



Forward. Focused.

Welcome to the
2021 Amica Annual Report

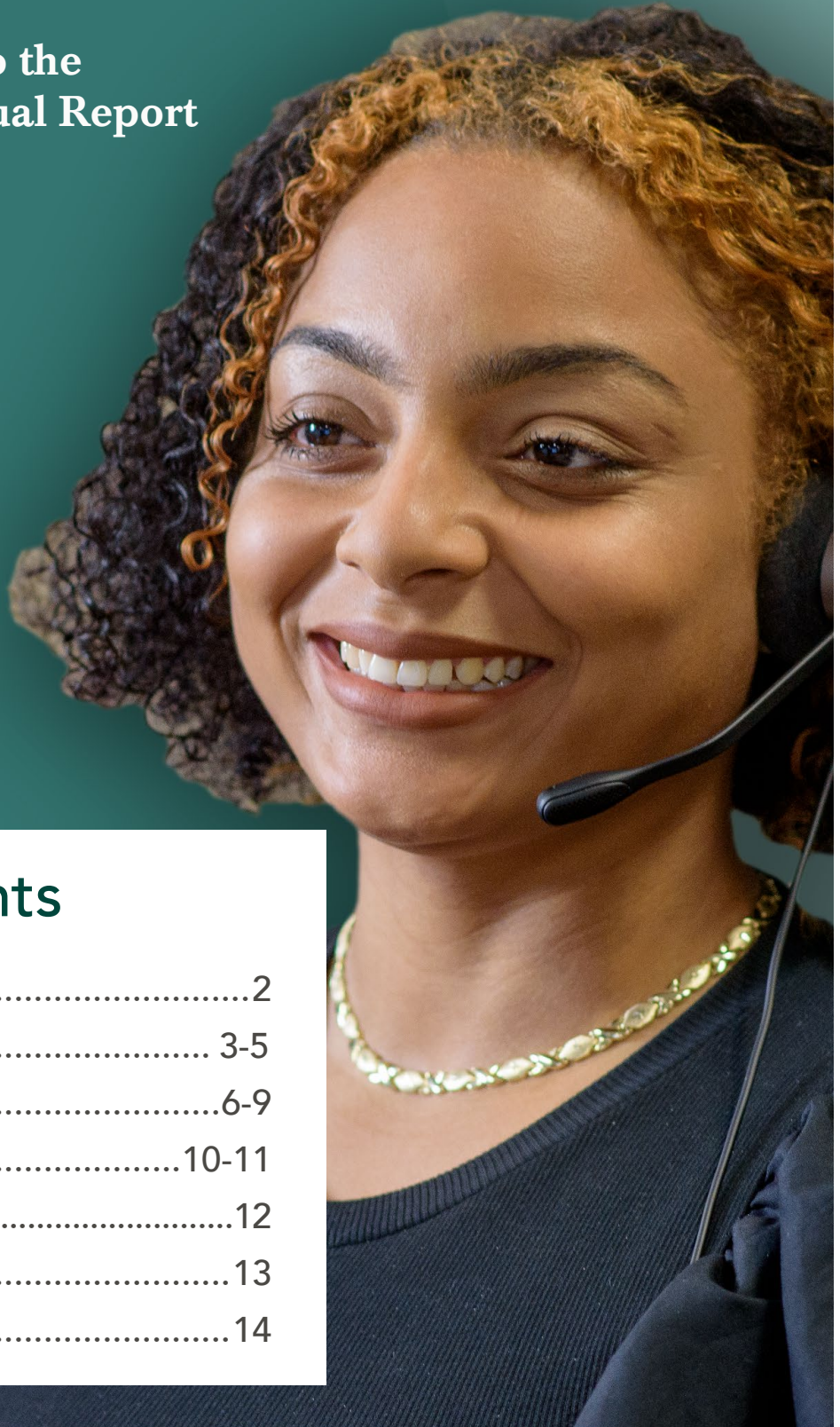


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A Message From Our CEO

2021 was defined by uncertainty, as the pandemic lingered and the world struggled to return to normal. The challenges faced on societal, business and individual levels were significant.

I find it useful in trying times to take a long-term view, envisioning how things might look when the dust settles. Doing so allows me to see opportunities to innovate, learn and grow. Many great advances are born from disruption. And change, even when unplanned, is necessary to thrive over time.

Amica evaluates all change against a single measure – whether it furthers our mission to create peace of mind and build enduring relationships. I'm proud of the way our employees have come together to overcome obstacles and find the best ways to serve you, despite present challenges.

I believe I work alongside the best team in the industry, and I've witnessed, time and again, the length our employees go to help you. As a mutual insurer, we make decisions with our customers top of mind, as opposed to the interests of investors. We have a steadfast focus on the quality of our service, and are always looking for ways to impress you.

We want insurance to be something you're happy to handle because every interaction with Amica is simple, friendly and reassuring. Our goal is to make you feel comfortable knowing you're protected and confident that, should you need to call on us, we'll do everything in our power to assist you.

We're also seeking ways to expand our relationship with you in ways that add value to your life. These range from tools and resources that reduce the chance you'll experience a loss, to partnerships with reputable companies that can provide you with quality products or services.

We want to be a brand you're proud to associate with. Amica has always been a company with a heart, and we're honored to give back to many communities and worthy causes across the country.



From an operational perspective, our results were impacted by catastrophes, more drivers back on the roadways, supply chain challenges and inflation. Our combined ratio came in at 108.3%, a bit higher than planned. I'm pleased to report, however, that we remain on firm financial ground. Net income was \$110 million, and, at year-end, we had \$5.8 billion in assets and over \$3.2 billion in surplus. Customer retention also remains very high, and Amica Life Insurance Company has continued its strong performance.

2021 will be remembered as a year that tested us on many levels. But it was also a year where we were reminded of how much we can accomplish when we come together for something we believe in. We look forward to 2022 with optimism and vigor. We're grateful for the trust you place in us, and we remain, as always, forward focused.

Robert A. DiMuccio
Chairman, President and Chief Executive Officer
Amica Insurance

Financials

Our financial strength allows us to uphold our promise to customers when you need us most.

Below, you'll find some of the financial highlights for 2021.

Healthy balance sheet

Company assets and surplus are indicators of financial strength, and our ability to fulfill our commitment to policyholders.



\$5.8 billion
in assets



\$3.2 billion
in surplus



\$110 million
in net income

Solid net income

Our high-quality investment portfolio – coupled with our consistent focus on operational efficiency – kept us on firm financial ground.

Combined ratio

Our combined ratio increased in 2021. As the economy reopened, inflation, supply chain disruption, natural disasters and labor costs were among the factors that impacted our business.



108.3%
combined ratio

Amica Life growth

Amica Life Insurance Company continues to be an important part of our strategy to provide products that meet all of our customers' needs.



\$3.3 billion

new business in force



\$7.1 million

in new life premium



6,380

new policies

AM Best renews ratings for Amica Mutual, Amica Life

Amica Mutual and Amica Life once again received "Superior" financial strength ratings of A+ from AM Best,* a leading insurance rating agency and the nation's authority on insurance company financial stability.

*AM Best Company, Feb. 2, 2022.



AMICA – Combined P&C Operations

Financials

\$ in millions

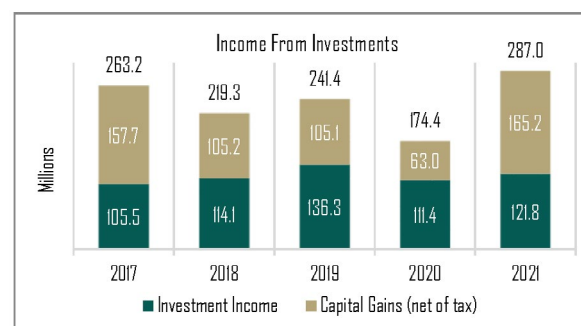
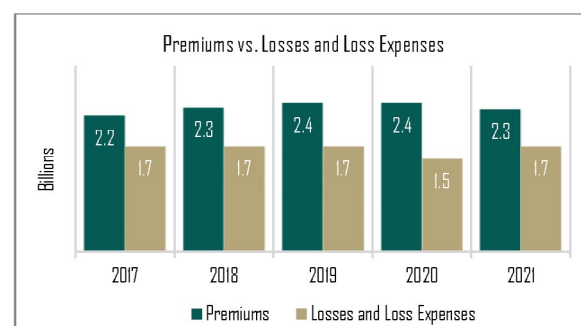
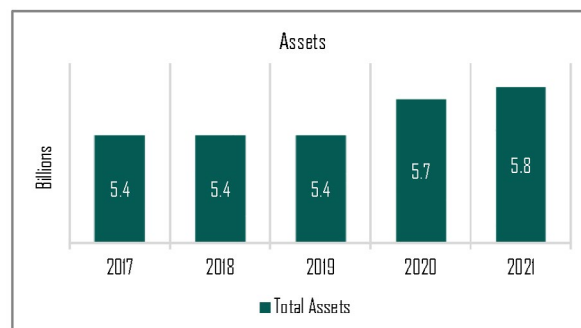
Balance Sheets	2021	2020
Assets:		
Bonds and debt securities	\$ 2,860	\$ 2,783
Stocks	1,790	1,679
Cash and short-term investments	33	81
Other invested assets	527	460
Premiums receivable	423	485
Other assets	196	181
Total assets	<u>\$ 5,829</u>	<u>\$ 5,669</u>

Liabilities:

Reserves for losses and loss expenses	\$ 1,306	\$ 1,175
Reserve for unearned premiums	915	1,007
Other liabilities	349	479
Total liabilities	<u>2,570</u>	<u>2,661</u>
Surplus to policyholders	3,259	3,008
Total liabilities and surplus to policyholders	<u>\$ 5,829</u>	<u>\$ 5,669</u>

Income Statements	2021	2020
Premiums earned	\$ 2,328	\$ 2,407
Losses and loss expenses incurred	\$ 1,722	\$ 1,501
Other underwriting expenses	649	635
Dividends to policyholders	150	241
Investment and other income	288	175
Federal income taxes	(15)	27
Net income	<u>\$ 110</u>	<u>\$ 178</u>

Statements of Surplus	2021	2020
Surplus, beginning of year	\$ 3,008	\$ 2,783
Net income	110	178
Change in unrealized capital gains	125	83
Other surplus adjustments	16	(36)
Surplus, end of year	<u>\$ 3,259</u>	<u>\$ 3,008</u>



Financial Highlights

\$ in thousands

Statements of Surplus	2021	2020		2021	2020
Premium growth rate	-3.3%	-0.2%	Policies in force	1,468,567	1,513,450
Loss and loss expense ratio	74.0%	62.4%	New-business premium: Automobile	\$ 48,181	\$ 62,455
Combined ratio – earned basis	108.3%	98.8%	New-business premium: Homeowners	\$ 30,134	\$ 33,713
Return on policyholders' surplus	3.5%	6.2%	New-business premium: Total	\$ 84,288	\$102,759

* The audited financial statements will be available on Amica.com by 06/01/22.

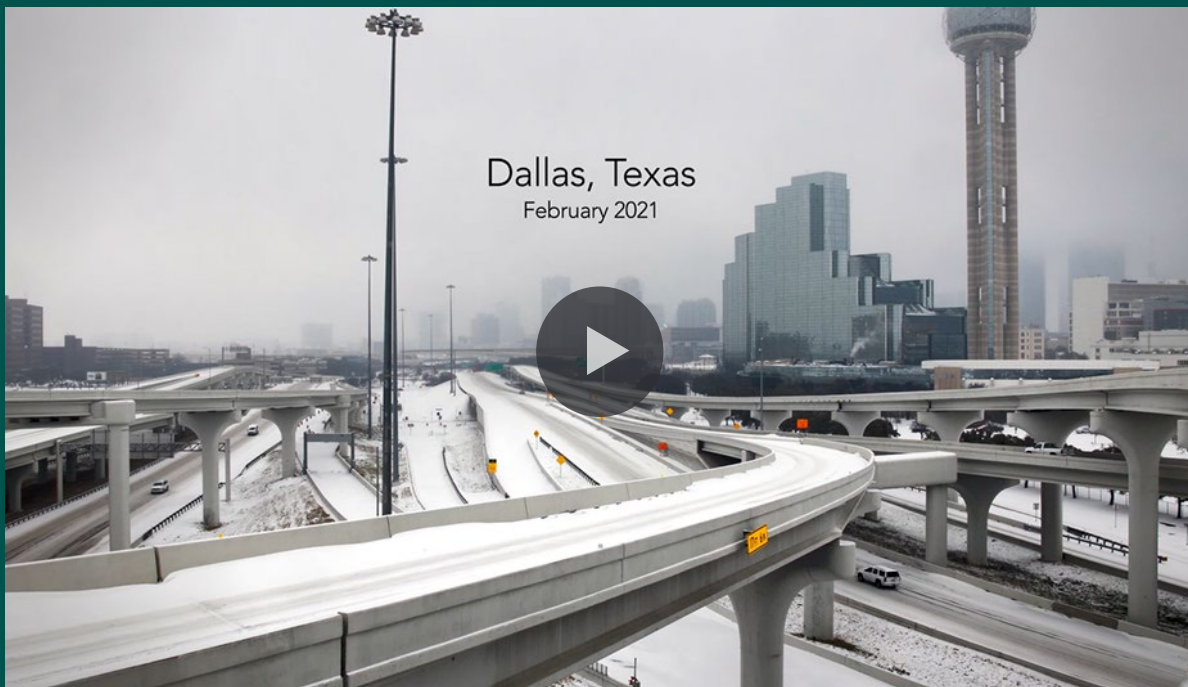
Customer. Focused.

As a mutual company built to serve the needs of our customers, we foster connections that last for generations. We're ardent believers that enduring relationships are grounded in trust. That's why we're thrilled that **one in three Amica customers has trusted us to protect them for more than 20 years.**



We share your interest in securing the things in life you've worked so hard to build. We partner with you to protect your home, help you become a safer driver and reassure you that, should the unexpected happen, we'll be there to assist in any way we can.

And every year brings its own surprises. In 2021, Texas was caught off guard by the historic winter storm and the subsequent freeze events and power outages. The human and economic costs of this event were substantial. Here's one story of how an Amica adjuster was there for a customer during a difficult time.



In times like these, the trust you place in us is put to the test. And in these moments, we have the opportunity to show you that your trust is warranted. We're proud to have employees who go above and beyond for our policyholders.

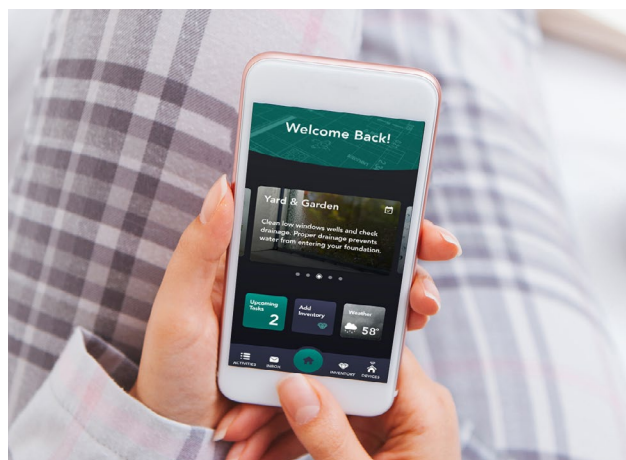
From preventing losses to saving you money, we've got your best interests in mind.



Home Check by Amica™

Owning and maintaining a home is a big responsibility, and all of the tasks can be challenging to keep up with. Let us help you stay ahead of home maintenance so you can focus on enjoying life. Home Check by Amica is a free app you can use to track your home maintenance tasks, inventory your possessions in case of a loss, and receive personalized tips and expert advice to keep your home in top condition.

If you haven't checked it out yet, download the app from the App Store or Google Play today.



Apple and the Apple logo are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc., registered in the U.S. and other countries.

Google Play and the Google Play logo are trademarks of Google LLC.



Photo by Anthony Tieuli/This Old House



Amica teamed up with broadcast pioneer "This Old House" to help people do what's best for their homes. Together, we created several [videos](#) on DIY home maintenance tasks, proactive maintenance tips and the importance of understanding your home insurance policy. Be on the lookout for Amica on PBS, in "This Old House" magazine and as the category-exclusive sponsor of "This Old House" on Roku.

BMW Car Club of America

Did you know Amica is now the official auto, home and life insurance partner of the BMW Car Club of America? Like BMW, Amica has been perfecting its craft for over a century, making this partnership a natural fit. And if you're a BMW Car Club member, you may qualify for a policy discount. If you'd like to learn more, you can call 844-677-7702. And to learn more about the BMW Car Club of America, visit bmwcca.org.



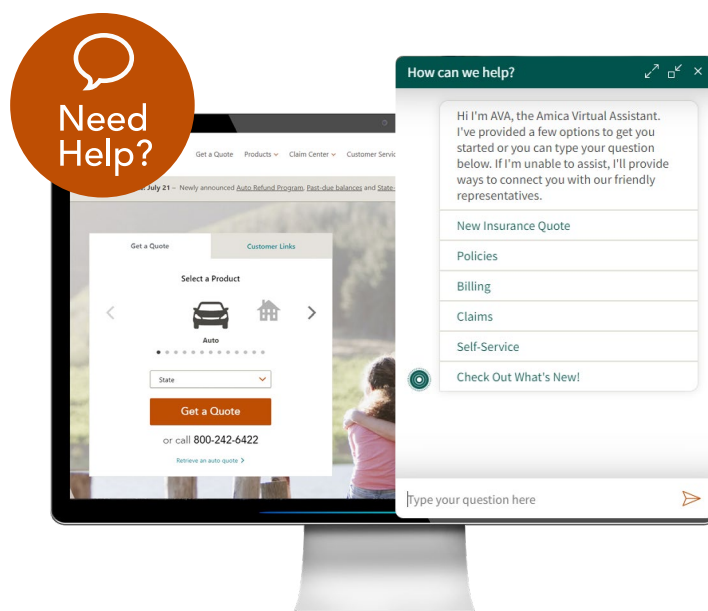


Smarter, safer homes

We're pleased to offer discounts for certain smart home technology, specifically sensors and systems that detect and prevent theft, fire and water loss. These systems can help to avoid costly damage, make homes more energy-efficient and keep people safe. With today's smart home devices reporting instantly to homeowners through their smartphone, the chance of a large loss can be greatly decreased. Amica customers can also get discounts on the purchase of certain smart home products. To learn more, [click here](#).

Amica Virtual Assistant

Have you met AVA, the Amica Virtual Assistant? This industry-recognized tool on Amica.com helps with product information, self-service functionality and other common questions. AVA is available by clicking the orange "Need Help?" button at the bottom-right corner of all Amica.com pages. When you enter your question, AVA will quickly answer or guide you to key information to assist you. When using AVA, you always have the option to speak with a representative. And if you inquire about something that AVA knows it can't assist with, it will automatically direct you to a live agent who can help.



ROCKET Mortgage

In 2021, Amica kicked off a partnership with Rocket Mortgage® that provides customers with a special mortgage benefit. **You can now save \$2,000 on closing costs when you buy a new home or refinance with Rocket Mortgage!** Rocket Mortgage has ranked highest in the country for customer satisfaction in mortgage servicing by J.D. Power for the past eight straight years, 2014-2021. To learn more, [click here](#).

Amica Life

Getting life insurance with Amica is easier than ever before, thanks to our modern and flexible platform. More customers can now qualify for our streamlined underwriting process, which uses data obtained during application to mitigate the need for invasive and time-consuming requirements like lab work and physician statements. We also introduced a process where some applicants can receive an underwriting decision and policy within minutes if they qualify. To learn more about life insurance with Amica, [click here](#).



“We are just so very grateful ... The culture here at Amica is truly a beautiful thing.”

Beth Flanagan
ALS Association of Rhode Island



Community. Focused.

While Amica exists to protect and attend to the insurance needs of our customers, being a responsible and supportive member of the community is also a very important part of who we are. We proudly support hundreds of organizations each year, and we've developed longstanding relationships with many worthy nonprofit organizations.

We focus our giving on causes that promote community well-being and aim to support work that will have lasting, positive impact. From driving improvement in health and human services and education, to supporting basic needs and helping people recover after natural disasters, the scope of our giving is wide.

2021 highlights from our corporate social responsibility program, Amica in the Community:



Mothers Against Drunk Driving® (MADD)

We proudly teamed up with Mothers Against Drunk Driving® (MADD) to support its Power of You(th)® program. As an insurance company, we see firsthand the importance of safe driving practices. For more information about our partnership, which runs through the end of 2025, visit our [Power of You\(th\) page](#).

California wildfires

In response to the wildfires in California, we donated over \$75,000 to relief efforts. This allowed volunteer teams to complete mitigation work that significantly reduces the likelihood and scale of future wildfires.



CEO Soak

We rallied our employees and customers to support the CEO Soak, a reimagined version of the Ice Bucket Challenge, in support of the ALS Association Rhode Island Chapter. Amica was the top fundraising team in the state, collecting nearly \$80,000 for this organization.

Month of Giving

As part of our Month of Giving, Amica partnered with Feeding America. This network of 200 food banks and 60,000 food pantries serves over 40 million people each year. Through employee and public donations, we provided nearly 500,000 meals for those in need.



One of the ways we supported Feeding America during this initiative was through the sharing of our 2021 Thanksgiving e-card. For every share, Amica donated \$1 to the organization. To learn more about our Thanksgiving card, and the artist who painted the image, Jerry Lynn, check out the video to the left.

Our mission is to
create peace of mind
and build
enduring relationships.

Awards and Recognitions

We've delivered on our promise to policyholders for 115 years. As a leading national insurer, we're proud to be recognized for our commitment to them and our employees.



Highest ranking in two J.D. Power studies:

U.S. Home Insurance Study

U.S. Auto Insurance Study, New England Region



Named one of America's Best Midsize Employers and one of America's Best Insurance Companies by Forbes



Rated "Excellent" on Trustpilot,¹ a consumer review website that rates businesses around the world



2021 Providence Business News Best Places to Work in Rhode Island



Certified as one of the best places to work for employees age 50 and over by the Age-Friendly Institute



2021 Guidewire Innovation Award for our Homeowner Physical Damage Desk Review Model



Blue Cross
Blue Shield
of Rhode Island



2021 Exemplary Worksite Health Award from Blue Cross & Blue Shield of Rhode Island and Greater Providence Chamber of Commerce

¹ As of March 31, 2022.

In the year ahead, we look forward to the opportunity to continue serving you. The greatest measure of our success is your satisfaction.

Board of Directors



Patricia W. Chadwick
President, Ravengate
Partners, LLC Age 73.
Director since 1992. 1 (Chair), 3



Jeffrey P. Aiken, J.D.
Attorney-at-law
Age 75. Director since
1993. 1, 2



Ronald K. Machtley
President, Bryant University (Retired)
Age 73. Director since 1999.
1, 4 (Chair)



Barry G. Hittner, J.D.
Attorney-at-law
Age 76. Director since
2000. 1, 3 (Chair)



Michael D. Jeans
President, New Directions,
Inc. (Retired) Age 73.
Director since 2001. 1, 3, 4



Donald Julian Reaves, Ph.D.
Chancellor Emeritus,
Winston-Salem State University
Age 75. Director since 2004. 1, 2



Robert A. DiMuccio
Chairman, President and
Chief Executive Officer,
Amica Insurance Age 64.
Director since 2005. 1



Debra A. Canales
Executive Vice President
and Chief Administrative
Officer, Providence
Age 60. Director since
2012. 1, 4



Jill J. Avery
Senior Lecturer,
Harvard Business School
Age 54. Director since
2015. 1, 2 (Chair)



Debra M. Paul
Chief Executive Officer,
Fellowship Health
Resources, Inc.
Age 58. Director since
2019. 1, 2



Peter M. Marino
President and Chief
Executive Officer,
Neighborhood Health Plan
of Rhode Island
Age 53. Director since
2019. 1, 3



Diane D. Souza
Chief Executive Officer,
UnitedHealthcare Specialty
Benefits (Retired)
Age 69. Director since
2019. 1, 4

Privacy Notice Effective Date: April 1, 2022



Consumers regularly trust Amica with their nonpublic personal information (“NPI”). We take our responsibility to appropriately treat and protect your NPI seriously. This notice explains what NPI we collect, how we collect it and how we protect it.

Summary of Amica’s Privacy Notice

- We collect NPI about you from your application, our transactions with you and from third parties as permitted by law.
- We use your NPI to service your policies and claims and to underwrite and price insurance products that meet your needs as you have described them to us.
- We do not share your NPI with nonaffiliated third parties other than as necessary to service your policy or claim.
- When we disclose your NPI to third parties to perform services for us, we require that they protect the NPI and use it only for the purpose it was disclosed.
- We do not sell your NPI to third parties.
- We maintain physical, electronic and procedural safeguards to protect your NPI.

NPI We Collect About You

- We get most NPI directly from you during the application process or through other transactions with you. This includes, for example, your name and address, Social Security number, payment account information, type of vehicle, and information about other drivers and members in your household.
- We may ask a consumer reporting agency, data provider or other third party for a report about you, for example: a credit-based insurance score; a report about your coverage and claims history with other companies; motor vehicle records; reports that identify other drivers and members in your household; or criminal records. In limited circumstances, we may request an investigative consumer report, which means that the consumer reporting agency will investigate your habits, finances or if you take part in hazardous activities.
- In addition, for life insurance, we may obtain information about your health from medical providers, MIB Group, Inc., or other prescription or insurance databases. We may also obtain information from you about your beneficiaries or others on your policy.

How We Use and Disclose NPI

Amica uses and discloses your NPI only as permitted by law and as necessary to conduct business. For example, we may use your NPI to: service products you have applied for or purchased; process claims; offer you other Amica products; protect against fraud; and comply with legal requirements. For these purposes, we may share your NPI with:

- Claims adjusters, appraisers, auto repair shops, rental companies, contractors, investigators, attorneys and other third-party vendors who provide services in facilitation of your claim
- Your agent
- Your mortgagee, lienholder or finance company
- Our affiliated companies
- Consultants or other service providers that perform business functions for us, such as mailing or marketing services
- Our reinsurance companies
- Businesses that conduct research, including actuarial or underwriting studies
- Other insurance companies
- Consumer reporting agencies (Information that we share with

consumer reporting agencies, including your claims history with us, may be maintained by the consumer reporting agency and disclosed to others as permitted by law.)

- Insurance support organizations
- Medical care institutions and medical providers
- State insurance departments, police or other governmental authorities
- Persons as ordered by subpoena, warrant or other court order, or as required by law

Please note that we do not share information about your creditworthiness with our affiliates for their own everyday business purposes.

How We Safeguard NPI

Amica maintains physical, electronic and procedural safeguards to keep your NPI secure. We limit access to employees who “need to know” to service your policy or claim, and to support our insurance operations. Also, we have an employee Code of Ethics and Confidentiality Policy and a Cybersecurity Policy that require employees to keep confidential all NPI obtained in the course of our business.

Your Rights

You have the right to know what NPI we have about you and to receive a copy upon request. Requests must be mailed to Amica Mutual Insurance Company, P.O. Box 363, Lincoln, Rhode Island 02865. Because of its legal nature, NPI obtained when settling claims or defending lawsuits need not be shared with you.

Within thirty (30) business days of receipt of your written request, we will disclose to you the NPI about you in our files. You may receive a copy at a reasonable charge. We will tell you with whom we have shared your NPI within the past two years, or for the time period required by state law, and we will give you the name and address of any consumer reporting agency that gave us a report about you. Medical records and details about our decisions regarding those records will only be released to your physician or a physician qualified to interpret them.

You may contact Amica if you believe your file should be corrected. Within thirty (30) business days, we will make the change or provide an explanation of our refusal to do so. If we do not make the change, you may send a statement for insertion in your file. Minnesota residents may file an appeal with the Insurance Commissioner. If you ask us to, we will notify persons with whom we have shared your NPI of the change or your statement. With any subsequent sharing of NPI, we will include a copy of your statement.

This Notice applies to prospective, current and former customers of the following Amica Companies:

- Amica Mutual Insurance Company
- Amica Life Insurance Company
- Amica Property and Casualty Insurance Company
- Amica General Agency, LLC
- Amica General Insurance Agency, LLC