



Farmers Mutual Hail
Insurance Company of Iowa

Building a *legacy* to
last for generations



Environmental, Social & Governance Report

Yesterday. Today. Tomorrow.

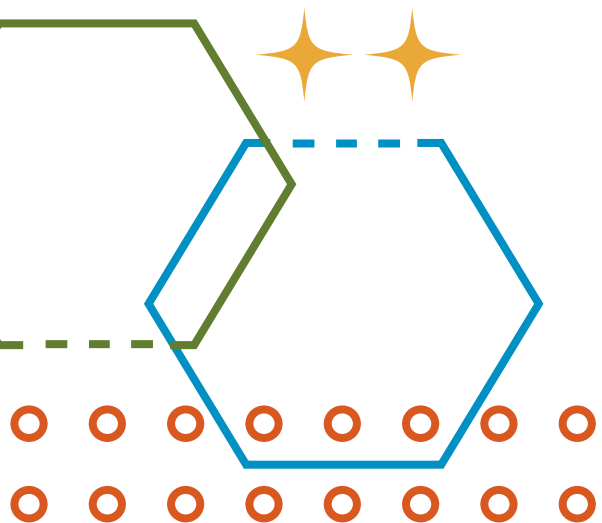
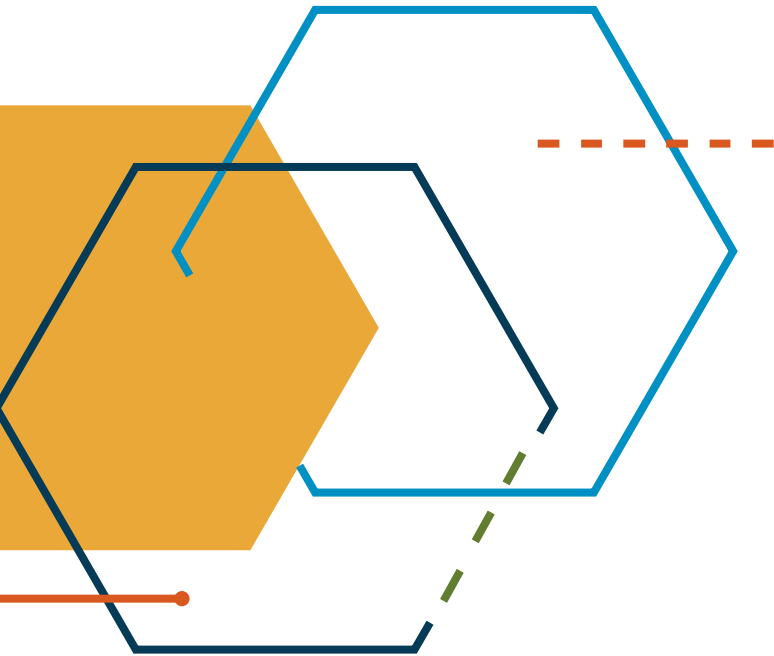


Table of Contents



A Message

From the CEO

“FMH’s vision is to be a leading provider of financial security for America’s agricultural producers through innovative insurance solutions.

In fulfilling this vision, we strive for the responsible use and management of natural resources, a dedication to employee welfare and community involvement, and a focus on sound corporate governance.

It’s our commitment to making a positive impact yesterday, today, and tomorrow that continues our legacy for future generations.”

Shannon Rutledge
FMH President & CEO





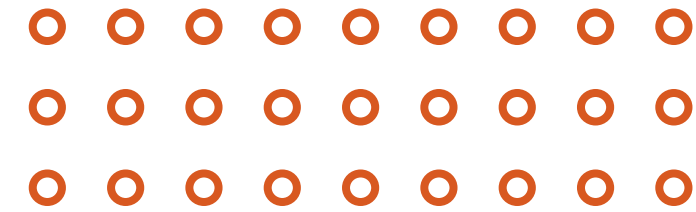
Mission *Statement*

Our mission is to provide peace of mind to America’s farmers by protecting their livelihoods and legacies through Complete Farm Insurance Solutions™; enabling them to clothe, feed, and fuel the world.



Environmental Impact

Building On Yesterday's Legacy



Conservation and agriculture go hand in hand. From efforts inspired by FMH founder W.A. Rutledge to today's technology-driven practices, FMH invests in systems and processes to reduce our carbon footprint and help America's farmers be good stewards of the land.



Environmental Impact

A Legacy of Conservation

Towards the end of his career, FMH founder W.A. Rutledge often reflected on the impact of converting areas like wetlands to farmland.

In 1993, in honor of the centennial celebration and W.A.'s conservation inclinations, FMH raised funds to purchase land outside of Early, Iowa - where W.A. had been raised - to return the land to its original wetland state. The area, called Burrow's Pond, remains a protected wetland to this day.



Environmental Impact

Building Upgrades

Over the last decade, FMH has taken steps to ensure our buildings and amenities aid in reducing our carbon footprint. Measures include:

- ✦ Reusing cardboard boxes as often as possible.
- ✦ Updating all lighting in the Home Office and Story City Office to LED bulbs.
- ✦ Purchasing items that are ECOLOGO certified.



**PLANTED
OVER**

55

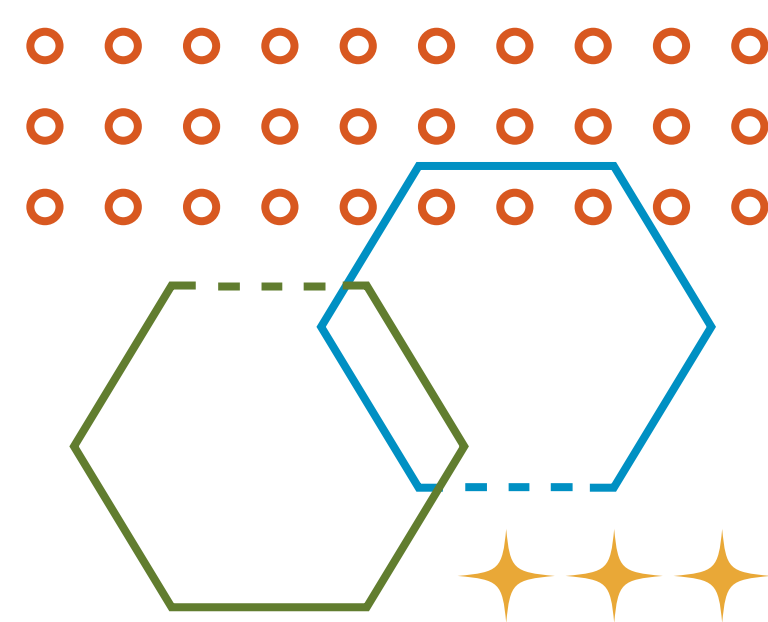
**POLLINATING PLANTS
ON BUILDING GROUNDS**



**REDUCED
PLASTIC WATER
BOTTLE USAGE
WITH**

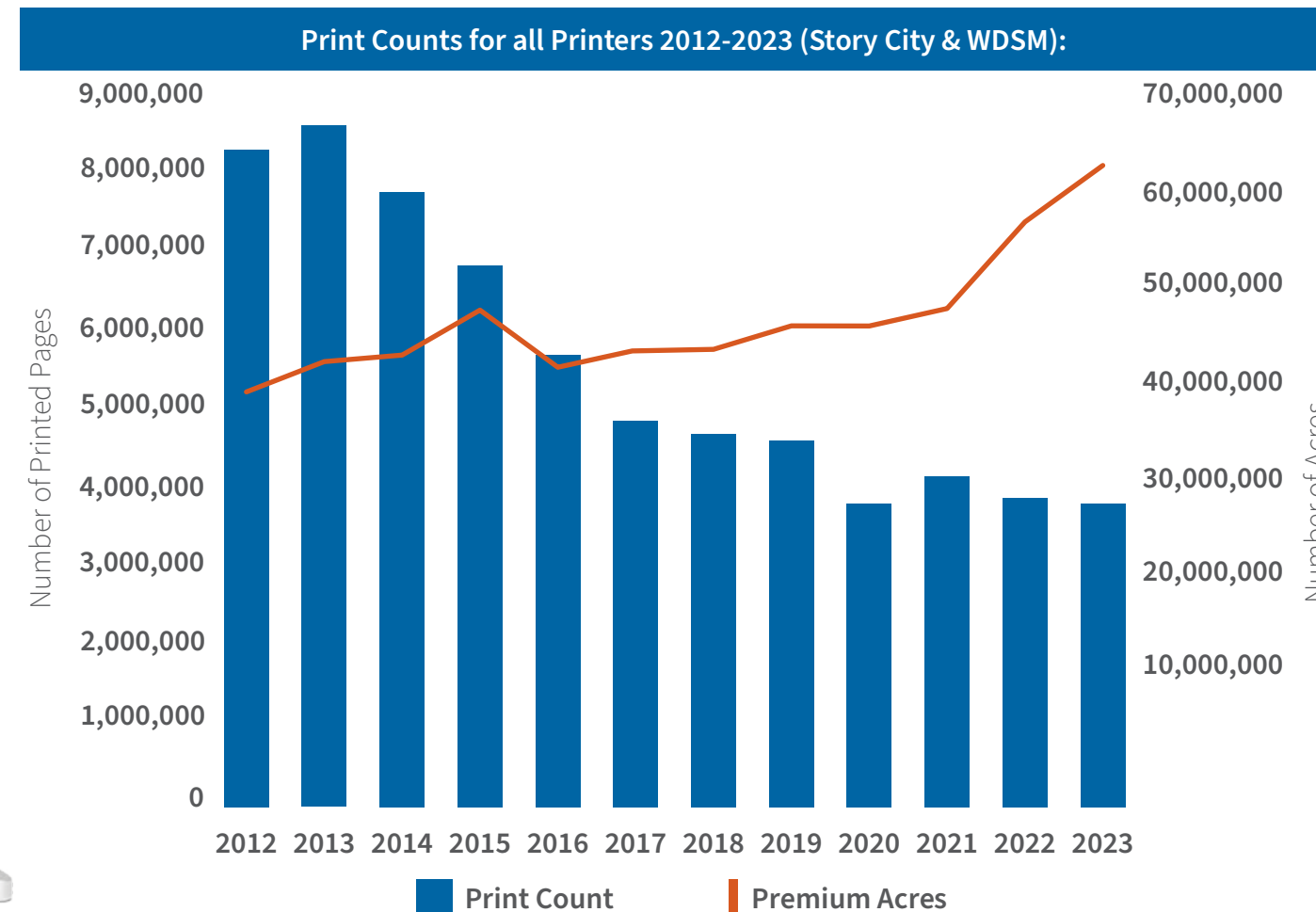
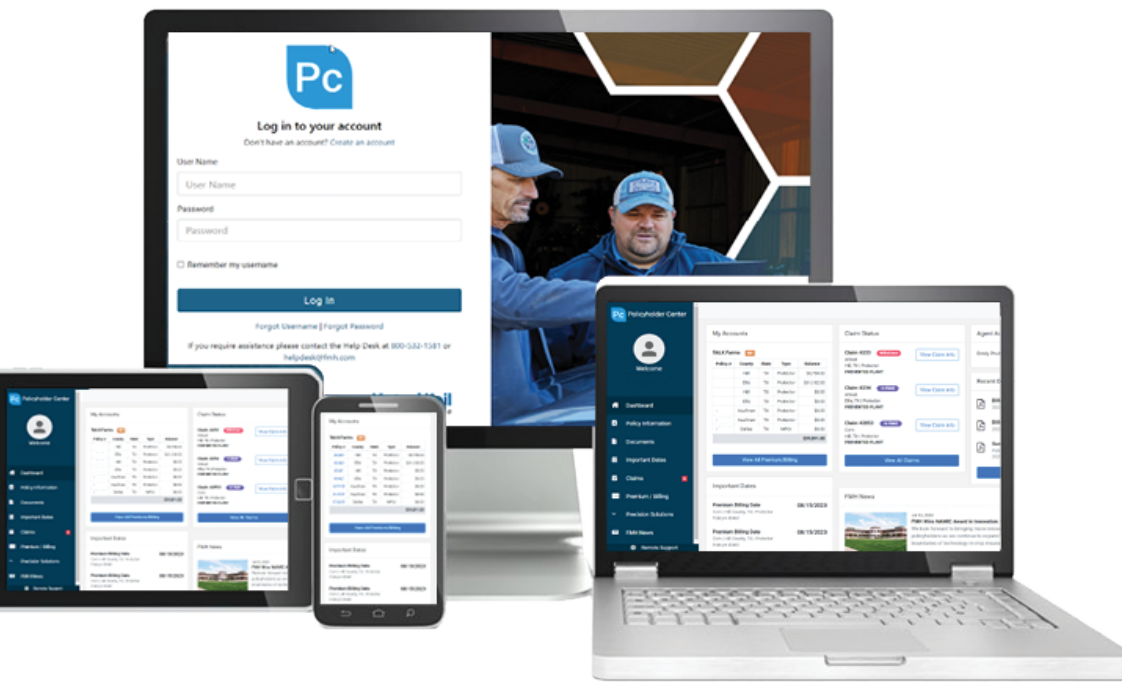
5

**WATER BOTTLE
FILLING STATIONS**



Going *Paperless*


Using systems and processes such as the Policyholder Center, ImageRight, DocuSign, Lockbox and Direct Deposit, FMH has been able to replace paper documents, mailings, and postal delivery services, while enhancing our data security.





Focus On *FMH Precision Solutions*

Using FMH Precision Solutions results in less paperwork and fewer in-person appointments, which means less driving for the adjuster, farmer, and agent. Beyond crop insurance, the use of precision ag technology on the farm has multiple benefits for the environment:

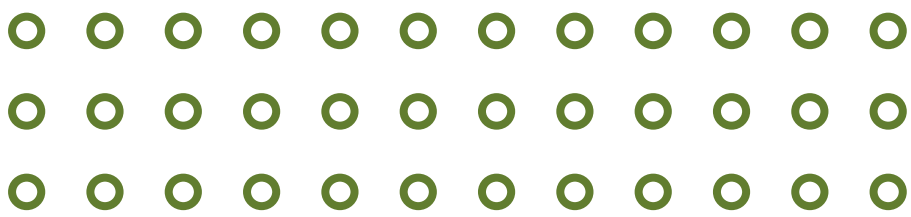
- 
- ✦ **4%** reduction in water use
 - ✦ **6%** reduction in fuel use
 - ✦ **9%** reduction in herbicide and pesticide use
 - ✦ **4%** increase in crop production

Source: Association of Equipment Manufacturers (AEM) “The Environmental Benefits of Precision Agriculture” Study, 2021



Social Impact

Meeting Today with Integrity



From the financial and mental wellbeing of our employees, to building a culture to be proud of, as well as giving back to the communities where we live and work, FMH recognizes that it is the people that makes our success possible.





Social Impact

Best-in-Class Recognition

FMH is honored to be recognized as a Best-in-Class Employer based on results from *Gallagher's 2024 U.S. Benefits Strategy & Benchmarking Survey*.

FMH was selected for our comprehensive approach to investing in benefits, compensation, and the employee experience – all aimed at supporting the health, financial confidence, and career growth of our employees.





Social Impact

Investing in Our Employees

We take a holistic approach to investing in our employee's wellbeing, including competitive pay and benefits to provide financial stability, training and development opportunities for career advancement, and a welcoming work environment where they feel respected and valued for their contributions.



Employee Wellbeing Benefits

FMH supports physical and emotional wellbeing with benefits such as enhanced mental health support, flexible work schedules, paternal and caregiver leave, and a generous time off policy.

Personal & Professional Development

In addition to employee training opportunities, FMH provides tuition reimbursement, continuing education and certification programs, and leadership development programs.

Diversity & Equal Opportunity

We provide unconscious bias training for hiring managers, regularly evaluate degree requirements for job descriptions, and post job openings to reach a qualified and diverse applicant pool.



Our *Culture*

We are committed to providing safe, inclusive workspaces intended to promote collaboration and innovative thinking. We believe it is important for employees to have meaningful social interactions with colleagues and leadership.

- ✦ Upgraded outdoor meeting and gathering spaces
- ✦ Regular employee social events
- ✦ Culture Committee
- ✦ Young Professionals Networking Group
- ✦ Retirement Readiness Networking Group





Committed to *Giving Back*

\$720,000 donated overall in 2024

\$40,000 matching gift contributions totaled

Through our corporate charitable giving programs, FMH is committed to having a positive impact on the communities in which we live and work, as well as invest in future farming generations. Employees have annual volunteer time off hours and can double their charitable giving through FMH's matching gift program.



Committed to *Fighting Food Insecurity*

\$82,500 donated in 2024 to:

- ✦ Meals from the Heartland
- ✦ Food Bank of Central Iowa Summer Hunger Matching Gift
- ✦ DMARC
- ✦ Double Up Food Bucks Program



Committed to *Supporting At-Risk Youth*

Organizations supported in 2024:

- ✦ Starts Right Here
- ✦ YSS Reggie’s Sleepout for Iowa Homeless Youth Center
- ✦ Big Brothers & Big Sisters of Central Iowa
- ✦ Boys and Girls Club of Central Iowa
- ✦ Orchard Place



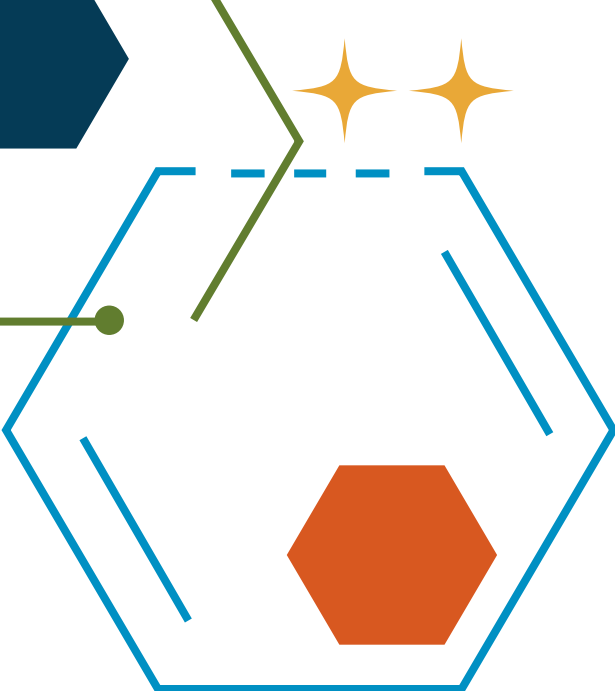
Featured Organization



\$1.5 million

donated to United Way since 2001

Plus the money donated by employees and retirees during the annual fundraising campaign.



Committed to *Future Ag Generations*

\$1 million in funding for the FFA National Scholarship program since 1987

10 years as a sponsor of the AFA Leadership conference

\$125,000 multi-year commitment to Iowa FFA

20 years supporting and sponsoring Progressive Ag Foundation Safety Days



Fundraising to *Find a Cure*

FMH believes that no family should have to experience the devastation of pediatric cancer, type 1 diabetes, and other childhood diseases. That's why we invest in the following organizations to finding cures:

✦ **St. Baldrick's Foundation:** FMH has hosted an annual St. Baldrick's Head-Shaving Event since 2005, and has donated over \$1.35 million in addition to employee contributions.

✦ **St. Jude Children's Research Hospital:** FMH has donated over \$100,000 to St. Jude, and was recognized as a Corporate Champion Donor in 2022.

✦ **Breakthrough T1D (formerly JDRF):** Since 2001, FMH has donated over \$317,000 to JDRF in addition to employee contributions, and is a presenting sponsor of the JDRF One Walk.



Governance Impact

Setting Tomorrow's Standard of Excellence



Led by strong values and robust codes of conduct, FMH prides itself in sound governing practices that ensure the company will be here for generations to come. We not only invest in our people, but the industry as a whole to strengthen FMH and America's ag safety net.

Governance Impact

Led by Strong Values

Guiding FMH leadership are robust and relevant company policies and codes of conduct that are applicable to all directors and employees. These policies are rooted in the company’s core values of:



Integrity



Service



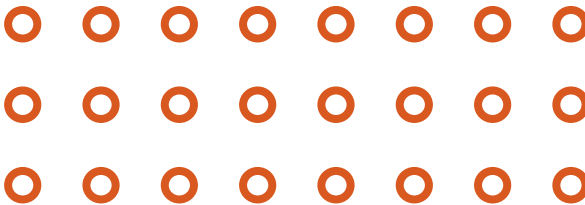
Accountability



Teamwork



Excellence



Governance Impact

ERM, Transparency, Continuity

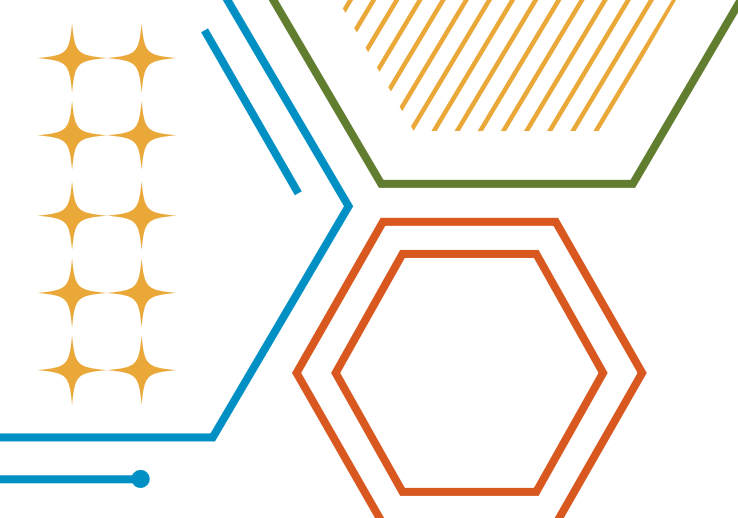
A company cannot last as long as FMH has without sound Enterprise Risk Management (ERM), transparency, and continuity planning.

ERM: Guided by the Board, all business sections continually monitor their respective areas to identify and plan for opportunities and risks to FMH's finances, operations and objectives.

Transparency: Operational transparency for employees and members is communicated through financial and operational scorecards, along with company-wide quarterly update meetings.

Continuity: To ensure ongoing sustainability, FMH conducts periodic succession planning reviews to identify successors and future leaders and provide them with opportunities to grow personally and professionally.





Governance Impact

Investing in the Industry



FMH is a founding investor of the Global Insurance Accelerator (GIA), which supports InsurTech startups that bring innovative insurance tech and solutions to reality.

Through funding, mentorship, and first access to investment opportunities, FMH is ensuring the insurance industry and FMH continue to meet the needs of policyholders.



Governance Impact

Industry of Tomorrow

FMH has a history of developing our future leaders by offering leadership development programs and manager training.

Each year, selected employees participate in CIRB's Emerging Leaders Program to ensure our next generation of crop insurance leaders can continue to fight for America's safety net.

FMH employees regularly serve on boards and committees for:

- ✦ National Crop Insurance Services (NCIS)
- ✦ Crop Insurance and Reinsurance Bureau (CIRB)
- ✦ National Association of Mutual Insurance Companies (NAMIC)
- ✦ Plus many other business and professional associations



Making an Impact *for Future Generations*



Farmers Mutual Hail
Insurance Company of Iowa



FMH has served America's farmers for six generations. We plan to be around for at least another six. Through intentional environmental efforts, a commitment to diversity and well-being, and a dedication to doing what is right for both the business and our employees, agents, and farmers, FMH can fulfill our mission and vision – and make an impact yesterday, today, and tomorrow.