

# A STRATEGIC FOUNDATION

2023 ANNUAL REPORT

**encova**  
INSURANCE



# EXECUTIVE MESSAGE



I look back on 2023 with feelings of pride, satisfaction and anticipation of what's to come. We spent 2023 making strategic strides and laying a foundation for Encova Insurance to be more successful than ever before, all while continuing to exceed customer expectations and serve as an industry leader. Our consistently high standards were recognized by AM Best, who reaffirmed our A (excellent) rating.

To maintain our standard of excellence, we rely on our agency partners and seek to continuously improve the way they do business with us. We heard their feedback, and in 2023, we completed our commercial lines integration, combining our workers' compensation and commercial lines profit centers to better reflect the way our agents do business in the marketplace. Every decision we make is with our agents in mind, from harmonizing our underwriting structure to ensuring consistency in job titles. We streamlined the experience, minimizing the re-underwriting and account handoffs that occur. We improved efficiency in our underwriting operation and created a better policy lifecycle experience for our agents and policyholders. We also successfully rolled out our commercial package lines products to Georgia, Maryland and North Carolina, ensuring their availability alongside our top-of-the-line workers' compensation products and services.

In 2023, we sharpened our focus on our property and casualty operations and laid the foundation for continued growth in those lines. To that end, we made the strategic decision to sell Encova Life to Pan-American Life Insurance Company (PALIC). We partnered closely with PALIC to ensure a smooth transition for policyholders and agents, and the sale was complete at year-end.

All of these actions last year were to position Encova and our stakeholders for a stronger future, and none were possible without the hard work and dedication of our associates. Last year, associates completed our associate engagement survey so leadership could take any needed steps to improve the experience of working for Encova. In addition, our Diversity, Equity and Inclusion office completed company-wide internal focus groups. From the survey and the focus groups, we have identified a few key places where we excel and where we have room to grow. We also introduced a new associate resource group, You're Not Alone, dedicated to promoting awareness of and access to resources for mental health. Each associate contributes to the success of our company, and the opinion and experience of each one matters to our continued growth.

As we look at 2024 and beyond, we know more change and growth are in store. We anticipate the retirement of Grady Campbell, executive vice president and senior advisor to the president and CEO, and recipient of the 2023 OIA Lifetime Achievement Award, at the end of 2024. We will continue to invest in technology to improve our products and our customers' experiences doing business with us. We will work to maintain our A (excellent) rating by AM Best by operating in fiscally responsible ways. And we remain fully invested in the independent agency distribution model. In partnership with our agents, policyholders and associates, we look forward to a strong 2024 by building on 2023's **strategic foundation**.

Thomas J. "TJ" Obrokta Jr.  
President and CEO



# LEADERSHIP - SENIOR LEADERSHIP TEAM



**Rob Baker**

Senior vice president and chief claims officer



**Jeff Benintendi**

Executive vice president and chief operating officer, Commercial Lines



**Grady Campbell, CIC, AAI**

Executive vice president and senior advisor to president and CEO



**J. Christopher Howat, CPA**

Executive vice president, chief financial officer and treasurer



**John Kessler**

Executive vice president and chief strategy officer



**Amy Kuhlman**

Senior vice president and controller



**Tony Laska**

Executive vice president and chief information officer



**William J. McGee Jr.**

Senior vice president, chief legal officer and corporate secretary



**Marchelle E. Moore**

Senior vice president, external affairs, chief diversity officer and president, Encova Foundation of Ohio



**Thomas J. "TJ" Obrokta Jr.**

President and CEO



**Mark Peacock, SPHR, SHRM-SCP, CEBS**

Senior vice president and chief Human Resources officer



**Mel Pryor, FCAS, MAAA**

Senior vice president, actuarial and analytics



**Matthew C. Wilcox, CPCU**

Executive vice president and chief operating officer, Personal Lines



# LEADERSHIP - BOARD OF DIRECTORS



**John J. Bishop**  
Chair



**W. Marston  
(Marty) Becker**  
Vice Chairman



**Kevin J. Craig**



**Thomas V. Flaherty**



**Sharon Goodwine**



**Archie M. Griffin**



**Mike Keller**



**Katherine Mabe**



**Yvette McGee Brown**



**Thomas J. "TJ"  
Obrokta Jr.**  
President and CEO



**Steve Roberts**



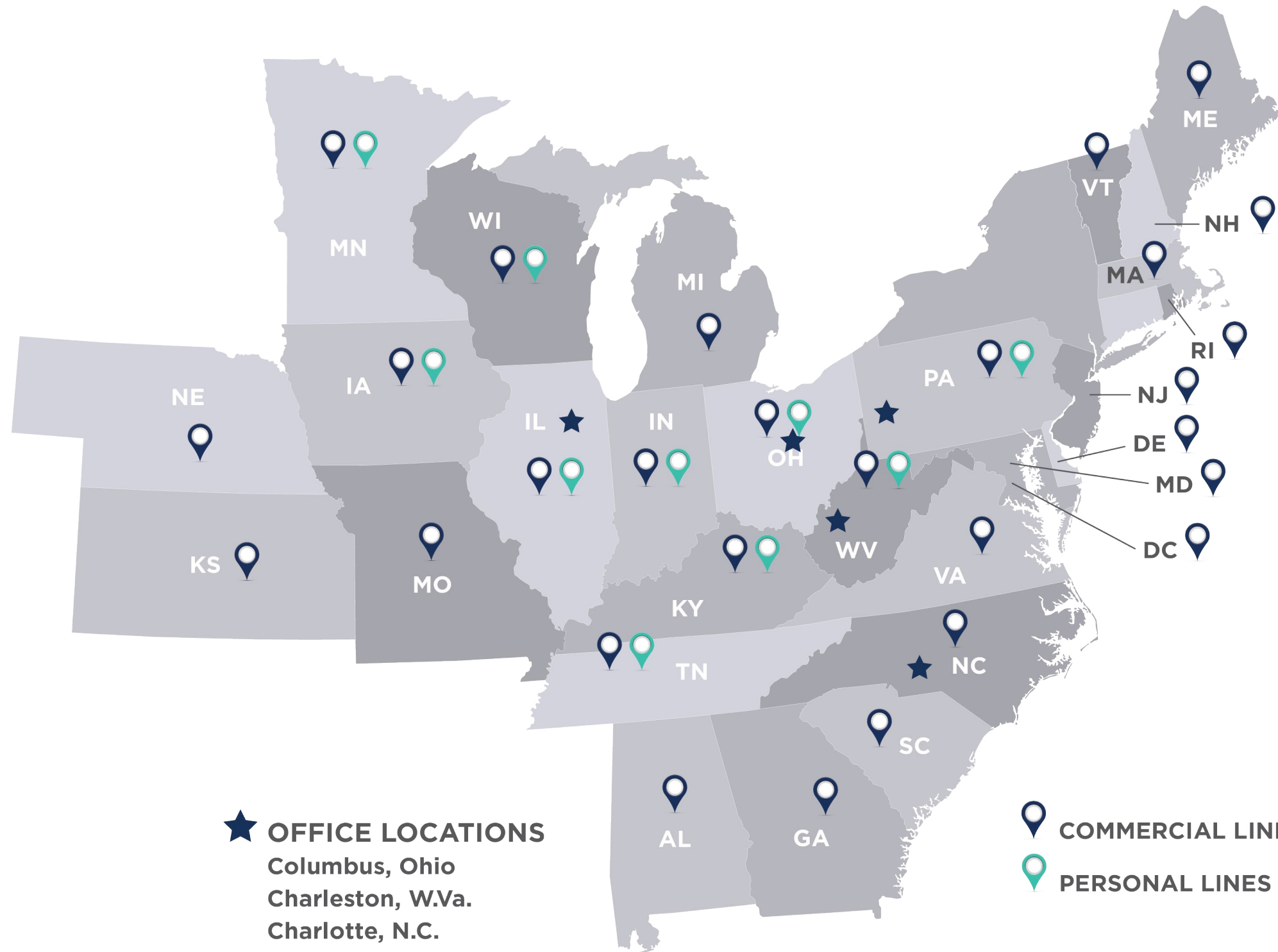
**Robert C. Smith**



**Steven F. White**



# OUR FOOTPRINT



★ OFFICE LOCATIONS  
Columbus, Ohio  
Charleston, W.Va.  
Charlotte, N.C.  
Naperville, Ill.  
Pittsburgh, Pa.

📍 COMMERCIAL LINES  
📍 PERSONAL LINES

TOP 25

MUTUAL  
INSURANCE  
COMPANIES

1,100+



ASSOCIATES

\$5.1  
BILLION

IN ASSETS

2,000+

INDEPENDENT  
AGENCIES

**encova**  
INSURANCE

# SUPERIOR FINANCIAL STRENGTH

## STATEMENT OF OPERATIONS

(in thousands)

### Encova Insurance

ASSETS	2023	2022
Bonds	\$3,282,046	\$3,148,951
Stocks	\$615,534	\$547,675
Cash and short-term securities	\$365,054	\$269,858
Premium receivable	\$473,237	\$422,429
Partnerships and joint ventures	\$131,517	\$127,077
Current and net deferred tax assets	\$80,138	\$87,815
Real estate	\$82,972	\$61,314
Other assets	\$131,455	\$128,958
<b>Total assets</b>	<b>\$5,161,953</b>	<b>\$4,794,077</b>
LIABILITIES AND SURPLUS	2023	2022
Losses and loss expenses	\$2,077,081	\$1,999,277
Unearned premiums	\$594,582	\$548,849
Retiree benefit obligation	\$25,551	\$26,400
Other unpaid expenses	\$187,896	\$167,830
Other liabilities	\$168,052	\$105,900
<b>Total liabilities</b>	<b>\$3,053,162</b>	<b>\$2,848,256</b>
Policyholder surplus	\$2,108,791	\$1,945,821
<b>Total liabilities and surplus</b>	<b>\$5,161,953</b>	<b>\$4,794,077</b>
SUMMARY OF OPERATIONS	2023	2022
Net earned premium	\$1,225,898	\$1,133,491
Underwriting profit/(loss)	\$(35,653)	\$11,205
Combined ratio	101.8%	98.7%
Net investment gain/(loss)	\$101,077	\$69,083
<b>Net income</b>	<b>\$46,800</b>	<b>\$79,452</b>



Our statement of operations demonstrates our financial strength and dedication to our primary stakeholders. We are proud to have been affirmed by AM Best with an A (excellent) rating with a stable outlook.

**encova**  
INSURANCE



# 2023 AWARDS



## RISE ELITE 50 INTERNSHIP RECOGNITION

For the fourth year in a row, Encova's internship program was listed as a RISE Elite 50 Internship. Not only did we make the list, but we were also top-rated in the Exceptional Skill Development category. Interns at Encova thrive in dynamic, results-driven teams where they work alongside our associates. As members of developed teams, interns are trained to manage real-world situations. Our successful internship program attracts college students from across our region. Encova's internship program offers experience across several fields. We select a diverse set of positions from our departments to ensure students have a wide range of learning possibilities. [Check out what our 2023 interns had to say about their experiences!](#)



## IVANS SPARK AWARDS FOR COMMERCIAL LINES AND PERSONAL LINES

For the second year in a row, Encova Insurance is a gold-level 2023 Ivans Spark Awards winner in both commercial lines and personal lines. In conjunction with Applied Net 2023, Ivans recognized companies that are sparking digital connectivity by using technology to support the growth of their agency partners across the policy lifecycle. Out of more than 450 carriers, Encova was one of only five carriers to receive gold-level awards in both commercial lines and personal lines.



## OIA LIFETIME ACHIEVEMENT AWARD: GRADY CAMPBELL

Encova Executive Vice President and Senior Advisor to President and CEO Grady Campbell was honored with Ohio Insurance Agents' Lifetime Achievement Award. Grady has been with Encova for nearly 20 years and his dedication to the independent agent model has contributed greatly to Encova's success.

## RISE ELITE 50 INTERNSHIP RECOGNITION

“ At Encova, we pride ourselves on a mutually beneficial internship program. The interns benefit by taking advantage of the learning opportunities presented to them, and Encova benefits from their high-quality contributions to our company's mission. ”

- Mark Peacock, senior vice president and chief Human Resources officer

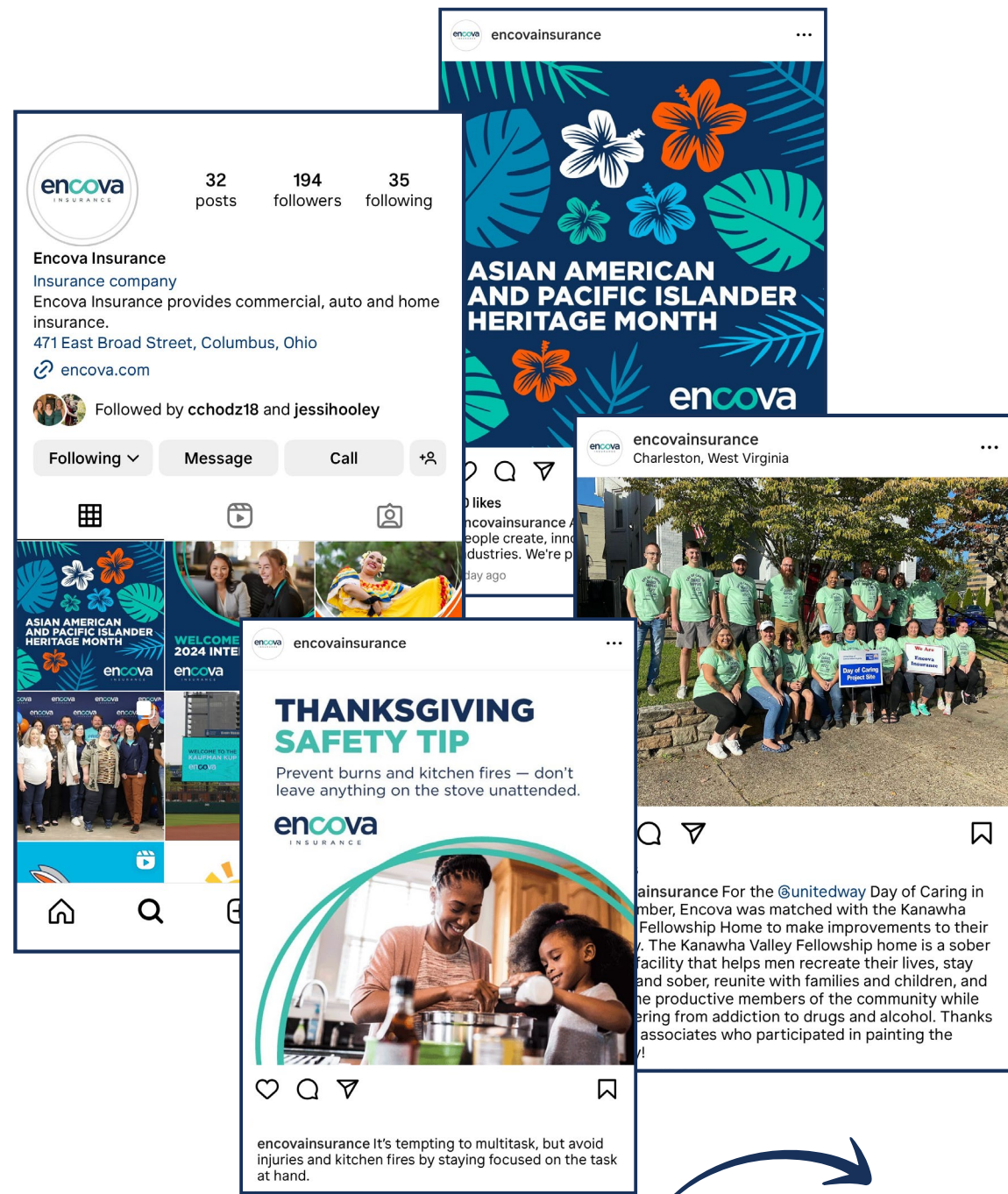
## IVANS AWARD


“ Receiving this honor for both commercial lines and personal lines for the second year in a row is a testament to Encova's position as an insurance industry leader in technology. We are proud of the work our associates do every day to maintain excellent service for our agents and policyholders. ”

- John Kessler, executive vice president and chief strategy officer




# DIGITAL CONNECTION



 FOLLOW US ON INSTAGRAM



 LIKE US ON FACEBOOK

 FOLLOW US ON LINKEDIN

## GOOGLE REVIEWS

At Encova Insurance, our customers' satisfaction is our top priority, and their feedback is important to us. Google reviews play an important role in local searches and increasing brand trust. With more than 360 reviews, Encova maintains the 4.0 star rating we achieved in 2023.

We invite all our customers to leave a review about their experience with us to ensure we're providing the highest level of service.

## LEAVE US A GOOGLE REVIEW!



CHECK OUT WHAT OUR CUSTOMERS ARE SAYING ON GOOGLE:

“ Thanks Encova! ”

“ Prompt and professional ”

“ Diligent ”

“ Highly recommend ”

“ Timely ”

“ Courteous ”

READ MORE REVIEWS ON OUR GOOGLE PAGE





# YOUR PEACE OF MIND IS WHY WE'RE HERE



[CLICK TO WATCH OUR 60-SECOND TV COMMERCIAL.](#)

**encova**  
INSURANCE