

Commitment. Dedication. Reliability.

Our History

Our family's history goes back 122 years to when Physicians Mutual Insurance Company first opened its doors in 1902 and later expanded to include Physicians Life Insurance Company in 1970. Through the Great Depression, wars and recessions, **we've been here** for our customers when they needed us.

In 2023, Physicians Mutual Insurance Company paid over **\$445 million** on all health, dental and Medicare Supplement insurance policies combined and Physicians Life Insurance Company paid over **\$160 million** on all life insurance and annuities combined. That's an average of over **\$2.3 million** paid every working day! That's just part of the reason we have a 95% customer satisfaction rating and 9 out of 10 customers would recommend us to family and friends.¹

Our Investments

Over the years, we have maintained a **prudent investment approach**, building a well-diversified, high-quality portfolio of over **\$4.3 billion in assets**.²

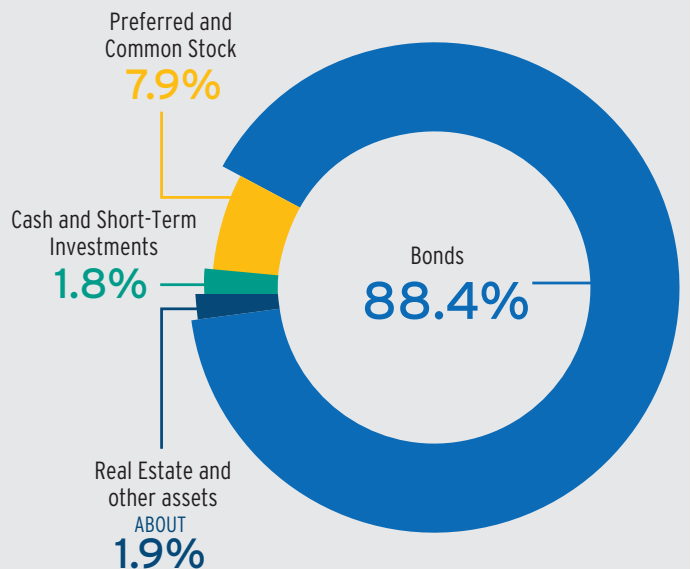
We have minimal investments in common stock. Therefore, we have not been adversely affected by the wild swings of the stock market. We also **avoid exposure to risky investments** in favor of steadier, less-volatile ones. Furthermore, the only real estate we own is our corporate headquarters and mailing facility.

To make sure we'll be here for our customers, we **maintain a strong margin of protection**. This is money we set aside, in addition to the required insurance policy reserves, that serves as additional protection for our customers. Our margin totals over **\$1 Billion**.³ It is just one of the reasons we are able to stand behind our promise of commitment – we're here when you need us.

Our Focus

In today's economy, you deserve straightforward answers from straightforward companies. It is **our customers' interests that come first** – not those of Wall Street. That's why our focus continues to be meeting the needs of the families who depend on us for their protection.

Our Invested Assets



¹ Based on 2023 Physicians Mutual® Customer Satisfaction Survey conducted by Wiese Research Associates

² Physicians Mutual Insurance Company has over \$2.6 billion in assets; Physicians Life Insurance Company has over \$1.7 billion in assets

³ Margin of protection applies to Physicians Mutual Insurance Company, which wholly owns Physicians Life Insurance Company

Please note: All figures are from the Annual Statement for Physicians Mutual Insurance Company and Physicians Life Insurance Company, as of Dec. 31, 2023.

Our Ratings

We also receive some of the **highest financial strength and credit ratings in the nation**. These are from independent analysts who do not endorse or recommend specific companies' policies, rates or practices, but only provide their unbiased ratings ... so you can be assured we are worthy of the honors we're awarded.

<p>A.M. Best Company (Financial Strength)</p> <p>For overall financial strength and ability to meet obligations to customers</p> <div style="display: flex; justify-content: space-around;"> <div style="background-color: #008000; color: white; padding: 10px; text-align: center;"> A EXCELLENT </div> <div style="background-color: #000080; color: white; padding: 10px; text-align: center;"> A EXCELLENT </div> </div> <p>■ Physicians Mutual Insurance Company</p>	<p>A.M. Best Company (Credit)</p> <p>For overall financial strength and ability to meet obligations to customers</p> <div style="display: flex; justify-content: space-around;"> <div style="background-color: #008000; color: white; padding: 10px; text-align: center;"> A+ EXCELLENT </div> <div style="background-color: #000080; color: white; padding: 10px; text-align: center;"> A+ EXCELLENT </div> </div> <p>■ Physicians Life Insurance Company</p>	<p>Weiss Ratings (Financial Strength)</p> <p>For financial security, investment strategies, business operations and underwriting commitments</p> <div style="display: flex; justify-content: space-around;"> <div style="background-color: #008000; color: white; padding: 10px; text-align: center;"> A+ EXCELLENT </div> <div style="background-color: #000080; color: white; padding: 10px; text-align: center;"> B+ EXCELLENT </div> </div> <p>■ Physicians Life Insurance Company</p>
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In issuing the "A (Excellent)" financial strength ratings in August 2021, leading independent insurance authority, A.M. Best, stated the Physicians Mutual family ...

... maintains a long-established, geographically diversified niche in Medicare Supplement, where it is recognized as a leader and innovator. The company's ability to leverage its diversified distribution channels further strengthens this competitive position. Additionally, the group's life insurance and annuity lines have become more competitive.

In December 2020, leading independent insurance authority, Weiss Ratings, also expanded upon our strength, saying this about both Companies ...

... in our opinion, this company offers excellent financial security. It has maintained a conservative stance in its investment strategies, business operations and underwriting commitments. While the financial position of any company is subject to change, we believe this company has the resources necessary to deal with severe economic conditions.

That is just one of the reasons we place on the Weiss **Recommended List** of life and health insurance companies. In fact, Physicians Mutual Insurance Company is in an **elite group of seven** life and health insurance companies representing the **top 1%** of the industry, while Physicians Life Insurance Company is in a group representing the **top 7%**.

With all this praise, you can be assured we'll be there to back your insurance, now and for years to come.

A.M. Best's credit ratings are not a warranty, nor are they a recommendation to buy, sell or hold any insurance policies. Nor do they address the suitability of any financial obligation for a specific purpose or purchaser. Weiss Ratings are based on an analysis of hundreds of factors that are combined into indexes including: capitalization, investment safety, profitability, liquidity and stability. A good rating requires consistency across all indexes. A weak score on any one index can result in a low rating, as insolvency can be caused by any one of a number of factors such as inadequate capital, unpredictable claims experience, poor liquidity, speculative investments, inadequate reserving, or consistent operating losses.

A.M. Best Financial Rating Scale

A++ and A+	Superior
A and A-	Excellent
B++ and B+	Very Good
B and B-	Fair
C++ and C+	Marginal
C and C-	Weak
D	Poor
E	Under Regulatory Supervision
F	In Liquidation
S	Rating Suspended

A.M. Best Credit Rating Scale

AAA+, AAA and AAA-	Exceptional
AA+, AA and AA-	Superior
A+, A and A-	Excellent
BBB+, BBB and BBB-	Good
BB+, BB and BB-	Fair
B+, B and B-	Marginal
CCC+, CCC, CCC- and CC	Weak
C	Poor
RS	Under Regulatory Supervision/In Liquidation

Weiss Rating Scale

A+, A and A-	Excellent
B+, B and B-	Good
C+, C and C-	Fair
D+, D and D-	Weak
E+, E and E-	Very Weak
F	Failed

Our Future

We have witnessed and overcome numerous economic hardships in the past – the flu epidemic of 1918, the Great Depression, wars and recessions. Through each and every hardship, we have **kept our promise to customers**. This will not change.

Our customers, who number in the hundreds of thousands, know and expect only the best from us. Their needs and interests have always been – and always will be – the basis of our business decisions.

Remember, no one knows what the future may bring, but rest assured, we intend to be **here when you need us**. We're strong, stable and prepared to **meet your insurance and financial needs**.



Ed Mullen
Chief Financial Officer