

A Year of Milestones

Trustmark 2022 Annual Report





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Trustmark* is a national employee benefits provider with specialized expertise in voluntary benefits, self-funded health plan design and administration for smaller employers, and in-person and virtual corporate and community fitness solutions.



What Makes Us Different

Trustmark is a different kind of employee benefits company. We care. We listen first to understand our clients' employee populations, benefits challenges and business goals. Then we work together to offer the right solutions.

As a mutual organization, we serve our clients and policyholders, not Wall Street. For us, planning for the future means thinking years ahead – not to next month or next quarter. We continually evolve our portfolio to help clients stay ahead of trends, increase satisfaction with the benefit plan, and improve productivity, engagement and wellbeing.

Helping people, businesses and communities thrive is what we do. And we do so by offering innovative products and broad capabilities usually reserved for large employers, delivered with the caring, trusted service you'd expect from a mid-size firm.

Trustmark – benefits beyond benefits.

*Trustmark is the brand name used to refer to certain subsidiaries and operating divisions of Trustmark Mutual Holding Company that provide insurance and other products and services. For more detail, please visit our website at trustmarkbenefits.com. All products may not be available in all states.

**AM Best Financial Strength Rating and Outlook apply to Trustmark Insurance Company, Trustmark Life Insurance Company and Trustmark Life Insurance Company of New York. Most recent rating review: March 28, 2023. To read the entire AM Best press release, visit <https://news.ambest.com>

FOUNDED:

1913

POLICYHOLDERS, MEMBERS AND PLAN PARTICIPANTS:

2+ million

ASSETS:

\$2.8 billion

AM BEST™ RATING:

A (Excellent)
Outlook: Stable

MISSION:

Helping people increase wellbeing through better health and greater financial security.

2022: A Milestone Year



Achievements in 2022 advanced Trustmark's strategy to grow by focusing on markets where we deliver high customer value. And it was a year when financial results enabled us, as a purpose-driven organization, to significantly increase our commitment to the communities we serve.

MARCH 8, 2022



FINANCIAL STRENGTH AFFIRMED

AM Best revises Trustmark's Financial Strength Outlook from Stable to Positive.

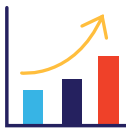
OCTOBER 5, 2022



TRANSACTION ADVANCES GROWTH STRATEGY

Trustmark sells its large-group third-party administration business, Trustmark Health Benefits, to Health Care Service Corporation. The transaction enables Trustmark to redirect sizeable investment toward accelerating our customer-focused strategic growth priorities.

OCTOBER 5, 2022



DIVESTITURE REDUCES FUTURE RISK

Trustmark divested its closed, long-term care block of business, reducing future risk and enabling increased focus on its core businesses.

NOVEMBER 4, 2022



AWARD HIGHLIGHTS OUTSTANDING TRUSTMARK CULTURE

For the third consecutive year, Trustmark is named a *Chicago Tribune* Top Workplace winner. The three words associates use most often to describe Trustmark: Caring, Flexible, Inclusive.

DECEMBER 21, 2022



TRUSTMARK REINFORCES COMMUNITY COMMITMENT

Trustmark makes the single largest annual contribution ever, at \$9.3 million, to the Trustmark Foundation.

JANUARY 13, 2023



A DISTINCT HISTORY AND A DYNAMIC FUTURE

At the start of 2023, Trustmark celebrated 110 years in business.

MARCH 28, 2023



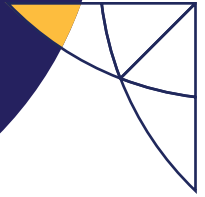
RATING UPGRADE HIGHLIGHTS INCREASED FINANCIAL STRENGTH

AM Best followed its Rating Outlook revision in 2022 with a Financial Strength rating upgrade in 2023, changing Trustmark's rating from A- (Excellent), Outlook Positive to A (Excellent), Outlook Stable.



Letter from our CEO

Kevin Slawin
Chief Executive Officer



A Milestone Year of Focus and Commitment

The past year has been one of milestones for Trustmark.

Milestones, of course, mark progress in a longer journey. Over the past several years, we have updated you on the steady, strategic progress of Trustmark. Our goal has been to respond to customer input to grow, becoming both more consequential in our chosen markets and enabling further investment in products and services that offer valuable financial protection and help people improve their health. In short, we will drive growth by focusing on businesses where we can make the greatest positive difference in people's lives.

Milestone achievements over the last 12 months have included:

- The successful sale of Health Benefits, one of Trustmark's four business units
- Disposition of a closed long-term care block of business
- Record revenue and earnings in Trustmark's largest business, Voluntary Benefits
- An upgrade to Trustmark's Financial Strength Rating from rating agency AM Best from A- (Excellent) to an A (Excellent)
- Recognition, for a third consecutive year, from the *Chicago Tribune* as a Top Workplace
- And greatly increased commitment to community support through associate volunteerism and the largest contribution from the company to the Trustmark Foundation in our history.

"In short, we will drive growth by focusing on businesses where we can make the greatest positive difference in people's lives."



At a time when the employment landscape is changing more quickly than ever, these milestones confirm that Trustmark is on the right path in our journey. As employers seek to offer a compelling benefit package to attract and retain talent, Trustmark helps them with innovative, affordable, and easy-to-administer financial protection and engaging virtual and in-person fitness solutions. And, with many employees working remotely or in hybrid situations, we enable companies to offer valuable, personalized benefits that increase engagement and foster a sense of community, building loyalty and strengthening company cultures.

Successful Sale of Trustmark Health Benefits

On October 5, 2022, Trustmark closed the sale of Trustmark Health Benefits (formerly CoreSource), Trustmark's third-party administration business focused on administering health plans for midsize and larger organizations, to Health Care Service Corporation (HCSC), the Blue Cross and Blue Shield® licensee in Illinois, Montana, New Mexico, Oklahoma, and Texas.

The sale placed Trustmark Health Benefits, its associates and leadership team with HCSC, an owner positioned to ensure the long-term success of the business. For Trustmark, the transaction enables us to redirect sizeable investment toward accelerating our customer-focused, strategic growth priorities in Voluntary Benefits, Small Business Benefits, and HealthFitness. As noted above, our goal is to invest to stand out among the leaders in these markets with products and services designed to improve overall wellbeing, foster engagement and participation, and increase employee satisfaction with the benefit plan.

Letter from our CEO



2022 Financial Results

With the sale of Trustmark Health Benefits, Trustmark's already strong financial foundation grew even stronger in 2022. Capital and Surplus, including asset valuation reserve, increased by \$266.8 million, from \$869.2 million at the end of 2021, to a record \$1,136.0 million as of December 31, 2022.

The company generated \$869.0 million in consolidated revenue, up 11 percent from \$784.0 million in 2021. This is due, in large part, to significant growth in Trustmark Voluntary Benefits, as outstanding sales momentum from 2021 continued into 2022, leading to record revenue. Persistency among existing customers in each business remained relatively high, affirming our belief that our customers continue to value our products and services.

"While Trustmark has been in a strong position with an A- rating, this notch upwards gives our partners and customers even more confidence in the company's long-term financial strength."

Net Income in 2022 totaled \$287.1 million, up \$222.8 million from \$64.3 million in 2021, due primarily to the sale of Trustmark Health Benefits and record performance in Trustmark Voluntary Benefits.

Excluding income from the sale of Trustmark Health Benefits, net pretax operating gain totaled \$65.8 million in 2022, up \$30.7 million from \$35.1 million in 2021. This increase was due to significant growth in Trustmark Voluntary Benefits, offset to some degree by only partial-year earnings from Trustmark Health Benefits due to the sale of that business, and higher claims, including COVID-19-related claim payments, in Trustmark Small Business Benefits.

Looking ahead, we expect strong momentum in Voluntary Benefits to continue as more national employers and distribution partners recognize the value of our products and ability to meet high customer service expectations. In Small Business Benefits and HealthFitness, the impact of the pandemic is receding.

Trustmark Financial Strength Ratings

Independent rating agency AM Best made two positive revisions to Trustmark's Financial Strength Rating over the past 12+ months.

First, on March 8, 2022, (well prior to the Trustmark Health Benefits sale announcement), AM Best affirmed Trustmark's A- (Excellent) Financial Strength Rating and revised the company's Outlook upward from Stable to Positive. They noted that the "positive outlook reflects Trustmark Group maintaining the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), as well as its continued trend of moderating investment risks."

Then, on March 28, 2023, AM Best revised Trustmark's rating upward from A- (Excellent) to A (Excellent). This is the first change to Trustmark's Financial Strength Rating since 2007. In issuing the upgrade, AM Best cited "Trustmark Group's continued maintenance of the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), favorable liquidity metrics and moderate investment risks."

While Trustmark has been in a strong position with an A- rating, this notch upwards gives our partners and customers even more confidence in the company's long-term financial strength.

Milestones in Further Delivering on Our Mission

In Voluntary Benefits, we continued to refine existing products and launch new coverage to help more people access affordable financial protection. We made a number of enhancements to our group products, including enriching the available wellness component of several of them. In addition, in August, we launched Trustmark Life+Care®, a new permanent term life insurance product that combines a death benefit with flexible care benefits that can cover both professional and family caregiving.

In late 2022, Trustmark divested its closed long-term care block. This strategic sale reduces future risk for Trustmark and further supports our effort to focus on delivering on our mission to increase wellbeing through better health and greater financial security.

Letter from our CEO



In a competitive labor market, Trustmark continues to add and retain talented associates committed to offering innovative products and caring service to our partners, clients, members and policyholders. With that in mind, I am pleased to share that Trustmark, for a third consecutive year, earned a Top Workplace award from the *Chicago Tribune*.

On March 15, Trustmark acquired FitReserve, a fitness subscription service that allows people to attend in-person classes at top gyms and fitness studios as well as access live-stream or on-demand fitness classes from leading instructors. The acquisition further enhances the comprehensive corporate fitness management solutions offered by HealthFitness and will enable Trustmark to enter additional markets where our unique combination of virtual and on-site fitness offerings can increase participation, improve health, and help build a culture of wellness.

As further evidence of our commitment to invest in the communities Trustmark serves, Trustmark donated more than \$9.3 million to the Trustmark Foundation in 2022. These donations represent the largest one-year donation to the Foundation in Trustmark's history. With this commitment, we have endowed the Foundation at a level that vastly increases the impact Trustmark can make – directly and through support of our associates' volunteerism – in our efforts to help underserved communities.

Leadership and Board of Directors

Kathleen Sweitzer joined Trustmark in 2022 as Senior Vice President, General Counsel and Corporate Secretary. Sweitzer's legal career of more than 25 years includes a number of leadership roles, most recently at Maestro Health, where she served as Chief Legal Officer and Corporate Secretary.

Daniel Hanke, formerly Vice President, Infrastructure Operations, was promoted to Senior Vice President and Chief Information Officer. Hanke joined Trustmark in 2015 after 13 years at Rockwell Automation, where he served as Director of Global Infrastructure.

On May 1, 2023, Bill Gould joined Trustmark in the newly created position of President and Chief Operating Officer, reporting directly to me. As we advance our growth strategies, Bill brings experience to an already strong leadership team in customer-focused product development,

"The sale of Trustmark Health Benefits represents by far the most significant change in Trustmark's recent history."

partnerships and acquisitions, and digital innovation. Bill comes to Trustmark after 27 years at Securian Financial Group, where he served most recently as Executive Vice President, Affinity Solutions.

Trustmark board members re-elected at the 2023 Annual Meeting held on February 27 include: David Weick, current Chairman of the Board of Trustmark Mutual Holding Company, and a Trustmark director since 1999; and David McDonough, retired Chief Executive Officer, Trustmark Mutual Holding Company, and a board member since 2004.

This past year was one of growth – particularly in Trustmark Voluntary Benefits – and continued strategic transformation for Trustmark. The sale of Trustmark Health Benefits represents by far the most significant change in Trustmark's recent history. And it was not the only recent milestone achievement. It was one of many that increase our focus, reduce risk, further strengthen Trustmark's already sound financial foundation, and enable greater investment in market leading products and services.

I'll close with one final milestone: Trustmark's 110-year anniversary, which we celebrate here in 2023.

For me, this milestone is one to celebrate for two reasons. It's a nod to Trustmark's long and rich history of focusing on our customers and members to deliver valued products and services. At the same time, we view it as a bridge to an exciting and dynamic future committed to helping people, businesses, and communities thrive.

Sincerely,



A Culture of Caring: Trustmark in the Community

Associates and the Trustmark Foundation to Build Healthier, Stronger Communities



A Mutual Organization Committed to Mutual Success

Trustmark was founded as a fraternal organization in 1913, enabling railroad workers to aid their fellow employees who were injured on the job. Employees helping employees. Neighbors helping neighbors.

Since that modest beginning, Trustmark has been uniquely connected to the communities we serve. As a mutual organization, we take the long view, serving our clients, not shareholders. And as a company committed to the communities in which our associates and clients live and work, we set aside a percentage of pretax earnings to support the underserved in those local communities.



That commitment extends beyond the corporate level. Associates work as individuals and as teams to give back through donations and volunteerism. Our belief is that we have a responsibility to help open the doors to opportunity and improve the quality of life for all.

A Milestone Contribution in 2022

To increase and perpetuate Trustmark's service to local communities, the company made a special, record-level one-time gift to the Trustmark Foundation in 2022. Along with its usual, annual gift, this brought Trustmark's donation to the Foundation to over \$9.3 million. These donations endowed the Trustmark Foundation at a level that vastly increases the long-term impact Trustmark can make in our efforts to help underserved communities thrive.

The Trustmark Foundation

The Trustmark Foundation was established in 1984 to formalize and further enable Trustmark's community commitment. In 2022, the Foundation distributed a total of more than \$1.3 million in cash and gifts in kind. Of this, more than \$600,000 addressed food insecurity, affordable housing and emergency shelter. Approximately \$270,000 went to support healthcare-related causes, including mental health and counseling.

Each year, a portion of Foundation funds is earmarked to support charitable organizations where associates volunteer or those that are particularly meaningful to associates. In 2002, the Trustmark Foundation made 45 donations, totaling \$300,000 to organizations selected by the associates.

In addition, the Foundation funds a number of renewable undergraduate scholarships each year for eligible children of Trustmark associates in honor of retired CEO Ralph Eckert.



Trustmark Foundation Supports Black Women's Health Imperative

At the recommendation of Trustmark's Diversity and Inclusion Council, the Trustmark Foundation donated to the Black Women's Health Imperative, the oldest national organization dedicated to improving the health and wellness of Black women and girls. The donation was part of Trustmark's celebration of Black History Month in February and the transition to Women's History Month in March.

Trustmark Associate Giving

Trustmark encourages and supports associate giving and volunteerism. In 2022, associates pledged hundreds of thousands of dollars to the United Way and other favorite charities during the annual Trustmark Cares Employee Giving Campaign. In addition, associate Volunteer Grants encourage individual social responsibility by providing grants to qualified organizations to which associates devote significant time.

Trustmark also provides paid time off to all benefit-eligible, fulltime associates to be used to volunteer in the community, and Trustmark teams and offices regularly work together to support organizations ranging from local food pantries to family crisis centers. In 2022, with support from Trustmark Cares, which seeks out volunteer opportunities and sponsors giving and volunteering events, associates learned about vital issues, including childhood education and affordable housing, and how their efforts can make a positive difference.

Associates then followed up, during Trustmark's annual Community Week and throughout the year, by contributing thousands of volunteer hours and completing countless acts of kindness. Individual associates or teams working together collected and packed food for local banks, donated blood, filled gift packs for foster children, supported special recreation programs, volunteered at animal shelters and donated cash and time to numerous other organizations.



A Culture of Caring: Trustmark in the Community

Associates and the Trustmark Foundation to Build Healthier, Stronger Communities

Volunteer Spotlight

As the severe flooding in Eastern Kentucky gripped the country in late July and August, HealthFitness' Shawn Stanley sprang into action. Shawn helped mobilize his colleagues and his clients in the Toyota fitness center to donate essential items to those affected. Then, each weekend, he drove from Georgetown, Ky., to the eastern part of the state to hand deliver items to shelters. He often stayed the weekend, helping people with their recovery efforts.



Friendly Competition Leads to More than 9,000 Pounds of Food Donations for Those in Need

To kick off the holiday season, HealthFitness embraced the spirit of competition and added a philanthropic twist. A Food Fitness Frenzy pitted locations against each other in a friendly battle that resulted in 9,726 pounds of food donated to 93 charitable organizations in 26 states.

"Trustmark continued to emphasize its campaign last year during a time of big activities and strategic opportunities for the organization. Many other companies would decide to skip a year with so much going on, and when that happens the campaign often doesn't come back with the same vigor. So for Trustmark to forge ahead and pivot around any challenges with such enthusiasm was pretty amazing."

Quinton Snodgrass, VP, Resource Development, United Way of Lake County



Kindness Hits a Home Run

Trustmark's Stephanie Barnes and the players on her 9-U softball team surprised the older sister of a player on the opposing team who was preparing for a serious surgery with a gift bag full of notes, pictures, gift cards and more.



A Culture of Caring

Associates Make the Most of Community Week



For the third consecutive year, associates shined during Trustmark Cares Community Week. Throughout the country, through gestures large and small, from group volunteer projects to individual acts of kindness, associates modeled Trustmark's caring culture.



▲ In 2015, police officers helped lead Jaclyn Madill and her husband to safety during a fire that destroyed 12 homes. During Community Week, their daughter, Arya, delivered cookies to their local police department.



▲ Carolyn Johnson and Krystal Spayd, along with colleagues on the Compliance team, helped make the start of the school year brighter for some children in Lake County. Thanks to a community service opportunity with **Fill a Heart 4 Kids**, the Trustmark associates packed almost 3,000 school supplies into backpacks.



◀ Heather Logan and her son have fostered dogs since 2020. They partner with **All Paws Are Perfect**, a non-profit, all volunteer dog rescue.

"Trustmark came up with activities and engagement opportunities for associates regardless of where they were based.... And it's not just at the time of the campaign; you can tell Trustmark is committed to the community throughout the year."

Michelle Sanchez, Donor Relations Senior Account Manager, Leaders United Co-Lead



▲ Kelley Parker devoted four days volunteering for **Firefighters for Healing** during its annual children and family camp for burn survivors.



A Culture of Caring

Associates Make the Most of Community Week



▲ Tracy Browder participated in a **Veterans Walk for Carry The Load**, a non-profit that connects Americans to the sacrifices made daily by our military, veterans, first responders and their families.



▲ Teams from the Finance Department and Voluntary Benefits volunteered at **Feed My Starving Children**, packing enough food to make more than 25,000 meals.



▲ Laura Ochoa and her kids donated dog treats and toys to **NOAH Animal Shelter**.



▲ A team from Facilities sorted and packed books at **Bernie's Book Bank**.



Our Businesses

Trustmark: Meeting the Changing Needs of Employers and Individuals

The way people work has changed. And they expect their benefits to fit their life needs and way of working. In a highly competitive labor market where people are working hybrid schedules or remotely, employees are looking for greater flexibility, benefits that provide a sense of security and creative ways to connect with coworkers.

Employers are looking for cost-effective, easy-to-administer benefits that help them stand out from the competition.

Employers are looking for cost-effective, easy-to-administer benefits that help them stand out from the competition. They also want benefits that increase employee satisfaction with the employment experience and help them engage and connect with each other.

Trustmark delivers. Voluntary benefits, available on both an individual or group basis, offer peace of mind with valuable coverage that can be tailored to life stage or financial priorities. We offer self-funded health plan designs and administration focused on helping smaller employers continue to offer affordable benefits. And, with a combination of on-site and virtual options – and a strategy designed specifically for each client’s employee population – our fitness management and programming drives greater participation and fosters a sense of belonging and community among employees.



At Trustmark, we help people, businesses and communities thrive.



Trustmark Voluntary Benefits

At Trustmark Voluntary Benefits, we listen to what employers care about most and then deliver innovative insurance solutions backed by exemplary service.

Trustmark offers individual and group insurance products and services on a voluntary basis at the worksite through national and regional brokers and enrollment firms.

Trustmark’s Innovative Solutions

As brokers and employers continue to navigate ongoing changes in healthcare and the overall benefits landscape, we provide cost-effective yet robust solutions to attract and retain employees. Trustmark’s voluntary benefits help working consumers and their families achieve peace of mind with coverage designed to fit changing needs based on life stage or financial priorities. This includes coverage that offsets the increasing financial risk and out-of-pocket costs associated with many medical benefit plans.

In 2022, we launched a new Trustmark Life + Care® product in response to the growing need for caregiving services. A term, permanent life insurance product offering benefits for both professional and family care, Life + Care is an easy-to-administer alternative to Voluntary Benefits’ flagship Universal life with Long-term Care product.

In the past year, we made updates to our new group voluntary benefits. Enhanced wellness benefits and greater affordability make group versions of Accident, Hospital StayPay and Critical HealthEvents more appealing than ever.

continued on next page

Our Businesses



Voluntary Benefits – continued

A comprehensive, customer-focused approach to product innovation has resulted in unique products and a continual push for new and better financial protection:

- One-of-a-kind Universal LifeEvents®, a top-selling¹ universal life product in the U.S., tailored to the varying protection needs employees face throughout their lives, including long-term care options.
- Innovative Trustmark Life + Care® lets policyholders take charge of tomorrow with guaranteed benefits, guaranteed level premiums and flexibility to receive caregiving services from a professional or a family member.
- Trustmark Hospital StayPay® is a fresh take on hospital insurance. It blends superior protection for employees with unmatched flexibility for employers. Hospital StayPay is available on both a group and individual basis.
- Disability insurance "re-defined" with Trustmark Paycheck Protect®, which covers you so you can live life the way you want to and know we're there for you when you can't.
- A critical illness product that offers a lifetime of benefits, Trustmark Critical HealthEvents® includes benefits for early identification of illness, a healthy living benefit and more. It's available on both a group and individual basis.
- An enhanced accident benefit plan that is uniquely designed to provide the protection employees need most. Available on both a group and individual basis.



In 2022, Voluntary Benefits earned an excellent Net Promoter Score of 53, based on asking customers, "How likely is it that you would recommend Voluntary Benefits to a friend?"



Trustmark differentiates themselves with their people. From sales, implementation, and ongoing support – I trust that the Trustmark team will do the right thing for our clients throughout.

– Vedran Uzeirovic, Gallagher Benefit Services, Inc

Providing Exemplary Service

While Voluntary Benefits takes great pride in its product suite, we understand that service is just as important. We provide convenient payment options that make things easy for policyholders and employers alike.

We also provide the resources to engage with employees one-on-one to help make sure they understand the value of their benefits while also communicating any important company initiatives – all at no charge to the employer.

The end result: higher levels of employee participation and satisfaction with benefits, better informed consumers, greater financial security and customers who continue to choose Trustmark year after year. Research confirms an 18-percent increase in employee satisfaction with their employer when voluntary benefits are offered.²

We've taken our commitment to service a step further with Trustmark Simplink®, which allows Trustmark products to be offered on almost any platform. As of the start of 2023, Simplink is connected to 30 systems, with more coming on all the time. Along with our new group products, it's easier than ever for brokers and employers to offer our products.

Your Trusted Partner

Our relationships with our clients are based on listening. As a proven industry leader in the voluntary benefits space, the foundation of our success hinges on understanding what our partners need and earning their trust by providing the solutions that match those needs.

¹ 2022 U.S. Worksite Sales Survey, LIMRA.

² Trustmark research conducted with The Connell Group, 2015.

* LifeEvents®, Trustmark Hospital StayPay®, Trustmark Paycheck Protect®, Trustmark Life + Care®, Trustmark Simplink® and Trustmark Critical HealthEvents® are trademarks of Trustmark Insurance Company. Insurance products underwritten by Trustmark Insurance Company and Trustmark Life Insurance Company of New York.

You care. We listen.



Our Businesses

HealthFitness®

HealthFitness builds and manages comprehensive fitness solutions for leading companies and organizations. With a nationwide team of more than 2,400 professionals, we focus on building trusted relationships, meaningful connections and active communities of health and fitness within each client's population. We engage and connect people both on-site and online, creating a strong community and sense of belonging.

Here's how we do it:

Get People Moving

We support their total wellbeing through innovative health and fitness programs, creating experiences where participants find friendly and familiar faces – and create trusted relationships.

Services Include:

- Fitness center operation and management
- Personal and small group training
- Group fitness
- Fitness and wellness challenges
- Seminars, meet ups and series classes
- Health coaching
- Gym networks
- Recreational sports and activities
- Outdoor fitness
- Discounted devices



Keep People Moving

As movement experts, we focus on helping people move smarter and healthier:

- Ergonomics and early intervention with services offered virtually and in person
- Work readiness with a proactive approach to keep people safe and productive
- Treatment with physical and occupational therapy

With support wherever, whenever

Our HealthFitness360SM app helps support remote and hybrid environments with:

- Virtual workouts, wellness content, training and assessments
- Live-streamed fitness and wellbeing classes
- On-demand classes and educational videos
- Training and consultations with real-time 1:1 or small group interactions

*The Net Promoter Score methodology is based on asking customers, "How likely is it that you would recommend HealthFitness to a friend or colleague?"



"HealthFitness has taught me the value of a life-long commitment to my health. Simply put, HealthFitness has changed my life!"

- Fitness center member



HealthFitness earned a Net Promoter Score of 63 from clients, placing it in the Excellent category for consistently exceeding customer expectations.*

Dedicated to improving the health and wellbeing of those we serve.



Results from Operations*

Consolidated, net gain from operations prior to taxes totaled \$65.8 million on operating revenue of \$869.0 million. This represents a year-over-year increase in operating earnings of \$30.7 million from \$35.1 million in 2021, due primarily to significant growth and record performance in Trustmark Voluntary Benefits, partially offset by higher claims, including COVID-19-related claim payments, in Trustmark Small Business Benefits.

Operating revenue increased by 11 percent in 2022, up \$85.0 million from \$784.0 million in 2021. Revenue increased in each Trustmark core business due to high persistency among existing clients. In addition, Trustmark Voluntary Benefits achieved record revenue, as outstanding sales momentum from 2021 continued into 2022. Including net investment income, total revenue was \$941.9 million, up \$86.1 million from \$855.8 million the prior year.

Net income grew in 2022, from \$64.3 million to \$287.1 million. Factors in this growth included strong operating results in Trustmark Voluntary Benefits and the sale of Trustmark's large-group third-party health benefits administration business, Trustmark Health Benefits, to Health Care Service Corporation, a transaction that closed on October 5, 2022.

Consolidated Income Statement

	2022	2021
Revenue		
Premiums		
Life and Annuity	360,851,754	263,293,841
Disability	52,943,784	53,635,668
Health	208,652,002	206,744,646
Net Investment Income	72,926,352	71,816,081
Other Revenue	246,518,830	260,323,758
Total Revenue	941,892,722	855,813,994
Expenses		
Policy Reserve and Incurred Claim Increases	366,190,686	333,259,794
Agent Commissions	110,399,737	85,677,298
Operating and Other Expenses	398,665,200	400,241,672
Interest Expense	817,750	1,553,241
Total Expenses	876,073,373	820,732,005
Net Gain from Operations before Federal Income Taxes (FIT)	65,819,349	35,081,989
FIT	78,457,065	10,129,438
Net Loss from Operations before Realized Investment Gains/Losses	(12,637,716)	24,952,551
Realized Investment Gains	298,964,898	41,597,594
Change in Benefit Plan Liabilities	7,000,105	(2,259,365)
Management Adjustments	(6,213,782)	
Net Income	287,113,505	64,290,780

*All financials represent the consolidation of full-year Statutory Accounting (SAP) results for Trustmark's insurance companies and Generally Accepted Accounting (GAAP) results for Trustmark's non-insurance companies for the calendar year ending December 31, 2022.



Consolidated Balance Sheet*

Consolidated Balance Sheet	2022	2021
Assets		
Bonds	2,003,521,372	1,815,865,765
Equities	142,619,703	127,897,457
Mortgage Loans	163,611,897	149,433,694
Real Estate	18,126,606	18,953,451
Policy Loans	23,445,689	21,848,985
Cash and Cash Equivalents	408,666,840	293,020,636
Investment Receivables	325,731	548
Total Invested Assets	2,760,317,838	2,427,020,536
Electronic Data Processing Equipment	8,742,247	9,501,261
Intangible Assets	19,436,059	43,757,731
Investment Income Due and Accrued	16,977,895	13,749,944
Premium Due and Deferred, Net	10,217,330	11,989,744
Reinsurance and Other Receivables	31,879,637	33,775,498
Federal Income Taxes	0	19,965,448
Total Assets⁴	2,847,571,006	2,559,760,162
Liabilities		
Policy, Premium, and Claim Reserves		
Life	1,139,090,521	1,041,786,906
Health	291,447,440	322,002,699
Dividend Accumulations & Premium Deposit Funds	54,498,825	44,716,098
Reinsurance Payable	456,288	459,523
Commissions, Taxes, and Other Accrued Expenses	118,766,141	102,528,585
Amounts Retained by Company as Trustee	13,698,668	43,910,025
Remittances and Items Not Allocated	13,956,716	30,744,289
Interest Maintenance Reserve	21,586,727	35,763,753
Debt	10,028,675	60,379,278
Other Liabilities	7,073,335	8,284,249
Federal Income Taxes Deferred and Payable	40,996,564	0
Total Liabilities	1,711,599,900	1,690,575,405
Surplus		
Asset Valuation Reserve	36,783,584	41,932,981
Unassigned Surplus	1,099,187,522	827,251,776
Total Surplus	1,135,971,106	869,184,757
Total Liabilities and Surplus	2,847,571,006	2,559,760,162

*Represents Trustmark Insurance, Trustmark Life Insurance of New York, and Trustmark Group.

⁴ On a standalone basis, as of December 31, 2022, Trustmark Insurance Company had assets of \$1.87 billion and liabilities of \$1.51 billion, representing surplus of \$357.3 million, with \$63.3 million on deposit, primarily at the Federal Home Loan Bank of Chicago.

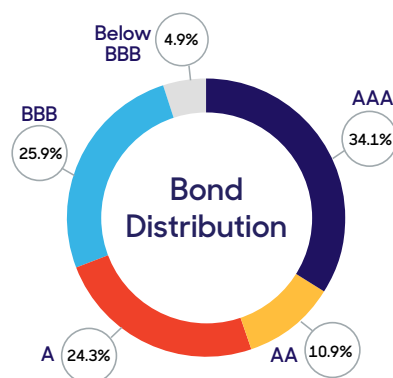
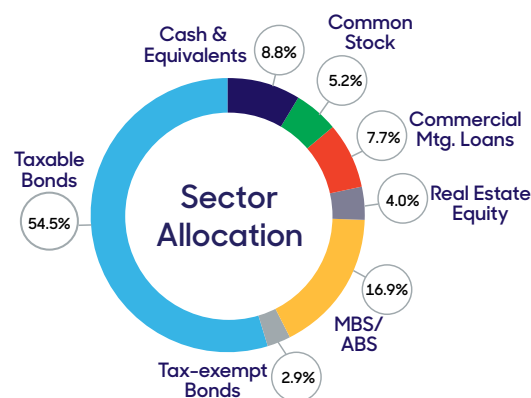
⁵ On a standalone basis, as of December 31, 2022, Trustmark Insurance Company had total debt of \$40.1 million that included \$30.1 million of funding agreements and \$10.0 million of debt, each with the Federal Home Loan Bank of Chicago. Funding agreements are included in the "Dividend Accumulations & Premium Deposit Funds" line item in the Consolidated Balance Sheet.

As of December 31, 2022, Trustmark's consolidated assets totaled \$2.8 billion, and consolidated capital and surplus was \$1,136.0 million, an increase of \$266.8 million, from \$869.2 million at the end of 2021.

With debt of \$40.1⁵ million and debt plus equity of \$1,176.1 million, Trustmark maintains a conservative debt-to-capital ratio of 3.4 percent.

Investment Portfolio Analysis

At year-end, approximately 83 percent of Trustmark's \$2.7 billion investment portfolio was in fixed income securities. Trustmark's well diversified portfolio should help to protect the company's assets in an environment of increased market volatility and geopolitical uncertainty.



The Trustmark Leadership Team



Kevin R. Slawin
Chief Executive Officer



Bill Gould
President and
Chief Operating Officer



John Anderson
Executive Vice President
Voluntary Benefits



Phil Goss
Executive Vice President
Chief Financial Officer and Treasurer



Dan Busiel
Senior Vice President
Chief Investment Officer



Dan Hanke
Senior Vice President
Chief Information Officer



Steve Horvath
Senior Vice President
Small Business Benefits



Paul Lotharius
Senior Vice President
Corporate Development



Sean McManamy
Senior Vice President
President, HealthFitness



Kathleen Sweitzer
Senior Vice President
General Counsel and
Corporate Secretary



Kristin Zerkowitz
Senior Vice President
Chief Human Resources Officer

Trustmark Board of Directors



David D. Weick, Chairman

Retired Senior Vice President,
Chief Information Officer
McDonald's Corporation



Debora A. Boyda

Retired Chief Executive Officer
Isobar US



Peter F. Drake, Ph.D.

Retired Managing Director
Mayflower Partners



Steven E. English

Retired Senior Vice President
and Chief Financial Officer
State Auto Insurance Companies



Judith P. Greffin

Retired Executive Vice President
and Chief Investment Officer
The Allstate Insurance Company



David M. McDonough

Retired Chief Executive Officer
Trustmark



Carlos M. Minetti

President, Consumer Banking
Discover Financial Services



Kevin R. Slawin

Chief Executive Officer
Trustmark



Lynn Shapiro Snyder

Senior Member
Epstein Becker & Green, PC

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