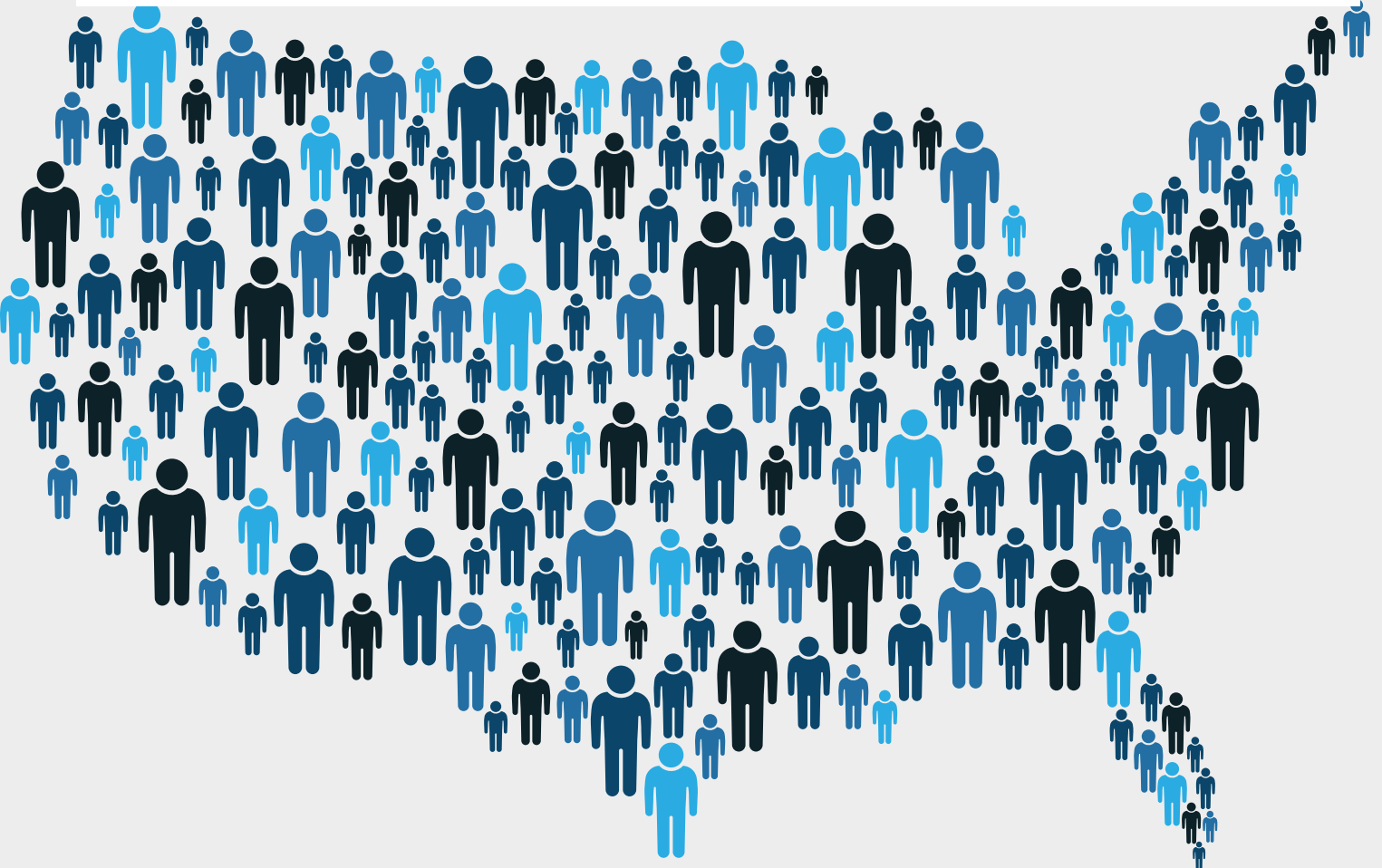


# INDEPENDENT AGENTS' MARKET SHARE HIGHLIGHTS: 2022 UNITED STATES P&C MARKETPLACE

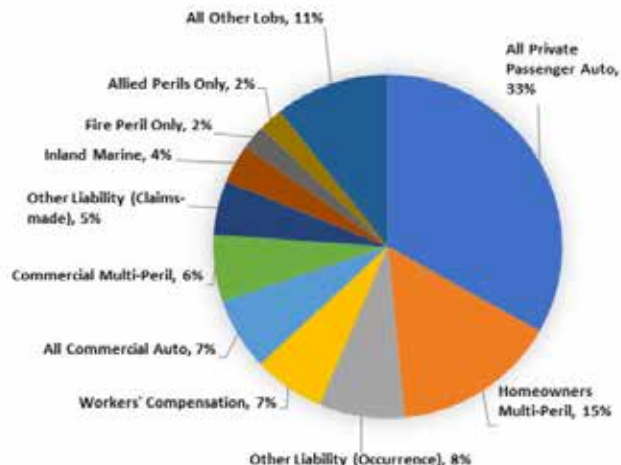
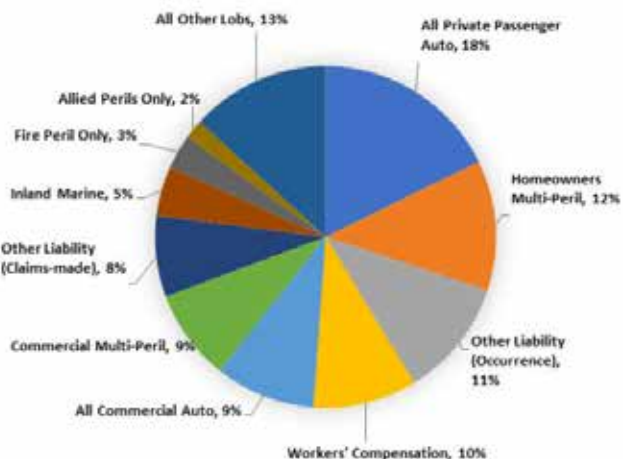


► Members and partners of the Independent Insurance Agents & Brokers of America (The Big “I”) receive the annual Market Share Report free as a member or partner benefit. Information contained in this report is based on data through 2021.

This report graphically and numerically presents the United States property and casualty (P&C) insurance industry data from the independent agent’s perspective. We present key insights and charts from the report.

2021 - United States: Independent Agent Distribution (\$483,695,862,000)

2021 - United States: All Distribution Styles (\$785,288,646,000)



The two pie charts above indicate which lines of business are traditionally written by independent agents. Percentages are based on direct written premium. Both pie charts present the top 10 lines of business, with the percentage of premiums from the remaining 16 traditionally independent agent lines of business combined in the “All

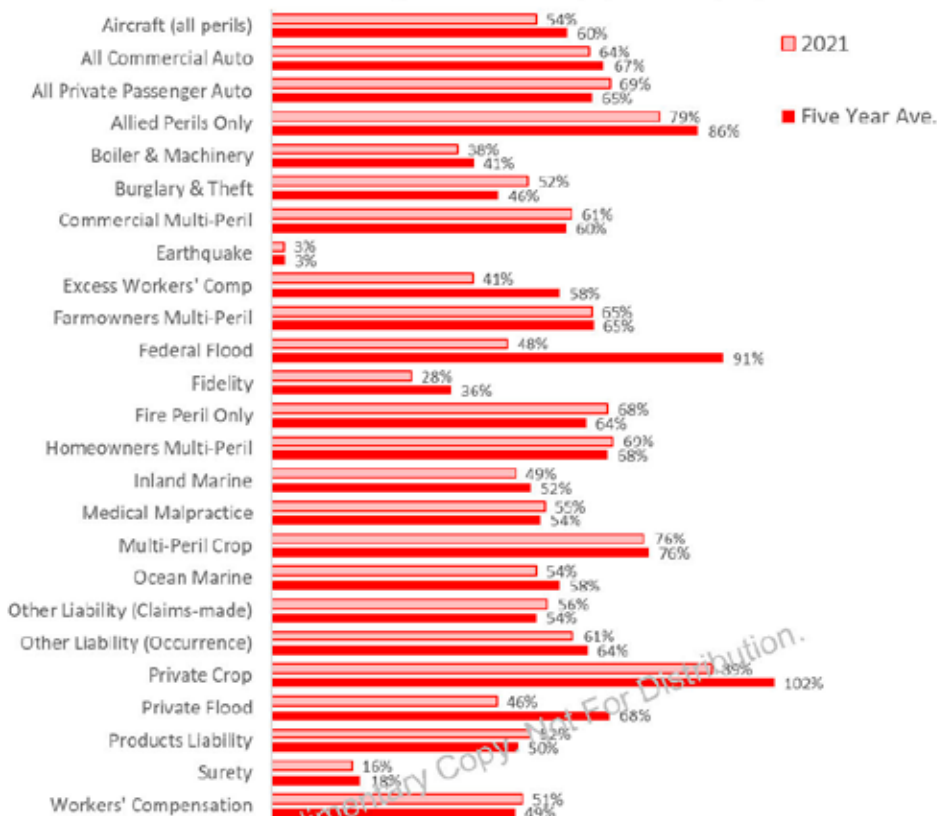
Other LOB” slice.

The pie chart on the left presents the percentage of direct written premiums the listed line of business represents compared to total premiums written by independent agents in the United States. For example, All Private Passenger Auto accounts for 18% of all premiums written by independent agents

in the United States.

The pie chart on the right shows the same lines of business, in the same order, but includes all distribution styles for each line of business presented. For example, All Private Passenger Auto accounts for 33% of all P&C insurance premiums for all distribution types.

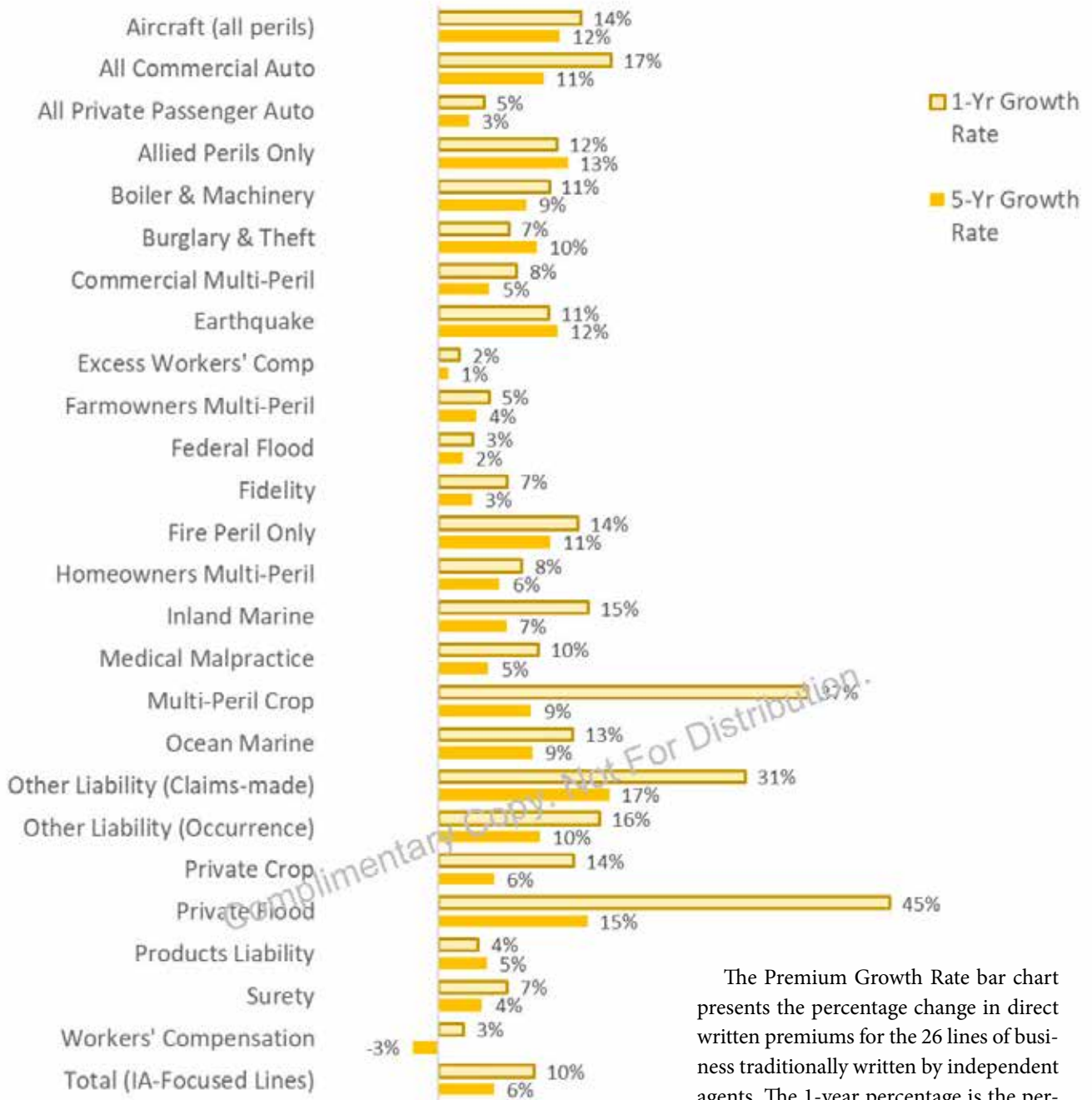
2021 - United States: Adjusted Loss Ratios (1-year and 5-year)



This chart provides loss ratios for the 26 lines of business traditionally written by independent agents. Loss ratios are calculated as “adjusted calendar year loss ratios,” as defined by the formula above.

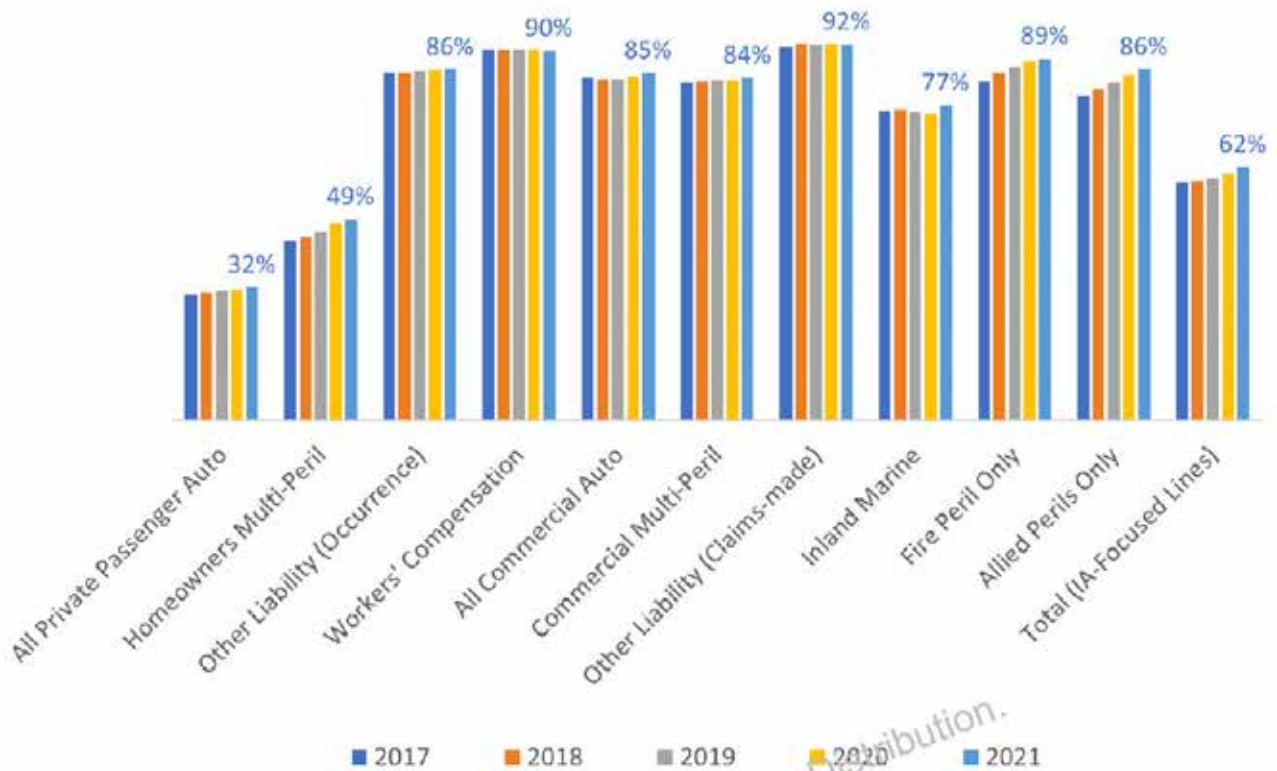
For each line of business, the losses used in the ratio of losses-to-earned-premiums equals the paid losses that year, plus any estimates of future losses that will be paid from claims occurring that year (new reserves), plus any changes in reserves from previous years made in the year calculated (prior reserves). The term “adjusted” applies if and when dividends are paid out under a line of business. When dividends are paid, the loss ratio is adjusted for that cost. The timing of dividend payments is of minimal importance, the adjusted loss ratio and unadjusted loss ratio are nearly the same. However, where dividends are a factor, it is important to include them in the calculation when the loss ratios of different lines of business are compared.

## 2021 - United States: Premium Growth Rates (1-year and 5-year)



The Premium Growth Rate bar chart presents the percentage change in direct written premiums for the 26 lines of business traditionally written by independent agents. The 1-year percentage is the percentage change in premiums from 2020 to 2021. The 5-year growth or retraction rate represents the calculated constant percentage growth or retraction from the first year to the last year on a compounded basis. The Total (IA-Focused Lines) is the average growth rates for the 26 lines of business traditionally written by independent agents.

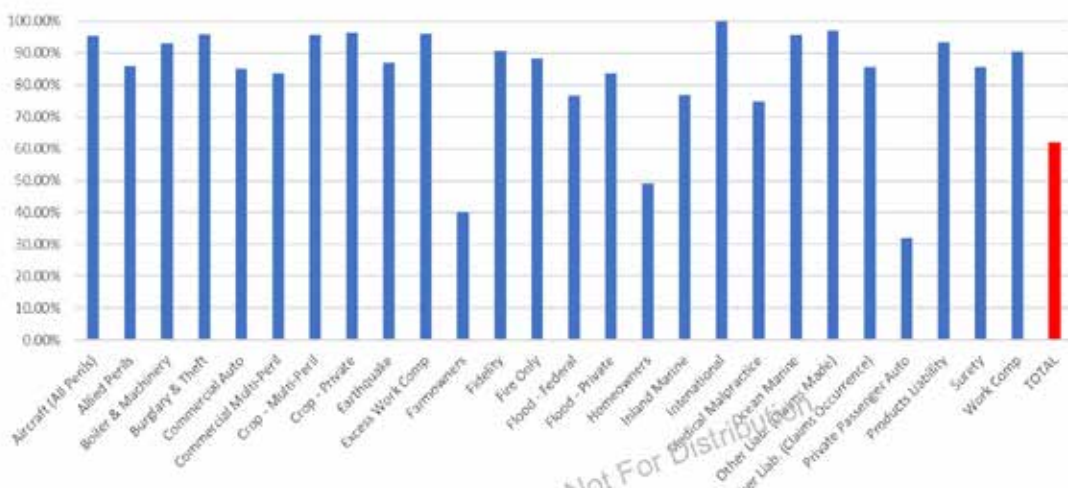
2021 - United States Penetration: Top Independent Agent Lines of Business



The clustered bar chart indicates independent agent penetration trends for the top 10 lines of business in order of total direct written premiums placed through independent agents. The penetration percentages are calculated by dividing premiums written through independent agents by premiums written for all distribution models for each LOB.

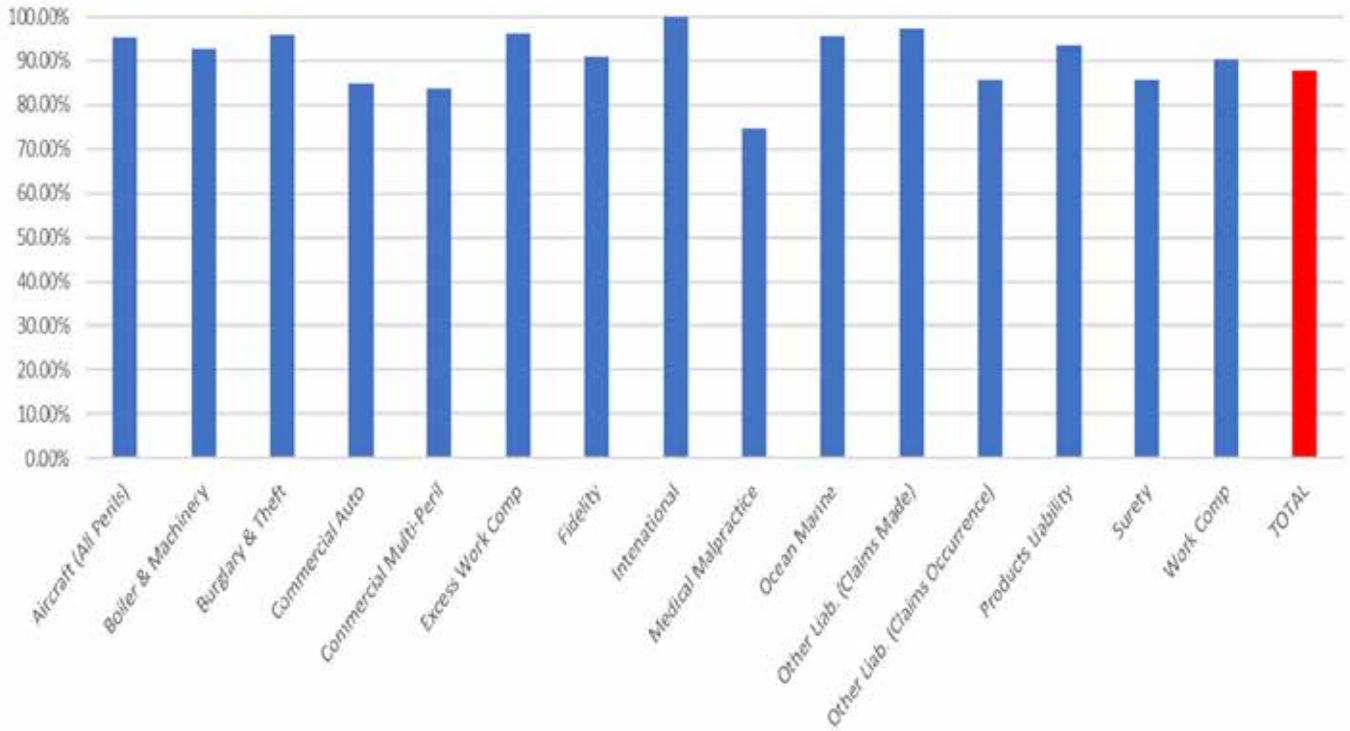
The 1-year and 5-year average penetration is also available for all the lines of business traditionally written by independent agents in the Lines of Business: Product Details in another section of this report. Information on classification of insurers into distribution styles is in Appendix #2: Distribution Style Classifications.

Chart 1: 2021 IA Percentage - All P&C Lines

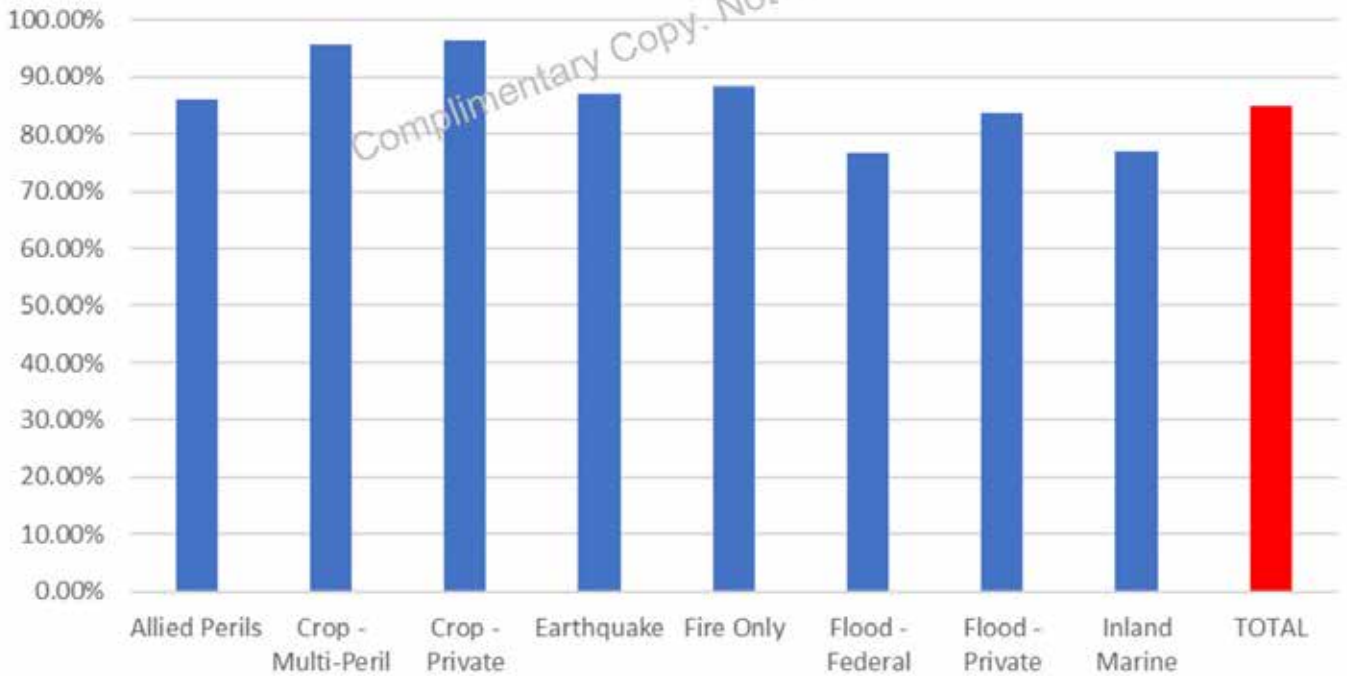


Independent agent penetrations vary by LOB. The four following charts graphically present the market penetration of independent agents in 2021. Chart 1 illustrates all 26 LOBs traditionally written by independent agents. Chart 2 focuses on personal lines, Chart 3 focuses on commercial lines and Chart 4 focus on LOBs that cannot easily be specifically classified as either personal or commercial lines.

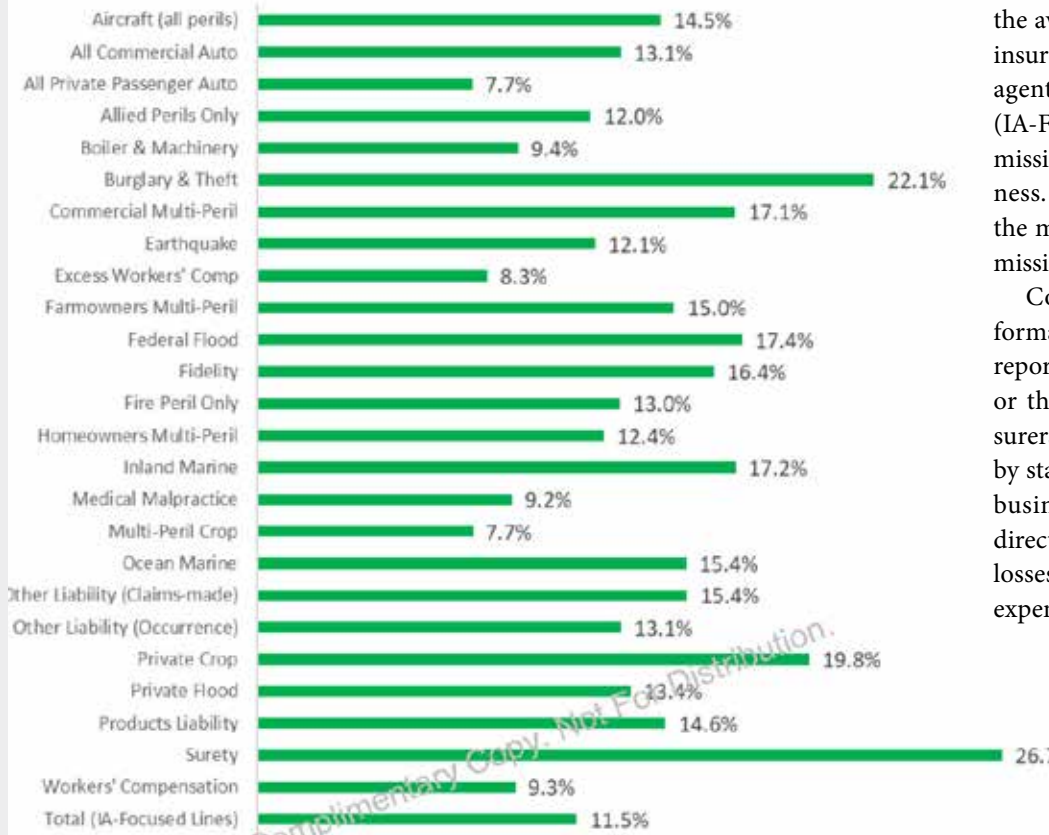
**Chart 3: 2021 IA Percentage - Commercial Lines**



**Chart 4: 2021 IA Percentage - Other / Unclassified**



2021 United States: Commission Rates (Ranked by IA Top Lines of Business)

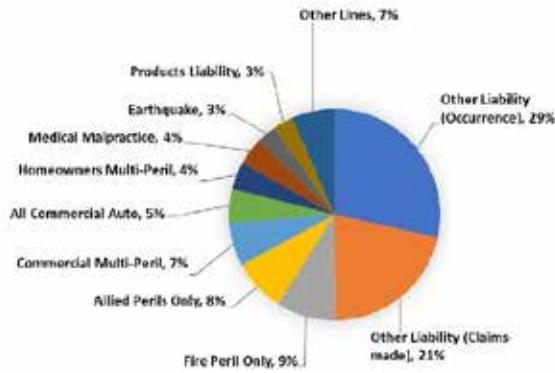


The Commissions bar chart illustrates the average commission rates paid by all insurers for each of the 26 independent agent-focused lines of business. "Total (IA-Focused Lines)" is the average commission paid overall on all lines of business. The formula above demonstrates the methodology used to calculate commission percentages.

Commission rates are based on information found within insurer annual reports' Exhibit of Premiums and Losses or the state's page. On these pages, insurers are required to break out all LOBs by state and provide data on each line of business for direct written premiums, direct earned premiums, direct incurred losses, and commissions and brokerage expenses.

Surplus Lines: Top Lines, Premiums and Utilization Rate

2021 - United States: Surplus Lines - Lines of Business



2021 - United States: Surplus Lines - Premium Trend



Surplus lines premiums, combined with admitted insurance premiums, were included in all preceding charts, graphs and tables. The pie chart and graphic above break out surplus lines premiums allowing them to be reported separately.

The pie chart illustrates the lines of business in which surplus lines carriers write the greatest percentage of premiums. The graph illustrates the total direct

written premiums in surplus lines, and the percentage those total direct written premiums account for in relation to all direct written premiums.

Both the graph and chart present premiums only for insurers domiciled in one of the 50 states or Washington, D.C., that write surplus lines insurance. These insurers' premiums were identified by their licensed status. Premiums of alien insurers,

those not domiciled in one of the states or Washington,

D.C., are not included in the above data. Inclusion of premiums written by alien insurance carriers would increase surplus lines premiums by approximately 10%. Alien insurer data is not included because the data is not tracked consistently across states. Lloyd's of London is an example of an alien surplus lines insurer.