

Liberty Mutual Group Inc.

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Table Of Contents

Credit Highlights

Outlook

Key Assumptions

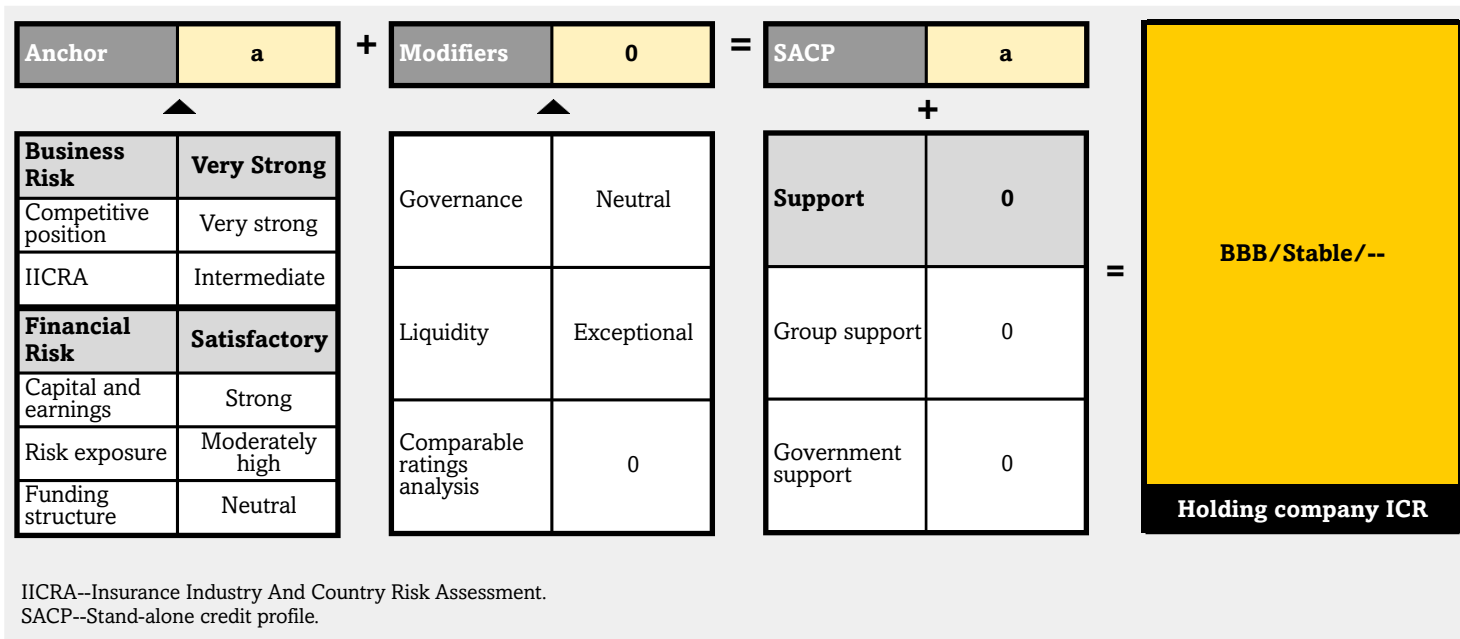
Business Risk Profile

Financial Risk Profile

Other Key Credit Considerations

Related Criteria

Liberty Mutual Group Inc.



Credit Highlights

| Overview | |
|--|---|
| Strengths | Risks |
| Broad diversification by business line with widespread geographic footprint | Capital and earnings volatility due to catastrophe exposure and adverse reserve development |
| Leading market positions nationally in several property/casualty (P/C) lines | Underwriting performance generally in line with P/C industry averages but lagging higher-rated peers' |
| Track record of successfully integrating acquired companies | Capital adequacy managed at lower levels than peers |

Liberty performed relatively well in the first three months of 2022 despite macro headwinds. Benefitted from strong rate increases across the major segments and lower weather-related losses, Liberty Mutual Group Inc. reported a combined ratio of 98.9% as of March 31, 2022, versus 101.5% in the same period a year earlier. While we believe claims inflation will likely persist as the U.S. continues to grapple with supply-chain obstacles, we believe the direct impact on Liberty's earnings will likely be marginal.

We anticipate capital adequacy could falter amid rising interest rates and elevated market volatility, but we believe the company is resilient and can rebuild its balance sheet through earnings generation and capital raisings when needed.

Liberty's capital adequacy, as measured by our capital model, has generally been below that of more highly rated peers. This stems from management's appetite for acquisitions to boost market share in existing lines and, to some extent, tolerance for equity investments. Market volatility, coupled with unrealized loss from its fixed income securities, contributed the pullback in balance sheet total equity in the first three months of 2022. Partially offsetting this is the company's ability to replenish its balance sheet through earnings generation and capital raising. Moreover, the mutual structure (similar to other mutual insurers) helps immunize pressure to return capital to shareholders. We expect the company to manage its capital base with redundancy at the 'A' level through our two-year forecast, which supports the current rating.

Outlook

The stable outlook reflects S&P Global Ratings' expectation that Liberty will perform in line with P/C industry averages, with the group maintaining capital at the 'A' level during the next two years.

Downside scenario

We may lower our ratings if, contrary to our expectations, capital adequacy deteriorates and remains below the 'A' level, or if operating performance metrics deteriorate materially below industry averages.

Upside scenario

It is unlikely that we will raise the ratings in the next 24 months because we believe the group's prospective operating performance and capital adequacy are limited relative to higher-rated peers'.

Key Assumptions

- Real U.S. GDP growth of 2.4% in 2022, and 1.6% in 2023
- Unemployment rate of 3.7% in 2022 and 4.1% in 2023
- Core Consumer Price Index at 7.5% in 2022 and 3.4% in 2023

Source: "Economic Outlook U.S. Q3 2022: The Summer Of Our Discontent," June 27, 2022

Key Metrics

| (Mil. \$) | --Year ended Dec. 31-- | | | | | | | | |
|--|------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|
| | Q1 2022¶ | Q1 2021¶ | 2023* | 2022* | 2021 | 2020 | 2019 | 2018 | 2017 |
| Net premium earned | 10,951 | 10,053 | 46,169 | 44,824 | 41,941 | 39,491 | 38,964 | 37,909 | 35,789 |
| Property/casualty: net combined ratio (%) | 98.9 | 101.5 | 100.2 | 100.2 | 101.8 | 102.9 | 102.8 | 100.2 | 106.7 |
| Net income | 498 | 856 | 1,328 | 1,046 | 3,070 | 760 | 1,038 | 2,161 | 19 |
| Return on policyholders' equity (%) | 7.4 | 13.3 | 4.5 | 3.8 | 11.4 | 3.1 | 4.7 | 10.4 | 0.1 |
| Return on revenue (%) | 6.4 | 7.9 | 4.3 | 4.0 | 9.4 | 1.6 | 3.4 | 7.9 | 0.3 |
| Financial leverage (including NPV of operating leases and pension deficit as debt) (%) | 29.7 | 31.2 | 26.2 | 30.5 | 28.3 | 29.4 | 29.6 | 32.3 | 32.5 |
| EBITDA fixed-charge coverage (x) | 7.6 | 8.2 | 5.4 | 4.8 | 10.2 | 3.1 | 4.6 | 7.9 | 1.8 |
| S&P Global Ratings capital adequacy | A | A | A | A | A | A | A | A | BBB |

*S&P Global Ratings forecasts. ¶As reported.

Business Risk Profile: Very Strong

Liberty benefits from its broad geographic and product diversity, which has enabled it to become the sixth-largest P/C insurer in the U.S. as measured by 2021 direct premiums written. With top 10 market positions in several lines of business nationally, the group has built a resilient business model and continues to grow in its core lines. With the sale of its domestic life operations in 2018 and acquisition of State Auto (SAG) in 2022, the company has increased its focus on U.S. personal and commercial lines, accident and health, global specialty, and international personal lines.

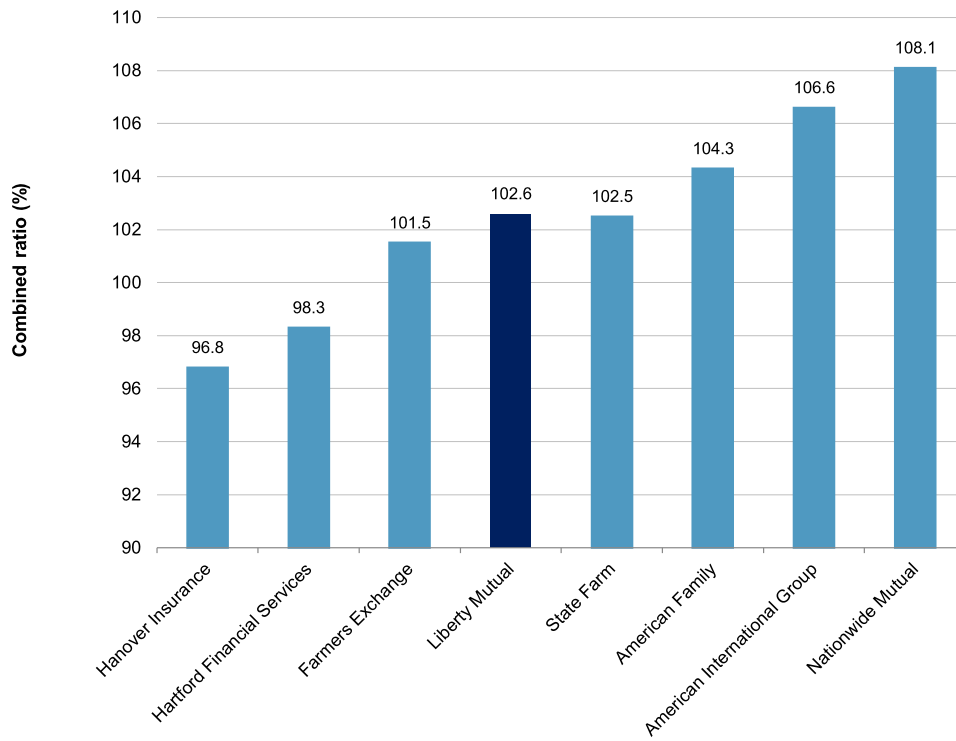
Between 2017 and 2021, Liberty's gross premiums written grew at an average rate of nearly 4%, including a 7% increase in 2021 to reach \$49.8 billion. For the first three months of 2022, net premiums written grew 11.2% to \$11.6 billion compared with \$10.4 billion for the same period in 2021. We expect that premium income growth will be around 7% for 2022 (boosted by the SAG acquisition) before returning to a more moderate rate of 3% in 2023.

For the first three months of 2022, Liberty performed relatively well largely amid lower catastrophe events and strong rate increases. The company reported a combined ratio of 98.9% in the first quarter of 2022, compared with 101.5% for same period in 2021. Catastrophe losses added 6.0 points to the first three months 2022 combined ratio versus 10.4 points in 2021. However, the company reported modest unfavorable reserve development of about 0.1 points. We expect Liberty to generate combined ratios of 100%-101% over our forecast period.

Liberty reported lower net income of \$498 million in the first three months in 2022 compared with \$856 million in the same period in 2021. The decline was largely due to lower limited partnership income reflecting less favorable valuations in private capital investments. Excluding limited partnership income, the company reported higher pretax operating income of \$399 million ending March 31, 2022, compared with \$76 million for the same period of 2021.

Chart 1

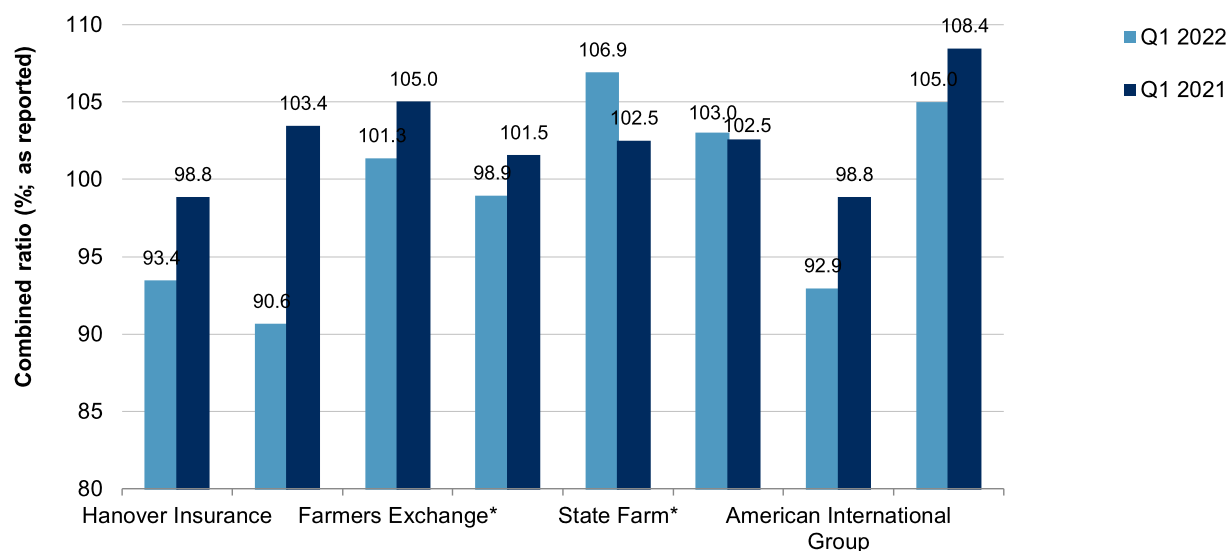
Combined Ratio Peer Comparison Five-Year Average (2017-2021)



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Chart 2

Combined Ratio Peer Comparison at Q1 2022 and Q1 2021(as reported)



*Statutory number from SNL Financial. ¶As reported. Source: SNL Financial.

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Financial Risk Profile: Satisfactory

Recognizing the potential for earnings and capital volatility from catastrophe exposures, Liberty has made efforts to reduce these risks with effective use of reinsurance and catastrophe bonds to protect against losses and other catastrophe loss occurrence. In addition, the company purchased adverse development covers from National Indemnity Co. since 2014 to mitigate some of the possible adverse development of reserves held for long-tail casualty lines. We view favorably the company's clear risk tolerance thresholds to manage exposures, in addition to its willingness to curtail what had been its market-leading position in workers' compensation to manage earnings and capital volatility within its risk appetite.

We expect Liberty to manage capital with redundancy at the 'A' stress level through 2024, assuming no major mergers and acquisitions (M&A). Our expectation of 'A' level capital mainly reflects our expectation of net income of at least \$1.0 billion in 2022 and 2023, which should be supportive of the expected increase in required capital from organic growth. As of March 31, 2022, balance sheet total equity was \$27.8 billion, compared with \$25.7 billion from the same period in 2021.

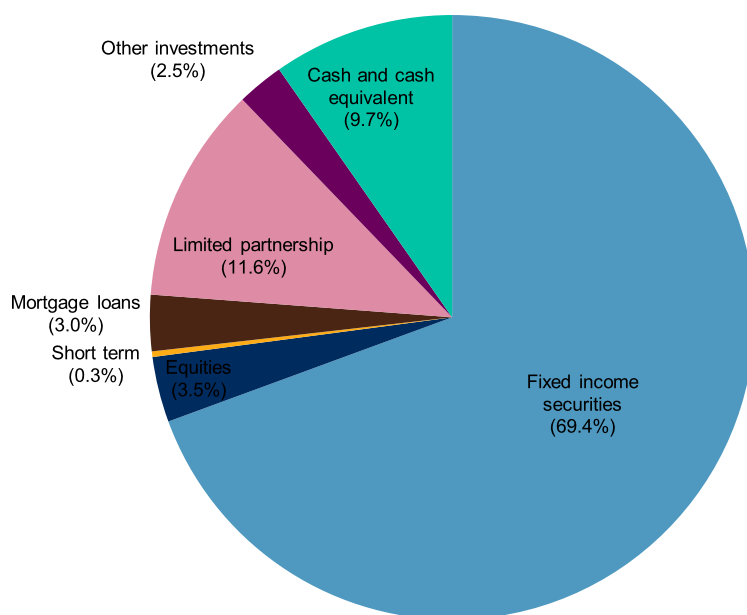
We view Liberty's asset portfolio as prudent for its liability structure. As of March 31, 2022, the group had total invested assets of \$102.4 billion, consisting of fixed-maturity securities (69.4%); limited partnerships, limited liability companies, and other equity method investments (11.6%); cash and short-term investments (10.0%); and equities,

mortgage loans, and other investments (9.0%). Further, investment-grade bonds made up about 91.8% of the total fixed-maturity securities holdings. However, the proportion of goodwill and intangible assets to total equity is relatively high, reducing the contribution of net investment income to overall operating performance as measured by return on revenue.

Although its mutual structure limits its access to equity markets, Liberty has a record of raising capital in the U.S. and European debt markets and has used reinsurance extensively. At year-end 2021, the company's financial leverage was about 28.3% but will likely breach slightly above 30% due to its recent \$1 billion senior debt issuance on June 1, 2022. Its fixed-charge coverage ratio improved to 10.2x in 2021 from 3.1x in 2021 due to higher earnings. For 2022-2023, we expect financial leverage to be 28%-30% and fixed-charge coverage of 4x-5x.

Chart 3

Portfolio Composition For Year-End 2021



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Other Key Credit Considerations

Although Liberty moderated its M&A risk appetite in recent years, the group continues to supplement its organic growth via acquisitions. The most recent example is its acquisition of SAG, which will improve its position in the independent agent distribution channel and increase its presence in the Midwest. Its acquisition of Ironshore in 2017

significantly increased its presence in the U.S. specialty market. The acquisition of Safeco in 2008 contributed to Liberty's transformation to a diversified insurer with personal lines dominating its business mix from a mostly standard commercial-lines player. Consistent with its focus on P/C lines, Liberty sold its domestic life operations (primarily group benefits) to Lincoln Financial in 2018.

Liquidity

Our view of Liberty's liquidity is based on its strong operating cash flow, the subsidiaries' ordinary dividend capacity, and the cash and marketable securities on its balance sheet. The investment portfolio is very liquid, with about 10.0% of invested assets allocated to cash and short-term investments as of March 31, 2022. The group produced strong operating cash flow from continuing operations over the past three years.

Factors specific to the holding company

Liberty and its intermediate holding-company affiliates largely rely on the regulated insurance operating units to meet their debt obligations and other cash requirements, including interest and principal on debt and other expenses. We apply the standard notching between the ratings on the operating companies and the ratings on the holding company to reflect this dependence.

Accounting considerations

Because Liberty is a nonpublic insurance holding company, its insurance subsidiaries are only required to prepare statutory financial statements mandated by state insurance regulators. A combined statutory statement is prepared annually, but this includes foreign subsidiaries and non-P/C operations only on an equity basis. To improve its visibility in the capital markets, Liberty also prepares consolidated generally accepted accounting principles (GAAP) financial statements and management discussion and analysis both quarterly and annually, and voluntarily undergoes the Section 404 attestation process.

We analyze Liberty's operating performance and capital adequacy on a consolidated GAAP basis, thereby capturing its non-U.S. business.

Under generally accepted accounting principles, the company offsets general operation expense with third-party administrative income, installment charges, and fee income (primarily related to the Company's involuntary market servicing carrier operations) in their calculations of the combined ratio. Although S&P Global Ratings recognizes fee income as insurance revenue, we excluded fee income in our calculations of the company's combined ratio for underwriting performance comparability. Subsequently, we reclassified fee income as "other underwriting income" embedded in our calculation of return on revenue.

Environmental, social, and governance (ESG)

ESG Credit Indicators

| | | | | | | | | | | | | | | |
|------------------|-----|------------|-----|-----|-------|------------|-----|-----|-----|-------|------------|-----|-----|-----|
| E-1 | E-2 | E-3 | E-4 | E-5 | S-1 | S-2 | S-3 | S-4 | S-5 | G-1 | G-2 | G-3 | G-4 | G-5 |
| - Physical risks | | | | | - N/A | | | | | - N/A | | | | |

ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicator Definitions And Applications," published Oct. 13, 2021.

Environmental factors are a moderately negative consideration in our credit rating analysis of Liberty. Our credit analysis considers Liberty's global risk--including its homeowner and commercial property businesses--to be prone to natural catastrophes that have led to volatility in earnings. Also embedded in our ratings is the company's capital buffer, which remained within our expectations, though we continue to view Liberty Mutual's capital redundancy as less robust compared with peers'.

Enterprise risk management

As one of the largest U.S. P/C insurers, Liberty has complex risk factors given its diverse products, geographical reach, and appetite for acquisitions. The company's active enhancements on predictive models and use of an economic capital model in decision-making should enable it to quickly identify potential adverse outcomes and respond quickly, supporting its premium growth objective. These risks and the group's active capital management practices lead us to view its enterprise risk management functions as an important factor to the ratings.

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Insurance | General: Insurers Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- Criteria | Insurance | General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model, June 7, 2010

Business And Financial Risk Matrix

| Business risk profile | Financial risk profile | | | | | | | |
|-----------------------|------------------------|-------------|----------|--------------|----------|----------|---------|------------|
| | Excellent | Very Strong | Strong | Satisfactory | Fair | Marginal | Weak | Vulnerable |
| Excellent | aa+ | aa | aa- | a+ | a- | bbb | bb+ | b+ |
| Very Strong | aa | aa/aa- | aa-/a+ | a+/a | a-/bbb+ | bbb/bbb- | bb+/bb | b+ |
| Strong | aa-/a+ | a+/a | a/a- | a-/bbb+ | bbb+/bbb | bbb-/bbb | bb-/bb+ | b+/b |
| Satisfactory | a | a/a- | a-/bbb+ | bbb+/bbb | bbb/bbb- | bb+/bb | bb-/b+ | b/b- |
| Fair | a- | a-/bbb+ | bbb+/bbb | bbb/bbb- | bbb-/bb+ | bb/bb- | b+/b | b- |
| Weak | bbb+/bbb | bbb/bbb- | bbb-/bb+ | bb+/bb | bb/bb- | bb-/b+ | b/b- | b- |
| Vulnerable | bbb-/bb+ | bb+/bb | bb/bb- | bb-/b+ | b+/b | b/b- | b- | b- |

Note: Where table indicates two possible outcomes, we determine the anchor as follows: For financial risk profiles that we assess as satisfactory or stronger, we consider the relative strength of both the business risk and financial risk profiles within the cell. This is based on a holistic assessment of the relative strengths of the rating factors of the business risk profile and financial risk profile. For financial risk profiles that we assess as fair or weaker, we typically place more weight on the relative strength of the rating factors of the financial risk profile.

Ratings Detail (As Of July 21, 2022)*

Liberty Mutual Group Inc.

| | |
|----------------------|---------------|
| Issuer Credit Rating | BBB/Stable/-- |
| Junior Subordinated | BB+ |
| Senior Unsecured | BBB |

Related Entities

America First Insurance Co.

| | |
|---------------------------|-------------|
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |

American Compensation Insurance Co.

| | |
|---------------------------|-------------|
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |

American Economy Insurance Co.

| | |
|---------------------------|-------------|
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |

American Fire & Casualty Co.

| | |
|---------------------------|-------------|
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |

American States Insurance Co.

| | |
|---------------------------|-------------|
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |

Ratings Detail (As Of July 21, 2022)*(cont.)

| | |
|--|-------------|
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| American States Preferred Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Bloomington Compensation Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Colorado Casualty Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Consolidated Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Employers Insurance Co. of Wausau | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Excelsior Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| First Liberty Insurance Corp. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| First National Insurance Co. of America | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |

Ratings Detail (As Of July 21, 2022)*(cont.)

General Insurance Co. of America

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Golden Eagle Insurance Corp.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Hawkeye-Security Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Indiana Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Ironshore Holdings (U.S.) Inc.

Issuer Credit Rating

Local Currency

BBB/Stable/--

Ironshore Inc.

Issuer Credit Rating

Local Currency

BBB/Stable/--

Ironshore Indemnity Inc.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Ironshore Specialty Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Liberty Insurance Corp.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Liberty Insurance Underwriters Inc.

Financial Strength Rating

Local Currency

A/Stable/--

| Ratings Detail (As Of July 21, 2022)*(cont.) | |
|--|--------------|
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Mutual Fire Insurance Co. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Mutual Insurance Co. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/A-1 |
| Subordinated | BBB+ |
| Liberty Mutual Insurance Europe SE | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Mutual Mid-Atlantic Insurance Co. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Northwest Insurance Corp. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Personal Insurance Co. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Issuer Credit Rating | |
| Local Currency | A/Stable/-- |
| Liberty Specialty Markets Bermuda Ltd. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Liberty Specialty Markets Hong Kong Ltd. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |
| Liberty Specialty Markets Singapore Pte. Ltd. | |
| Financial Strength Rating | |
| Local Currency | A/Stable/-- |

Ratings Detail (As Of July 21, 2022)*(cont.)

Liberty Surplus Insurance Corp.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

LM Insurance Corp.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

LM Property & Casualty Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Meridian Security Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Midwestern Indemnity Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Milbank Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Montgomery Mutual Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

Netherlands Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Issuer Credit Rating

Local Currency

A/Stable/--

North Pacific Insurance Co.

Financial Strength Rating

Local Currency

A/Stable/--

Ratings Detail (As Of July 21, 2022)*(cont.)

| | |
|---|---------------|
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Ohio Casualty Corp. | |
| Issuer Credit Rating | |
| <i>Local Currency</i> | BBB/Stable/-- |
| Ohio Casualty Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Ohio Security Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Oregon Automobile Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Patrons Mutual Insurance Co. of CT | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Peerless Indemnity Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Peerless Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Plaza Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Rockhill Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |

Ratings Detail (As Of July 21, 2022)*(cont.)

| | |
|---|---------------|
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Safeco Corp. | |
| Issuer Credit Rating | |
| <i>Local Currency</i> | BBB/Stable/NR |
| Senior Unsecured | BBB |
| Safeco Insurance Co. of America | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Safeco Insurance Co. of IL | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Safeco National Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| State Auto Insurance Co. of Ohio | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| State Auto Insurance Co. of Wisconsin | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| State Automobile Mutual Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| State Auto Property & Casualty Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Wausau Business Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |

Ratings Detail (As Of July 21, 2022)*(cont.)

| | |
|--|---------------|
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Wausau General Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Wausau Underwriters Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| West American Insurance Co. | |
| Financial Strength Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Issuer Credit Rating | |
| <i>Local Currency</i> | A/Stable/-- |
| Domicile | Massachusetts |

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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