

20
17

At A Glance

Trustmark
benefits beyond benefits

Listening Leads to Understanding. Understanding Builds Trust.

Trustmark® is a different kind of benefits company. One that listens first, then works with clients to help them keep their promise to employees. In fact, we've been helping companies do just that for more than 100 years.

We help employers provide smarter benefits that attract new employees, keep existing ones, improve productivity and lower costs. We help employees achieve greater physical, emotional and financial wellbeing. And we do it all while offering all sizes

We help people and businesses thrive.

Specialized expertise in:



Voluntary Benefits

Trustmark has more than a century of experience in voluntary benefits, guided by the belief that listening leads to understanding and understanding builds trust. We listen to understand what people need and value, then help them protect what they care about most with voluntary benefits that provide meaningful financial security and peace of mind.

Coverage includes life, disability, accident and critical illness insurance, designed with the customer in mind. Trustmark's exceptional service, held as the standard in the industry, makes the administration of benefits simple and easy for employers. The result: higher levels of employee satisfaction, greater financial security, reduced administrative burden and increased engagement in benefits that help manage healthcare expenses – all at no cost to the employer.



Health Benefits¹

Expect more, benefit more with Trustmark Health Benefits. For more than four decades Trustmark has delivered health benefit plan design and administration, healthcare management and consumer-engagement services to self-funded plan sponsors and insurance carriers.

This involves much more than managing claims. It's about building a more effective and sustainable benefit plan. Trustmark serves as a trusted health benefits partner, combining a robust range of services with the flexibility to suit each customer. Integration of best-in-class solutions with data analytics and visibility to plan performance drive valuable insights and program enhancements that improve medical cost trend. And a personal approach to engaging members creates smart, confident, healthcare consumers, helping to manage health plan costs and increase member satisfaction.



Small Business Benefits²

Trustmark is a pioneer in self-funding for small to mid-size businesses. Trustmark offers extensive health plan design choices and ancillary benefit solutions so employers can create a plan tailored to meet their unique needs and budget.

Choices include surplus options that offer the opportunity for a refund if actual claims are lower than funded and plans with or without a PPO network. Networks include national PPO networks with Aetna Signature Administrators® (ASA) PPO Network, Cigna® PPO Network and numerous regional and local networks, providing convenient access to care. In addition, specialized programs such as Healthcare Bluebook™, Teladoc®, Grand Rounds®, CareChampion 24/7®, YourCare, MyNurse 24/7SM, MaternaLink® and Oncology Management, help employers and employees more confidently navigate the complex healthcare system.



Health + Fitness

Trustmark delivers a complete wellbeing solution that includes the best of wellness, fitness and injury prevention, powered by an engaging platform. In partnership with clients, Trustmark instills a culture of health that supports and empowers employees through a unique mix of digital integration and human connection.

Trustmark combines a science-based approach with personalized service delivery, program strategy and on-site and virtual services, including coaching, screenings, assessments, education, wellness challenges and more. It's all delivered through an engagement platform that provides a single place for employees to access all of their health, wellness and benefits programs. In addition, Trustmark offers fitness, aquatic and community center design, programming and management to companies, universities and municipalities.

Employee benefits that help people increase wellbeing through better health and greater financial security.

Trustmark is the brand name used to refer to certain subsidiaries of Trustmark Mutual Holding Company that provide insurance and other products and services. For a list of these subsidiaries, please visit our website at www.trustmarkcompanies.com. All products may not be available in all states.

Founded in 1913 | Rated A- (Excellent) by A.M. Best | \$2.2 billion in assets | 4,150 associates | 2+ million covered lives or plan participants

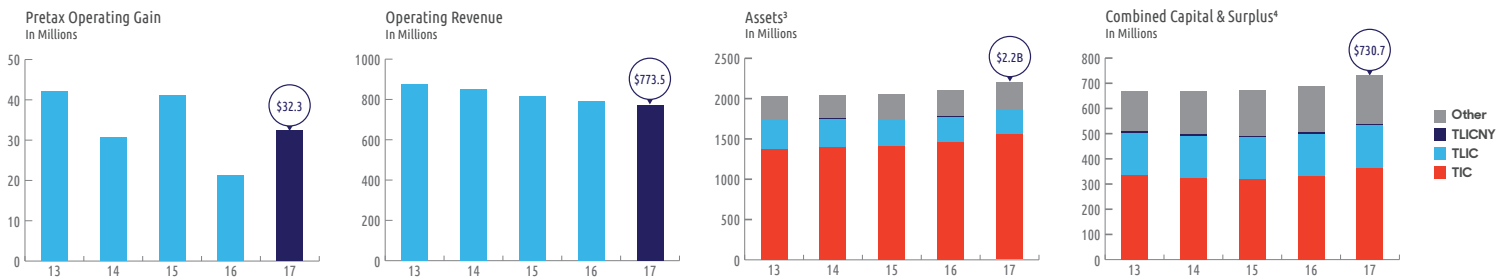
Overview of 2017 Consolidated Results and Capitalization*

Trustmark reported pretax earnings of \$32.3 million in 2017, an increase of \$10.9 million from \$21.4 million reported in 2016, due primarily to strong earnings in Voluntary Benefits, Health Benefits and Small Business Benefits, higher investment income and proactive expense management across the enterprise. This was despite the negative impact of expenses tied to long-term technology investments and the accounting impact of record sales in Voluntary Benefits, where insurance company statutory accounting rules require that Trustmark deduct all sales acquisition costs in the year the policy is written.

The company generated \$773.5 million in consolidated revenue, a decrease of \$19.7 million reported in 2016, largely due to lower revenue in Small Business Benefits, where sales gained momentum in the second half of 2017 after a slow start to the year. This revenue decrease was partially offset by record revenue in Voluntary Benefits and Health Benefits.

Trustmark's capital and surplus, a key measure of financial strength, increased by \$43.7 million, or more than 6 percent, in 2017, from \$687.0 million to \$730.7 million, due to excellent overall operating results and investment returns. The company maintains a conservative debt-to-capital ratio of 10.9 percent, and, as of year-end 2017, a NAIC Risk-based Capital level of approximately 1,200 percent, six times the regulatory minimum.

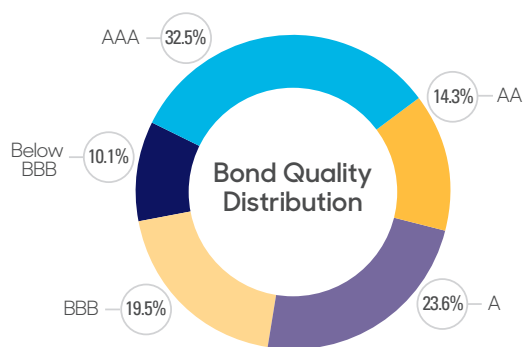
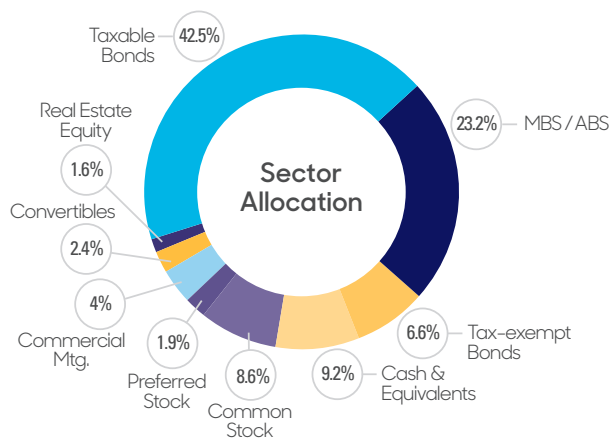
On March 13, 2018, independent rating agency A.M. Best affirmed Trustmark's A- (Excellent) financial strength rating and stable outlook, noting that Trustmark has the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio.



*Represents the consolidated financial results of Trustmark Mutual Holding Company and its subsidiaries for the 2017 calendar year.

Investment Portfolio Analysis

Trustmark's portfolio had a total return for the year ended December 31, 2017 of 73 percent. All asset classes experienced strong returns led by greater than 20-percent returns on common stocks.



At year-end, 86 percent of Trustmark's \$2.0 billion investment portfolio was in fixed income and preferred securities. Trustmark's well diversified portfolio should help to protect our assets as the U.S. experiences higher interest rates and market volatility.

¹Health Benefits self-funded plans administered by CoreSource, Inc.

²Small Business Benefits self-funded plans administered by Star Marketing & Administration, Inc., and stop-loss insurance coverage provided by Trustmark Life Insurance Company. CareChampion 24/7[®] is a registered trademark of Trustmark Insurance Company. YourCare is a trademark of CoreSource, Inc. MyNurse 24/7 is a trademark of Health Fitness Corporation. Healthcare Bluebook is a trademark of CareOperative LLC. Teladoc[®] is a registered trademark of TelaDoc, Inc. Grand Rounds[®] is a registered trademark of Grand Rounds, Inc. MaternaLink[®] is a registered trademark of My Wellness Solutions, LLC.

³Assets of Trustmark Mutual Holding Company and its insurance company subsidiaries as of Dec. 31, 2017:

- Trustmark Insurance Company: Assets - \$1.55 billion; liabilities - \$118 billion; Trustmark Life Insurance Company: Assets - \$303.0 million; liabilities - \$134.6 million; Trustmark Life Insurance Company of New York: Assets - \$9.2 million; liabilities - \$2.3 million

⁴Capital and surplus of Trustmark Mutual Holding Company and its insurance company subsidiaries, including AVR, as of Dec. 31, 2017:

- Trustmark Insurance Company: Surplus - \$364.0 million; assets pledged or on deposit - \$62.3 million; Trustmark Life Insurance Company: Surplus - \$168.4 million; assets pledged or on deposit - \$3.3 million; Trustmark Life Insurance Company of New York: Surplus - \$6.9 million; assets pledged or on deposit - \$0.4 million