UFG INSURANCE INVESTOR PRESENTATION

MARCH 2021

Forward-Looking Statements

This presentation may contain forward-looking statements about our operations, strategic plan, expensive initiatives, anticipated performance and other similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor under the Securities Act of 1933 and the Securities Exchange Act of 1934 for forward-looking statements. The forward-looking statements are not historical facts and involve risks and uncertainties that could cause actual results to differ from those expected and/or projected. Such forward-looking statements are based on current expectations, estimates, forecasts and projections about the Company, the industry in which we operate, and beliefs and assumptions made by management. Words such as "expect(s)," "anticipate(s)," "intend(s)," "plan(s)," "believe(s)," "continue(s)," "seek(s)," "estimate(s)," "goal(s)," "remain(s) optimistic," "target(s)," "forecast(s)," "project(s)," "predict(s)," "should," "could," "may," "will," "might," "hope," "can" and other words and terms of similar meaning or expression in connection with a discussion of future operations, financial performance or financial condition, are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements. Information concerning factors that could cause actual outcomes and results to differ materially from those expressed in the forward-looking statements is contained in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission ("SEC") on February 26, 2021. The risks identified in our Annual Report on Form 10-K and in our other SEC filings are representative of the risks, uncertainties, and assumptions that could cause actual outcomes and results to differ materially from what is expressed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release or as of the date they are made. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

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UFG Insurance Profile

Company profile

- Founded in 1946, Super Regional Property/Casualty Insurer, also write Surety, Excess and Surplus, and assumed reinsurance.
- Headquartered in Cedar Rapids, Iowa, with approximately 1,100 employees nationwide.
- Listed on the Nasdaq (UFCS)
- Paid quarterly dividends every quarter since March 1968
- Licensed in 50 states and the District of Columbia.
- UFG conducts its business exclusively through an independent agency force of approximately 1,000 P&C agencies.
- Placed on July 2019 *Best's Review* list of Top 200 U.S. Property/Casualty Underwriters
- UFG has been named to the 2019 list of Five Star Carriers by *Insurance Business America* for the fourth time

Competitive advantages

- Strong consolidated balance sheet
- Exceptional customer service
- Superior loss and claims control services
- Local/Regional market expertise
- Strong agency relationships

Financial strength ratings

•P&C rated "A" (Excellent) by A.M. Best for the 27th consecutive year

($ in millions)	12/31/20	12/31/19
Assets	$3,070	$3,013
Policyholder Surplus	$672	$708
GAAP Equity	$825	$910

For more information, please visit our website at www.ufginsurance.com

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Strategic Plan: "One UFG boldly forward"

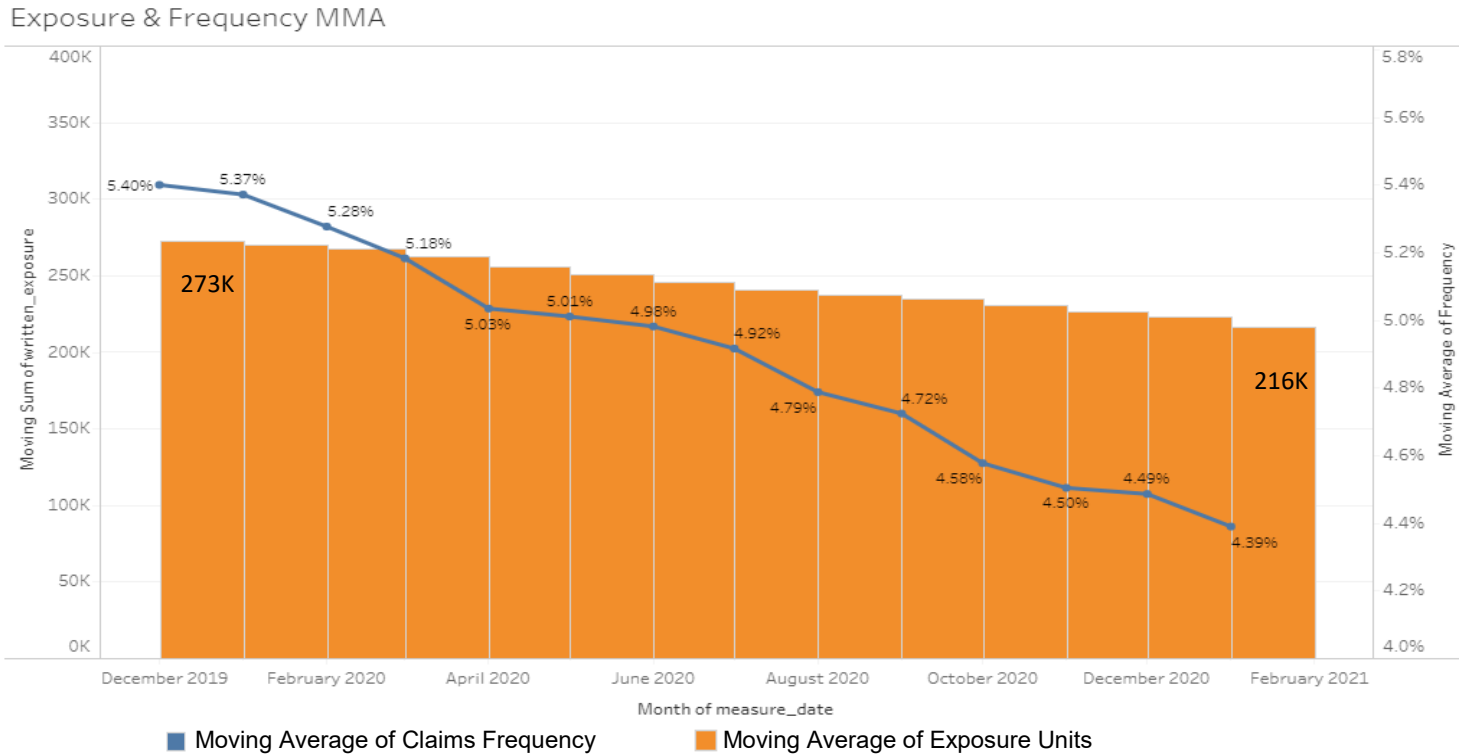
- Several initiatives aimed at long-term profitability, diversification and growth in profitable lines, and innovation.
- Portfolio management initiatives include diversifying our book of business and targeting attractive markets and products.
  - Includes reducing size of commercial auto book by non renewing underperforming accounts and reducing the number of commercial auto exposure units.
  - Growth in profitable lines: E&S, surety and assumed reinsurance.
- Underwriting initiatives include rate increases and focusing on consistency across regional branches.
- Claims initiatives include shorting cycle time, reducing legal expenses and the impact of litigation.
- Expansion of analytics capabilities.

Pricing & Retention Strategy

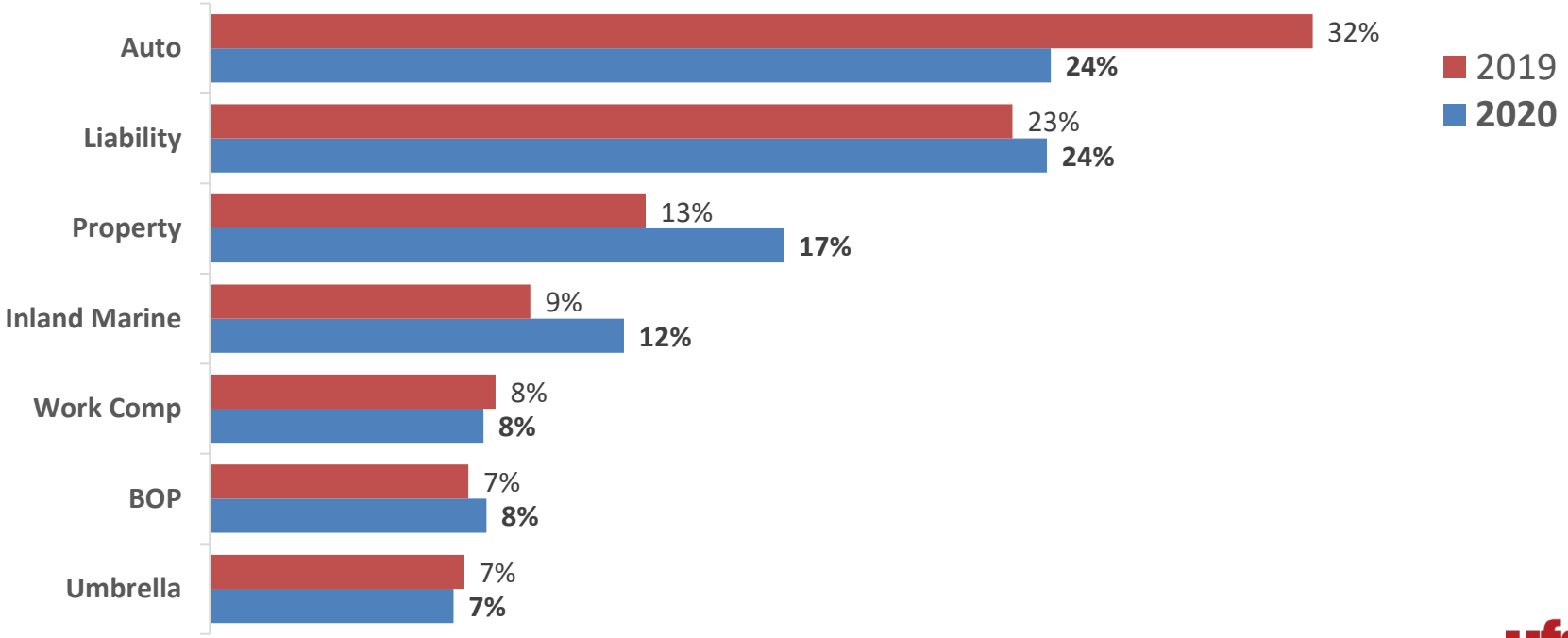
- Primarily focused on commercial auto, property, umbrella
- Auto – unit reduction, rate increase
- Property – rate increase, reduce undesirable exposures
- Umbrella – rate increase, limits reduction

Commercial Auto Moving Average Frequency and Exposure Units

Frequency down 19%, Exposure down 21%

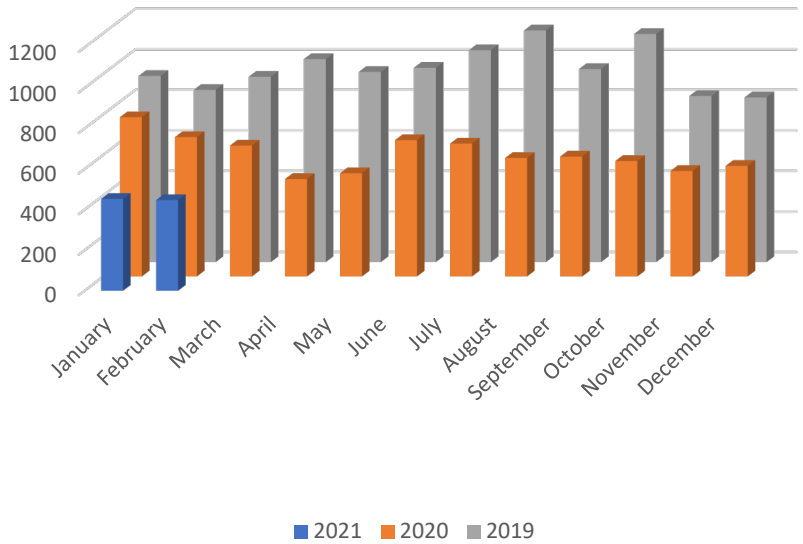


New Business Premium Breakdown

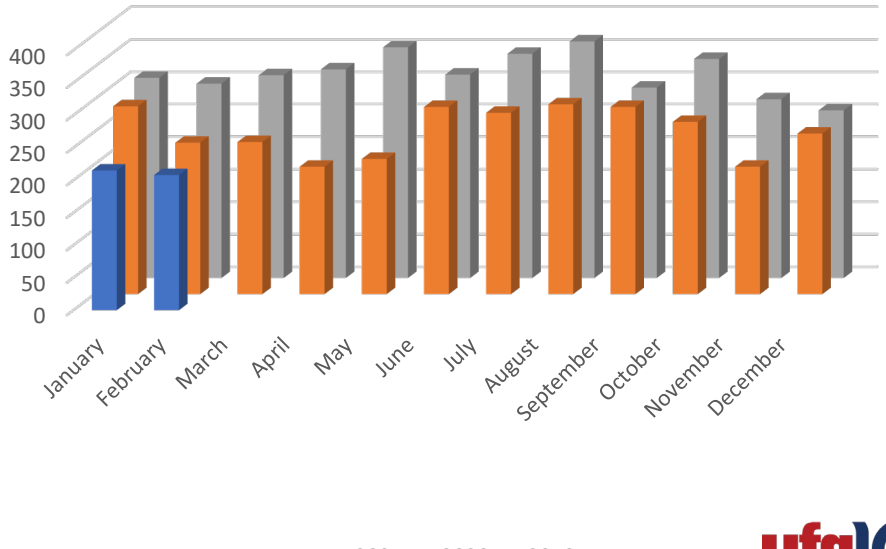


Claim Counts of Major Commercial Casualty Lines

CA BI+PD Liability Claims Counts
Claims down 39% Feb YTD 2021 vs Feb YTD 2020

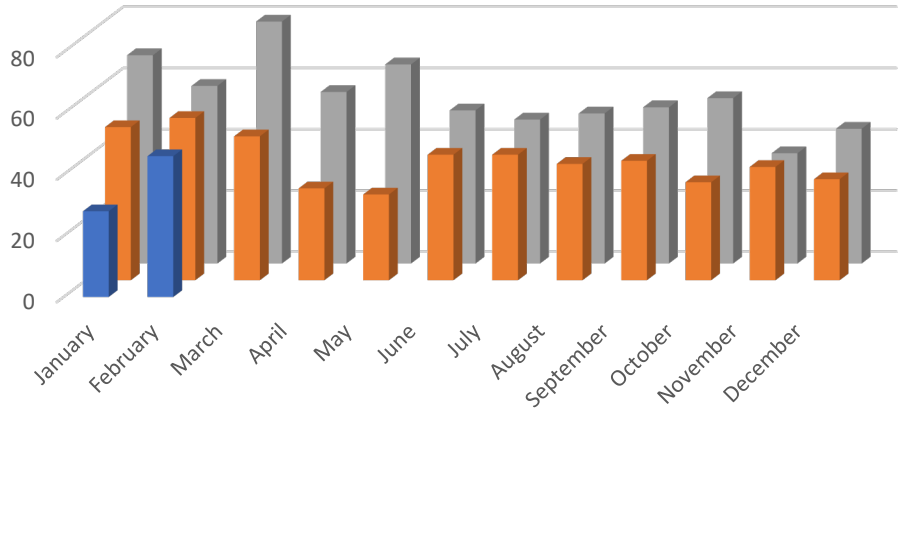


CGL BI+PD Liability Claims Counts
Claims down 19% Feb YTD 2021 vs Feb YTD 2020

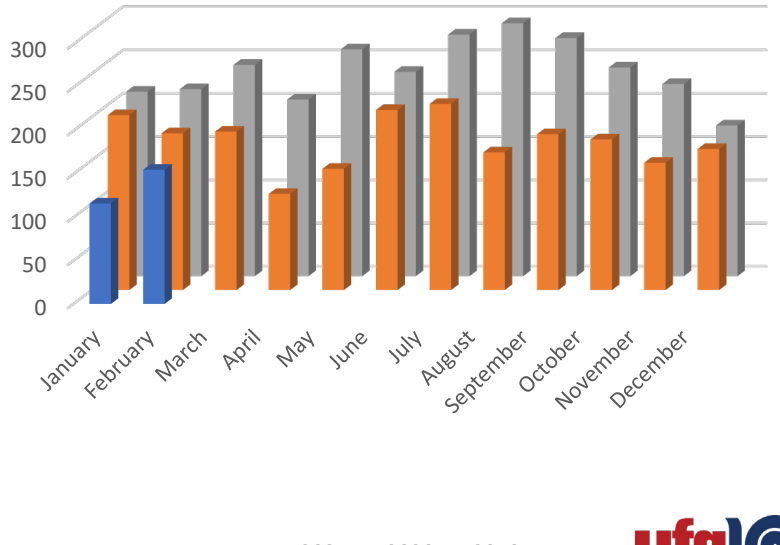


Claim Counts of Major Commercial Casualty Lines

BOP Liability Claims Counts
Claims down 28% Feb YTD 2021 vs Feb YTD 2020



Work Comp Claim Counts
Claims down 29% Feb YTD 2021 vs Feb YTD 2020



2021 Notables

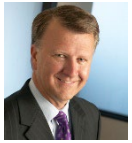
- Texas winter storm event (February 2021)
  - Significant CAT event for UFG based on initial estimates
  - Reminder: UFG CAT loss retention is $20 million per event

- Expense initiatives
  - Agent commission structure adjustments
  - Employee retirement benefit plan design changes
  - Vendor management office

APPENDIX

EXECUTIVE OVERVIEW

Management



RANDY A. RAMLO

President/Chief Executive Officer
Years at UFG: 36
Years in industry: 36

- Directs and monitors the business operations and business segments
- Oversees the implementation of corporate policies on a day-to-day basis
- 1984: Joined company as an underwriter
- 1996 to 2001: Commercial underwriter
- 2001: Named VP, Surety
- 2004: Appointed EVP, United Fire Group
- 2007: Appointed president and CEO
- BA from University of Northern Iowa
- Professional designations: ARM, CPCU, AIM and AFSB
- Board member – Cedar Rapids Metro Economic Alliance
- Board of Trustees – Cedar Rapids Public Library; The Iowa College Foundation; Eastern Iowa Branch of the Juvenile Diabetes Research Foundation International
- Member: CPCU Society and Surety Association of Iowa; Executive Council of the University of Northern Iowa School of Business



MICHAEL T. WILKINS

Executive Vice President / Chief Operating Officer
Years at UFG: 35
Years in industry: 35

- Responsible for development of information technology
- Oversees all regional P & C operations
- 1985: Joined UFG as computer programmer
- 1990 to 1998: Product support manager
- 1998: Named VP of Central Plains regional office
- 2002: Named VP of administration
- 2007: Appointed EVP
- 2014: Named Chief Operating Officer
- BS and MBA from University of Iowa
- Professional designations: ARP, CPCU
- Board member: Four Oaks and NXT Bank
- Member: CPCU Society, University of Iowa Vaughan Institute of Risk Management and Insurance Advisory Board



DAWN M. JAFFRAY

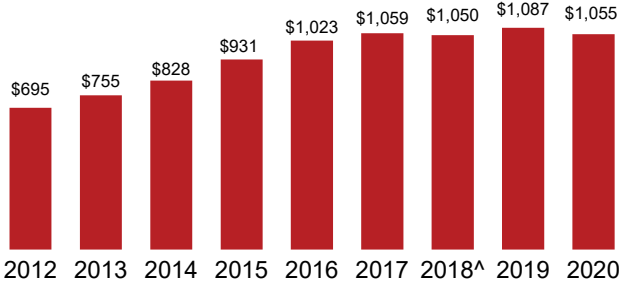
Executive Vice President / Chief Financial Officer
Years at UFG: 6
Years in industry: 27

- Directs Financial Strategy, SEC Reporting, Actuarial and Forecasting
- Directs Capital, Treasury & Investor Relations
- Oversees ERM, Rating Agency and Regulatory
- Bachelor of Commerce = Finance/Accounting from University of Windsor School of Business
- Professional designations: Chartered Professional Accountant (CPA) and Certified General Accountant (CGA), Certified Investor Relations Officer
- Member: City of Cedar Rapids- Downtown Self-Supporting Municipal Improvement District Commission

UFG Insurance – Financial Facts

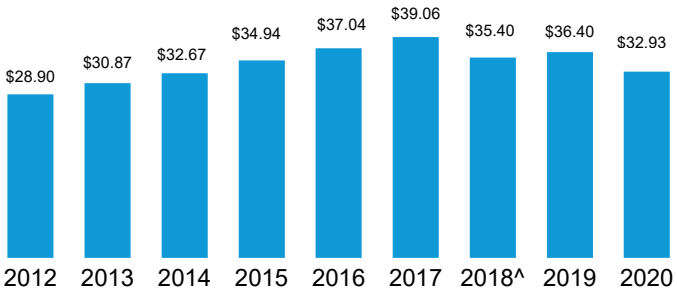
Net premium earned

($ in Millions)



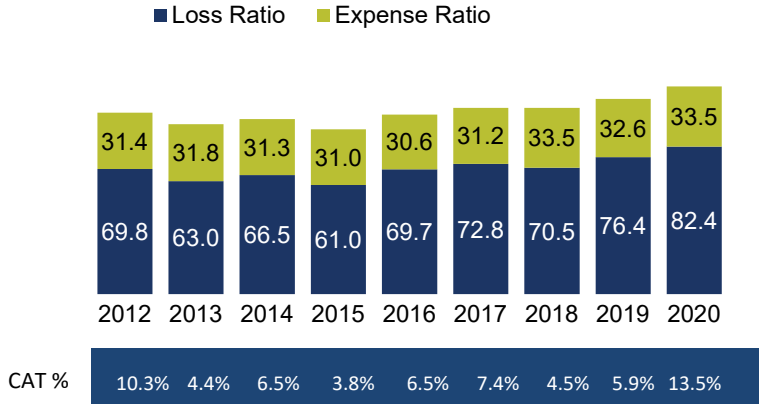
^Prior years and the first quarter of 2018 include premiums from United Life Insurance Company which was sold on March 30, 2018

Book value per share



^Includes $3 Special Dividend in Aug 2018

Combined Ratio



UFG Insurance – Financial Facts

($ in millions)

Direct written premiums: property and casualty insurance

STATE	FIRE/ALLIED LINES	HOME OWNERS	COMMERCIAL MULTI-PERIL	INLAND MARINE	WORKERS' COMP	OTHER LIABILITY	PRODUCT LIABILITY	PRIVATE AUTO	COMMERCIAL AUTO	OTHER	2020 YTD	% OF 2020 TOTAL	2019 TOTAL	% OF 2019 TOTAL
Texas	$32.2	$4.6	$6.0	$13.5	$3.2	$49.6	$15.7	$5.4	$58.4	$4.2	$192.8	18.1%	$205.5	18.0%
California	$9.5	$0.0	$7.8	$5.0	$0.0	$40.8	$15.3	$0.0	$29.1	$19.7	$127.2	11.9%	$129.8	11.4%
Iowa	$10.8	$3.2	$5.5	$5.6	$19.5	$14.7	$4.1	$4.4	$17.6	$5.8	$91.2	8.6%	$96.0	8.4%
Missouri	$10.1	$1.1	$5.6	$4.6	$3.6	$17.0	$4.5	$0.9	$23.1	$2.0	$72.5	6.8%	$73.8	6.5%
New Jersey	$6.9	$5.5	$8.8	$1.4	$5.8	$10.1	$1.2	$0.0	$13.2	$0.5	$53.4	5.0%	$51.6	4.5%
Colorado	$3.1	$0.8	$2.9	$2.6	$0.0	$12.1	$9.8	$1.1	$12.1	$1.9	$46.4	4.4%	$55.0	4.8%
Louisiana	$5.2	$4.8	$1.4	$3.9	$0.0	$11.3	$1.9	$0.0	$16.1	$0.6	$45.2	4.2%	$46.9	4.1%
Illinois	$4.5	$0.5	$1.8	$1.8	$7.2	$11.5	$1.5	$0.6	$8.3	$1.9	$39.6	3.7%	$40.5	3.5%
Minnesota	$3.9	$1.0	$1.9	$2.6	$6.2	$6.9	$3.7	$0.7	$10.1	$2.5	$39.5	3.7%	$47.9	4.2%
South Dakota	$6.7	$1.1	$2.3	$1.8	$4.8	$5.3	$2.2	$1.6	$7.4	$2.0	$35.2	3.3%	$35.0	3.0%
All Others	$46.3	$5.1	$17.9	$16.9	$20.4	$77.9	$23.3	$7.1	$89.2	$18.2	$322.3	30.3%	$361.4	31.6%
2020 YTD	$139.2	$27.7	$61.9	$59.7	$70.7	$257.2	$83.2	$21.8	$284.6	$59.3	$1065.3	100.0%	$1143.4	100.0%
% of 2020 Total	13.1%	2.6%	5.8%	5.6%	6.6%	24.1%	7.8%	2.1%	26.7%	5.6%	100.0%			
2019 Total	$144.9	$39.3	$64.4	$63.0	$84.5	$245.2	$96.0	$32.0	$326.4	$47.7	$1143.4			
% of 2019 Total	12.7%	3.4%	5.6%	5.5%	7.4%	21.5%	8.4%	2.8%	28.5%	4.2%	100.0%			

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P & C Geographic Footprint



Regional Underwriting Offices in Cedar Rapids, Iowa (corporate headquarters); Denver, Colorado; Houston, Texas; Princeton, New Jersey; and Sacramento, California.

Headquartered in Cedar Rapids, Iowa, we are represented by independent agents throughout the country in 49 states, plus the District of Columbia. The states shaded light blue, plus the District of Columbia, are currently licensed and able to write surety bonds only.

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