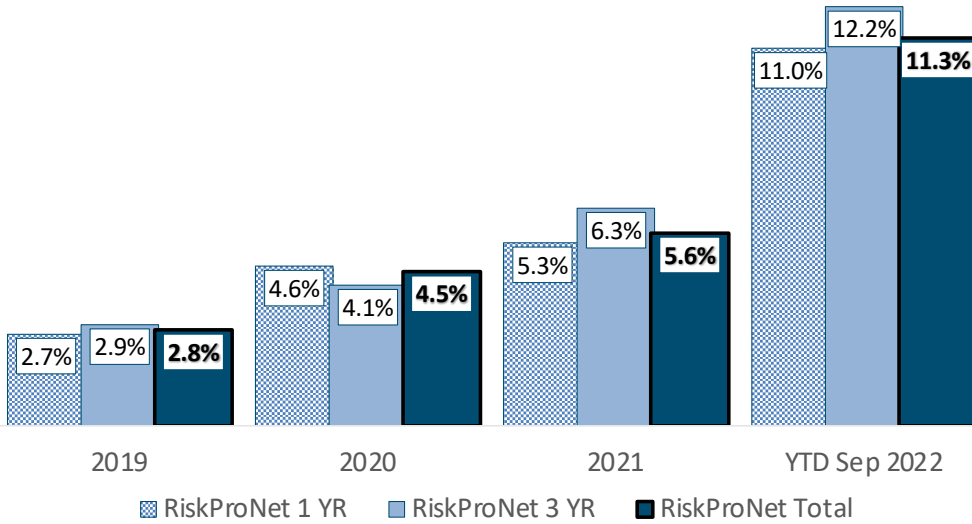
COMMERCIAL FIRE - Countrywide

	2019	2020	2021	YTD June 2022
Countrywide 1 YR	3.0%	3.4%	4.8%	8.8%
Countrywide 3 YR	4.2%	4.6%	6.2%	11.5%
Countrywide Total	3.4%	3.8%	5.2%	9.6%

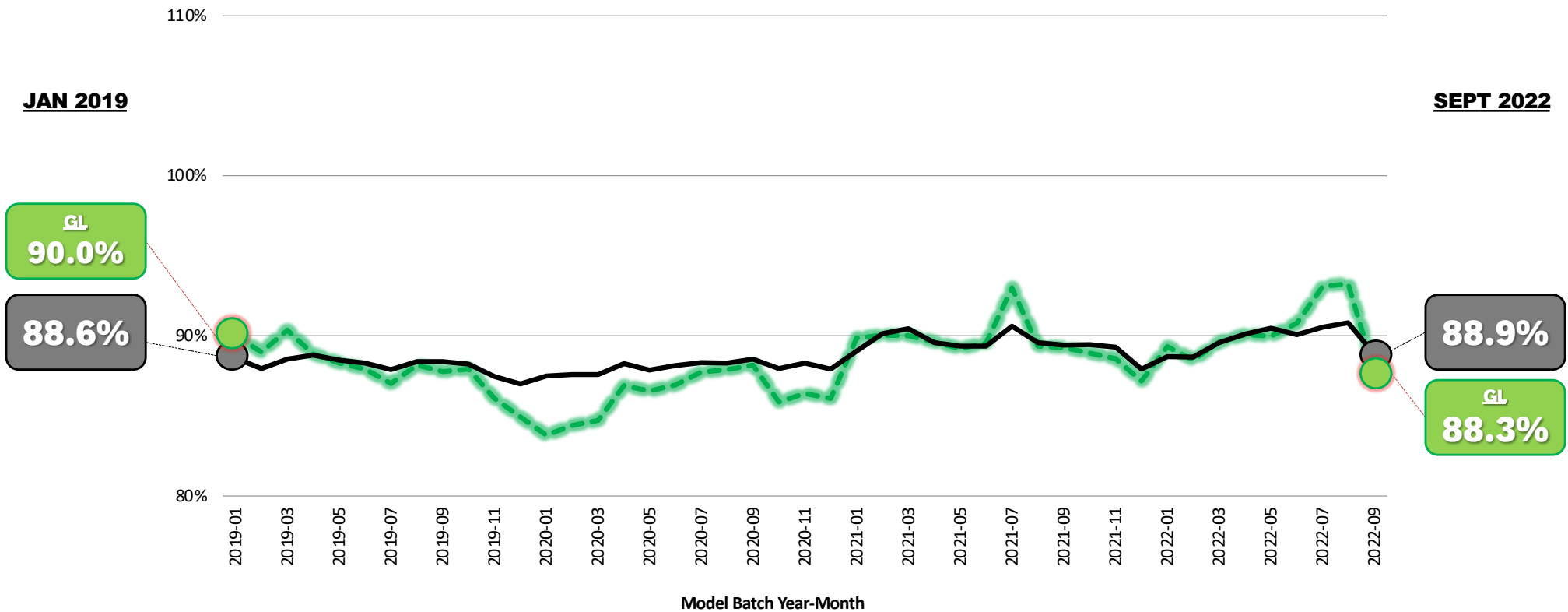# NORMALIZED* IN FORCE PRICE ADEQUACY RATIO (PAR)

ALL MODELED LINES COMBINED
RiskProNet AGENCIES
(Auto, GL, Property, Workers Compensation)

- - - GL   —— Grand Total

JAN 2019

SEPT 2022

GL
90.0%

88.6%

88.9%

GL
88.3%

Model Batch Year-Month

*Prior batch months are adjusted for rate indication updates and changes in loss trend. The direction of the line graph should be a representation of Underwriting execution and not reflect actual results at the time of the batch date. The Normalization calculation of older years is not as precise as more recent years.

EMERGING RISKS

FOREVER CHEMICALS

SILENT CYBER

COMMUNICABLE DISEASE
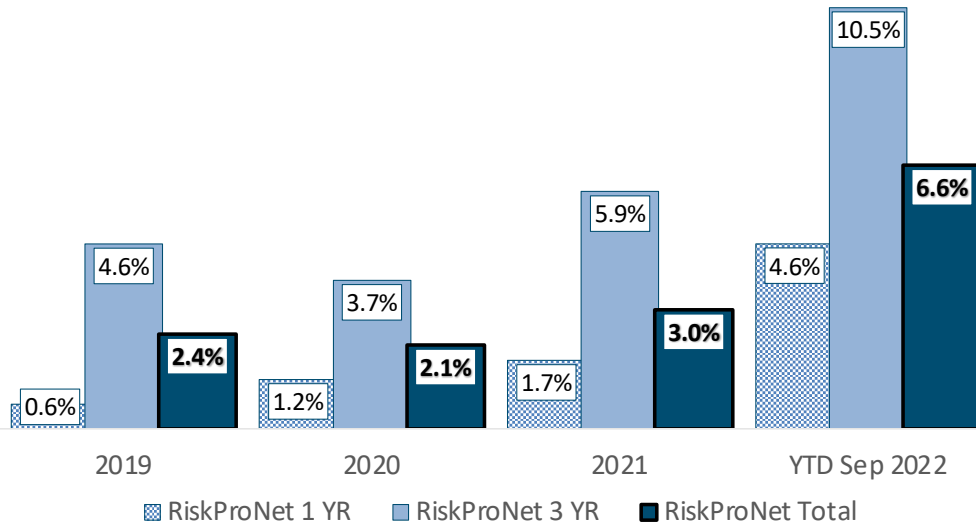
BIOMETRIC INFORMATION PRIVACY ACT (BIPA)
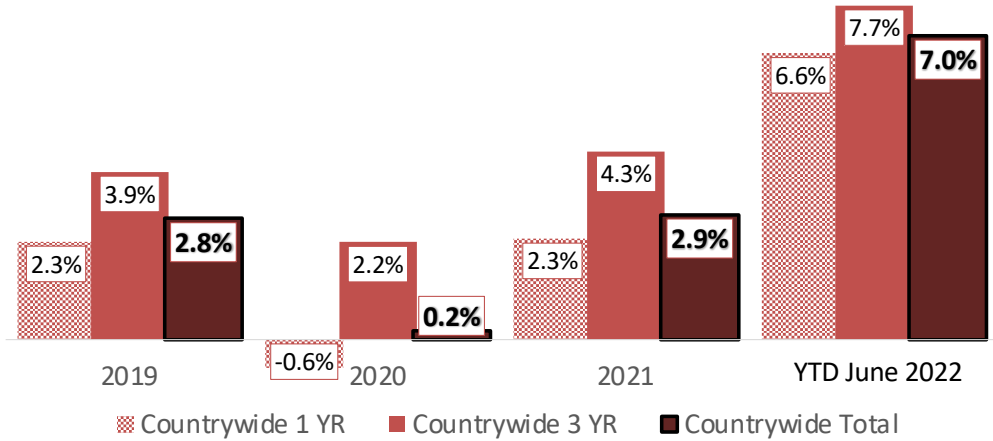
HISTORICAL EXPOSURE CHANGE

RiskProNet AGENCIES
(Package Lines Only) — YTD 2022 thru September — DATA AS OF 10/3/2022

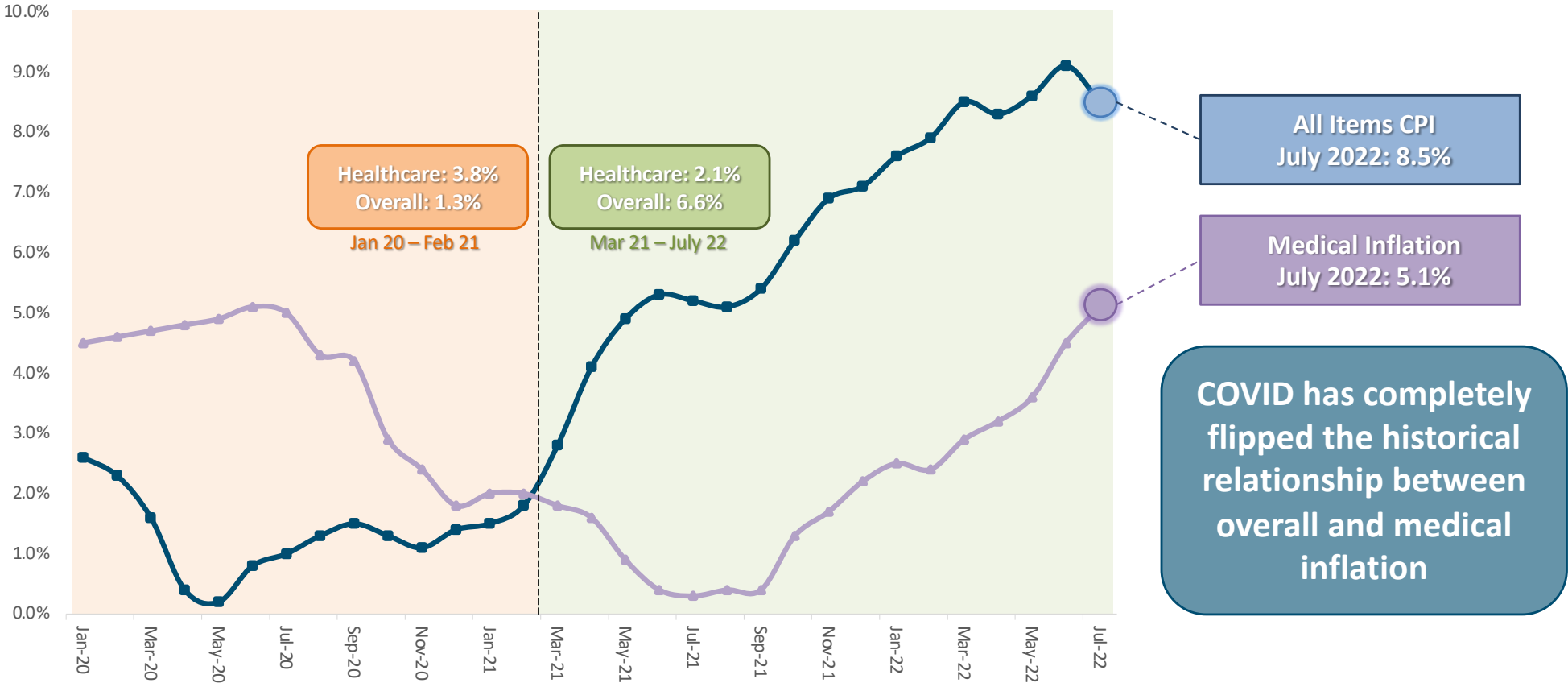■ RiskProNet ■ Countrywide

GENERAL LIABILITY- RiskProNet

2019	2020	2021	YTD Sep 2022
0.6% / 4.6% / 2.4%	1.2% / 3.7% / 2.1%	1.7% / 5.9% / 3.0%	4.6% / 10.5% / 6.6%

▨ RiskProNet 1 YR   ■ RiskProNet 3 YR   ■ RiskProNet Total

GENERAL LIABILITY - Countrywide

2019	2020	2021	YTD June 2022
2.3% / 3.9% / 2.8%	-0.6% / 2.2% / 0.2%	2.3% / 4.3% / 2.9%	6.6% / 7.7% / 7.0%

▨ Countrywide 1 YR   ■ Countrywide 3 YR   ■ Countrywide Total

MEDICAL COST INFLATION VS OVERALL CPI DURING COVID
JAN 2020 – JULY 2022 (Percent Change from Year Ago)

All Items CPI   Medical Inflation

Healthcare: 3.8%
Overall: 1.3%
Jan 20 – Feb 21

Healthcare: 2.1%
Overall: 6.6%
Mar 21 – July 22

All Items CPI
July 2022: 8.5%

Medical Inflation
July 2022: 5.1%

COVID has completely flipped the historical relationship between overall and medical inflation
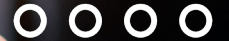
Source: US Bureau of Labor Statistics; Risk and Uncertainty Manage????

FUTURE FORWARD

- How does the **hybrid environment** change how things are done?

- How can we **anticipate the skills and knowledge** needed for young insurance professionals of today and tomorrow?

- If you have an expertise in a specific market, **do you have some "Insurance Minor's" to fall back on?**

CINCINNATI DIFFERENTIATORS LEAD TO SUCCESS

FIELD MODEL

IN YOUR COMMUNITY

3 YEAR TERM

BLENDING ART & SCIENCE

WE SHOW UP
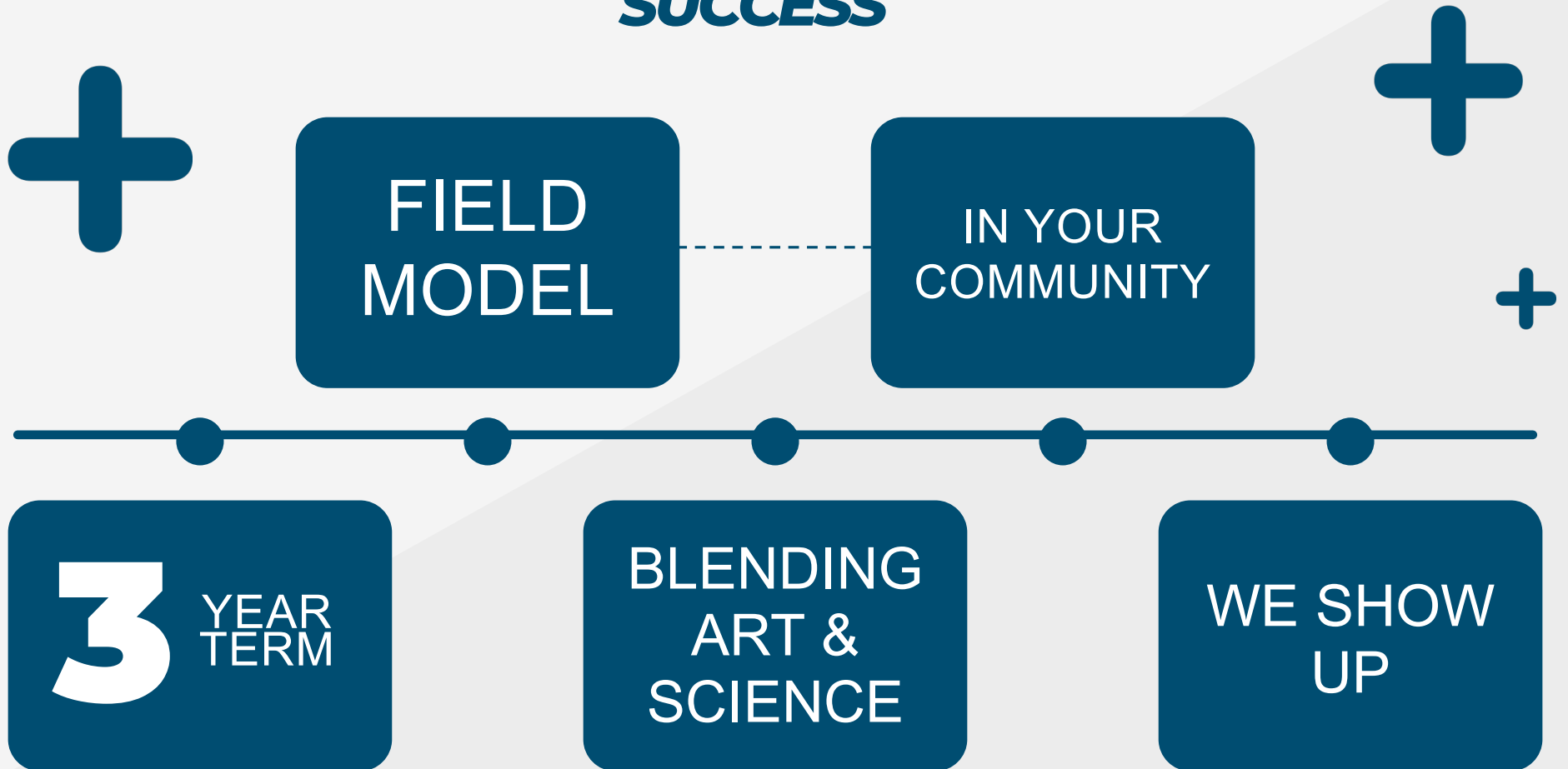
THANK YOU

- YOUR **PARTNER** IN INSURANCE

THE
CINCINNATI VISION

Our vision is to be the best company serving independent agents.

Art&Science
a professional harmony