2022 SECOND QUARTER EARNINGS CONFERENCE CALL

AUGUST 4, 2022

Consolidated Financial Results – Highlights

	2Q2022	2Q2021	YTD2022	YTD2021
Net income (loss) per diluted share	$ (0.42)	$ 0.54	$ 0.70	$ 1.28
Net investment gains (losses) per diluted share	$ (0.66)	$ 0.19	$ (0.67)	$ 0.95
Adjusted operating income per diluted share	$ 0.24	$ 0.35	$ 1.37	$ 0.33
GAAP combined ratio	100.7%	100.8%	95.0%	104.3%
Book value per share			$ 31.00	$ 33.42
Return on equity			4.3%	7.8%

ufg INSURANCE

Property and Casualty Business Highlights

- **Q2 2022 Results**
  - Combined ratio of 100.7% in Q2 2022 compared to 100.8% in Q2 2021
  - Core loss ratio improved 1.8 percentage points to 57.1% in Q2 2022 as compared to Q2 2021
  - Commercial auto loss ratio in Q2 2022 deteriorated 13.7 percentage points as compared to Q2 2021 due to higher amount of IBNR reserves released in 2021
  - Prior accident year favorable reserve development $8.6M in Q2 2022 compared to favorable reserve development of $1.8M in Q2 2021
    - Favorable reserve development for the current quarter was driven by our commercial auto line of business and other liability line of business, partially offset by workers' compensation and commercial fire & allied lines of business
  - Catastrophe losses added 12.1 percentage points to the combined ratio in Q2 2022 compared to 9.6 percentage points in Q2 2021. Historical average for catastrophe losses in second quarter is 11.1 percentage points added to the combined ratio
  - Net premiums earned in Q2 2022 were $231.3M, an increase of 2.9% over Q2 2021 primarily due to growth in our specialty and assumed reinsurance lines of business, aligned with our strategic plan

Property and Casualty Business

Strategic Plan: "One UFG boldly forward"

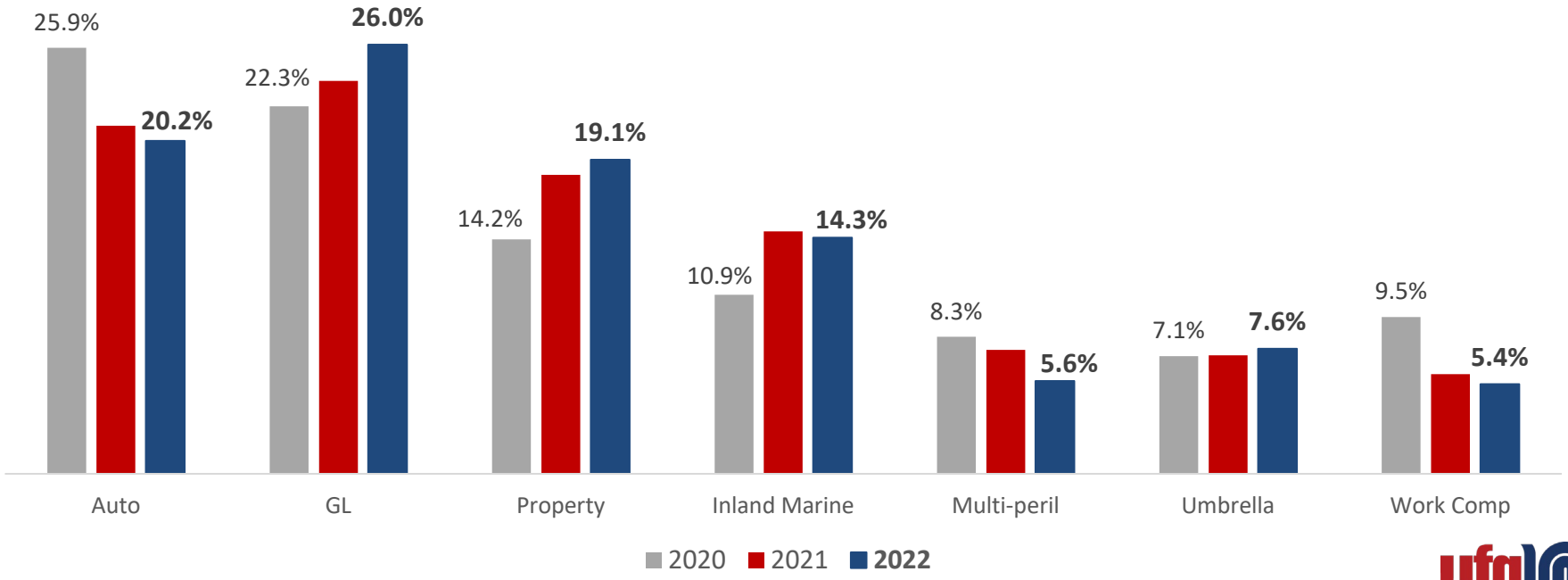
- Several initiatives aimed at long-term profitability, diversified growth, and continuous innovation
- Portfolio management initiatives include diversifying our book of business and targeting attractive markets and products
  - Includes reducing size of commercial auto book by non renewing underperforming accounts and reducing the number of commercial auto exposure units
  - Growth in profitable lines: E&S, surety and assumed reinsurance
- Underwriting initiatives include targeted rate increases with continued focus on commercial auto, commercial property and umbrella. Also, a focus on commercial property risk selection and umbrella limits management. Overall, pursuing profitable growth opportunities.
- Claims initiatives include shorting cycle time, reducing legal expenses and the impact of litigation
- Expansion of analytics and digital capabilities

ufg INSURANCE

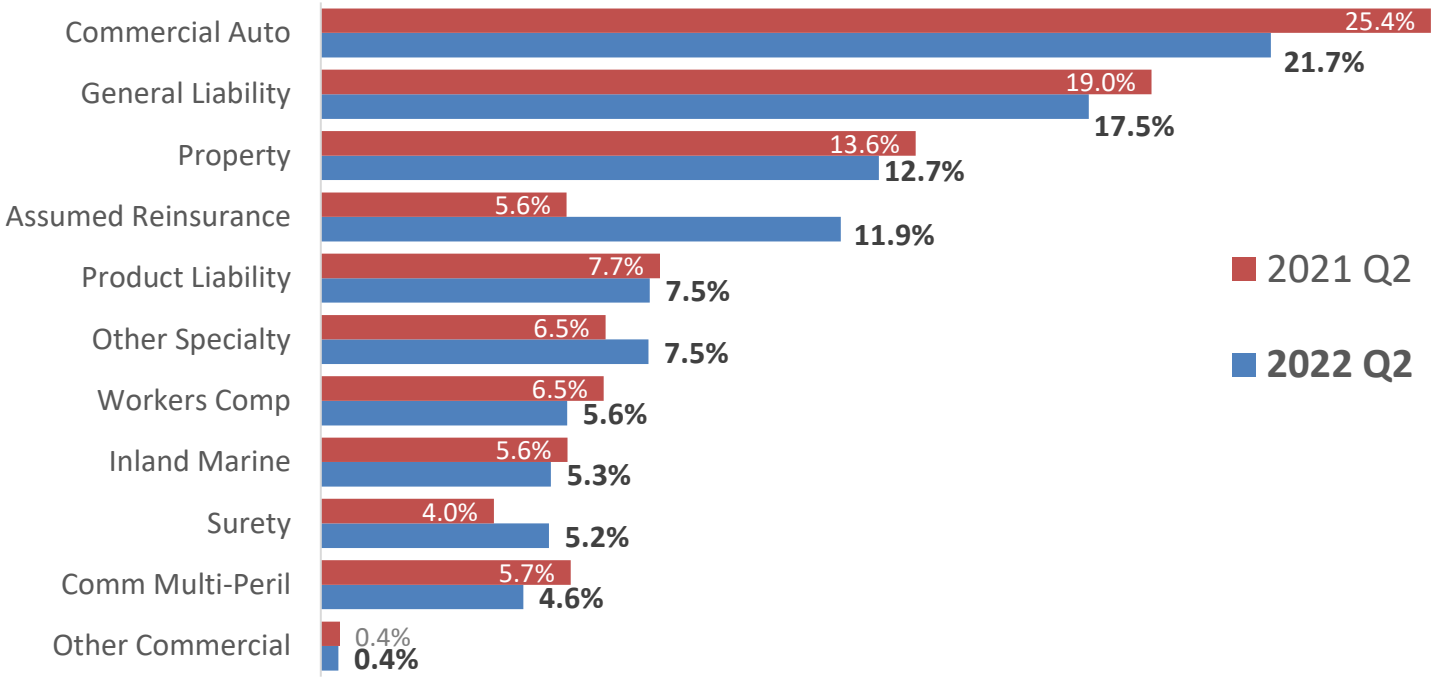
P & C Market Conditions

- **Change in Renewal Premiums YTD 2022:**
  - Overall change in renewal premiums 8.1% YTD
    - 3.0% from exposure changes, 5.1% from rate increases
  - Excluding workers' compensation, overall change in renewal premiums 9.3% YTD
    - 3.0% from exposure changes, 6.3% from rate increases
  - Rate increases led by commercial auto and commercial property
    - Commercial auto average increase was 7.1%
    - Commercial property average increase was 9.2%

Direct New Business Premium Breakdown Jan-June
(Excluding Surety and Specialty)

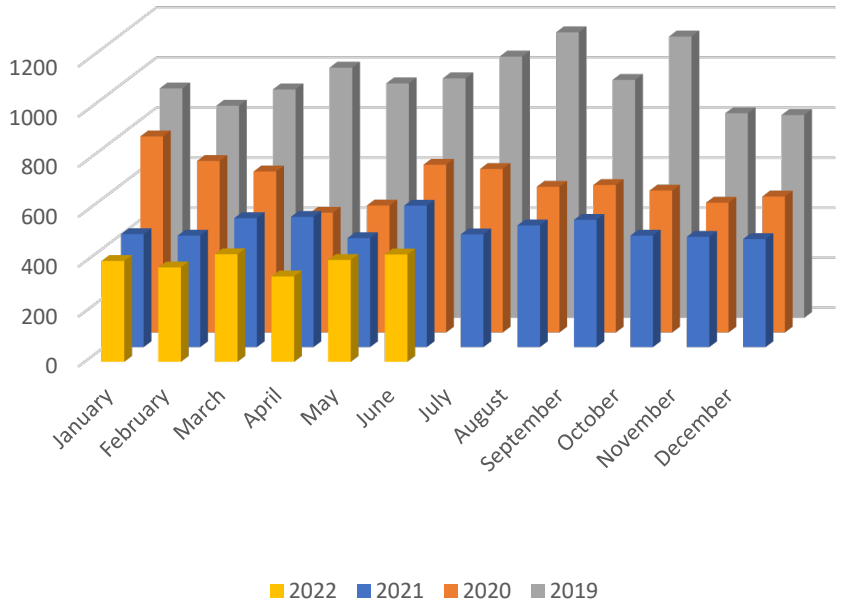


Portfolio Composition

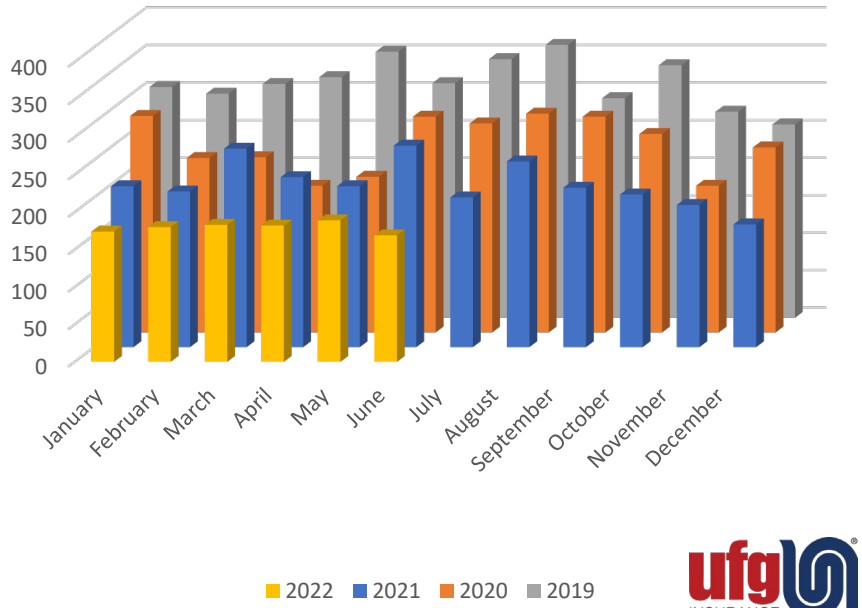


Claim Counts of Major Commercial Casualty Lines

CA BI+PD Liability Claims Counts
Claims down 19% YTD

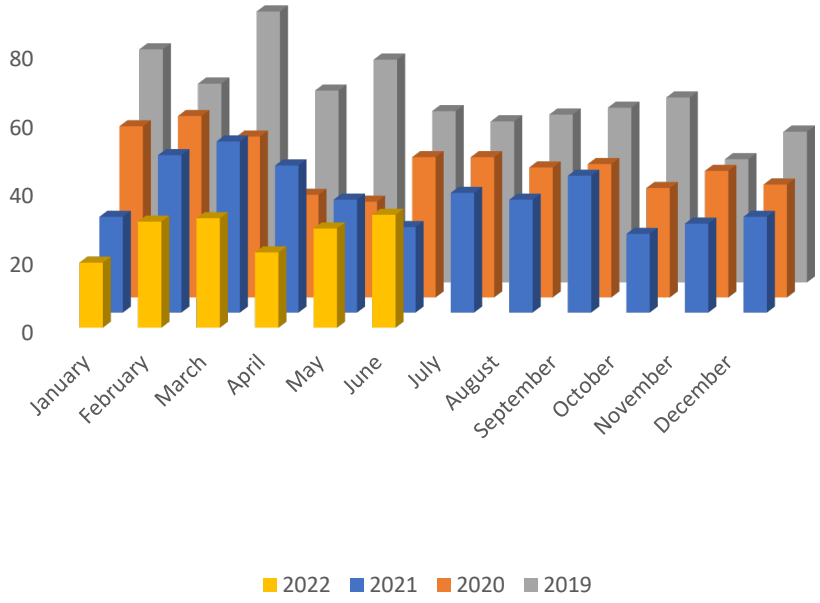


CGL BI+PD Liability Claims Counts
Claims down 23% YTD

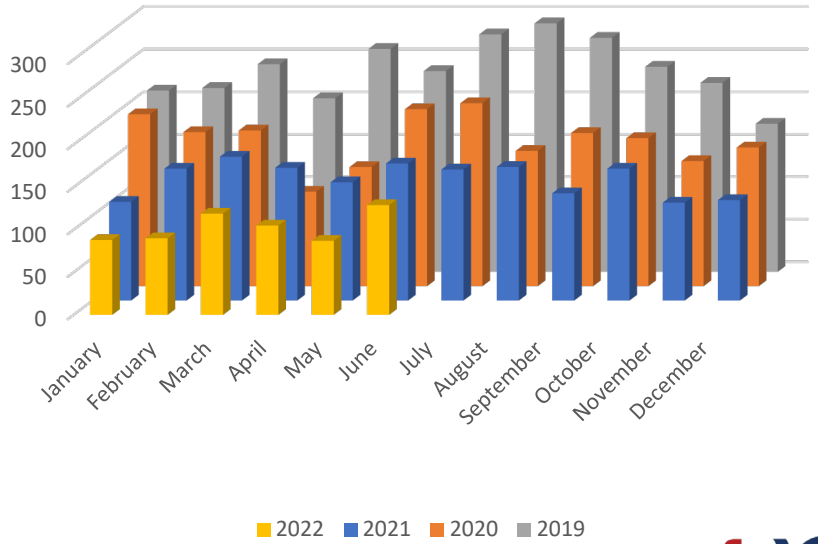


Claim Counts of Major Commercial Casualty Lines

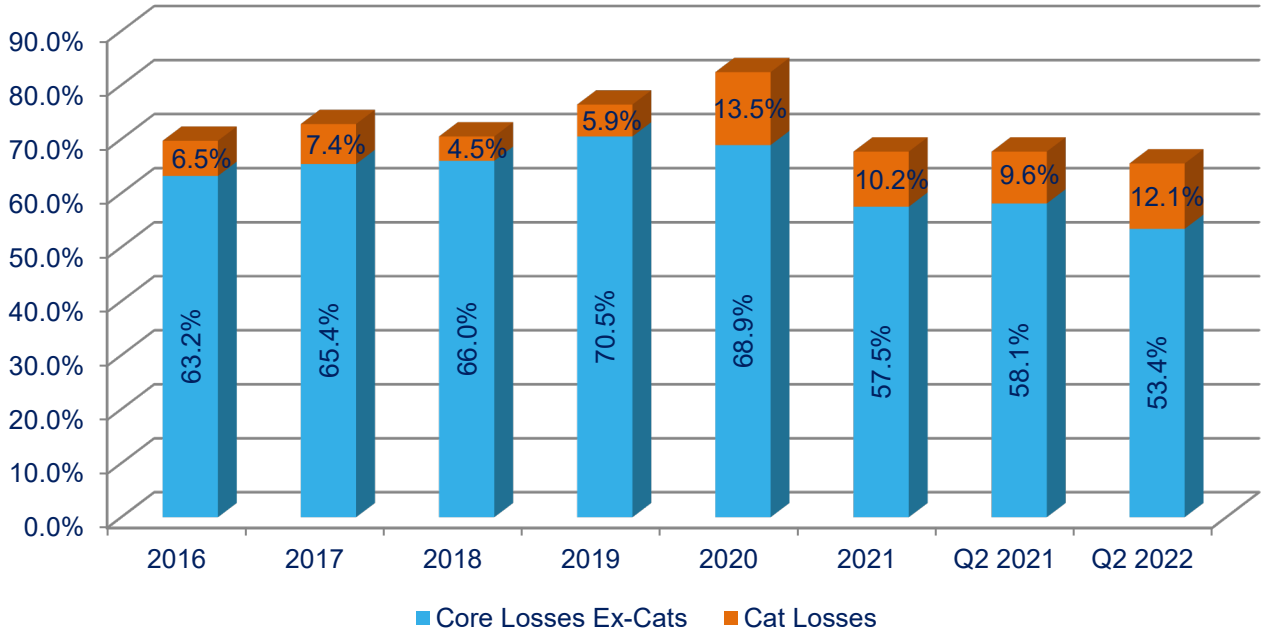
BOP Liability Claims Counts
Claims down 26% YTD



Work Comp Claim Counts
Claims down 31% YTD



Net Loss Ratio Excluding Cats vs. Catastrophe Losses

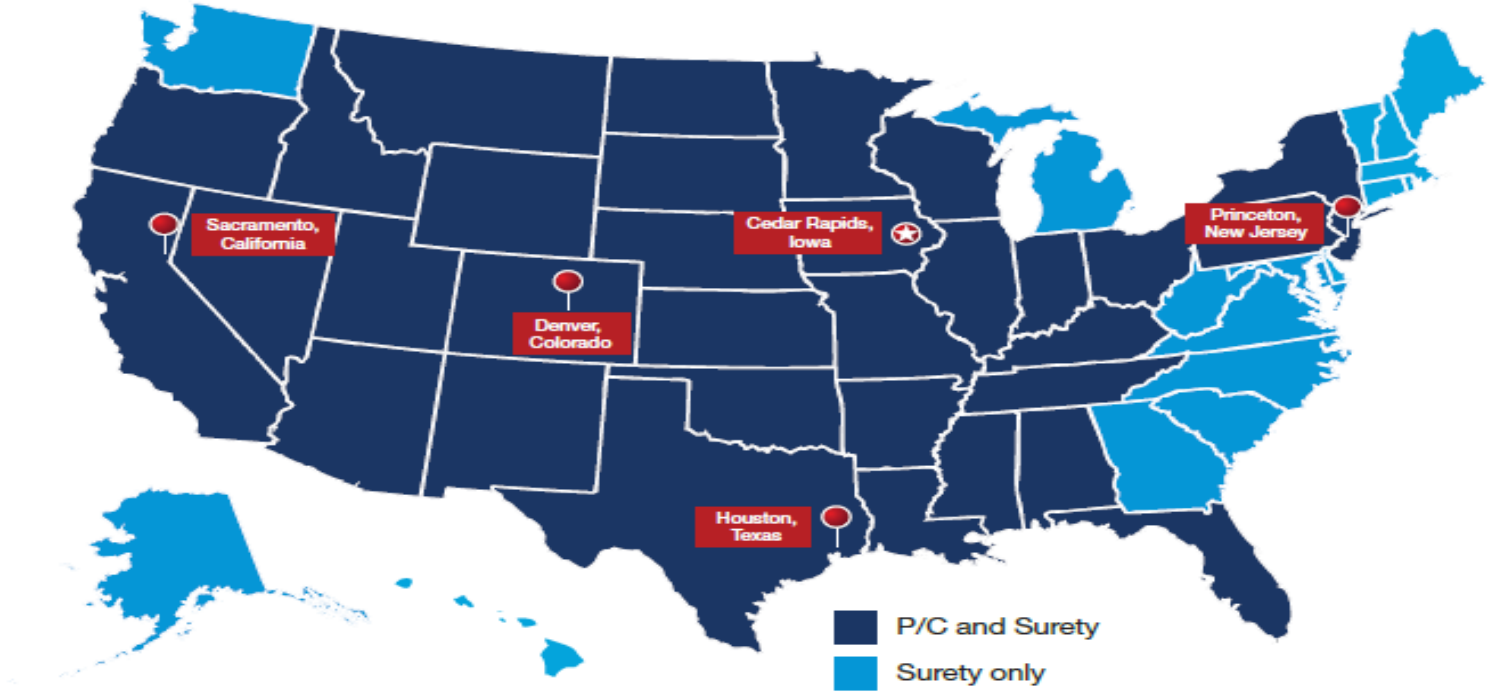


Cat losses in Q2 2022 added 12.1 percentage points to the loss ratio.

Core Loss Ratio

Core Loss Ratio	2022 Q2	2021 Q2		2022 YTD	2021 YTD	
P&C Loss Ratio (as reported)	65.5%	67.7%		60.6%	74.1%	
Impact of Catastrophes	-12.1%	-9.6%		-7.3%	-10.5%	
Loss Ratio Ex-Catastrophes	53.4%	58.1%		53.3%	63.6%	
Impact of Reserve Development	3.7%	0.8%		3.3%	3.1%	
Loss Ratio Ex-CAT and Ex-Development	***57.1%***	***58.9%***	***-1.8%***	***56.6%***	***66.7%***	***-10.1%***

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, UFG is represented by independent agents throughout the country. UFG is licensed and actively writing P&C and surety bonds in the 33 states shaded dark blue. The 17 states shaded light blue, plus the District of Columbia, are currently licensed and able to write surety bonds only.

ufg INSURANCE

Recognition

- Rated A (Excellent) by A.M. Best Company in December 2021 for the 28th consecutive year.
- United Fire & Casualty Co. has been named a Super Regional Property/Casualty Insurer™ every year since 2006 by *Insurance Journal* magazine.
- Placed on July 2019 *Best's Review* list of Top 200 U.S. Property/Casualty Writers.
- Named a Five-Star Carrier by *Insurance Business America* in 2019.
- Named to *Business Insurance*'s Annual Best Places to Work in Insurance list in 2019.
- Named to *The Des Moines Register's* Annual Top Workplace in Iowa list in 2021.