

ING FIRM **STANDING FIRM** STANDING FIRM



2021
ANNUAL REPORT

PRESIDENT'S MESSAGE

I'm grateful for the way God has allowed us to stand firm in our support of America's ministries. Over time, we have watched the church grow, pivot, and evolve in the face of tremendous challenges. It compels us to innovate, knowing that ministries will need ongoing support and protection to thrive in a changing world.

During 2021, ministries faced trials from record-setting fires and storms, as well as more complex risks. Brotherhood Mutual came alongside more than 8,600 ministries that suffered catastrophic losses during the year. We were honored to bring hope to those battered by Winter Storm Uri, plagued by wildfires in Colorado and damaged by a trail of tornadoes that swept across Kentucky. These ministries can rebuild, and their congregations will meet under the same roof again.

We also had the honor of supporting ministries during a time of financial uncertainty. Many ministry leaders were unaware that qualifying Christian employers could claim federal tax credits through the Employee Retention Credit program. Early in the year, our payroll services team from MinistryWorks shifted its focus to raising awareness about this measure. We didn't want qualifying Christian churches, schools, and colleges to miss out on thousands of dollars in tax credits. As a result, we helped ministries recover nearly \$70 million, allowing them to continue paying workers and blessing their communities.

Some ministries extend God's blessings far beyond their neighborhoods. Through global outreach, they run schools, hospitals, churches, and other mission activities in other lands. It's part of their plan to share the gospel with the world. Unfortunately, many organizations aren't protected against the risks that come with ongoing foreign operations. Seeing this, we created a solution to close the gap. The Global Mission Protection program lets ministries bring their ministry-focused liability coverage anywhere in the world, regardless of where they're called to go.

Plus, it provides specialized foreign liability coverages backed by the services and support of leading global insurers.

Back at home, we helped make workers' compensation coverage easier on ministry budgets by introducing Pay-Go. It's a free, new benefit for Brotherhood Mutual Workers' Compensation customers who use MinistryWorks payroll services. Pay-Go eliminates the most frustrating parts of workers' compensation coverage, including up-front payments, billing based on estimates, and time-consuming audits. It allows ministries to make smaller, more affordable premium payments over time and automatically generates an audit report for review.

Looking ahead, I'm excited about a new program being funded by the Brotherhood Mutual Foundation in 2022. The Kingdom Advancing Grant supports creative and sustainable initiatives by U.S. churches that other ministries can replicate. It provides grant dollars and mentorship for innovative church programs that increase community engagement, meet practical human needs, or expand a church's impact in the community. Its ultimate goal is to see the gospel shared in new and exciting ways. Read the requirements and apply by visiting brotherhoodmutual.com/kingdom-advancing-grant. The application deadline is May 1, 2022. Grant recipients will be announced in July.

Our desire is that pastors and their teams pick up these ideas and make them their own – to stay inspired and to keep dreaming. We stand with you, supporting your mission of sharing the gospel with the world.



Running together,

A handwritten signature in black ink, appearing to read 'Mark Robison'.

Mark Robison

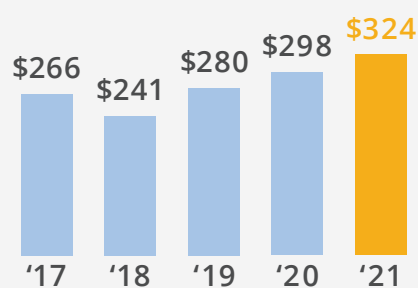
Chairman & President

Brotherhood Mutual Insurance Company

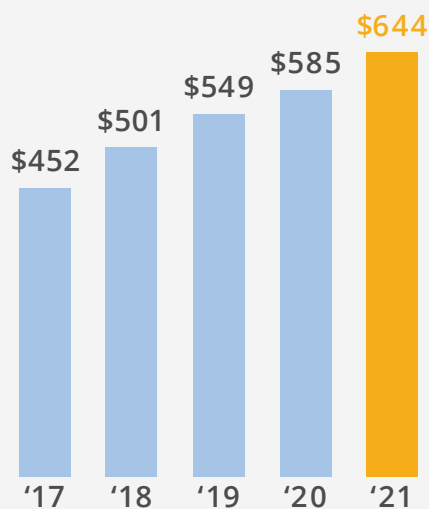
2021 FINANCIALS

2020		2021
\$477,868,108	Premiums Earned	\$518,033,965
(\$323,102,969)	Losses and Loss Expense Incurred	(\$347,718,236)
(\$164,880,656)	Underwriting Expense Incurred	(\$180,975,883)
(\$10,115,517)	Net Underwriting Gain (Loss)	(\$10,660,153)
\$11,495,434	Net Investment Gain	\$21,835,896
\$2,250,160	Other Income	\$1,971,272
(\$1,363,006)	Dividends to Policyholders	(\$1,938,722)
\$1,006,877	Federal Income Taxes	\$324,796
\$3,273,948	Net Income (Loss)	\$11,533,089

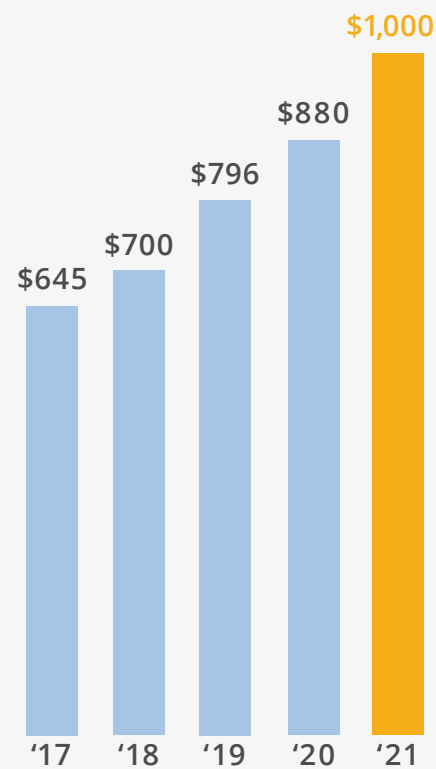
Policyholders' Security Fund



Direct Written Premium



Admitted Assets



(The three charts above are in millions)

Brotherhood Mutual received an A- Insurance Financial Strength Rating from the Kroll Bond Rating Agency and an A- (Excellent) Rating from A.M. Best Report.

FULFILLING OUR PROMISE

In serving Christian ministries, Brotherhood Mutual continues to uphold the Biblical values upon which the company was founded: Be the Leader. Build the Kingdom. Bless the Laborers. We do this every day by living out our mission: Advancing the Kingdom by Serving the Church®.



Brotherhood Mutual insures **more than 65,000 ministries**.



In 2021, we came alongside **more than 8,600 ministries** who suffered a loss, helping them recover and restore, so they could focus on advancing the gospel.



In 2021, we had more than **121,000 policies**.

As we look to the future, we see ourselves exploring even more opportunities to fulfill the scriptural mandate of Galatians 6:2, our founding verse: Bear one another's burdens, and so fulfill the law of Christ. (ESV)

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IN TRIBUTE

We celebrate the lives of three individuals whose service to Brotherhood Mutual spanned five decades. It's impossible to calculate the sum of their contributions. Their faithful dedication to the mission has produced good fruit that will continue blessing ministries for generations to come.



Paul A. Steiner

February 17, 1929 – February 28, 2021
President 1971-1994 | Director 1968-2004
Chairman of the Board 1974-2000
Honorary Director 2004-2009



R. David Boyer

October 31, 1938 – November 3, 2021
Director 1974-2010
Honorary Director 2010-2013



Roland L. Sumney

January 19, 1933 – December 3, 2021
VP & Corporate Secretary 1968-1998
Board of Directors 1966-2008
Honorary Director 2008-2011



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