



# ANNUAL REPORT 2025



# PRESIDENT'S MESSAGE

The storm has passed. MOE did its job.

2025 was a turbulent year. Our members endured wildfires, hail, wind, and flood, along with everyday personal and business losses that disrupted their lives. Amidst prolonged financial strain, an increasingly competitive insurance market and changes throughout our company, MOE ended the year with very strong results and served nearly 22,000 members during their times of need.

We earned nearly \$467 million in gross premium from our membership, which was 2% lower than the prior year as we made deliberate pricing and underwriting decisions. In return, we paid more than \$308 million on behalf of members who experienced a loss, fulfilling our promise to protect them when it mattered most.

We strengthened our financials foundation by returning a record \$45 million to surplus as members' savings, continuing to protect the membership for the long term. We paid a record \$15 million in bonus commissions to our local agents, who serve members every day in the communities where they live and work. And we rewarded our employees, many of whom are also members and neighbors, with approximately \$4.5 million in bonus compensation in recognition of their dedication.

While these results are strong, the year began with many of the same challenges we've seen in recent history: increasing losses, inflationary pressures, and aggressive competition. To combat this, we have made significant changes to our operations to be more efficient and lower our costs.

We purchased additional reinsurance to protect our financial results. We recommitted to our agents to ensure their support as we grow our business. We made investments in the company and our products, giving us confidence the improving results will be sustainable.

We evaluated every aspect of our business, and we got better. Our combined ratio improved to 100.5 from 117.5. We achieved \$4.2 million in underwriting profit, our first positive result since 2021. Including investment returns, we delivered a record \$50 million in net profit. And, Mutual of Enumclaw was recently recognized as one of Seattle's Best Companies to Work For.

Now, we are focused on the future by honoring our past. We are committed to serving Farmers, Families, and Businesses of the Northwest and are making significant new investments in our Farm products, upgrading our technology, improving our pricing for Home and Auto insurance, and identifying the businesses that allow us to best serve all our members and agents.

As we begin our 128th year, we are proud of the work we've done and could not be more excited about building MOE's future.

Sincerely,



A handwritten signature in black ink that reads "Bob Otis". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

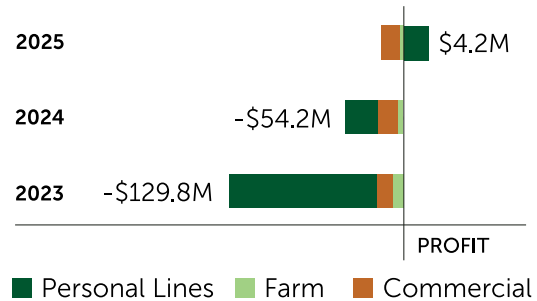
**Bob Otis**  
*President and CEO*

# 2025 FINANCIAL SUMMARY

Mutual of Enumclaw recently announced its 2025 strong financials results driven by disciplined operations and strategic improvements.

## Underwriting Profit by Line of Business

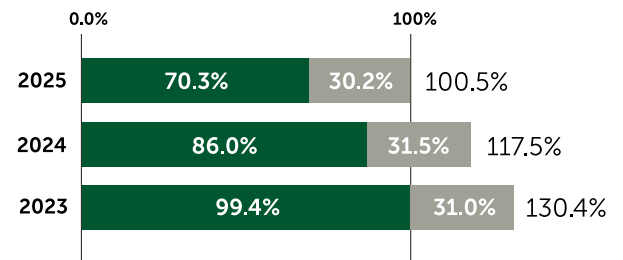
For the first time since 2021, MOE reported an underwriting profit and the company also added the highest surplus for the company at a record \$45 million. The surplus growth improved the company's financial strength.



After several challenging years for MOE, the improvement reflects a focus on underwriting, pricing discipline, operational improvements, and expense management. The stabilization of the business and significantly improved financial strength reinforces MOE's position in the market and its long-term commitment to protect its members.

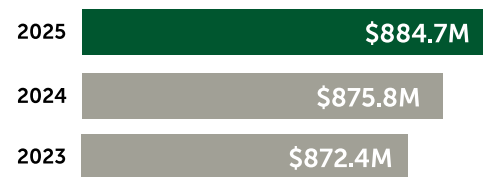
## Combined Ratio

As MOE continues to focus on operational efficiencies and targeted growth, the company recorded a combined ratio of 100.5%—a 17 point improvement over 2024.



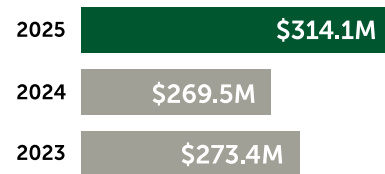
## Total Assets

In 2025, MOE's total assets grew by 1.0%, reaching \$884.7 million by year-end. The positive investment market and a conservative long-term investment strategy helped the company navigate market volatilities successfully.



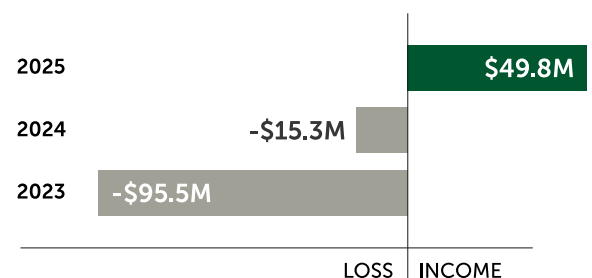
## Equity

In 2025, MOE ended the year at \$314.1 million, a 16.5% increase over the prior year. With a solid foundation built over the past 127 years, the company remains committed to providing financial security for the benefit of MOE's members and agents.



## Net Income

The company's net income came in at \$49.8 million in 2025. As a mutual insurance company, MOE stood by their members when they needed them the most, and the company remains committed to returning to financial excellence.

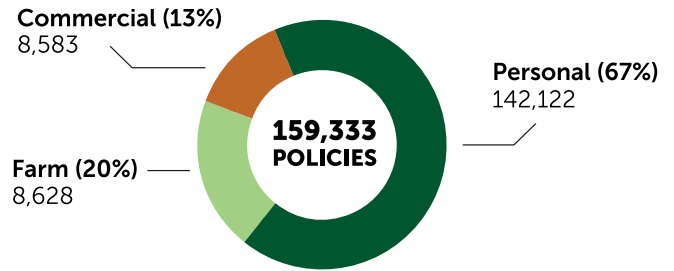


# 2025 FINANCIAL SUMMARY

## Policy Count by Line of Business

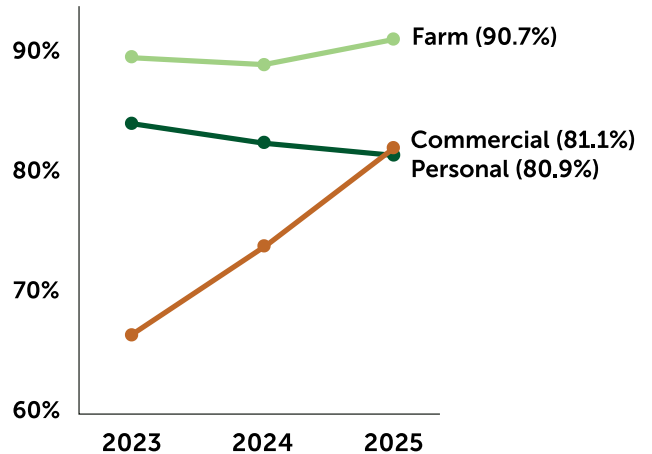
Mutual of Enumclaw has faced significant challenges in recent years, leading us to realign our risk appetite to better reflect emerging trends.

As a result of that in 2025, the company's membership numbers decreased, and MOE closed the year with 159,333 active policies.



## Retention by Line of Business

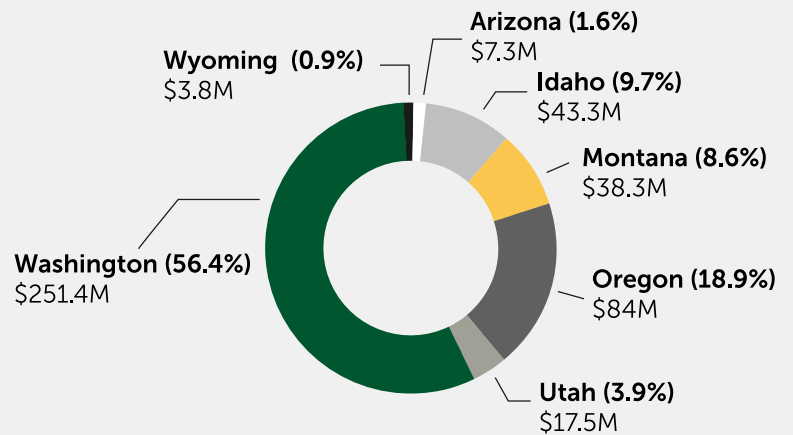
Policy retention is a key performance indicator that reflects customer loyalty and satisfaction. As MOE continued to see improved financial performance throughout 2025, its retention rates steadily improved in both Commercial and Farm, while Personal Lines retention decreased slightly.



## Premiums Written by State

Mutual of Enumclaw proudly serves members in seven states: Washington, Oregon, Idaho, Utah, Arizona, Montana, and Wyoming.

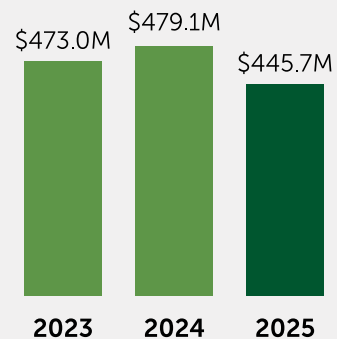
Washington continues to be MOE's largest state, while Montana has experienced rapid growth since its launch in 2018. MOE is dedicated to providing the best coverages and services when their members need them most.



## Premiums Written by Year

In 2025, premiums written decreased 7%, totaling \$445.7 million. MOE collaborates and works closely with an extensive network of independent agencies to provide the best coverage for our members.

A decrease in premiums reflects disciplined underwriting and strategic alignment with these agency partners—prioritizing long-term financial strength over short-term growth.



# COMPANY LEADERSHIP

## EXECUTIVE TEAM

As of 12/31/2025

### Bob Otis

#### CPCU

President and CEO

### Hem Chari

Chief Information Officer

### Andrew Chen

#### CPA

Chief Financial Officer and Treasurer

### Jeffrey Pfluger

#### FCAS, FSA, CERA

Chief Actuary

### Tom Taylor

#### CIA

Chief Risk Officer

### Sandy Williams

#### SPHR, SHRM-SCP

Chief Administrative Officer

### Daniel Guthrie

Chief Operating Officer and Vice President, Product Operations

### Jeff Gardner

Vice President, Sales and Marketing

### Stephanie Grobin

Vice President, Underwriting and Development

### Celeste Holmes

Vice President, Claims

### Craig Jones

Vice President, Product Management

## BOARD OF DIRECTORS

### Kerry Barnett

Chair

Retired Executive

### Anthony L. Baruffi

#### CFA

Director

Managing Partner, Baruffi Private Wealth

### Shane Kim

Director

Retired Executive

### Laurinda Mackenzie

Director

Retired Executive

### Matthew Nickerson

Director

Retired Executive

### Eileen O'Neill Odum

Director

Retired Executive

### Benson Porter

Director

Financial Services Executive

# HEAR FROM OUR MEMBERS

*"I had a recent claims experience with Mutual of Enumclaw that could not have been handled better or further exceeded my expectations. The process was so smooth and effortlessly hassle free I was beyond shocked."*

...

*"I've been with Mutual of Enumclaw many years. They have helped me through wildfires with evacuation...and so many other crises. My frantic phone calls have been like talking to a friend with answers and help."*

...

*"We have family policies and commercial as well. Service and affordability has been very helpful and appreciated. Mutual of Enumclaw has accommodated our diverse insurance needs for many years, and hopefully many more to come."*

...

*"I am an agent as well, so I see and hear what's happening in the industry on a daily basis. I chose MOE and wrote my policies with you because in my opinion, you are the best out there! [My] husband passed away over a year ago, and the response that I received when this happened from your team was outstanding. This touches people, and you nailed it."*

## SERVICE BENCHMARKS

### NPS

Net Promoter Score<sup>SM</sup> measures how likely members are to recommend Mutual of Enumclaw to friends and family based on their experience.

ON GENERAL MEMBERSHIP

**8.6 /10**

average rating

ON CLAIMS SERVICE

**9.4 /10**

average rating

### DEEP CUSTOMER CONNECTIONS

DCC measures how easy independent agents believe it is to do business with MOE compared to its competitors.

MUTUAL OF ENUMCLAW

**83.1 /100**

INDUSTRY AVERAGE

**86.1 /100**