OLD REPUBLIC INTERNATIONAL CORPORATION

MANAGING OLD REPUBLIC FOR THE LONG RUN

2020
Annual Review

CONTENTS

About Old Republic

Our **MISSION** is to provide quality insurance security and related services to businesses, individuals, and public institutions, and be a dependable long-term steward of the trust that policyholders, shareholders, and other important stakeholders place in us.

Old Republic traces its beginnings to 1923, although several acquired subsidiaries began operations much earlier. It is primarily a commercial lines underwriter serving the insurance needs of a large number of organizations, including many of America's leading industrial and financial services institutions. Its subsidiaries actively market, underwrite, and provide risk management services for a wide variety of coverages, mostly in the general and title insurance fields. A long-term interest in the mortgage guaranty and consumer credit insurance lines has devolved into a run-off operating mode in recent years. Old Republic's general insurance business ranks among the nation's 50 largest, while its title Insurance operations are the third largest in its industry.

For the beneficiaries of their insurance products and services, Old Republic's insurance subsidiaries provide quality assurance of the promises they make. For employees, the Company offers an environment of success in which they can pursue personal goals of professional and economic achievement in the context of our **MISSION's** business objectives.

Old Republic is one of the nation's 50 largest shareholder-owned insurance businesses. It is a member of the *Fortune 500* listing of America's largest companies. The Company's record as a long-term investment compares very favorably within American industry. ORI's performance reflects an entrepreneurial spirit, a necessary long-term orientation in the management of its business, and a corporate culture that promotes accountability and encourages the taking of prudent business risks.

Here's a summary of recent years' total book and market returns, which includes the addition and reinvestment of cash dividend payments, in comparison with the financial performance of three selected indices similarly developed.

	ORI		Selected Indices' Compounded Total Annual Returns		
	Annual Book Value Compounded Total Return	Annual Market Value Compounded Total Return	Nominal Gross Domestic Product	S & P 500 Index	S & P P & C Insurance Index
Ten Years 2001 - 2010	8.0%	1.9%	3.9%	1.4%	1.0%
Ten Years 2011 - 2020	8.8%	9.9%	3.3%	13.9%	14.3%
Twenty Years 2001 - 2020	8.4%	5.8%	3.6%	7.5%	7.4%

According to the most recent edition of *Mergent's Dividend Achievers*, Old Republic is one of just 111 qualifying companies, out of thousands considered, that have posted at least 25 consecutive years of annual dividend growth. Moreover, Old Republic has paid a cash dividend without interruption since 1942 (79 years), and it has raised the annual cash dividend pay-out for each of the past 39 years.

FINANCIAL HIGHLIGHTS

($ in Millions, Except Per Share Data)

		Consolidated Data		
		2020	2019	% Change
Total Revenues*		**$ 7,166.0**	$ 7,460.5	-3.9%
Pretax Income (Loss):	Excluding Investment Gains (Losses)	**830.4**	686.2	21.0
	Investment Gains (Losses)	**(142.0)**	636.1	-122.3
	Total Including Investment Gains (Losses)	**688.4**	1,322.4	-47.9
Net Income (Loss):	Excluding Investment Gains (Losses)	**670.8**	554.2	21.0
	Net of Tax Investment Gains (Losses)	**(112.1)**	502.2	-122.3
	Total Including Investment Gains (Losses)	**558.6**	1,056.4	-47.1
Net Income (Loss) Per Share-Diluted:	Excluding Investment Gains (Losses)	**2.24**	1.84	21.7
	Net of Tax Investment Gains (Losses)	**(0.37)**	1.67	-122.2
	Total Including Investment Gains (Losses)	**1.87**	3.51	-46.7
Operating Cash Flow		**1,185.0**	936.2	26.6
Assets		**22,815.2**	21,076.3	8.3
Common Shareholders' Equity:	Total	**6,186.6**	6,000.1	3.1
	Per Share	**20.75**	19.98	3.9
Cash and Invested Assets Per Share		**52.12**	48.39	7.7
Cash Dividends Per Share**		**$ 1.84**	$ 1.80	2.2%

* *Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.*
** *A special cash dividend of $1.00 per share was declared in December 2020 in addition to the regular quarterly dividend payment of $0.21 per share.*
A special cash dividend of $1.00 per share was paid in September 2019 in addition to the regular quarterly dividend payment of $0.20 per share.

	Segments of Business					
	Revenues*			Pretax Income (Loss)		
	2020	2019	% Change	**2020**	2019	% Change
General Insurance	**$ 3,876.8**	$ 3,920.8	-1.1%	**$439.8**	$ 370.2	18.8%
Title Insurance	**3,329.3**	2,778.1	19.8	**344.0**	230.8	49.0
Corporate & Other	**41.4**	48.5	-14.6	**36.7**	54.8	-33.1
Subtotal	**7,247.6**	6,747.5	7.4	**820.5**	655.9	25.1
RFIG Run-off	**60.4**	76.8	-21.4	**9.8**	30.3	-67.4
Total Operating	**7,308.0**	6,824.4	7.1	**830.4**	686.2	21.0
Investment Gains (Losses):						
Realized From Actual Transactions	**14.2**	36.6	-61.2	**14.2**	36.6	-62.1
Unrealized From Changes in Fair Value of Equity Securities	**(156.2)**	599.5	-126.1	**(156.2)**	599.5	-126.1
Subtotal	**(142.0)**	636.1	-122.3	**(142.0)**	636.1	-122.3
Consolidated	**$ 7,166.0**	$ 7,460.5	-3.9%	**$688.4**	$1,322.4	-47.9%

* *Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.*

MANAGING FOR THE LONG RUN

The very nature of insurance requires that we manage our business for the long run. The prices (premiums) charged for most products are set without knowing for certain what the ultimate claim costs will be. We also cannot know exactly when the claims will be paid, which may be many years after a policy was issued or expired.

Success Comes from Focus and Staying Power

Prospering in this environment requires us to focus on two areas. First, our goal is to achieve favorable underwriting results over multi-year cycles. Second, we steadfastly maintain a sound financial condition. This is needed to support our insurance subsidiaries' long-term obligations to policyholders and their beneficiaries. We meet these objectives by using time-tested insurance and risk management principles, and by funding liabilities with high-quality, diversified assets.

Effectively managing over a multi-year cycle means we operate the business with little regard for quarterly or even annual reporting periods. That's because these time frames are too short. We believe the best way to evaluate our operating results and financial condition is by looking at underwriting and overall operating performance trends over succeeding five- and, preferably, ten-year intervals. These longer periods may include one or two economic and/or underwriting cycles. This provides enough time for the cycles to run their course, for underwriting and premium rate changes to appear in financial results, and for reserved claim costs to be quantified with greater finality and effect.

We maintain a sound financial condition and a strong balance sheet in three critical ways: 1) we avoid excessive debt; 2) we manage asset and liability risks in a coordinated fashion, allowing us to cover different types of exposures across industry sectors and insurance coverages; and 3) we retain a capital cushion to see us through unexpected harsh events.

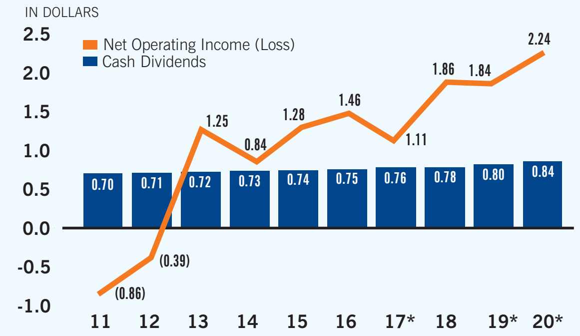
Long-Term View Creates Value for Assureds and Shareholders

By taking this long view, Old Republic has proven itself a reliable insurer and very good investment over time. Our record does more than distinguish us among insurers. It stacks up very well against the nation's other successful corporations. We believe our achievements rest on our values, our strategy of taking prudent business risks, and our conservative approach to asset and capital management.

We manage a focused book of insurance risks through a variety of coverages and products aimed at core sectors of the North American economy. This combination allows us to counter the natural cycles in the insurance industry. It also produces sustainable and balanced earnings growth with lower levels of volatility over time.

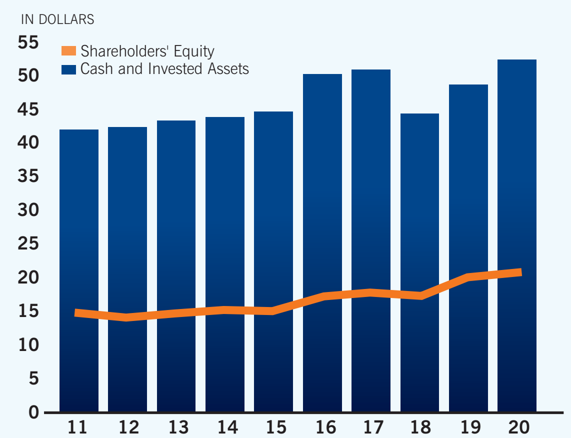
Our commitment to creating long-term shareholder value has created generally consistent growth in four areas: 1) our quality invested asset base; 2) bottom line; 3) book value; and 4) cash dividend. Old Republic has paid regular cash dividends on common shares without interruption since 1942. In addition, our annual dividend has risen in each of the last 39 years. We are one of only 389 companies, out of the thousands that are publicly traded, to have posted at least 10 consecutive years of annual dividend growth. In addition, Old Republic is one of just 111 companies, out of those thousands, to post at least 25 consecutive years of annual dividend growth, according to the most recent edition of *Mergent's Dividend Achievers*.

Net Operating Income (Loss) Per Share-Diluted
Regular Cash Dividends Per Share



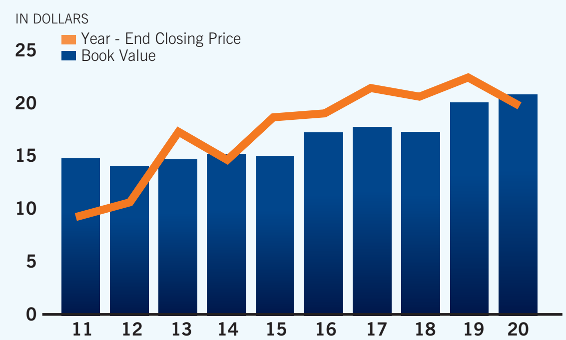
** Excludes special cash dividends of $1.00 per common share in 2020, 2019 and 2017. Regular cash dividends have increased in each of the past 39 years, even though earnings per share have reflected some variability.*

Cash and Invested Assets Per Share
Shareholders' Equity Per Share



Old Republic's cash and invested assets and shareholders' equity per share have kept pace with and reflect changes in operating cash flows, investment market values, and earnings.

Per Share Data



Over the past decade, Old Republic's shareholders' equity per share and market price per share have mostly reflected trends in earnings and cash dividend pay-outs.

2020 ANNUAL REPORT LETTER

Rising Above the Challenges of 2020

The COVID-19 pandemic caused devastating human and economic harm in 2020. One of Old Republic's initial actions was the swift rollout of technology so most of our more than 9,400 associates could work remotely. Our associates rose above the personal and professional obstacles to meet the ongoing needs of our businesses, our customers and other important stakeholders. We are grateful to all of them for their dedication to delivering our products and services with excellence, and without disruption, throughout 2020.

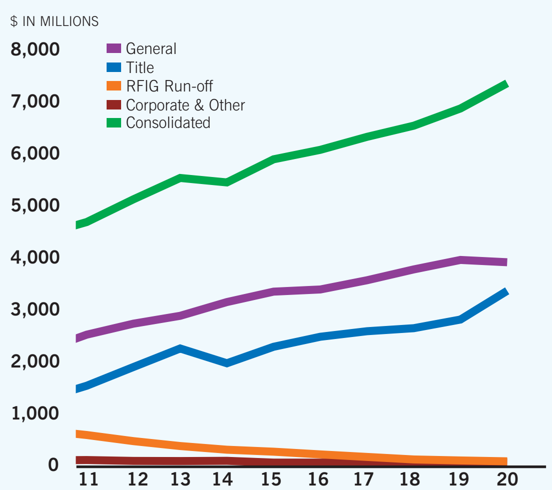
Despite the adversity we all faced, Old Republic's consolidated pretax income, *excluding* investment gains or losses, reached an all-time high of $830.4 million. This was a 21% increase over the prior record of $686.2 million in 2019. Our General Insurance business contributed a new high of $439.8 million, while our Title Insurance business added a record $344.0 million. Shareholders' equity grew from $6,000.1 million at the end of 2019 to $6,186.6 million at year-end 2020, after total cash dividends of $547.5 million.

Comparative Financial Performance Per Share

We strive to be transparent when measuring our financial results. To do this, we report the overall and per share financial performance by *excluding* realized and unrealized investment gains or losses. These gains or losses result from: 1) highly discretionary and randomly occurring actual sales transactions; or, 2) the price volatility of the securities market, over which we have no control. On this basis, we reported **net income per diluted share** of $2.24 in 2020, 22% higher than the $1.84 in 2019. **Shareholders' equity per share** rose to $20.75 at year-end 2020 from $19.98 at year-end 2019. Ending shareholders' equity is mostly the result of accumulated earnings, realized and unrealized investment gains or losses, and after cash dividends, including special dividends of $1.00 per share in 2020, 2019 and 2017.

We also gauge our financial performance by our **total book value return per share**. We calculate it by combining the annual change in book value per share with annual cash dividends per share. This resulted in a 13.1% return in 2020. Our **total market return per share**, calculated by combining the change in the year-over-year price of our common shares with annual cash dividends per share, was -7.7% in 2020; a result of the adverse effects of the pandemic on the market price of our shares, and

Segmented Operating Revenue Trends



Old Republic's wide diversification of insurance coverages among its business segments provides consolidated top line stability.

incongruent with our strong operating performance. The table at the end of this letter shows those returns alongside three economic growth and market indicators since ORI's emergence as a publicly held insurance holding company 53 years ago. This illustrates how our long-term performance compares very favorably with those benchmarks. We are confident the long-term strategy for our diversified insurance business will continue our record of competitive, value-creating financial performance in the long run.

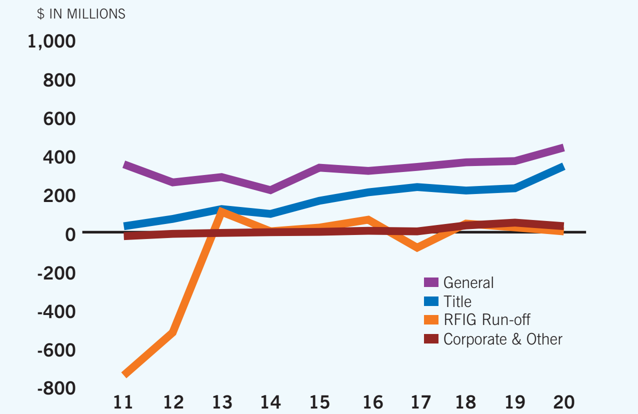
Consolidated Operations Show Continued Strength

The table on the next page shows an array of operating data arranged in 11 sections. We believe the information in sections A to G and at J highlights the most meaningful indicators of the basic segmented and consolidated operating results of our business, underscoring solid performance in two key areas:

- ★ Underwriting operations dedicated to providing long-term, reliably consistent insurance and related services to meet the needs of a variety of businesses, individuals, and public institutions
- ★ Solid investment management of the combined capital and underwriting cash flows provided by our insurance and related services operations

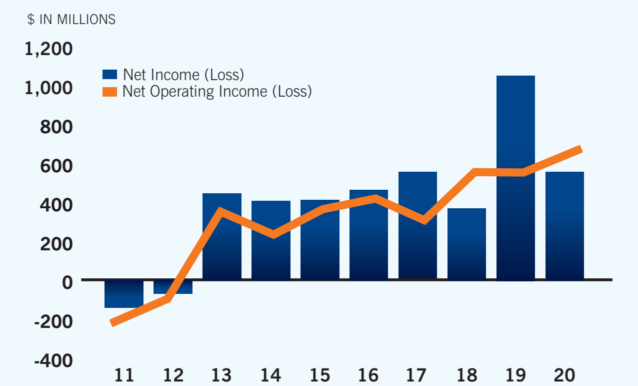
Underwriting and related services income for Old Republic's actively managed business totaled $440.5 million in 2020. This represented a 68% increase from $262.8 million in 2019. As the table at the top of page 7 shows, the margins for our actively managed business improved from 4.2% in 2019 to 6.5% in 2020. The General Insurance margin rose from 2.5% in 2019 to 4.5% in 2020, while the Title Insurance margin grew from 7.1% in 2019 to 9.3% in 2020.

Segmented Pretax Operating Income Trends



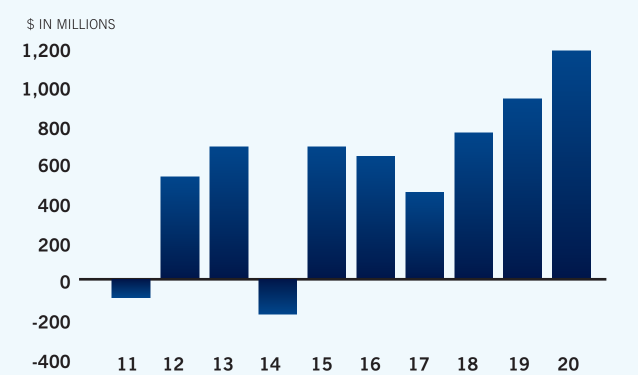
Old Republic's combined run-off mortgage and consumer credit indemnity businesses, both of which were tied to housing finance, experienced losses in 2011 and 2012 related to the pronounced economic slowdown's effect on the housing and mortgage lending sectors.

Consolidated Net Income (Loss)/ Consolidated Net Operating Income (Loss)



Old Republic's consolidated losses in 2011 and 2012 were related to the economic downturn in housing and mortgage lending sectors of the American economy.

Consolidated Net Operating Cash Flow



Old Republic's consolidated operating cash flow deficits resulted from the impacts of the pronounced economic slowdowns of the housing and mortgage lending sectors on the RFIG Run-off segment.

Sources of Consolidated Income (Loss) ($ in millions, except share data)

	2020	2019	2018	2017	2016	2015
A. Net premiums, fees, and other income:						
General insurance	**$3,394.2**	$3,432.4	$3,277.1	$3,110.8	$2,936.3	$2,894.7
Title insurance	**3,286.3**	2,736.0	2,573.1	2,516.5	2,410.9	2,220.8
Corporate and other	**12.0**	13.4	14.6	18.8	20.1	19.4
Other income	**131.2**	132.6	121.6	102.2	107.3	106.7
Subtotal	**6,823.9**	6,314.4	5,986.6	5,748.4	5,474.7	5,241.7
RFIG run-off business	**45.1**	59.2	75.9	122.9	170.0	219.9
Consolidated	**$6,869.1**	$6,373.7	$6,062.5	$5,871.4	$5,644.8	$5,461.6
B. Underwriting and related services income (loss):						
General insurance	**$151.8**	$84.9	$91.2	$84.3	$65.5	$70.8
Title insurance	**305.8**	193.4	185.1	206.7	181.7	140.3
Corporate and other	**(17.0)**	(15.5)	(21.9)	(28.4)	(17.5)	(21.8)
Subtotal	**440.5**	262.8	254.3	262.6	229.7	189.4
RFIG run-off business	**(5.3)**	12.7	29.7	(95.2)	46.6	4.3
Consolidated	**$435.2**	$275.6	$284.0	$167.3	$276.3	$193.7
C. Consolidated underwriting ratio:						
Claim ratio	**37.0%**	41.2%	41.4%	43.0%	42.4%	45.9%
Expense ratio	**56.3**	54.1	53.5	53.9	52.4	50.2
Combined ratio	**93.3%**	95.3%	94.9%	96.9%	94.8%	96.1%
D. Net investment income:						
General insurance	**$352.2**	$356.4	$341.0	$318.9	$312.1	$312.1
Title insurance	**42.0**	41.4	38.8	37.3	36.2	34.0
Corporate and other	**29.4**	35.1	31.7	31.4	15.4	17.2
Subtotal	**423.6**	433.0	411.7	387.7	363.8	363.5
RFIG run-off business	**15.2**	17.6	20.1	21.7	23.2	25.1
Consolidated	**$438.9**	$450.7	$431.8	$409.4	$387.0	$388.6
E. Interest and other charges:						
General insurance	**$64.2**	$71.1	$68.3	$62.9	$57.6	$46.6
Title insurance	**3.8**	4.1	4.6	6.9	7.6	7.5
Corporate and other (a)	**(24.3)**	(35.2)	(30.6)	(6.9)	(15.0)	(12.2)
Subtotal	**43.7**	40.0	42.2	63.0	50.2	41.9
RFIG run-off business	**–**	–	–	–	–	–
Consolidated	**$43.7**	$40.0	$42.2	$63.0	$50.2	$41.9
F. Segmented and consolidated pretax income (loss) excluding all investment gains (losses):						
General insurance	**$439.8**	$370.2	$363.9	$340.3	$319.9	$336.4
Title insurance	**344.0**	230.8	219.3	237.1	210.2	166.8
Corporate and other	**36.7**	54.8	40.4	9.9	13.0	7.6
Subtotal	**820.5**	655.9	623.8	587.3	543.3	511.0
RFIG run-off business	**9.8**	30.3	49.9	(73.5)	69.8	29.4
Consolidated	**830.4**	686.2	673.7	513.8	613.1	540.4
Income taxes (credits) on above	**159.6**	132.0	117.2	195.7	193.5	177.7
G. Net income (loss) excluding investment gains (losses)	**670.8**	554.2	556.4	318.0	419.6	362.7
H. Consolidated pretax investment gains (losses):						
Realized from actual transactions	**14.2**	36.6	58.2	211.6	72.8	91.3
Unrealized from changes in fair value of equity securities	**(156.2)**	599.5	(293.8)	–	–	–
Total	**(142.0)**	636.1	(235.6)	211.6	72.8	91.3
Income tax (credit) on above	**(29.8)**	133.8	(49.6)	(30.8)	25.5	31.9
Net of tax investment gains (losses)	**(112.1)**	502.2	(185.9)	242.4	47.3	59.3
I. Net income (loss)	**$558.6**	$1,056.4	$370.5	$560.5	$466.9	$422.1
J. Consolidated operating cash flow (deficit)	**$1,185.0**	$936.2	$760.5	$452.8	$637.3	$688.2
K. Net income (loss) per diluted share:						
Net income (loss) excluding investment gains (losses)	**$2.24**	$1.84	$1.86	$1.11	$1.46	$1.28
Realized investments gains (losses)	**0.04**	0.10	0.15	0.81	0.16	0.20
Unrealized investment gains (losses)	**(0.41)**	1.57	(0.77)	–	–	–
Net income (loss)	**$1.87**	$3.51	$1.24	$1.92	$1.62	$1.48
Cash dividends per share (b)	**$1.84**	$1.80	$0.78	$1.76	$0.75	$0.74
Ending book value per share	**$20.75**	$19.98	$17.23	$17.72	$17.16	$14.98
Closing stock market price per share	**$19.71**	$22.37	$20.57	$21.38	$19.00	$18.63

(a) Includes consolidation/elimination entries. / (b) 2020, 2019 and 2017 include special cash dividends of $1.00 per share.

Underwriting and Related Services Margin as % of Premiums, Fees, and Other Operating Revenues:

	2020	2019	2018	2017	2016	2015
Underwriting/Services Margins:						
General insurance	**4.5%**	2.5%	2.8%	2.7%	2.2%	2.4%
Title insurance	**9.3**	7.1	7.2	8.2	7.5	6.3
Total actively managed business	**6.5**	4.2	4.2	4.6	4.2	3.6
RFIG Run-Off business	**(11.8)**	21.5	39.1	N/M	27.4	2.0
Consolidated total with run-off business	**6.3%**	4.3%	4.7%	2.8%	4.9%	3.5%

General Insurance net premiums and other income was down 1.1%. A decline in Workers' Compensation premium was the main cause. That occurred as the pandemic decreased economic activity, which resulted in lower payroll exposures. Other lines of coverage helped offset this reduction, supported by strong premium rate increases and continued new business production.

As the next table shows, claim ratios have trended down during the past several years. The improvement in 2020 came from favorable claim reserve development from prior periods (-0.8%) and a slightly lower current period claim provision (70.7%). This produced a reported claim ratio of 69.9% for 2020.

Effect of prior periods' reserve developments on calendar year reported claim ratios:

Calendar Years	Reported Claim Ratio	Effect of Prior Periods' (Favorable)/Unfavorable Claim Reserves Development	Claim Ratio Excluding Prior Periods' Claim Reserves Development
2015	74.1%	1.5%	72.6%
2016	73.0	0.3	72.7
2017	71.8	0.7	71.1
2018	72.2	–	72.2
2019	71.8	0.4	71.4
2020	69.9%	(0.8)%	70.7%

Annual claim ratios and trends may not be particularly meaningful indicators of future outcomes. That is because we have a liability-oriented mix of business, with relatively long claim payment patterns. Absent significant economic or insurance industry dislocations, we target claim ratio averages in the high 60% to low 70% range.

The next table shows the combined ratios for the past several years, including the improved combined ratio of 95.5% in 2020. Each year's expense ratio typically reflects the product mix, and the variability of sales and general expenses among various lines of coverage. Assuming the current mix, we target expense ratio averages of 25% or below, and a combined ratio between 90% and 95%.

Underwriting ratios:

	2020	2019	2018	2017	2016	2015
Claim ratio	**69.9%**	71.8%	72.2%	71.8%	73.0%	74.1%
Expense ratio	**25.6**	25.7	25.0	25.5	24.8	23.5
Combined ratio	**95.5%**	97.5%	97.2%	97.3%	97.8%	97.6%

We remain optimistic about the continued progress of the General Insurance business. Our long-term strategy aims to increase revenues at a faster growth rate than that of nominal gross domestic product (GDP) over 5 to 10-year cycles. We aim to do this through the organic growth of our business, new ventures, selective acquisitions, and new products and distribution channels.

Title Insurance net premiums and other income rose 20.1% in 2020. Low interest rates and a favorable real estate market facilitated the exceptional increase. The ingenuity and dedication of our Title Insurance associates contributed to strong growth. Our associates found safe and innovative ways to provide uninterrupted service. This included conducting real estate settlement transactions via no-contact, curbside and drive-up closings. They also expanded the use of our technologies such as eClosings, remote online notarizations (RON), and remote ink-signed notarizations (RIN).

As the next table shows, the improvement in the 2020 claim ratio came from favorable claim reserve development from prior periods (-1.3%) and a slightly lower current period claim provision (3.6%). This produced a reported claim ratio of 2.3% for 2020.

Effect of prior periods' reserve developments on calendar year reported claim ratios:

Calendar Years	Reported Claim Ratio	Effect of Prior Periods' (Favorable)/Unfavorable Claim Reserves Development	Claim Ratio Excluding Prior Periods' Claim Reserves Development
2015	4.5%	(0.6)%	5.1%
2016	3.5	(1.0)	4.5
2017	0.8	(3.0)	3.8
2018	1.9	(1.8)	3.7
2019	2.5	(1.2)	3.7
2020	2.3%	(1.3)%	3.6%

The next table shows the combined ratios for the past several years. The drop in the 2020 expense ratio largely reflected revenues outpacing expenses during the aforementioned period of exceptional growth, and was primarily responsible for the stronger combined ratio.

Underwriting ratios:

	2020	2019	2018	2017	2016	2015
Claim ratio	**2.3%**	2.5%	1.9%	0.8%	3.5%	4.5%
Expense ratio	**88.4**	90.5	90.9	91.0	89.0	89.2
Combined ratio	**90.7%**	93.0%	92.8%	91.8%	92.5%	93.7%

Our Title Insurance business model is based on mitigating and preventing losses rather than assuming significant underwriting risks. Loss prevention is driven at the front-end of a transaction, led by professionals trained in real estate law who do extensive searches of historical real estate transfers. Expenses incurred to achieve these objectives are booked when a title insurance policy and related services are first provided. As a result, upfront costs are much higher for title insurance when compared with other types of insurance, but for those reasons claim costs are lower.

General Insurance and Title Insurance complement one another exceptionally well under the ORI umbrella. Both focus on providing *specialized* insurance coverages, products and related services to key industries in the North American economy. The customer base for each requires an insurance provider with strong financial ratings that are predicated on a strong balance sheet. General Insurance and Title Insurance share critical complementary enterprise risk management attributes. These include: counter-cyclical industries, tax planning strategies, and capital management allocations. General Insurance and Title Insurance are also firmly tied together within ORI's culture.

RFIG Run-Off is now entirely represented by RMIC's mortgage guaranty coverages, which in 2020 produced $9.8 million of pretax income, *excluding* investment gains or losses, down from $29.2 million in 2019. The difference was primarily the result of the pandemic's economic impact on employment levels. While in the short-term profitability may improve as the economy and employment levels rebound, in the long-term we expect profitability to decline as premium revenues drop in tandem with the anticipated reduction of insurance risk in-force. At the end of 2020, the business had shareholders' equity of $445.8 million.

We continue to have economically sound options for the future of this business, including: 1) holding onto the RMIC enterprise, running-off the book of business through extinction, and with regulatory approval gradually reducing the capital balance; or, 2) selling the RMIC enterprise, including its valuable operating infrastructure, to a qualified cash buyer interested in its reactivation.

Consolidated investment income declined 2.6% for the year compared with growth of 4.4% in 2019. This reflected lower investment yields that offset the ongoing moderate growth in the investment portfolio. At year-end 2020, approximately 73% of the fair-valued investment portfolio of $15.3 billion was allocated to fixed-maturity and short-term investments. The remaining 27% was invested in common stocks. On a cost basis, which does not account for unrealized gains or losses, the allocation was 76% and 24%, respectively.

Our total investment portfolio stems from three sources:

★ Funds obtained from our debt holders, which are directed to our insurance subsidiaries' capital and reinvested in bonds and stocks

★ Shareholders' paid-in capital and retained earnings balances, which are largely committed to our insurance subsidiaries to support their underwriting exposures and growth prospects

★ Cumulative cash flows produced by our insurance subsidiaries' underwriting/services operations that, after meeting current operating liquidity needs, are similarly invested

We estimate 42% of the total fixed-maturity, common stock, and cash equivalent investments for 2020 came from the combination of tangible shareholders' equity and outstanding debt. The remaining 58% was attributable to underwriting/services operations. This provides for an allocation of annual investment income to each source, and underscores the nature of our operating income. The next table shows, on average, 79% of consolidated pretax operating income was generated by our underwriting/services operations. The other 21% came from the investment of tangible shareholders' equity and outstanding debt.

($ in millions)

	2020	2019	2018	2017	2016	2015
Attributed sources of consolidated pretax operating income:						
Underwriting/services income	**$435.2**	$275.6	$284.0	$167.3	$276.3	$193.7
Attributed net investment income to underwriting/services	**254.6**	252.4	220.2	229.3	216.7	229.3
Total	**689.8**	528.0	504.2	396.6	493.0	423.0
Attributed net investment income to shareholders' equity and outstanding debt	**184.3**	198.3	211.6	180.1	170.3	159.3
Less: Other expenses (largely interest on debt)	**(43.7)**	(40.0)	(42.2)	(63.0)	(50.2)	(41.9)
Total	**140.6**	158.2	169.4	117.1	120.1	117.4
Consolidated pretax operating income	**$830.4**	$686.2	$673.7	$513.8	$613.1	$540.4

The next table shows three key items: 1) the relationship between income from interest and dividends; 2) the contribution each made as a percent of net investment income; and, 3) the latter's proportion to each of underwriting/services and consolidated pretax operating income.

($ in millions)

	2020	2019	2018	2017	2016	2015
Net Investment Income from:						
Interest	**$292.1**	$310.5	$309.0	$298.6	$298.7	$297.3
Dividends	**149.8**	141.3	124.0	110.9	88.2	91.0
Other (mostly net investment expense)	**(3.0)**	(1.1)	(1.2)	(0.1)	0.1	0.3
Net investment income	**$438.9**	$450.7	$431.8	$409.4	$387.0	$388.6
Year-over-year % change	**(2.6)%**	4.4%	5.5%	5.8%	(0.4)%	12.5%
Percentage of net investment income from:						
Interest	**66.6%**	68.9%	71.4%	72.9%	77.2%	76.5%
Dividends	**34.1%**	31.4%	28.7%	27.1%	22.8%	23.4%
Net investment income as a percentage of:						
Underwriting/services income	**100.9%**	163.5%	152.0%	244.7%	140.1%	200.6%
Consolidated pretax operating income	**52.9%**	65.7%	64.1%	79.7%	63.1%	71.9%

The size of our fixed-maturity security portfolio has trended upward over the past several years. It forms the anchor for our insurance subsidiaries' obligations to policyholders and their beneficiaries. The maturities are stratified and conservatively matched to the expected timing of paying those obligations in the future.

In recent years, a significant portion of our investable funds has been directed toward high-quality common shares of U.S. companies (limited to fewer than 100 issues at year-end 2020). We favor those with long-term records of reasonable earnings growth and steadily increasing dividends. Dividends from equity securities have been an important source of investment income.

Realized gains from actual transactions always provide a welcome addition to overall results. However, our investment management process remains focused on assembling a quality investment portfolio that produces consistent and growing streams of investment income. We perform regular stress tests of the equities portfolio to gain reasonable assurance that periodic downdrafts in market prices will not seriously undermine our financial strength and the long-term continuity and prospects of our insurance underwriting business. From 2015 to 2020, realized gains in the investment portfolio have averaged $80.8 million per year. This represented 16.2% of their combination with net investment income. During the same period, net unrealized investment gains from all sources averaged $135.5 million per year.

We keep enterprise-wide risk management objectives in mind when structuring the overall securities portfolio. Our principal aim is twofold. First, to help ensure solid funding of our insurance subsidiaries' long-term obligations to assureds and other beneficiaries. Second, to assist in the growth and long-term stability of our subsidiaries' capital accounts. For these reasons, the portfolio contains no significant exposure to collateralized debt obligations (CDOs), derivatives, hybrid, hedge fund, private-equity securities with limited liquidity, or other securities with values largely based on non-regulated financial instruments.

We consider our all-weather investment portfolio to be of high quality and marketability. It is structured to be responsible in meeting the liquidity needs of the business as insurance underwriting and other obligations come due.

Evaluating 2020's Performance in View of Our Long-Term Business Strategy

Our long-term strategy is designed to create value for all stakeholders in a thoughtful, balanced manner. Our General Insurance and Title Insurance businesses focus on meeting the insurance and related services needs of key industries that are at the core of the North American economy. Old Republic's long-term underwriting success is most significantly due to its long history of specializing in these cyclically heterogeneous industries.

The table below shows that an average of 91% of consolidated premium and fee revenue comes from three industry groupings. These account for nearly 55% of the GDP economic activity. The insurance underwriting and related services we offer in all of these industry groupings are necessary and often mandated. Our customers provide products and services that are relevant to the economy and society. By concentrating on industries we know well, we assist them with our broad and deep competencies as insurance risk takers and managers. In return, they enable our continued organic growth and underwriting profitability over industry and economic cycles, which is at the heart of our long-term business strategy.

Insurance underwriting long-focused on industry specialization

	Percent of Premiums and Fees Volume by Industry Groupings Underlying Specialization								
Years Ended December 31,	Banking, Construction, Finance, Housing & Real Estate	Air, Land & Sea Transportation	General Manufacturing & Services, Retail & Wholesale Trade	Subtotal Top 3 Industries	Natural Energy Resources (Coal, Gas, Oil, Utilities, Wind & Turbines)	Education & Government	Health Care	All Other	Total
2015	50.9%	23.6%	17.4%	91.9%	2.5%	1.0%	2.4%	2.2%	100.0%
2016	50.3%	24.2%	17.0%	91.5%	2.2%	1.1%	2.1%	3.1%	100.0%
2017	48.5%	24.4%	18.6%	91.5%	2.2%	0.8%	1.8%	3.7%	100.0%
2018	47.7%	24.8%	18.8%	91.3%	2.4%	1.0%	1.6%	3.7%	100.0%
2019	47.6%	25.3%	18.5%	91.4%	2.3%	1.5%	1.3%	3.5%	100.0%
2020*	48.4%	24.8%	18.4%	91.6%	2.2%	1.5%	1.3%	3.4%	100.0%
Average 2015-2020	48.9%	24.5%	18.1%	91.5%	2.3%	1.1%	1.8%	3.3%	100.0%
Most recent GDP industry distribution**	23.9%	3.6%	27.3%	54.8%	2.9%	11.8%	6.9%	23.6%	100.0%

* *Represents preliminary estimates; final 2020 data not expected to differ significantly.*

** *Derived from data published by the U.S. Department of Commerce.*

One important way we achieve this strategy is through the conservative, long-term management of Old Republic's balance sheet. Maintaining a strong financial position gives us the ability to:

★ Support our subsidiaries' ongoing risk taking and resulting obligations to policyholders and buyers of related services

★ Enable our subsidiaries to remain resilient in the face of recurring market challenges, adhering to pricing integrity and underwriting standards, and shying away from existing or new business with poor prospects of sustainable profitability

★ Moderate our debt leverage to better ensure control of our destiny

★ Retain enough liquidity to address unforeseen contingencies

★ Provide consistent distribution of a portion of our earnings through dividends to all shareholders

We enter a new year in a strong position:

★ The balance sheet is solid

★ We have a strong, high-quality, permanent capital base

★ Our people have significant intellectual capital and are dedicated to our mission

★ We have high business retention rates from a loyal and growing customer base

Our commitment is to do things right in any market environment. We continuously seek opportunities to gain market share from organic growth and new ventures to expand our North American footprint. Our management approach continues to encourage our people to remain focused on the dynamics of a highly competitive insurance marketplace, and to remember the underwriting lessons of the past. As can be seen on the final two pages, the results of this focus speak for themselves by benefiting our stakeholders in the long run.

Respectfully submitted on behalf of the Board of Directors,

Craig R. Smiddy

Craig R. Smiddy
President and Chief Executive Officer
Chicago, Illinois
March 31, 2021

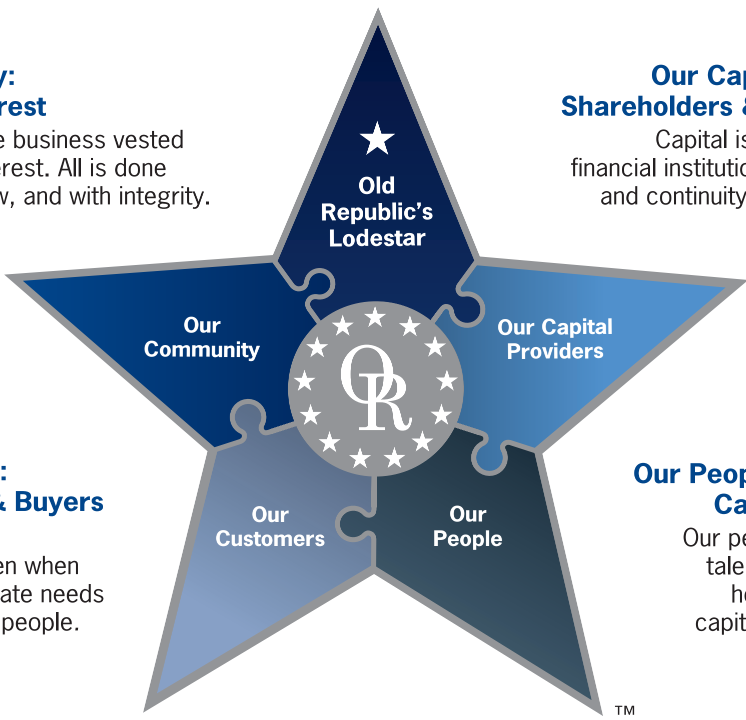
Old Republic's clear **Purpose** is included in our mission statement:

> *To provide quality insurance security and related services to businesses, individuals, and public institutions, and be a dependable long-term steward of the trust that policyholders, shareholders, and other important stakeholders place in us.*

Our **Lodestar** embodies the Company's mission by binding organization, purpose, and long-term strategy into a coordinated whole.

Our Community: The Public Interest
We're an insurance business vested with the public interest. All is done right, within the law, and with integrity.

Our Capital Providers: Shareholders & Debt Holders
Capital is the lifeblood of a financial institution. It is the source and continuity of the enterprise.



Our Customers: Policyholders & Buyers of Services
Good things happen when customers' legitimate needs are fulfilled by our people.

Our People: Intellectual Capital Providers
Our people's intellectual talent, know-how, and honorable work put capital to efficient use.

Old Republic International Corporation

By the Numbers: Blending Purpose, Governance and Strategy to Create Long-Term Financial Value

The table on the next page shows how we have succeeded in combining purpose, governance, and strategy to benefit all stakeholders. The information is shown for the 53 years ending in 2020. We chose 1968 as the start because it gave rise to the Company's ultimate transformation from Old Republic Life Insurance Company to the Old Republic International Corporation insurance holding company in 1969.

We measure ORI's total book and market returns against three benchmarks: 1) the year-over-year and compounded annual changes in the nominal gross domestic product (GDP); 2) the annual and compounded returns of the S&P 500 Index; and 3) the annual and compounded returns of the S&P P&C Insurance Index.

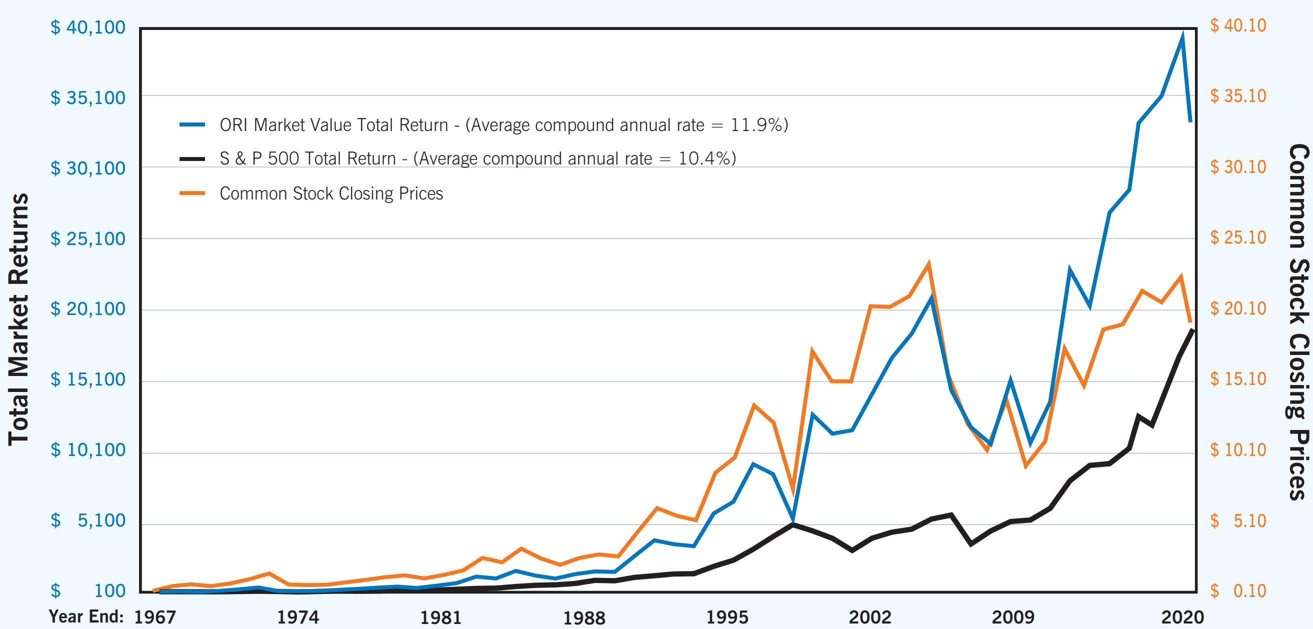
As the next table shows, Old Republic's annual and compounded *total book value* return exceeded the three benchmarks in 9 of 13 comparisons (69%). The same was true for our annual and compounded *total market return*.

	Old Republic		Selected benchmarks		
Period	Total book return	Total market return	Nominal GDP Index	S&P 500 total market return	S&P P&C Insurance total market return
Ten years:					
1971–1980	17.5%	9.0%	10.3%	8.5%	
1981–1990	15.4%	14.2%	7.6%	13.9%	
1991–2000	13.2%	23.9%	5.6%	17.5%	16.4%*
2001–2010	8.0%	1.9%	3.9%	1.4%	1.0%
2011–2020	8.8%	9.9%	3.3%	13.9%	14.3%
2020 only	13.1%	-7.7%	-2.6%	18.4%	6.3%
53 years 1968–2020	12.8%	11.9%	6.2%	10.4%	9.4%**

** Data for years 1989 and prior is not available for this index. / **31 years only*

Old Republic International Market Value Return Compared with S&P 500

The chart compares the total market return through December 31, 2020 of $100 invested at year-end 1967 in Old Republic common stock (with each year's cash dividends reinvested in the Company's shares at then-current market value), versus the S&P 500 and its cash dividends reinvested in this index.



TOTAL RETURNS COMPARED TO NOMINAL GDP & SELECTED S&P INDICES' RETURNS

	Old Republic International Corporation (1)					Nominal Gross Domestic Product (GDP) (2)	S&P 500 Index (3)	S&P P&C Insurance Index (3)
Year	Year End Book Value	Year End Market Price	Annual Cash Dividend Declared	Total Book Value Annual & Compounded Return	Total Market Annual & Compounded Return	Total Annual & Compounded Return	Total Annual & Compounded Return	Total Annual & Compounded Return
1968	$ 0.280	$ 0.472	$ 0.007	18.2%	41.8%	9.4%	11.0%	
1969	0.312	0.336	0.010	15.1%	-26.6%	8.2%	-8.4%	
1970	0.360	0.528	0.012	19.2%	60.7%	5.5%	3.9%	
1971	0.472	0.840	0.014	34.9%	61.7%	8.5%	14.3%	
1972	0.480	1.240	0.016	5.1%	49.5%	9.8%	19.0%	
1973	0.472	0.456	0.018	2.2%	-61.7%	11.4%	-14.7%	
1974	0.376	0.408	0.020	-16.1%	-6.1%	8.4%	-26.5%	
1975	0.288	0.440	0.020	-18.1%	12.7%	9.0%	37.2%	
1976	0.560	0.624	0.011	98.3%	44.4%	11.2%	23.9%	
1977	0.792	0.792	0.022	45.3%	30.4%	11.1%	-7.2%	
1978	0.976	0.976	0.033	27.4%	27.4%	13.0%	6.6%	
1979	1.080	1.112	0.052	16.0%	19.3%	11.7%	18.6%	
1980	1.224	0.888	0.054	18.3%	-15.3%	8.8%	32.5%	
10 Year Annual Compound Growth Rate				**17.5%**	**9.0%**	**10.3%**	**8.5%**	
1981	1.392	1.144	0.054	18.1%	34.9%	12.2%	-4.9%	
1982	1.648	1.456	0.056	22.4%	32.2%	4.3%	21.6%	
1983	1.888	2.353	0.058	18.1%	65.6%	8.7%	22.6%	
1984	2.208	2.039	0.059	20.1%	-11.2%	11.1%	6.3%	
1985	2.304	3.014	0.062	7.1%	51.4%	7.5%	31.7%	
1986	2.528	2.316	0.065	12.5%	-21.0%	5.5%	18.7%	
1987	2.952	1.861	0.068	19.5%	-16.7%	6.0%	5.3%	
1988	3.152	2.345	0.071	9.2%	29.8%	7.9%	16.6%	
1989	3.544	2.604	0.076	14.8%	14.3%	7.7%	31.7%	
1990	3.920	2.465	0.081	12.9%	-2.2%	5.7%	-3.1%	-2.3%
10 Year Annual Compound Growth Rate				**15.4%**	**14.2%**	**7.6%**	**13.9%**	
1991	4.456	4.207	0.086	15.9%	-74.2%	3.3%	30.5%	25.3%
1992	5.072	5.896	0.094	15.9%	42.7%	5.9%	7.6%	17.2%
1993	5.744	5.363	0.102	15.3%	-7.3%	5.2%	10.1%	-1.8%
1994	6.112	5.037	0.111	8.3%	-4.0%	6.3%	1.3%	4.8%
1995	7.248	8.415	0.121	20.6%	70.1%	4.8%	37.6%	35.4%
1996	7.768	9.511	0.148	9.2%	15.1%	5.7%	23.0%	21.5%
1997	8.312	13.222	0.178	9.3%	41.2%	6.2%	33.4%	45.5%
1998	9.216	12.000	0.206	13.4%	-7.8%	5.7%	28.6%	-6.6%
1999	9.590	7.267	0.262	6.9%	-37.5%	6.3%	21.0%	-25.5%
2000	11.000	17.066	0.294	17.8%	142.1%	6.5%	-9.1%	55.9%
10 Year Annual Compound Growth Rate				**13.2%**	**23.9%**	**5.6%**	**17.5%**	**16.4%**
2001	12.480	14.938	0.314	16.3%	-10.6%	3.2%	-11.9%	-8.1%
2002	13.960	14.934	0.336	14.6%	2.0%	3.4%	-22.1%	-11.0%
2003	15.650	20.288	0.890*	18.5%	42.4%	4.8%	28.7%	26.4%
2004	16.940	20.240	0.403	10.8%	1.9%	6.6%	10.9%	10.4%
2005	17.530	21.008	1.312*	11.2%	10.5%	6.7%	4.9%	15.1%
2006	18.910	23.280	0.590	11.2%	13.9%	6.0%	15.8%	12.8%
2007	19.710	15.410	0.630	7.6%	-31.5%	4.6%	5.6%	-14.0%
2008	15.910	11.920	0.670	-15.9%	-18.0%	1.8%	-37.0%	-29.4%
2009	16.490	10.040	0.680	7.9%	-10.1%	-1.8%	26.5%	12.4%
2010	16.160	13.630	0.690	2.2%	43.4%	3.8%	15.1%	8.9%
10 Year Annual Compound Growth Rate				**8.0%**	**1.9%**	**3.9%**	**1.4%**	**1.0%**
2011	14.760	8.920	0.700	-4.3%	-27.2%	3.7%	2.1%	-0.3%
2012	14.030	10.650	0.710	-0.1%	23.4%	4.2%	16.0%	20.1%
2013	14.640	17.270	0.720	9.5%	70.7%	3.6%	32.4%	38.3%
2014	15.150	14.630	0.730	8.5%	-11.2%	4.4%	13.7%	15.7%
2015	14.980	18.630	0.740	3.8%	33.4%	4.0%	1.4%	9.5%
2016	17.160	19.000	0.750	19.6%	6.2%	2.7%	11.9%	15.7%
2017	17.720	21.380	1.760*	13.5%	16.9%	4.3%	21.8%	22.4%
2018	17.230	20.570	0.780	1.6%	4.8%	5.4%	-4.4%	-4.7%
2019	19.980	22.370	1.800*	26.4%	17.8%	4.0%	31.5%	25.9%
2020	$ 20.750	$ 19.710	$ 1.840*	13.1%	-7.7%	-2.6%	18.4%	6.3%
10 Year Annual Compound Growth Rate				**8.8%**	**9.9%**	**3.3%**	**13.9%**	**14.3%**
53 Year Annual Compound Growth Rate				**12.8%**	**11.9%**	**6.2%**	**10.4%**	**9.4%**

Note: (*) Includes special cash dividends of $1.000, $1.000, $1.000, $0.800, and $0.534 per share at December 2020, September 2019 and December 2017, 2005, and 2003, respectively.

Sources: (1) Old Republic Database

(2) Nominal Gross Domestic Product from Federal Reserve Bank St. Louis, with 2020 estimate.

(3) Standard & Poor's Indices from S&P Global Market Intelligence LLC. Data for years 1989 and prior is not available for the S&P P&C Insurance Index.

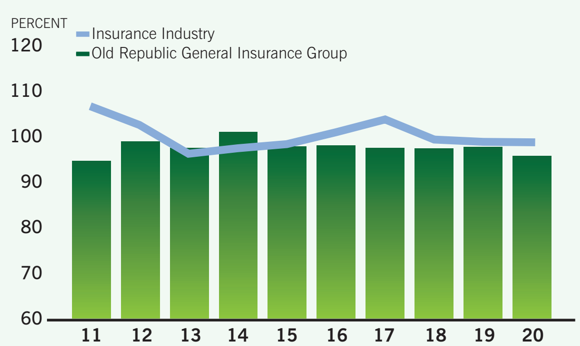
GENERAL INSURANCE GROUP

*The **Old Republic General Insurance Group (ORGIG)** includes 20 insurance underwriting subsidiaries, plus many agency and related services companies. Our associates serve customers in the U.S. and Canada through a network of 114 offices in over 60 cities. Each ORGIG company specializes in a specific property/casualty market niche our associates know well, offering customized risk management and insurance solutions. Within our industry specializations we provide: 1) alternative risk financing solutions, including captive, large deductible, and retro programs for large corporations, affinity groups and public institutions with complex risks who choose to retain a significant level of risk; 2) traditional risk transfer and related services for mid-sized companies; and 3) home warranty and auto warranty products to individuals. Every company has the same core values, including a tradition of delivering on promises of financial indemnity and service. Our brand and reputation for reliability and stability through insurance market cycles gives us a durable, competitive advantage.*

Geographic Distribution of Direct Premiums Written

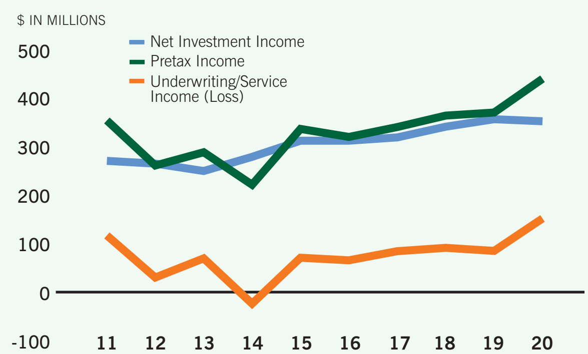
	2011	2019	2020
UNITED STATES			
Northeast	9.8%	10.4%	11.3%
Mid-Atlantic	12.1	7.1	6.8
Southeast	16.1	16.9	16.8
Southwest	12.5	13.2	13.4
East North Central	12.9	12.0	11.9
West North Central	13.0	11.5	11.4
Mountain	7.0	6.8	6.9
Western	14.4	18.0	18.4
FOREIGN (Principally Canada)	2.2	4.1	3.1
	100.0%	100.0%	100.0%

Combined Underwriting Ratio



The Group's property and liability underwriting results have outperformed the industry average in 8 of the past 10 years and 21 of the past 25 years.

Sources of Pretax Income



General insurance pretax income has been affected by reasonably stable contributions from investment income which nonetheless have been subject to declining yields.

Old Republic General Insurance Group, Inc.

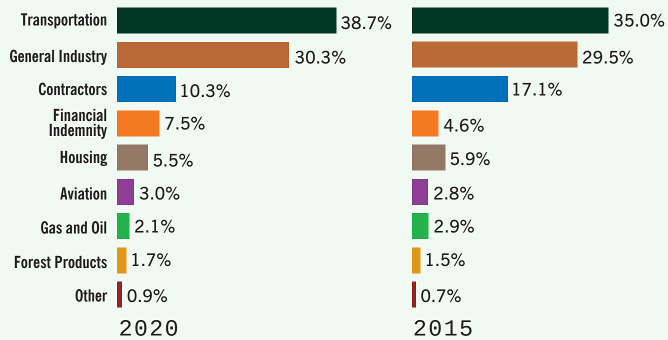
CONSOLIDATED PROPERTY/CASUALTY INSURANCE BUSINESS

($ in Millions)		**2020**	2019	2018	2017	2016
Financial Position	Cash, Fixed Maturity Securities	**$ 9,495.9**	$ 8,888.5	$ 8,293.6	$ 8,255.9	$ 7,969.1
	Equity Securities	**2,690.4**	2,646.7	2,133.0	2,078.5	1,878.7
	Other Invested Assets	**99.8**	99.8	107.1	106.5	107.0
	Reinsurance Recoverable	**4,345.8**	3,804.7	3,488.1	3,376.0	3,252.4
	Sundry Assets	**2,594.1**	2,430.2	2,389.4	2,238.4	2,098.4
		$ 19,226.1	$17,870.0	$ 16,411.4	$16,055.5	$ 15,305.7
	Claim Reserves	**$ 9,974.9**	$ 9,267.0	$ 8,756.8	$ 8,410.8	$ 8,203.0
	Unearned Premiums	**2,396.7**	2,223.5	2,102.3	1,967.4	1,835.3
	Other Liabilities	**3,022.5**	2,744.3	2,527.5	2,497.2	2,310.0
	Equity	**3,832.2**	3,635.1	3,024.6	3,179.9	2,957.2
		$ 19,226.1	$17,870.0	$ 16,411.4	$16,055.5	$ 15,305.7
Operating Results	Net Premiums Written	**$ 3,431.3**	$ 3,469.0	$ 3,380.4	$ 3,245.2	$ 3,005.3
	Net Premiums Earned	**$ 3,394.2**	$ 3,432.4	$ 3,277.1	$ 3,110.8	$ 2,936.3
	Net Investment Income	**352.2**	356.4	341.0	318.9	312.1
	Other Income	**130.3**	131.9	121.3	101.8	106.2
		3,876.8	3,920.8	3,739.4	3,531.6	3,354.7
	Claim Costs	**2,353.0**	2,437.2	2,346.0	2,214.8	2,125.0
	Policyholders' Dividends	**18.9**	27.3	19.8	19.5	18.1
	Sales and General Expenses	**1,000.7**	1,014.7	941.3	893.8	833.9
	interest and Other Costs	**64.3**	71.1	68.3	62.9	57.6
		3,437.0	3,550.5	3,375.5	3,191.3	3,034.7
	Pretax Operating Income	**$ 439.7**	$ 370.2	$ 363.9	$ 340.3	$ 319.9
	Operating Cash Flow	**$ 755.3**	$ 654.2	$ 654.7	$ 570.7	$ 525.8
Underwriting Statistics	All Coverages Combined:					
	Paid Loss Ratio	**60.3%**	63.3%	62.6%	64.1%	65.7%
	Incurred Loss Ratio	**69.3%**	71.0%	71.6%	71.2%	72.4%
	Dividend Ratio	**.6%**	.8%	.6%	.6%	.6%
	Expense Ratio	**25.6%**	25.7%	25.0%	25.5%	24.8%
	Combined Ratio	**95.5%**	97.5%	97.2%	97.3%	97.8%
	Liability Coverages:					
	Earned Premiums	**$ 2,140.2**	$ 2,217.5	$ 2,120.9	$ 2,032.5	$ 1,963.3
	Loss Ratio	**73.9%**	75.5%	75.9%	76.2%	78.5%
	Dividend Ratio	**.6%**	.9%	.6%	.6%	.6%
	Other Coverages:					
	Earned Premiums	**$ 1,260.3**	$ 1,217.2	$ 1,154.8	$ 1,077.1	$ 974.1
	Loss Ratio	**61.1%**	63.0%	63.5%	62.1%	60.5%
	Dividend Ratio	**.1%**	.1%	.2%	.2%	.3%
Composition of Pretax Operating Income (Loss)	Underwriting/Service Income (Loss)	**$ 151.8**	$ 84.9	$ 91.2	$ 84.3	$ 65.5
	Net Investment Income	**352.2**	356.4	341.0	318.9	312.1
	Interest and Other Costs	**(64.3)**	(71.1)	(68.3)	(62.9)	(57.6)
	Pretax Operating Income	**$ 439.7**	$ 370.2	$ 363.9	$ 340.3	$ 319.9
	Pretax Operating Margin	**11.3%**	9.4%	9.7%	9.6%	9.5%
Key Ratios	Net Premiums Written to Equity	**.9x**	1.0x	1.1x	1.0x	1.0x
	Net Claim Reserves to Equity	**165%**	166%	189%	172%	182%
	Cash and Invested Assets to Liabilities	**111%**	111%	106%	109%	109%

The above summary has been prepared on the basis of generally accepted accounting principles and excludes investment gains and losses.

ORGIG met the challenges of 2020 head-on. We adjusted to the pandemic realities, and weathered the impact on the economy, premium levels, and claim activity. Our pretax operating income grew to a record $440 million, even as investment income decreased slightly because of lower investment yields.

Gross Premiums by Industry Served



Insurance for industries such as trucking, construction, manufacturing and specialty coverages that include directors' and officers' liability (part of our financial indemnity coverages) form the foundation of the Group's business.

While our ORGIG companies offer solutions to a variety of customer types and industries, it is useful to consider trends in our major lines of coverage. In commercial auto, we continued to achieve strong rate increases in 2020. While we experienced a decline in frequency, due to lower amounts of traffic on the roads, the decline was offset by increases in severity caused by accidents occurring at higher speeds, coupled with the ongoing impact of social inflation on settlements and jury awards. In workers' compensation, we saw rates flatten after several years of declining rates. Our underwriting excellence efforts led to improvements in claim ratios in both of these lines of coverage.

In recent years, we built new solutions in other coverages to diversify our portfolio, improve margins, and grow underwriting income. These expansion efforts paid off in 2020 when we saw an increase in net premiums written in coverages other than commercial auto and workers' compensation. Our Financial Indemnity net premiums written rose by 17%, largely driven by investments in new products and geographic expansion in Surety and Executive Indemnity (E&O/D&O). We will continue to invest in solutions that complement our core business, while providing long-term growth and attractive margins. As a testament to this commitment, early in 2021 we started Old Republic Inland Marine, our third new subsidiary operating company formed since 2015.

Our focus remains on driving improved underwriting results through enhanced risk selection and pricing techniques, including an increased use of analytics. We also have strong connections with customers who value our program designs, as well as our specialized claims and risk control services. We remain confident in our ability to grow underwriting income, which will continue to drive the bulk of our results.

The rest of this section explains how ORGIG's subsidiaries contribute to its financial performance, strength, and growth prospects.

BITCO Insurance Companies (BITCO) has been protecting industries at the core of the American economy for over 100 years. We offer specialized insurance programs and related services to the commercial construction, forest products, onshore oil and gas, light manufacturing, wholesale/distribution, and public entity sectors. Our services include traditional risk transfer products, alternative large deductible programs, wrap-ups, and select safety group dividend programs.

BITCO continued its commitment to delivering local underwriting, risk control, claims, and premium audit services through 15 branch offices in three U.S. regions during 2020, servicing customers through a network of nearly 400 independent insurance agents. Our associates are committed to better understanding our customers, which is why they actively participate in many of the trade associations to which our customers belong. This allows us to collaborate with those we serve, so we can offer tailored insurance and risk management products to meet customers' needs.

Growth in commercial construction and forest products continued in 2020, while economic pressures in the oil and gas industry lowered those writings. At the outset of 2021, we announced the integration of Old Republic Construction Group into BITCO's construction portfolio. This exciting combination will allow us to grow nationally across construction accounts of all sizes, with an expanded distribution network of construction specialist brokers.

Great West Casualty Company (GWCC) specializes in insurance for the trucking industry. For over 60 years, Great West's has aspired "to be 'the' premier provider of insurance products and services for truckers".

Our long-term strategy emphasizes production through a talented agency force that understands and shares our commitment to the trucking industry. We offer comprehensive packages of coverages to enable any size motor carrier to fairly compete and meet regulatory requirements.

Premium levels grew in 2020, despite the challenges brought on by the pandemic. In the face of these challenges the trucking industry continued to deliver goods. The long-term relationships with our agency partners and the motor carriers we insure continues to provide stability and opportunity. Great West lives up to its foundational principal: "The Difference is Service®."

Old Republic Aerospace, Inc. (ORAE) specializes in insurance products for the North American aviation industry. Our focus is on corporate flight departments, public entities, airlines, commercial operators, and individual owners and operators of light aircraft. Our offering also includes workers' compensation and aviation products liability coverages.

Integrated claims and risk control services support our dynamic and adaptable underwriting approach. Over 30 years of aviation experience gives us the foundation to deliver unique solutions. We expect growth will continue and profitability will increase as the general economy improves and we expand our geographic footprint.

Old Republic General Insurance Corporation (ORGENCO) is a well-capitalized insurer and reinsurer, providing meaningful reinsurance capacity to a number of ORGIG affiliated companies. This makes it an important part of our capital management process. Reinsurance is a long-tail business, because obligations can take years to appear. ORGENCO's financial strength and claim reserving policy is designed to handle this.

Old Republic Home Protection Company (ORHP) offers home service contracts for major systems and appliances to home sellers and buyers. Our brand is built on 47 years of providing comprehensive coverage, with competent and caring service, at competitive rates. We primarily distribute our products through a nationwide network of real estate agents and brokers, and serve customers through our Independent Service Provider Network.

Many people stayed at home during the pandemic, placing greater demand on their home systems and appliances, which lead to higher claim expenses in 2020. The business is positioned to increase sales through both home resale transactions and renewals, while generating favorable underwriting results.

Old Republic Insurance Company (ORINSCO) is one of America's oldest and best-capitalized property/casualty insurance companies. As ORI's flagship property/casualty company, we have offered time-tested risk management solutions to large and small customers for decades. Our approach, commitment to specialty markets, and high standards for client service are a few of the reasons we enjoy an excellent reputation.

ORINSCO has provided alternative market solutions since the early 1950s. Our operating philosophy has been to underwrite casualty insurance products for customers that want to retain a significant level of risk. We believe companies with a stake in the financial results of their insurance program will benefit from longer-term pricing stability, efficiency, and continuity of coverage from us.

ORINSCO had statutory capital of $1.2 billion at the end of 2020, largely committed to supporting specialty insurance products underwritten by: 1) Old Republic Aerospace; 2) Old Republic Insured Automotive Services; 3) Old Republic Professional Liability; and 4) Old Republic Risk Management. ORINSCO also occasionally provides supportive reinsurance capacity to ORGIG affiliates to achieve system-wide capital management objectives.

Old Republic Insurance Company of Canada (ORICAN) is a federally licensed property/casualty insurance company based in Ontario. Our principal business is underwriting long-haul trucking and select accident and health programs. In concert with our U.S. affiliates: Great West Casualty Company, Old Republic Aerospace, and Old Republic Risk Management, we provide insurance and related services to customers with cross-border operations.

During 2020, global travel restrictions and the Canada-U.S. border closure negatively affected premium volumes, particularly for travel insurance programs. Premium growth and improved underwriting results are expected for 2021 as the impact of the pandemic begins to ease during the year.

Old Republic Insured Automotive Services, Inc. (ORIAS) specializes in automobile service contracts, mechanical breakdown insurance, and other automobile-related products for new and used vehicles. ORIAS enjoys decades-long partnerships with some of the nation's largest automotive, financial intermediary, and related service companies. We also provide insured automotive products for more than 5,000 automobile dealers. The automobile market is expected to experience favorable conditions in the near term, and we are optimistic about our prospects, especially given our reputation for providing superior customer service.

Old Republic Professional Liability, Inc. (ORPRO) is a premier underwriter of management and professional liability insurance products. ORPRO writes: 1) directors and officers liability (D&O); 2) employment practices liability (EPL); 3) fiduciary liability; 4) reps and warranties liability; and 5) lawyers and miscellaneous professional liability. Our customers are public, private, and non-profit organizations.

ORPRO has decades-long experience serving all industries, in addition to being a market leader in technology, biotechnology, and life sciences. We continue to expand our product offerings, including management liability coverage for private and publicly held companies, as well as select law firms. Our seasoned and respected underwriting professionals provide bespoke, flexible, and sophisticated insurance solutions through a network of specialist brokers. Our thoughtful underwriting and high service standards, coupled with effective resolution of complex claims, underlie our many years of underwriting profitability.

New business production was robust in 2020. This was generated by additional underwriting staff, new products, strong execution of our business development initiatives and a favorable marketplace. We expect to drive profitable growth by continued focus on our proven underwriting principles.

Old Republic Residual Market Services, Inc. (ORMARKS) serves the workers' compensation residual markets. As a national servicing carrier, we provide policy management and claim services to assigned risk policyholders throughout the U.S.

Formed in 2018, our management team averages 20 years of experience as a national servicing carrier. This gives us deep experience and long relationships with critically important state regulators, rating bureaus, and product administrators.

Very few insurance companies operate as a servicing carrier to the workers' compensation residual markets. This limited competition, the high barrier to entry, and our extensive expertise positions ORMARKS for systematic growth for the next several years.

Old Republic Risk Management, Inc. (ORRM) serves the needs of large corporate and group clients in many industries that are core to the North American economy. We do this through our unbundled claims and risk control business model. ORINSCO pioneered the alternative market approach to insurance risk management, serving many Fortune 500 companies and other large publicly held and private enterprises since the early 1950s. This gives ORRM longstanding and industry-leading expertise in providing innovative solutions and services for sizable insurance buyers. These offerings include the use of large deductibles, self-insurance, and captive mechanisms.

Our 2020 results reflect our trend of 97% account retention, organic growth, and the ability to attract new customers. The Old Republic brand is well known in this highly specialized sector. We stand for high quality service, stability, a superior service platform, responsiveness, and innovative flexibility to meet customer needs. The business is in a good position to deliver profitable growth by capitalizing on the strength of its core products and services.

Old Republic Specialty Insurance Underwriters, Inc. (ORSIU) focuses on two segments in the specialty insurance marketplace. The first provides alternative risk insurance and reinsurance risk transfer products for public entities and nonprofits. The second offers specialty insurance programs, managed by independent program administrators using and unbundled service model for claims and risk control.

Formed in 2015, our dedicated underwriting team averages more than 20 years of insurance and reinsurance experience, including most types of property and liability coverages. We collaborate with specialized producers that are committed to providing high service levels and products that are tailored to customers' needs.

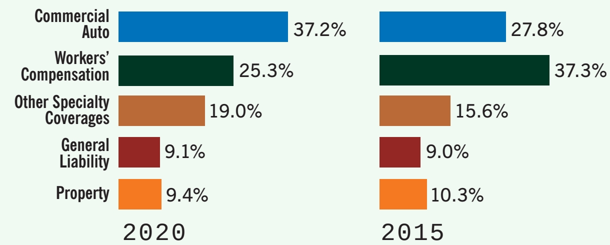
Looking ahead, we anticipate moderate growth by continuing to focus on disciplined underwriting and superior customer service. Our technology investments places us in a good position to increase revenue and profitability.

Old Republic Surety Company (ORSC) underwrites fidelity and surety bonds, including bond programs for large, middle market and small construction contractors, serviced through nearly 4,000 independent insurance agencies. We invested heavily in geographic expansion in recent years, allowing us to stay close to agent and customer needs, and we affiliate with surety and fidelity bond industry association groups throughout the U.S.

In 2020, demand for construction and compliance bonds gave us opportunities in each of our product lines: commercial, contract, and fidelity. We will continue to grow our business, remaining focused on sound underwriting.

PMA Companies, Inc. (PMA) is a premier provider of workers' compensation and casualty insurance, claims administration, and risk management products and services. Our focus is on large and mid-size organizations. Established in 1915 as an insurance company, we launched a third-party administrator, PMA Management Corp., almost 30 years ago. This has helped us further capitalize on our claims and risk management expertise.

Gross Premiums by Major Coverage



The Group offers a relatively large number of traditional and tailored insurance coverages targeted to core sectors of the American economy.

PMA's customers partner with us to reduce their total cost of risk. About 80% of our 2020 premium volume came from loss-sensitive policies and captive insurance arrangements, typically with clients that need sophisticated service and risk management. In addition, we provide tailored insurance solutions for traditional middle market businesses. We specialize in a number of industries: health care, manufacturing, wholesale/retail trade, service, and education. Our integrated services deliver optimal outcomes for our clients.

In 2020, our fee-for-service business continued to expand. We follow a holistic approach that integrates pre-loss, time-of-loss, and post-loss strategies and services designed to reduce our clients' financial cost of risk. Many of our insurance and fee-for-service clients have gained national acclaim for the results they have achieved in partnership with us. PMA's long-term strategy will deliver stable underwriting and fee-for-service profitability, measured growth, and strong customer retention.

Looking Ahead

Through its subsidiaries, ORGIG will continue to provide specialized insurance coverages, products and related services to customers. We remain sharply focused on: 1) industry, insurance coverage and related services specialization; 2) disciplined underwriting, adhering to pricing integrity; and 3) allocating appropriate levels of capital to each of our companies.

For us, everything begins and ends with serving customers. We carefully manage all aspects of the business to meet our long-term promises of financial indemnity to them. The result has been an industry-beating underwriting record that has lasted for decades. This allows us to serve the long-term interests of policyholders in harmony with those of our shareholders and other stakeholders.

TITLE INSURANCE GROUP

*The **Old Republic Title Insurance Group** (ORTIG) includes two national title insurance companies, and many agency and related services companies. **Old Republic National Title Insurance Company** is our flagship company, offering policy coverage to mortgage lenders, the real estate community, and consumers for over 110 years. **American Guaranty Title Insurance Company** has been offering policy coverage for more than 130 years.*

ORTIG's comprehensive suite of underwriting and related services is delivered through a national network of more than 270 branch and subsidiary offices, with roughly 8,000 independent title agents. We provide title insurance and related products and services to individuals, businesses, and government entities.

Despite the pandemic, ORTIG posted record setting operational and financial performance in 2020. The unwavering commitment of our associates and the support of our loyal agents, combined with continuity of service and technological accomplishments, enabled us to continue serving customers throughout the year.

Revenues reached a new high of $3.3 billion in 2020, while our pretax operating income was a record $344 million. Emphasis on expense management in the business continues to result in a stable and controlled expense ratio. The claim ratio has remained near historic lows for a number of years due to a continuation of favorable trends in claims frequency and severity. These operating results were achieved through both direct and independent agency operations. We remain firmly committed to our independent agency partners, who generated 75% of our business.

ORTIG's capital base, which supports our industry-leading financial position, benefited from these strong operating results. Our claim reserves-to-average claim payments ratio remains the highest among large national title insurers. Since 1992, no other title insurance underwriter has had higher overall financial strength ratings, as reported by independent ratings agencies. This recognizes our strong operating performance, capital management practices, conservative reserving, quality underwriting standards, and commitment to providing technology-based solutions to our title agents and customers.

Geographic Distribution of Direct Premiums Written

	2011	2019	2020
UNITED STATES			
Northeast	17.1%	16.0%	14.2%
Mid-Atlantic	9.7	8.3	10.1
Southeast	24.8	28.3	27.4
Southwest	9.0	8.9	9.5
East North Central	8.8	8.3	8.6
West North Central	7.6	6.1	6.1
Mountain	8.2	11.1	12.0
Western	14.8	13.0	12.1
	100.0%	**100.0%**	**100.0%**

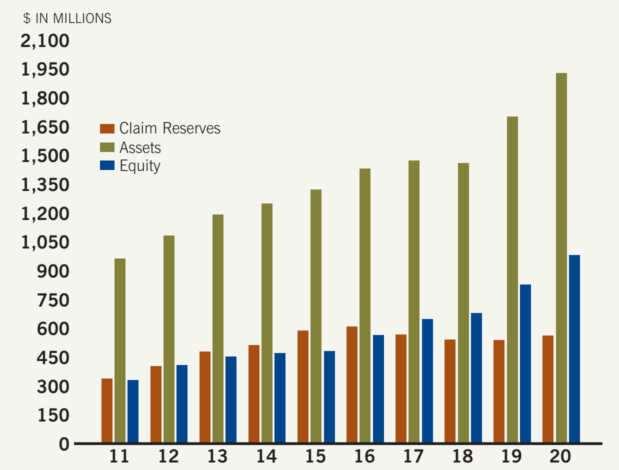
Old Republic Title Insurance Group, Inc.

TITLE INSURANCE AND RELATED REAL ESTATE TRANSFER SERVICES

$ in Millions)		2020	2019	2018	2017	2016
Financial Position	Cash, Fixed Maturity Securities	**$1,091.0**	$ 931.5	$ 843.9	$ 895.3	$ 906.7
	Equity Securities	**401.0**	380.5	316.8	317.0	275.2
	Other Invested Assets	**9.4**	9.6	9.3	10.1	10.0
	Title Plants and Records	**42.3**	42.4	42.5	42.6	42.8
	Property and Equipment	**165.0**	156.3	72.9	67.1	67.3
	Sundry Assets	**211.9**	174.5	166.6	133.6	120.9
		$1,920.9	$1,695.0	$1,452.2	$1,466.0	$1,423.0
	Claim Reserves	**$ 556.1**	$ 530.9	$ 533.4	$ 559.7	$ 602.0
	Other Liabilities	**390.3**	342.9	245.1	264.5	266.3
	Equity	**974.3**	821.1	673.6	641.8	554.7
		$1,920.9	$1,695.0	$1,452.2	$1,466.0	$1,423.0
Operating Results	Net Premiums Earned (c)	**$2,894.4**	$2,414.8	$2,283.3	$2,223.2	$2,117.5
	Service Fees and Other Income (c)	**392.9**	321.9	290.2	293.8	294.5
	Net Investment Income	**42.0**	41.4	38.8	37.3	36.2
		3,329.3	2,778.1	2,612.4	2,554.4	2,448.3
	Claim Costs	**75.3**	67.4	48.3	20.8	84.3
	Sales and General Expenses (c)	**2,906.1**	2,475.7	2,340.1	2,289.4	2,146.0
	Interest and Other Costs	**3.8**	4.1	4.6	6.9	7.6
		2,985.3	2,547.3	2,393.1	2,317.3	2,238.1
	Pretax Operating Income	**$ 344.0**	$ 230.8	$ 219.3	$ 237.1	$ 210.2
	Operating Cash Flow	**$ 362.2**	$ 214.9	$ 172.9	$ 168.1	$ 191.1
Underwriting Statistics (a)(c)	Paid Loss Ratio	**1.5%**	2.6%	2.9%	2.5%	2.6%
	Incurred Loss Ratio	**2.3%**	2.5%	1.9%	.8%	3.5%
	Expense Ratio	**88.4%**	90.5%	90.9%	91.0%	89.0%
	Combined Ratio	**90.7%**	93.0%	92.8%	91.8%	92.5%
Composition of Pretax Operating Income (Loss)	Underwriting/Service Income (Loss)	**$ 305.8**	$ 193.5	$ 185.1	$ 206.7	$ 181.7
	Net Investment Income	**42.0**	41.4	38.8	37.3	36.2
	Interest and Other Costs	**(3.8)**	(4.1)	(4.6)	(6.9)	(7.6)
	Pretax Operating Income	**$ 344.0**	$ 230.8	$ 219.3	$ 237.1	$ 210.2
	Pretax Operating Margin (c)	**10.3%**	8.3%	8.4%	9.3%	8.6%
Key Ratios	Premiums and Fees to Equity (c)	**3.4x**	3.3x	3.8x	3.9x	4.3x
	Claim Reserves to Equity	**57%**	65%	79%	87%	108%
	Reserves to Paid Losses (b)	**9.2x**	8.1x	8.3x	8.9x	9.5x
	Cash and Invested Assets to Liabilities	**159%**	151%	150%	148%	137%

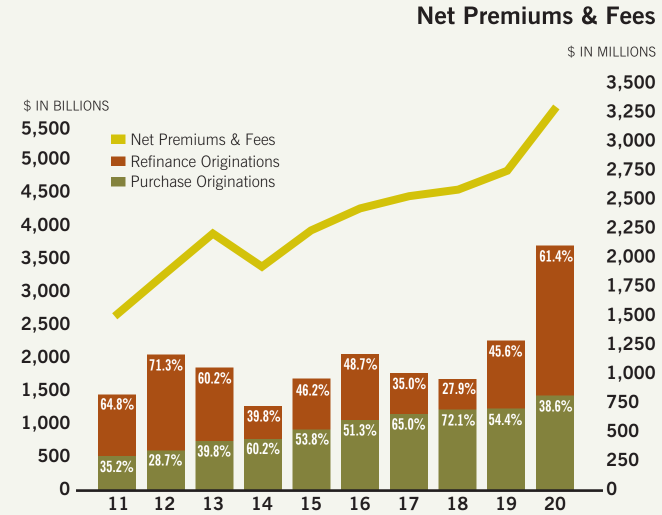
The above summary has been prepared on the basis of generally accepted accounting principles and excludes investment gains and losses.
(a) Loss and expense ratios are measured against combined premiums and fees.
(b) Represents average paid losses for the most recent five years divided into claim reserves at the end of each five-year period.
(c) Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.

Asset, Claim Reserves, and Equity



A consistently strong balance sheet explains why the Title Insurance Group has been the country's highest-rated title insurer for 29 years in a row.

1-4 Family Mortgage Originations



Net premiums and fees benefited from market share gains emanating from industry dislocations and consolidations over the past decade. A robust real estate market and low mortgage interest rates resulted in increased home sales and refinance activity in 2020.

The U.S. real estate market remained robust in 2020, supported by low interest rates and strong refinancing activity. This created a surge in demand for safe, no-touch real estate closings. ORTIG continued to focus on enhancing the closing experience and related processes, while providing an accurate, safe, and positive overall experience for all parties. A dedicated and innovative staff, supported by our investments in technology, delivered on the demand for drive-up, remote, and electronic closings.

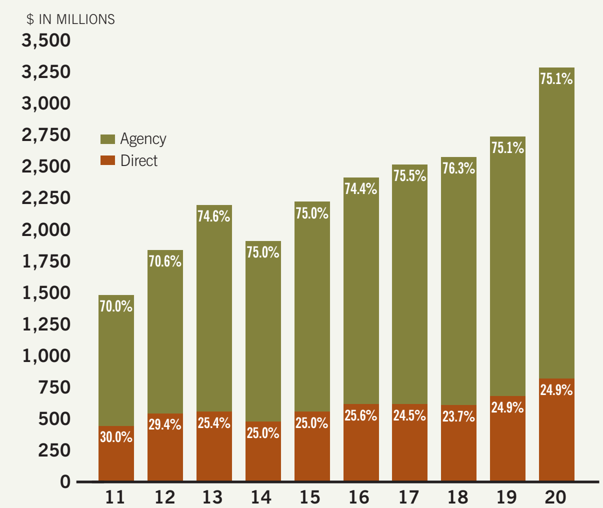
Enhancing our use of technology has long been a strategic priority at ORTIG. To produce titles more efficiently, we use Robotic Process Automation (RPA), deploy "bots" in key processes, and have a title automation engine that speeds up our service of refinance orders. We're able to access multiple data sources through RPA, algorithms, and rules-based decision engines, while keeping product security and integrity intact. ORTIG will continue embracing advanced technology, title-related and otherwise. We regularly analyze service levels and improvements to measure our progress, and we are also mindful of our customers' evolving needs and focus on providing connected solutions for them.

Looking Ahead

Consensus projections call for continued robust origination levels in 2021. While refinances are expected to be lower, purchase activity should increase throughout the year. Growth in commercial market activity, which was down slightly in 2020 due to the pandemic, is expected to rebound in 2021.

We anticipate a higher mix of mortgage originations from purchases in 2021. Combined with stability in home prices, this should lead to higher average premiums and fees per transaction for us this year.

Net Premiums & Fees Production Sources



Our national network of independent title insurance agents has continued to generate an increasing portion of our net premiums and fees.

REPUBLIC FINANCIAL INDEMNITY GROUP

RFIG Run-Off

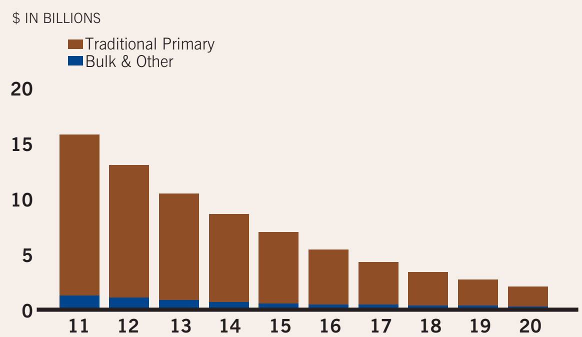
*In 2012, we reevaluated the long-term prospects and profitability of our **Republic Financial Indemnity Group (RFIG)** businesses and ultimately placed them into run-off.*

Our mortgage insurance subsidiaries provide policies that cover losses from defaults on residential first mortgages. These policies typically insure purchase or refinance loans when the borrower has financed more than 80% of the property's value.

As a run-off book of business, we will see a natural decline in earned premium revenues. Our model shows the operation will continue to be profitable, although this will decrease over time. The combination of a stable operation and a strong claims reserve position should lead to the ultimate return of Old Republic's currently committed capital, and more.

Claim costs for 2020 reflected greater reserve provisions due to elevated delinquencies resulting from the economic impacts of the pandemic on employment levels. Future prospects for the business include the possibility of selling our mortgage insurance subsidiaries, together with the valuable operating infrastructure, to an acceptable third party that is interested in restarting the business while being protective of Old Republic's interests and good name.

Net Risk in Force



Net risk in force reflects a continuing decline due to the natural outcome of a run-off book of business.

Republic Financial Indemnity Group, Inc.

MORTGAGE INSURANCE AND CONSUMER CREDIT INDEMNITY (a)

($ in Millions)		2020	2019	2018	2017	2016
Financial Position	Cash, Fixed Maturity Securities	**$ 414.2**	$ 428.5	$ 436.9	$ 477.9	$ 638.2
	Equity Securities	**158.2**	175.1	145.2	81.5	58.2
	Other Invested Assets	**3.0**	3.2	4.1	4.2	6.0
	Prepaid Federal Income Taxes	**–**	–	129.8	114.3	82.4
	Sundry Assets	**7.4**	8.2	20.4	126.9	119.8
		$ 582.9	$ 615.1	$ 736.7	$ 805.0	$ 904.8
	Claim Reserves	**$ 127.6**	$ 118.9	$ 190.0	$ 277.9	$ 430.5
	Unearned Premiums	**.4**	1.3	3.0	5.1	8.6
	Other Liabilities	**8.9**	12.3	96.9	100.3	135.0
	Equity	**445.8**	482.5	446.7	421.6	330.6
		$ 582.9	$ 615.1	$ 736.7	$ 805.0	$ 904.8
Operating Results	Direct Premiums Earned	**$ 45.1**	$ 59.2	$ 75.9	$ 111.7	$ 158.7
	Net Premiums Earned	**45.1**	59.2	75.9	122.9	170.0
	Net Investment Income	**15.2**	17.6	20.1	21.7	23.2
	Other Income	**–**	–	–	–	–
		60.4	76.8	96.1	144.6	193.2
	Claim Costs	**36.9**	31.7	29.9	197.8	102.6
	Sales and General Expenses	**13.6**	14.8	16.3	20.3	20.7
	Interest and Other Costs	**–**	–	–	–	–
		50.5	46.5	46.2	218.2	123.4
	Pretax Operating Income (Loss)	**$ 9.8**	$ 30.3	$ 49.9	$ (73.5)	$ 69.8
	Operating Cash Flow	**$ 18.1**	$ 20.5	$ (76.5)	$ (312.5)	$ (102.5)
Underwriting and Other Statistics	Settled and Paid Loss Ratio	**62.5%**	129.9%	193.8%	406.9%	156.1%
	Incurred Loss Ratio	**81.7%**	53.5%	39.4%	160.9%	60.4%
	Expense Ratio	**30.2%**	25.0%	21.5%	16.6%	12.2%
	Combined Ratio	**111.9%**	78.5%	60.9%	177.5%	72.6%
	Persistency (Traditional Primary)	**77.1%**	77.1%	79.7%	77.9%	77.7%
	Delinquency Ratios: Traditional Primary	**14.10%**	9.60%	9.38%	10.52%	10.53%
	Bulk	**15.93%**	15.97%	16.94%	23.31%	25.78%
Composition of Pretax Operating Income (Loss)	Underwriting/Service Income (Loss)	**$ (5.3)**	$ 12.7	$ 29.7	$ (95.2)	$ 46.6
	Net Investment Income	**15.2**	17.6	20.1	21.7	23.2
	Interest and Other Costs	**–**	–	–	–	–
	Pretax Operating Income (Loss)	**$ 9.8**	$ 30.3	$ 49.9	$ (73.5)	$ 69.8
	Pretax Operating Margin	**16.4%**	39.4%	51.9%	-50.9%	36.1%
Key Ratios	Risk to Capital Ratio:					
	Performing Risk Basis (b)	**4.1:1**	4.9:1	5.8:1	7.8:1	11.2:1
	Total Financial Resources to Risk Ratio	**27.9%**	22.9%	20.3%	17.2%	14.8%
	Claim Reserves to Equity	**29%**	25%	43%	66%	130%
	Cash and Invested Assets to Liabilities	**420%**	458%	202%	147%	122%

The above summary has been prepared on the basis of generally accepted accounting principles and excludes investment gains and losses.

(a) Results for the CCI coverage are expected to be immaterial in the remaining run-off periods. Effective July 1, 2019, these results have been reclassified to the General Insurance Segment for all future periods.

(b) The Risk to Capital Ratio – Performing risk basis measures outstanding net risk in force only on those mortgage loans that are current as to principal and interest in relation to total statutory capital.

SUMMARY INCOME STATEMENT

	Years Ended December 31, ($ in Millions)				
	2020	2019	2018	2017	2016
Mortgage Insurance (MI)					
Net premiums earned	**$ 45.1**	$ 58.8	$ 74.4	$ 109.8	$ 154.1
Net investment income	**15.2**	17.3	19.2	20.4	22.0
Claims and claim expenses	**36.9**	32.3	32.1	63.3	52.5
Pretax operating income (loss)	**$ 9.8**	$ 29.2	$ 46.7	$ 48.9	$ 105.0
Loss ratio	**81.7%**	55.0%	43.2%	57.6%	34.1%
Expense ratio	**30.2%**	24.8%	20.0%	16.5%	12.0%
Combined ratio	**111.9%**	79.8%	63.2%	74.1%	46.1%
Consumer Credit Indemnity (CCI) Division *(a)*					
Pretax operating income (loss)	**$ –**	$ 1.0	$ 3.2	$ (122.4)	$ (35.2)
Total MI and CCI Run-Off Business *(a)*					
Pretax operating income (loss)	**$ 9.8**	$ 30.3	$ 49.9	$ (73.5)	$ 69.8

(a) Results for the CCI coverage are expected to be immaterial in the remaining run-off periods. Effective July 1, 2019, these results have been reclassified to General Insurance for all future periods.

CORPORATE AND OTHER OPERATIONS

In addition to its three major operating segments, Old Republic owns a small life and accident insurance business. The foundation for this in the U.S. is ***Old Republic Life Insurance Company****, organized in 1923; it is the predecessor to today's ORI. In Canada, the business is conducted by* ***Reliable Life Insurance Company****. Our ongoing life and accident business focuses on occupational accident insurance for independent motor carriers in the U.S. The two insurers also manage a number of long discontinued products that have a declining premium base. As a result, these products generally post largely immaterial operating contributions to ORI's consolidated results.*

Old Republic International Corporation (ORI) and several corporate services subsidiaries provide enterprise-wide services, such as investment management, risk management and legal guidance that are used by the entire holding company system.

The next table shows the combined results of our life and accident, corporate, and corporate services subsidiaries.

CORPORATE AND OTHER OPERATIONS

($ in Millions)	**2020**	2019	2018	2017	2016
Operating Results					
Net Premiums Earned	**$12.0**	$13.4	$14.6	$18.8	$20.1
Net Investment Income	**29.4**	35.1	31.7	31.4	15.4
Other Income	**–**	–	(.1)	(.1)	(.1)
	41.4	48.5	46.3	50.1	35.4
Benefit and Claim Costs	**7.1**	8.8	16.7	25.8	17.7
General Operating Expenses	**(2.4)**	(15.2)	(10.7)	14.3	4.6
	4.7	(6.3)	5.9	40.2	22.4
Pretax Operating Income (Loss)	**$36.7**	$54.8	$40.4	$ 9.9	$13.0

INVESTMENT MANAGEMENT

For decades, we have used a conservative investment policy and disciplined approach to manage our investment portfolio.

A Time-Tested, Long-Term Philosophy

A long-term focus has helped us consistently meet our goals for investment income and managing enterprise-wide underwriting and investment risk. Our portfolio features diverse, liquid, and high-quality fixed income and equity securities. We also match the maturities of our invested assets with our expected liability payments. That combination provides two benefits. First, it enhances and protects our capital base. Second it gives our insurance subsidiaries a reliably solid foundation for meeting their specific, long-term obligations to insurance beneficiaries.

We actively manage risk in our portfolio and avoid complexity. This has been especially helpful during challenging investment environments, which can test the integrity of a company's capital base and its ability to meet obligations when they come due. Our approach enables us to withstand the difficulties of volatile financial markets. While ever-changing conditions in domestic and global financial markets occasionally require us to fine tune our investment strategy, we remain true to its basic tenets.

2020 Investment Activities and Portfolio Review

At year-end 2020, approximately 73% of the fair-valued investment portfolio of $15.3 billion was allocated to fixed-maturity and short-term investments. The remaining 27% was invested in equities. On a cost basis, which does not account for unrealized gains or losses, the allocation was 76% and 24%, respectively.

Total cash and invested assets increased 6.9% to $15.5 billion from $14.5 billion a year ago. This represented 68.1% of total assets and 93.4% of total liabilities.

Net investment income decreased 2.6% to $438.9 million in 2020, from $450.7 million in the preceding year. While dividend income increased 6% to $149.8 million, fixed income interest (especially on short-term investments) reflected historically low interest rates. The pretax yield on average invested assets (at cost) further

Investment Management

Consolidated Investments

($ in Millions)	**2020**	2019	2018	2017	2016
Fixed Maturity Securities:					
Taxable Bonds and Notes	$ 9,433.2	$ 8,796.5	$ 8,182.8	$ 8,282.3	$ 8,170.9
Tax-Exempt Bonds and Notes	1,063.5	1,021.7	1,044.8	1,067.4	974.8
Short-Term Investments	749.6	484.3	354.9	670.1	681.6
	11,246.4	10,302.6	9,582.6	10,019.9	9,827.4
Other Invested Assets:					
Equity Securities	4,054.8	4,030.5	3,380.9	3,265.5	2,896.1
Sundry	28.8	26.0	31.0	32.5	34.1
Total Investments	$15,330.1	$14,359.2	$12,994.6	$13,318.0	$12,757.7

Sources of Consolidated Investment Income

($ in Millions)	**2020**	2019	2018	2017	2016
Fixed Maturity Securities:					
Taxable	$ 269.9	$ 280.0	$ 278.4	$ 272.7	$ 285.0
Tax-Exempt	19.8	20.3	20.7	20.4	11.5
Short-Term Investments	2.2	10.1	9.8	5.4	2.1
	292.1	310.5	309.0	298.6	298.7
Other Investment Income:					
Equity Securities Dividends	149.8	141.3	124.0	110.9	88.2
Sundry	3.5	5.8	4.9	4.5	3.9
	153.4	147.1	129.0	115.5	92.1
Gross Investment Income	445.6	457.7	438.1	414.1	390.9
Less: Investment Expenses	6.6	6.9	6.2	4.6	3.8
Net Investment Income	$ 438.9	$ 450.7	$ 431.8	$ 409.4	$ 387.0
Net Yield on Average Investments	3.0%	3.3%	3.3%	3.1%	3.2%

Consolidated Fixed Maturity Securities Portfolio Statistics

	General Insurance Group	Title Insurance Group	RFIG Run-off Business	Consolidated
December 31, 2020 Maturities in:				
0-5 Years	65.6%	63.7%	96.0%	66.8%
6-10 Years	32.8	33.6	3.7	31.4
11 or More Years	1.6	2.7	.3	1.8
	100.0%	100.0%	100.0%	100.0%
Average Quality Rating	A+	A+	AA-	A+
Average Life of Portfolio (Years):				
December 31, 2020	4.3	4.6	2.0	4.3
December 31, 2019	4.2	4.0	1.8	4.1
December 31, 2018	4.6	4.7	2.8	4.5
December 31, 2017	4.8	5.0	3.7	4.7
December 31, 2016	4.9	5.1	4.3	4.8

declined to 3.24%, compared to 3.48% a year ago. Net realized capital gains from disposition of investments were $14.2 million in 2020 compared with $38.6 million a year earlier.

Consolidated net unrealized investment gains increased to $1.38 billion at year-end, compared with $1.24 billion at the close of 2019. Net unrealized gains in the fixed income portfolio rose $303.4 million to $599.1 million, due to lower interest rates and tighter credit spreads. Unrealized gains in the equity portfolio were down $156.2 million to $785.1 million. The charts and tables in this Annual Review provide details about our invested asset base for the last five years.

Fixed Income Portfolio

One of our risk management goals is to protect our fixed income portfolio and limit the adverse effects of interest rate volatility. We protect against falling interest rates by buying non-callable bonds, and we limit our exposure to rising interest rates by buying bonds with a maturity typically no longer than about 10 years.

We do not invest in troubled asset classes generally proven to be higher risk and illiquid. For many years, our portfolio has had zero or extremely limited exposure to these types of securities:

★ Collateralized debt obligations (CDO)

★ Asset-backed securities (ABS)

★ Guaranteed investment contracts, (GIC)

★ Structured investment vehicles (SIV)

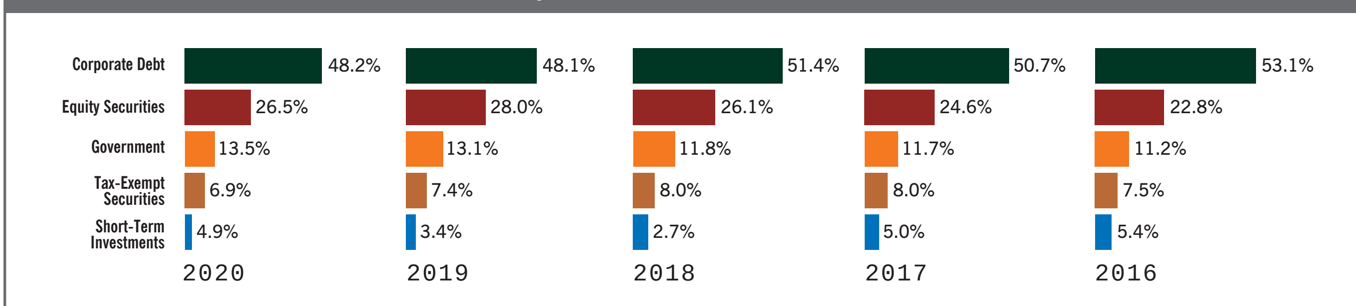
★ Auction rate variable short-term securities

★ Hybrid securities

★ Credit default and interest rate swap derivatives

By the end of 2020, the two-year U.S. Treasury note yield had fallen to 0.12%, down 147 basis points from 1.59% at the end of 2019, and 237 basis points lower than 2.49% at the end of 2018. The 10-year Treasury note yielded 0.91% at December 31, 2020, down 101 basis points from 1.92% at the end of 2019, and 178 basis points from 2.69% at the end of 2018. The Treasury yield curve remained relatively flat for much of last year, then got slightly steeper in the fourth quarter. The difference between the two- and 10-year Treasury note yields was 79 basis points on December 31, 2020, versus 33 basis points at the end of 2019.

Composition of Investment Portfolio

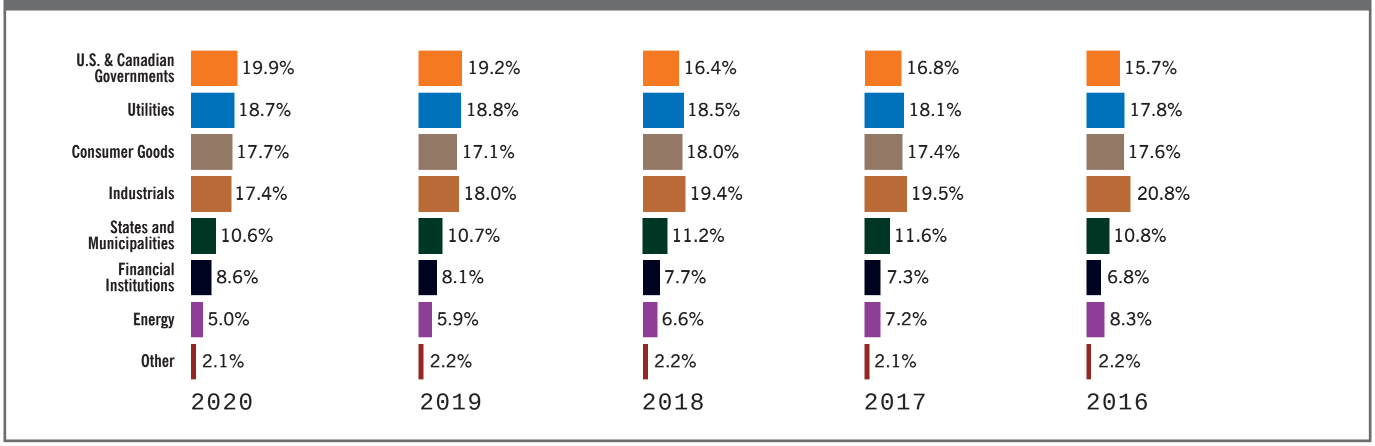


The Treasury yield curve decline was accompanied by a significant tightening of corporate bond yield spreads over Treasuries. The market value of the long-term fixed income portfolio at the end of 2020 was approximately 106.1% of book value compared with 103.1% at the same time in 2019. Total net unrealized gains in the bond portfolio were $599.1 million versus $295.7 million at year-end 2019, a $303.4 million improvement.

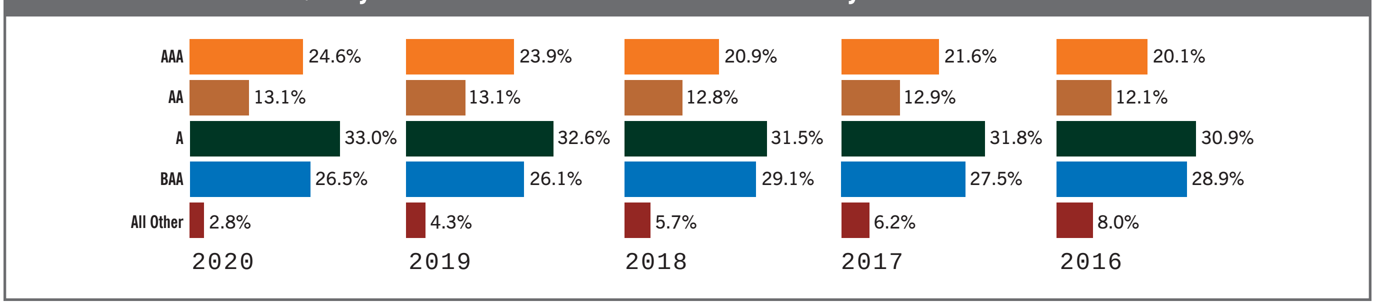
Our fixed income portfolio was well balanced among obligations of the United States and Canadian governments, its agencies, and corporate securities. Our fixed income purchases in 2020 consisted principally of liquid, non-callable corporate securities of various investment grade issuers within several industry sectors. Maturities of bond purchases primarily ranged between one and 10 years. We made no new investments in tax-exempt municipal securities in 2020, as the low corporate tax rate made these securities unattractive on an after-tax basis versus other taxable fixed income alternatives.

Our long-term fixed income security holdings of $9.9 billion had an average maturity of 4.26 years with an implied duration of 3.83. This compared to 2019's 4.08 years and implied duration of 3.71. Investment grade issues represented 97.2% of the portfolio, versus 95.7% and 94.3% in 2019 and 2018, respectively. No fixed income holding was in default at the end of 2020.

Diversification of Fixed Maturity Portfolio



Quality Distribution of Consolidated Fixed Maturity Securities Portfolio



Equity Portfolio

Our equity portfolio had a market value of $4,054.8 million on December 31, 2020. This was 0.6% higher than $4,030.5 million on the same date in 2019. Unrealized capital gains were $785.1 million at year-end 2020, compared with $941.3 million at the end of 2019. During 2020, we purchased $321.1 million in common stocks. For the year, $21.3 million in net realized capital gains were generated on sales of $162.4 million.

Our equity portfolio is 99% actively managed in-house. It focuses on higher-yielding blue chip and utility common stocks that have tended to deliver annual dividend growth. The portfolio has no illiquid, equity-related securities, such as limited partnerships, derivatives, or private equity investments. The indicated “beta” of 1.01 implies a composition comparable to the S&P 500 index. One important difference is that we have a much lower exposure to technology companies, which generally do not meet our dividend yield objectives, and may be subject to greater future volatility.

Total equity portfolio exposure tolerances are guided by a variety of factors. Here are the four most important: 1) an assessment of insurance underwriting counter-party financial relationships; 2) insurance subsidiaries’ capital balances and their ability to sustain the adversities of sudden or extended declines in value; 3) tax planning; and 4) enterprise-wide risk management considerations of liquidity and the related matching of asset and liability maturity exposures.

The following table highlights the allocation of the stock portfolio by industry group.

Common Stocks at Market Value *($ in Millions)*

	As of December 31,					
	2020		2019		2018	
	Market Value	**Portfolio %**	Market Value	Portfolio %	Market Value	Portfolio %
Industry Distribution:						
Consumer	$ 756.7	18.7%	$ 774.2	19.2%	$ 675.7	20.0%
Energy	359.7	8.9%	514.1	12.8%	486.8	14.4%
Financial	228.2	5.6%	175.6	4.4%	258.0	7.6%
Health Care	337.1	8.3%	369.5	9.2%	260.5	7.7%
Industrial	616.1	15.2%	523.4	13.0%	287.9	8.5%
Technology	420.3	10.4%	352.0	8.7%	277.2	8.2%
Transportation	84.0	2.1%	48.2	1.2%	37.4	1.1%
Utilities	971.9	24.0%	1,092.6	27.1%	1,010.4	29.9%
Other & Canada	269.6	6.8%	179.7	4.4%	85.9	2.6%
Total	$ 4,053.6	100.0%	$ 4,029.3	100.0%	$ 3,379.8	100.0%

Economic Landscape and Outlook

After slow growth at the beginning of 2020, the pandemic-related shutdown in March brought annualized first and second quarter GDP declines of 5.0% and 31.4%, respectively. Progressive re-openings across the country, as well as federal stimulus packages, led to improving economic performance. This resulted in annualized third quarter GDP growth of 33.4%, and annualized fourth quarter GDP growth of 4.3%. For the full year, GDP was down 3.5%.

The Federal Reserve Board (FRB) lowered its target funds rate to 0.00-0.25%, where it remains. In addition, the FRB immediately enacted several loan and bond purchase facilities with the intention of maintaining the flow of credit throughout the economy. The FRB discontinued its credit-related, secondary market bond purchase facilities at the end of 2020. However, it continues to make secondary market bond purchases within the Treasury and Mortgage-Backed securities markets.

Estimates for 2021 GDP growth stand at 6.3%, with inflation forecasts at 2.4%. In 2020, the FRB established an official policy of average inflation targeting, which will allow inflation to overshoot a 2.0% target rate for a period of time. Long-term interest rates have risen, reflecting inflation concerns.

The higher interest rate and steeper yield curve environment created new yield opportunities within the fixed income markets. We remain keenly aware of our portfolio market valuation and its sensitivity to higher interest rates. Fixed income security purchases in 2021 will likely focus on intermediate maturities: between three and ten years. Corporate bond spreads remain at historically low levels. Improvements to net investment income will remain a challenge, until yields available on short- and intermediate-term fixed income securities rise from their current historic lows.

Our diversified portfolio of invested assets remains very well positioned, liquid, of high credit quality, and designed to withstand further economic uncertainty. It also allows us to take advantage of opportunities in an ever-changing financial marketplace. In all this, we remain committed to the basic investment policy that has served us well over many years. This discipline allows us to focus our financial and human resources on our basic business of insurance underwriting and related services.

CONTENTS

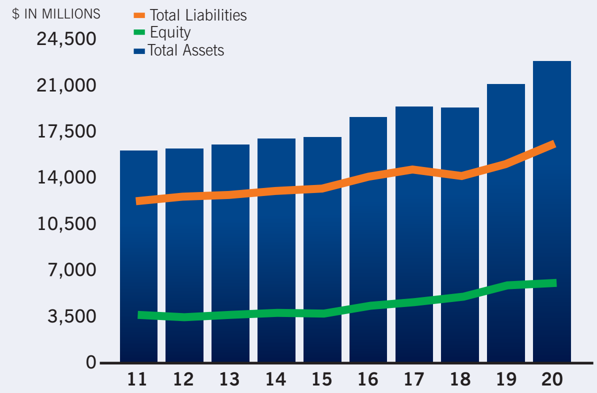
CONSOLIDATED FINANCIAL STATEMENTS

Capitalization and Financial Ratings

Old Republic Securities Currently Issued and Outstanding

Nearly 304 million outstanding Old Republic common shares could be traded as of year end 2020 on the New York Stock Exchange (symbol: ORI). Holdings include shares held by ORI's intellectual capital providers who - together and through the Company's Employees Savings and Stock Ownership Plan and other benefit plans, and the direct holdings of our senior officers and Board members - represent approximately 9% of outstanding shares. For the group as a whole, these aggregate holdings of over 27 million shares place them as the second largest shareholder group. This follows BlackRock, Inc., the world's biggest money management institution and our largest shareholder.

Total Assets, Liabilities, and Equity



The inherent strengths of Old Republic's balance sheet provide a solid foundation for long-term staying power and earnings sustainability.

Other securities issued and outstanding at December 31, 2020 included $400.0 million of 4.875% Senior Notes due in 2024 and $550.0 million of 3.875% Senior Notes due in 2026.

Independent Financial Ratings of Key Policy-Issuing Insurance Subsidiaries and Parent Holding Company

In recognition of Old Republic's stability and financial strength, its key insurance subsidiaries are consistently assigned high financial condition or claims-paying ability ratings. The following table shows the ratings assigned by three leading independent firms:

	CURRENT RATINGS ASSIGNED BY:		
	A.M. Best	Moody's	Standard & Poor's
BITCO General Insurance Corporation	A+	A2	A+
BITCO National Insurance Company	A+	A2	A+
Great West Casualty Company	A+	A2	A+
Old Republic General Insurance Corporation	A+	A2	A+
Old Republic Insurance Company	A+	A2	A+
Old Republic Insurance Company of Canada	A	*	*
Old Republic National Title Insurance Company	A+	A2	A+
Old Republic Surety Company	A+	*	A+
Old Republic Union Insurance Company	A+	*	A+
PMA Insurance Group	A+	A2	A+
Old Republic International Corporation: Long-term Debt	*	Baa2	BBB+

**No rating sought by Company or provided by the indicated rating agency.*

Ratings as of April 21, 2021.

TEN-YEAR FINANCIAL SUMMARY

($ in Millions, Except Share Data)		**2020**	2019	2018	2017	2016	2015	2014	2013	2012	2011
Financial Position Summary	Cash and Fixed Maturity Securities	**$ 11,365.1**	$10,381.5	$ 9,683.0	$ 10,145.9	$ 9,973.1	$ 9,366.7	$ 9,163.4	$ 9,990.6	$ 9,932.4	$ 9,962.5
	Equity Securities	**4,054.8**	4,030.5	3,380.9	3,265.5	2,896.1	1,987.8	2,011.7	1,004.2	739.7	580.8
	Other Invested Assets	**115.3**	115.4	123.4	124.9	126.5	120.9	116.4	114.3	128.4	141.7
	Reinsurance Recoverable	**4,362.8**	3,823.9	3,484.5	3,371.8	3,231.5	3,183.6	3,422.5	3,215.7	3,237.1	3,243.9
	Prepaid Federal Income Taxes	**–**	–	129.8	114.3	82.4	63.3	45.7	–	–	1.0
	Sundry Assets	**2,917.0**	2,724.9	2,525.1	2,380.9	2,281.7	2,379.1	2,216.8	2,201.7	2,179.5	2,120.3
		$ 22,815.2	$21,076.3	$ 19,327.1	$19,403.5	$18,591.6	$ 17,101.6	$ 16,976.9	$16,526.7	$16,217.3	$16,050.4
	Policy Liabilities	**$ 2,593.1**	$ 2,419.2	$ 2,303.5	$ 2,176.3	$ 2,035.0	$ 1,945.1	$ 1,832.7	$ 1,695.7	$ 1,566.3	$ 1,461.9
	Benefit and Claim Reserves	**10,671.0**	9,929.5	9,471.2	9,237.6	9,206.0	9,120.1	9,122.0	9,433.5	9,303.3	8,786.6
	Sundry Liabilities	**3,364.3**	2,727.3	2,406.0	3,256.3	2,889.9	2,166.3	2,098.0	1,622.4	1,751.4	2,029.2
	Preferred Stock	**–**	–	–	–	–	–	–	–	–	–
	Common Equity	**6,186.6**	6,000.1	5,146.2	4,733.3	4,460.6	3,869.8	3,924.0	3,775.0	3,596.2	3,772.5
		$ 22,815.2	$ 21,076.3	$ 19,327.1	$19,403.5	$ 18,591.6	$ 17,101.6	$ 16,976.9	$16,526.7	$16,217.3	$16,050.4
	Total Capitalization	**$ 7,153.1**	$ 6,974.2	$ 6,127.6	$ 6,182.0	$ 5,989.4	$ 4,822.7	$ 4,877.8	$ 4,336.6	$ 4,159.6	$ 4,685.4
	Book Value Per Share	**$ 20.75**	$ 19.98	$ 17.23	$ 17.72	$ 17.16	$ 14.98	$ 15.15	$ 14.64	$ 14.03	$ 14.76
Income Statement Summary (d)	Net Premiums and Fees	**$ 6,737.8**	$ 6,241.1	$ 5,940.9	$ 5,769.1	$ 5,537.5	$ 5,354.9	$ 4,960.0	$ 5,083.4	$ 4,632.4	$ 4,167.7
	Net Investment Income	**438.9**	450.7	431.8	409.4	387.0	388.6	345.5	318.7	336.5	364.6
	Other Income	**131.2**	132.6	121.6	102.2	107.3	106.7	101.6	90.1	114.5	115.2
	Investment Gains (Losses):										
	Realized From Actual Transactions	**14.2**	36.6	58.2	211.6	72.8	91.3	272.3	148.1	47.8	115.5
	Unrealized from Changes in Fair Value of Equity Securities	**(156.2)**	599.5	(293.8)	–	–	–	–	–	–	–
	Total Revenues	**7,166.0**	7,460.5	6,258.8	6,492.4	6,104.7	5,941.7	5,679.6	5,640.4	5,131.4	4,763.2
	Benefits and Claims	**2,491.4**	2,572.7	2,460.7	2,478.8	2,347.9	2,459.3	2,514.5	2,238.3	2,765.3	2,764.3
	Sales and General Expenses	**3,986.1**	3,565.4	3,359.9	3,288.1	3,070.8	2,850.5	2,555.5	2,729.1	2,494.6	2,235.5
	Total Expenses	**6,477.5**	6,138.1	5,820.7	5,767.0	5,418.7	5,309.8	5,070.1	4,967.5	5,260.0	4,999.9
	Pretax Income (Loss)	**688.4**	1,322.4	438.1	725.4	686.0	631.8	609.4	672.9	(128.5)	(236.7)
	Income Taxes (Credits)	**129.7**	265.9	67.5	164.8	219.0	209.6	199.7	225.0	(59.8)	(96.1)
	Net Income (Loss)	**$ 558.6**	$ 1,056.4	$ 370.5	$ 560.5	$ 466.9	$ 422.1	$ 409.7	$ 447.8	$ (68.6)	$ (140.5)
	Operating Cash Flow	**$ 1,185.0**	$ 936.2	$ 760.5	$ 452.8	$ 637.3	$ 688.2	$ (181.2)	$ 686.7	$ 532.0	$ (94.9)
	Net Income (Loss) Per Share: (a)										
	Basic	**$ 1.87**	$ 3.52	$ 1.26	$ 2.14	$ 1.80	$ 1.63	$ 1.58	$ 1.74	$ (.27)	$ (.55)
	Diluted	**$ 1.87**	$ 3.51	$ 1.24	$ 1.92	$ 1.62	$ 1.48	$ 1.44	$ 1.57	$ (.27)	$ (.55)
Sources of Revenues (d)	General Insurance	**$ 3,876.8**	$ 3,920.8	$ 3,739.4	$ 3,531.6	$ 3,354.7	$ 3,313.3	$ 3,113.5	$ 2,849.9	$ 2,699.4	$ 2,488.6
	Title Insurance	**3,329.3**	2,778.1	2,612.4	2,554.4	2,448.3	2,256.2	1,940.5	2,223.4	1,868.4	1,509.4
	Corporate & Other (b)(c)	**41.4**	48.5	46.3	50.1	35.4	35.8	70.0	65.6	68.3	84.8
	Subtotal	**7,247.6**	6,747.5	6,398.3	6,136.2	5,838.6	5,605.3	5,124.2	5,138.9	4,636.2	4,083.0
	RFIG Run-off	**60.4**	76.8	96.1	144.6	193.2	245.0	282.9	353.4	447.3	564.6
	Subtotal	**7,308.0**	6,824.4	6,494.4	6,280.8	6,031.8	5,850.3	5,407.2	5,492.3	5,083.5	4,647.6
	Investment Gains (Losses):										
	Realized From Actual Transactions	**14.2**	36.6	58.2	211.6	72.8	91.3	272.3	148.1	47.8	115.5
	Unrealized from Changes in Fair Value of Equity Securities	**(156.2)**	599.5	(293.8)	–	–	–	–	–	–	–
	Consolidated	**$ 7,166.0**	$ 7,460.5	$ 6,258.8	$ 6,492.4	$ 6,104.7	$ 5,941.7	$ 5,679.6	$ 5,640.4	$ 5,131.4	$ 4,763.2
Sources of Pretax Income (Loss)	General Insurance	**$ 439.8**	$ 370.2	$ 363.9	$ 340.3	$ 319.9	$ 336.4	$ 221.3	$ 288.3	$ 261.0	$ 353.9
	Title Insurance	**344.0**	230.8	219.3	237.1	210.2	166.8	99.5	124.3	73.8	36.2
	Corporate & Other (b)	**36.7**	54.8	40.4	9.9	13.0	7.6	5.7	2.1	(2.7)	(14.6)
	Subtotal	**820.5**	655.9	623.8	587.3	543.3	511.0	326.7	414.7	332.1	375.5
	RFIG Run-off	**9.8**	30.3	49.9	(73.5)	69.8	29.4	10.3	110.0	(508.6)	(727.8)
	Subtotal	**830.4**	686.2	673.7	513.8	613.1	540.4	337.1	524.8	(176.4)	(352.2)
	Investment Gains (Losses):										
	Realized From Actual Transactions	**14.2**	36.6	58.2	211.6	72.8	91.3	272.3	148.1	47.8	115.5
	Unrealized from Changes in Fair Value of Equity Securities	**(156.2)**	599.5	(293.8)	–	–	–	–	–	–	–
	Consolidated	**$ 688.4**	$ 1,322.4	$ 438.1	$ 725.4	$ 686.0	$ 631.8	$ 609.4	$ 672.9	$ (128.5)	$ (236.7)

(a) Retroactive adjustments have been made for all stock dividends and splits declared through December 31, 2020, and for consistent presentation of annual data.
(b) Includes amounts for a small life and accident insurance business as well as those of the parent holding company and its internal corporate services subsidiaries.
(c) 2015 reflects the transfer of accident insurance business from a life and accident subsidiary to a general insurance affiliate resulting in a $26.4 reduction in premiums.
(d) Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.

TEN-YEAR OPERATING AND BALANCE SHEET STATISTICS

($ in Millions)		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Underwriting Service Operating Ratios	***General Insurance:***										
	All Lines Combined:										
	Earned Premiums	**$3,394.2**	$3,432.4	$3,277.1	$3,110.8	$2,936.3	$2,894.7	$2,735.6	$2,513.7	$2,324.4	$2,109.4
	Loss Ratio	**69.3%**	71.0%	71.6%	71.2%	72.4%	73.5%	77.4%	73.0%	72.2%	68.5%
	Dividend Ratio	**.6**	.8	.6	.6	.6	.6	.5	.6	.8	.7
	Expense Ratio	**25.6**	25.7	25.0	25.5	24.8	23.5	22.9	23.7	25.7	25.2
	Combined Ratio	**95.5%**	97.5%	97.2%	97.3%	97.8%	97.6%	100.8%	97.3%	98.7%	94.4%
	Liability Lines Only:										
	Earned Premiums	**$2,140.2**	$ 2,217.5	$2,120.9	$2,032.5	$1,963.3	$1,989.0	$1,934.3	$1,779.7	$1,659.9	$1,487.8
	Loss Ratio	**73.9%**	75.5%	75.9%	76.2%	78.5%	80.6%	82.6%	77.1%	74.9%	69.8%
	Dividend Ratio	**.6%**	.9%	.6%	.6%	.6%	.5%	.5%	.6%	.8%	1.0%
	All Other Lines:										
	Earned Premiums	**$1,260.3**	$ 1,217.2	$1,154.8	$1,077.1	$ 974.1	$ 908.0	$ 801.5	$ 736.7	$ 667.5	$ 623.1
	Loss Ratio	**61.1%**	63.0%	63.5%	62.1%	60.5%	57.3%	65.0%	62.8%	65.3%	64.7%
	Dividend Ratio	**.1%**	.1%	.2%	.2%	.3%	.4%	.4%	.3%	.3%	.1%
	Title Insurance: (a)(e)										
	Earned Premiums and Fees	**$3,286.3**	$2,736.0	$2,573.1	$2,516.5	$2,410.9	$2,220.8	$1,908.1	$2,193.9	$1,838.7	$1,480.1
	Loss Ratio	**2.3%**	2.5%	1.9%	.8%	3.5%	4.5%	4.8%	6.1%	6.6%	7.1%
	Expense Ratio	**88.4**	90.5	90.9	91.0	89.0	89.2	91.1	89.1	90.5	91.9
	Combined Ratio	**90.7%**	93.0%	92.8%	91.8%	92.5%	93.7%	95.9%	95.2%	97.1%	99.0%
	RFIG Run-off:										
	Earned Premiums	**$ 45.1**	$ 59.2	$ 75.9	$ 122.9	$ 170.0	$ 219.9	$ 255.4	$ 316.5	$ 410.5	$ 503.2
	Loss Ratio	**81.7%**	53.5%	39.4%	160.9%	60.4%	88.0%	97.2%	68.8%	221.8%	230.5%
	Expense Ratio	**30.2**	25.0	21.5	16.6	12.2	10.0	9.5	8.1	10.4	22.1
	Combined Ratio	**111.0%**	78.5%	60.9%	177.5%	72.6%	98.0%	106.7%	76.9%	232.2%	252.6%
	Consolidated: (e)										
	Earned Premiums and Fees	**$ 6,737.8**	$6,241.1	$5,940.9	$5,769.1	$5,537.5	$5,354.9	$4,960.0	$5,083.4	$4,632.4	$4,167.7
	Loss Ratio	**37.0%**	41.2%	41.4%	43.0%	42.4%	45.9%	50.7%	44.0%	59.7%	66.3%
	Expense Ratio	**56.3**	54.1	53.5	53.9	52.4	50.2	48.7	51.2	50.3	49.0
	Combined Ratio	**93.3%**	95.3%	94.9%	96.9%	94.8%	96.1%	99.4%	95.2%	110.4%	115.3%
Balance Sheet Leverage	***Premium Leverage: (b)(e)***										
	General Insurance	**.9x**	1.0x	1.1x	1.0x	1.0x	1.1x	1.0x	.9x	.8x	.7x
	Title Insurance	**3.4**	3.3	3.8	3.9	4.3	4.7	4.1	4.9	4.6	4.6
	RFIG Run-off	**.1**	.1	.2	.3	.5	.8	1.2	N/M	N/M	32.2
	Consolidated	**1.1x**	1.0x	1.2x	1.2x	1.3x	1.4x	1.3x	1.4x	1.3x	1.1x
	Reserve Leverage: (c)										
	General Insurance	**165%**	166%	189%	172%	182%	189%	162%	146%	136%	132%
	Title Insurance	**57**	65	79	87	108	122	109	106	99	103
	RFIG Run-off	**29**	25	43	66	130	255	388	N/M	N/M	N/M
	Consolidated	**114%**	112%	126%	134%	145%	166%	157%	176%	181%	157%
Capitalization and Fixed Charges Coverage Ratios	Debt	**13.5%**	14.0%	16.0%	23.4%	25.5%	19.8%	19.6%	13.0%	13.5%	19.5%
	Preferred Stock	**–**	–	–	–	–	–	–	–	–	–
	Common Equity	**86.5**	86.0	84.0	76.6	74.5	80.2	80.4	87.0	86.5	80.5
	Total Capitalization	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Fixed Charges Coverage Ratio (d)	**20.5x**	16.9x	15.3x	9.0x	13.0x	13.6x	12.9x	23.6x	N/M	N/M

(a) Title Insurance Group ratios are a function of combined premiums and fees earned.
(b) Ratio of net premiums written to equity. For the Title Insurance Group, this ratio incorporates escrow and other fee revenues.
(c) Ratio of claim and claim expense reserves to equity. Consolidated ratio also incorporates future benefit reserves for the Company's small life and accident insurance operations.
(d) Earnings before taxes, investment gains (losses), and interest expense to annual interest expense.
(e) Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.
N/M = Not meaningful

COMMON SHARE STATISTICS

	(Common Stock Data in Dollars to Nearest Cent)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Company Performance on the Stock Market (f)	Stock Price Quotes:										
	High (g)	**$23.62**	$24.10	$23.05	$21.56	$20.00	$19.11	$17.26	$17.45	$11.21	$13.92
	Low (g)	**$11.88**	$19.68	$19.48	$17.92	$16.51	$13.59	$13.43	$10.74	$ 7.76	$ 7.15
	Close	**$19.71**	$22.37	$20.57	$21.38	$19.00	$18.63	$14.63	$17.27	$10.65	$ 9.27
	Closing Stock Price Ratios to:										
	Book Value	**.9x**	1.1x	1.2x	1.2x	1.1x	1.2x	1.0x	1.2x	.8x	.6x
	Income (Loss) Before Other Items:										
	Basic	**8.8x**	12.1x	10.9x	17.7x	11.7x	13.3x	16.3x	12.6x	N/M	N/M
	Diluted	**8.8x**	12.2x	11.1x	19.3x	13.0x	14.6x	17.4x	13.8x	N/M	N/M
	Net Income (Loss):										
	Basic	**10.5x**	6.4x	16.3x	10.0x	10.6x	11.4x	9.3x	9.9x	N/M	N/M
	Diluted	**10.5x**	6.4x	16.6x	11.1x	11.7x	12.6x	10.2x	11.0x	N/M	N/M
	Total Return–Market Basis (b)	**-7.7%**	17.8%	4.8%	16.9%	6.2%	33.4%	-11.2%	70.7%	23.4%	-27.2%
	Shares Outstanding (Thousands)										
	Average: Basic	**298,407**	299,885	294,248	262,114	259,429	259,502	258,553	257,443	255,812	255,045
	Diluted	**298,898**	301,227	301,016	299,387	296,379	296,088	295,073	293,684	255,812	255,045
	End of Period	**304,122**	303,652	302,714	269,238	262,719	261,968	260,946	260,462	259,490	259,328
Company Performance on its Books (f)	Composition of Basic Earnings (a):										
	Income (Loss), before Items Below	**$ 2.24**	$ 1.85	$ 1.89	$ 1.21	$ 1.62	$ 1.40	$ .90	$ 1.37	$ (.39)	$ (.86)
	Net Investment Gains (Losses):										
	Realized From Actual Transactions	**.04**	.10	.16	.93	.18	.23	.68	.37	.12	.31
	Unrealized From Changes in Fair Value of Equity Securities	**(.41)**	1.57	(.79)	–	–	–	–	–	–	–
	Net Income (Loss)	**$ 1.87**	$ 3.52	$ 1.26	$ 2.14	$ 1.80	$ 1.63	$ 1.58	$ 1.74	$ (.27)	$ (.55)
	Composition of Diluted Earnings (a):										
	Income (Loss), before Items Below	**$ 2.24**	$ 1.84	$ 1.86	$ 1.11	$ 1.46	$ 1.28	$ .84	$ 1.25	$ (.39)	$ (.86)
	Net Investment Gains (Losses):										
	Realized From Actual Transactions	**.04**	.10	.15	.81	.16	.20	.60	.32	.12	.31
	Unrealized From Changes in Fair Value of Equity Securities	**(.41)**	1.57	(.77)	–	–	–	–	–	–	–
	Net Income (Loss)	**$ 1.87**	$ 3.51	$ 1.24	$ 1.92	$ 1.62	$ 1.48	$ 1.44	$ 1.57	$ (.27)	$ (.55)
	Dividends on Common Stock:										
	Amount (h)	**$ 1.84**	$ 1.80	$ .78	$ 1.76	$ .75	$ .74	$ .73	$ .72	$ .71	$ .70
	Payout Ratio (c)	**82%**	98%	42%	159%	51%	58%	87%	58%	N/M	N/M
	Stock Dividends	**–**	–	–	–	–	–	–	–	–	–
	Book Value:										
	Amount	**$20.75**	$19.98	$ 17.23	$ 17.72	$ 17.16	$14.98	$15.15	$14.64	$14.03	$14.76
	% Change	**3.9%**	16.0%	-2.8%	3.3%	14.5%	-.9%	3.5%	4.3%	-4.9%	-8.7%
	Total Return–Book Basis (b)	**13.1%**	26.4%	1.6%	13.6%	19.5%	4.0%	8.5%	9.4%	-.1%	-4.4%
	Cash and Invested Assets Per Share:										
	Amount (d)	**$52.12**	$48.39	$44.14	$ 50.67	$50.00	$44.40	$43.60	$43.07	$42.13	$41.79
	Ratio to Book Value	**2.5x**	2.4x	2.6x	2.9x	2.9x	3.0x	2.9x	2.9x	3.0x	2.8x
	Ratio to Closing Price	**2.6x**	2.2x	2.1x	2.4x	2.6x	2.4x	3.0x	2.5x	4.0x	4.5x
	Return on Equity (e):										
	As Reported	**11.4%**	11.3%	12.7%	12.6%	12.0%	10.8%	10.9%	12.5%	-1.8%	-3.4%
	Cost Basis	**13.5%**	11.8%	14.6%	13.9%	12.4%	11.9%	12.1%	14.7%	-2.1%	-3.9%

(a) Calculated after preferred dividend requirements, if any.

(b) For purposes of the above presentation, the total market basis return has been calculated as the sum of the year-to-year increase or decrease in closing price and of the dividend yield for each year as a percentage of the closing price at the end of the preceding year. The total return shown would be higher if an interest factor also were applied to the reinvestment of cash dividends. The total book value basis return represents the sum of the year-to-year change in book value per share and the cash dividend yield as a percentage of book value at the beginning of each year.

(c) Cash dividends as a percentage of diluted earnings per share, before investment gains or losses.

(d) Based on total shares outstanding at end of year.

(e) "As Reported" has been calculated as net income excluding unrealized investment gains (losses) from changes in fair value of equity securities as a percentage of common shareholders' equity at the beginning of the year. "Cost Basis" has been calculated as net income excluding unrealized investment gains (losses) from changes in fair value of equity securities as a percentage of common shareholders' equity excluding net unrealized appreciation (depreciation) of securities at the beginning of the year.

(f) Retroactive adjustments have been made for all stock dividends and splits declared through December 31, 2020.

(g) Represents the intraday high and low sales price.

*(h) A special cash dividend of $1.00 per share was declared in December 2020 in addition to the regular quarterly dividend of $.21 per share.
A special cash dividend of $1.00 per share was paid in September 2019 in addition to the regular quarterly dividend payment of $.20 per share.
A special cash dividend of $1.00 per share was declared in December 2017 in addition to the regular quarterly dividend payment of $.19 per share.
N/M = Not meaningful*

CONSOLIDATED BALANCE SHEETS

($ in Millions)

	December 31,				
	2020	2019	2018	2017	2016
Assets					
Investments:					
Available for Sale:					
Fixed Maturity Securities (at Fair Value)	**$10,496.8**	$ 8,796.5	$ 8,182.8	$ 8,282.3	$ 8,170.9
Short-Term Investments (at Fair Value, which Approximates Cost)	**749.6**	484.3	354.9	670.1	681.6
Total	**11,246.4**	9,280.9	8,537.8	8,952.4	8,852.6
Held to Maturity:					
Fixed Maturity Securities (at Amortized Cost)	–	1,021.7	1,044.8	1,067.4	974.8
Equity Securities (at Fair Value)	**4,054.8**	4,030.5	3,380.9	3,265.5	2,896.1
Other Investments	**28.8**	26.0	31.0	32.5	34.1
Total Investments	**15,330.1**	14,359.2	12,994.6	13,318.0	12,757.7
Other Assets:					
Cash	**118.7**	78.8	100.3	125.9	145.7
Accrued Investment Income	**86.4**	89.3	92.4	92.4	92.3
Accounts and Notes Receivable	**1,593.9**	1,466.7	1,499.4	1,469.7	1,390.2
Federal Income Tax Recoverable: Current	–	5.7	16.8	–	14.9
Prepaid Federal Income Taxes	–	–	129.8	114.3	82.4
Reinsurance Balances and Funds Held	**205.0**	178.4	166.2	141.6	127.7
Reinsurance Recoverable: Paid Losses	**67.6**	68.5	55.9	60.5	63.4
Policy and Claim Reserves	**4,295.1**	3,755.3	3,428.6	3,311.3	3,168.1
Deferred Policy Acquisition Costs	**328.0**	325.4	316.3	297.8	274.0
Sundry Assets	**790.0**	748.5	526.3	471.6	474.7
Total Other Assets	**7,485.0**	6,717.1	6,332.4	6,085.5	5,833.8
Total Assets	**$22,815.2**	$21,076.3	$ 19,327.1	$ 19,403.5	$ 18,591.6
Liabilities, Preferred Stock, and Common Shareholders' Equity					
Liabilities:					
Losses, Claims, and Settlement Expenses	**$10,671.0**	$ 9,929.5	$ 9,471.2	$ 9,237.6	$ 9,206.0
Unearned Premiums	**2,397.1**	2,224.7	2,104.9	1,971.5	1,842.9
Other Policyholders' Benefits and Funds	**195.9**	194.4	198.6	204.7	192.0
Total Policy Liabilities and Accruals	**13,264.2**	12,348.7	11,774.8	11,413.9	11,241.0
Commissions, Expenses, Fees, and Taxes	**663.5**	550.9	525.4	547.7	485.4
Reinsurance Balances and Funds	**725.4**	616.0	600.4	566.9	530.3
Federal Income Tax Payable: Current	**4.2**	–	–	6.5	–
Deferred	**137.3**	112.2	10.3	100.5	42.6
Debt	**966.4**	974.0	981.4	1,448.7	1,528.7
Sundry Liabilities	**867.3**	474.1	288.3	585.8	302.6
Commitments and Contingent Liabilities	–	–	–	–	–
Total Liabilities	**16,628.5**	15,076.1	14,180.8	14,670.2	14,130.9
Preferred Stock:					
Convertible Preferred Stock	–	–	–	–	–
Common Shareholders' Equity:					
Common Stock	**304.1**	303.6	302.7	269.2	262.7
Additional Paid-In Capital	**1,306.9**	1,297.5	1,277.6	815.2	713.8
Retained Earnings	**4,394.8**	4,386.0	3,849.8	3,206.9	3,199.6
Accumulated Other Comprehensive Income (Loss)	**284.0**	77.7	(210.0)	474.2	323.6
Unallocated ESSOP Shares (at Cost)	**(103.2)**	(64.8)	(73.9)	(32.4)	(39.2)
Total Common Shareholders' Equity	**6,186.6**	6,000.1	5,146.2	4,733.3	4,460.6
Total Liabilities, Preferred Stock, and Common Shareholders' Equity	**$22,815.2**	$21,076.3	$ 19,327.1	$ 19,403.5	$ 18,591.6

CONSOLIDATED STATEMENTS OF INCOME (a)

($ in Millions, Except Share Data)

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Revenues:					
Net Premiums Earned	**$6,345.8**	$5,919.9	$5,651.1	$5,475.7	$5,244.1
Title, Escrow, and Other Fees	**391.9**	321.1	289.8	293.3	293.3
Total Premiums and Fees	**6,737.8**	6.241.1	5,940.9	5,769.1	5,537.5
Net Investment Income	**438.9**	450.7	431.8	409.4	387.0
Other Income	**131.2**	132.6	121.6	102.2	107.3
Total Operating Revenues	**7,308.0**	6,824.4	6,494.4	6,280.8	6,031.8
Investment Gains (Losses):					
Realized From Actual Transactions and Impairments	**14.2**	36.6	58.2	211.6	72.8
Unrealized From Changes in Fair Value of Equity Securities	**(156.2)**	599.5	(293.8)	–	–
Total Realized and Unrealized Investment Gains (Losses)	**(142.0)**	636.1	(235.6)	211.6	72.8
Total Revenues	**7,166.0**	7,460.5	6,258.8	6,492.4	6,104.7
Benefits, Claims, and Expenses:					
Benefits, Claims, and Settlement Expenses	**2,472.5**	2,545.3	2,440.9	2,459.2	2,329.8
Dividends to Policyholders	**18.9**	27.3	19.8	19.5	18.1
Underwriting, Acquisition, and Other Expenses	**3,942.4**	3,525.4	3,317.7	3,225.1	3,020.5
Interest and Other Charges	**43.7**	40.0	42.2	63.0	50.2
Total Expenses	**6,477.5**	6,138.1	5,820.7	5,767.0	5,418.7
Income (Loss) Before Income Taxes (Credits)	**688.4**	1,322.4	438.1	725.4	686.0
Income Taxes (Credits):					
Current	**156.9**	238.4	114.1	132.6	190.1
Deferred	**(27.1)**	27.4	(46.5)	32.2	28.8
Total	**129.7**	265.9	67.5	164.8	219.0
Net Income (Loss)	**$ 558.6**	$1,056.4	$ 370.5	$ 560.5	$ 466.9
Net Income (Loss) Per Share:					
Basic	**$ 1.87**	$ 3.52	$ 1.26	$ 2.14	$ 1.80
Diluted	**$ 1.87**	$ 3.51	$ 1.24	$ 1.92	$ 1.62
Average Shares Outstanding: Basic	**298,407,921**	299,885,468	294,248,871	262,114,533	259,429,298
Diluted	**298,898,673**	301,227,715	301,016,076	299,387,373	296,379,251

(a) Reclassification adjustments were made to certain Title segment revenues and expenses in prior periods to conform to the presentation adopted in 2020.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

($ in Millions)

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Net Income (Loss) as Reported	**$ 558.6**	$1,056.4	$ 370.5	$ 560.5	$ 466.9
Other Comprehensive Income (Loss):					
Net Unrealized Gains (Losses) on Securities, Net of Tax	**270.3**	287.2	(176.3)	73.9	292.1
Net Adjustment Related to Defined Benefit Pension Plans, Net of Tax	**(67.0)**	(5.4)	5.4	(18.0)	(.4)
Foreign Currency Translation and Other Adjustments	**2.9**	5.9	(11.1)	9.5	2.6
Total Other Comprehensive Income (Loss)	**206.3**	287.7	(182.0)	65.4	294.4
Comprehensive Income (Loss)	**$ 765.0**	$1,344.2	$ 188.5	$ 626.0	$ 761.4

CONSOLIDATED STATEMENTS OF PREFERRED STOCK AND COMMON SHAREHOLDERS' EQUITY

($ in Millions, Except Share Data)

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Convertible Preferred Stock:					
Balance, Beginning and End of Year	**$ –**	$ –	$ –	$ –	$ –
Common Stock:					
Balance, Beginning of Year	**$ 303.6**	$ 302.7	$ 269.2	$ 262.7	$ 261.9
Dividend Reinvestment Plan	**–**	–	–	–	–
Net Issuance of Shares Under Stock Based Compensation Plans	**.4**	.8	1.1	1.3	.6
Conversion of Senior Debentures	**–**	–	32.2	5.1	–
Issuance of Shares	**–**	–	–	–	–
Balance, End of Year	**$ 304.1**	$ 303.6	$ 302.7	$ 269.2	$ 262.7
Additional Paid-In Capital:					
Balance, Beginning of Year	**$ 1,297.5**	$ 1,277.6	$ 815.2	$ 713.8	$ 698.0
Dividend Reinvestment Plan	**.9**	1.7	1.7	.8	.8
Net Issuance of Shares Under Stock Based Compensation Plans	**5.2**	11.0	15.7	15.0	6.7
Conversion of Senior Debentures	**–**	–	438.1	73.8	–
Issuance of Shares	**–**	–	–	–	1.2
Stock Based Compensation	**2.4**	4.0	4.1	4.1	.7
ESSOP Shares Released	**.9**	3.0	2.6	7.3	6.2
Other	**(.2)**	–	–	–	–
Balance, End of Year	**$ 1,306.9**	$ 1,297.5	$ 1,277.6	$ 815.2	$ 713.8
Retained Earnings:					
Balance, Beginning of Year	**$ 4,386.0**	$3,849.8	$3,206.9	$3,199.6	$2,926.5
Adoption of New Accounting Principle	**(2.3)**	18.4	502.1	–	–
Balance, Beginning of Year, as Adjusted	**4,383.6**	3,868.3	3,708.9	3,199.6	2,926.5
Net Income (Loss)	**558.6**	1,056.4	370.5	560.6	466.9
Dividends on Common Shares ($1.84, $1.80, $.78, $1.76, and $.75 per common share)	**(547.5)**	(538.7)	(229.6)	(468.0)	(193.8)
Reclassification of Income Tax Effects of the Tax Cuts and Jobs Act	**–**	–	–	(85.1)	–
Balance, End of Year	**$ 4,394.8**	$4,386.0	$3,849.8	$3,206.9	$3,199.6
Accumulated Other Comprehensive Income (Loss):					
Balance, Beginning of Year	**$ 77.7**	$ (210.0)	$ 474.2	$ 323.6	$ 29.2
Adoption of New Accounting Principle	**–**	–	(502.1)	–	–
Balance, Beginning of Year, as Adjusted	**77.7**	(210.0)	(27.9)	323.6	29.2
Net Unrealized Gains (Losses) on Securities, Net of Tax	**270.3**	287.2	(176.3)	73.9	292.1
Net Adjustment Related to Defined Benefit Pension Plans, Net of Tax	**(67.0)**	(5.4)	5.4	(18.0)	(.4)
Foreign Currency Translation and Other Adjustments	**2.9**	5.9	(11.1)	9.5	2.6
Reclassification of Income Tax Effects of the Tax Cuts and Jobs Act	**–**	–	–	85.1	–
Balance, End of Year	**$ 284.0**	$ 77.7	$ (210.0)	$ 474.2	$ 323.6
Unallocated ESSOP Shares:					
Balance, Beginning of Year	**$ (64.8)**	$ (73.9)	$ (32.4)	$ (39.2)	$ (45.8)
ESSOP Shares Released	**11.5**	9.1	8.4	6.8	6.6
Purchase of Unallocated ESSOP Shares	**(50.0)**	–	(50.0)	–	–
Balance, End of Year	**$ (103.2)**	$ (64.8)	$ (73.9)	$ (32.4)	$ (39.2)

CONSOLIDATED STATEMENTS OF CASH FLOWS

($ in Millions)

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Cash Flows from Operating Activities:					
Net Income (Loss)	**$ 558.6**	$1,056.4	$ 370.5	$ 560.5	$ 466.9
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:					
Deferred Policy Acquisition Costs	**(2.5)**	(8.9)	(18.4)	(23.3)	(18.3)
Premiums and Other Receivables	**(123.4)**	32.5	(29.3)	(79.3)	(59.2)
Unpaid Claims and Related Items	**340.7**	214.6	148.4	(123.7)	31.4
Unearned Premiums and Other Policyholders' Liabilities	**34.6**	32.2	95.1	152.7	77.6
Income Taxes	**(18.3)**	37.2	(69.5)	49.5	40.6
Prepaid Federal Income Taxes	**–**	129.8	(15.5)	(31.8)	(19.1)
Reinsurance Balances and Funds	**77.0**	(9.7)	13.5	25.3	33.1
Realized Investment (Gains) Losses From Actual Transactions and Impairments	**(14.2)**	(36.6)	(58.2)	(211.6)	(72.8)
Unrealized Investment (Gains) Losses From Changes in Fair Value of Equity Securities	**156.2**	(599.5)	293.8	–	–
Accounts Payable, Accrued Expenses and Other	**176.2**	88.0	30.0	134.5	157.0
Total	**1,185.0**	936.2	760.5	452.8	637.3
Cash Flows from Investing Activities:					
Fixed Maturity Securities:					
Available for Sale:					
Maturities and Early Calls	**1,280.1**	779.0	964.0	1,000.6	967.9
Sales	**399.5**	663.1	299.1	468.4	306.2
Sales of:					
Equity Securities	**162.3**	809.9	402.6	698.5	419.1
Other–Net	**8.8**	33.0	19.4	30.0	56.6
Purchases of:					
Fixed Maturity Securities:					
Available for Sale	**(2,059.3)**	(1,702.1)	(1,421.9)	(1,607.2)	(1,166.2)
Held to Maturity	**–**	–	–	(114.5)	(632.1)
Equity Securities	**(321.0)**	(815.6)	(752.5)	(727.2)	(928.4)
Other–Net	**(50.2)**	(60.9)	(51.6)	(54.3)	(47.5)
Purchase of a Business	**–**	(1.2)	(13.1)	–	–
Net Decrease (Increase) in Short-Term Investments	**(265.0)**	(129.7)	314.2	11.8	(12.1)
Other–Net	**(.3)**	–	.1	(.1)	–
Total	**(845.2)**	(424.6)	(239.5)	(293.9)	(1,036.4)
Cash Flows from Financing Activities:					
Issuance of Common Shares	**6.7**	13.8	13.1	17.8	8.4
Issuance of Debentures and Notes	**–**	–	–	–	576.8
Redemption of Debentures and Notes	**(8.6)**	(8.4)	(4.7)	(3.9)	(3.5)
Purchase of Unallocated ESSOP Shares	**(50.0)**	–	(50.0)	–	–
Dividends on Common Shares (a)	**(250.1)**	(538.7)	(498.8)	(198.8)	(193.8)
Other–Net	**2.0**	.2	(6.0)	6.4	(2.8)
Total	**(300.0)**	(533.1)	(546.5)	(178.5)	385.0
Increase (Decrease) in Cash:	**39.8**	(21.4)	(25.6)	(19.7)	(14.1)
Cash, Beginning of Year	**78.8**	100.3	125.9	145.7	159.8
Cash, End of Year	**$ 118.7**	$ 78.8	$ 100.3	$ 125.9	$ 145.7
Supplemental Cash Flow Information:					
Cash Paid (Received) During the Year for: Interest	**$ 41.4**	$ 42.1	$ 50.8	$ 62.5	$ 40.9
Income Taxes	**$ 149.3**	$ 229.4	$ 137.2	$ 106.3	$ 178.6

(a) Including a special dividend paid in September 2019 of $303.4 and a special dividend declared in December 2017 and paid in January 2018 of $269.2.

KEY OPERATING SUBSIDIARIES

(As of December 31, 2020)

Currently, Old Republic manages its business through some 134 corporate entities, of which 28 are insurance subsidiaries covering all 50 states and Canada. The following list shows the Corporation's most significant subsidiaries within each operating segment. The underwritten title and managing insurance agencies listed function principally as specialized marketing or underwriting divisions of one or more Old Republic insurance company subsidiaries.

General Insurance Group

Insurance Companies

BITCO General Insurance Corporation
BITCO National Insurance Company
Great West Casualty Company
Inter West Assurance, Ltd.
Manufacturers Alliance Insurance Company
Old Republic General Insurance Corporation
Old Republic Home Protection Company
Old Republic Insurance Company
Old Republic Insurance Company of Canada
Old Republic Lloyds of Texas
Old Republic Residual Market Insurance Company
Old Republic Security Assurance Company
Old Republic Specialty Insurance Company, IC
Old Republic Surety Company
Old Republic Union Insurance Company
Pennsylvania Manufacturers Association Insurance Company
Pennsylvania Manufacturers Indemnity Company
Pennsylvania Manufacturers International Insurance, Ltd.
PMA Insurance SPC
Republic Credit Indemnity Company

Agencies & Service Companies (a)

Brummel Brothers, Inc.
DISCC Enterprise, Ltd.
Employers General Insurance Group, Inc.
Great West Services, Inc.
Joe Morten & Son, Inc.
Old Republic Aerospace, Inc.
Old Republic Contractors Insurance Group, Inc. (b)
Old Republic Home Protection Services, Inc.
Old Republic Insured Automotive Services, Inc.
Old Republic Professional Liability, Inc.
Old Republic Residual Market Services, Inc.
Old Republic Risk Management, Inc.
Old Republic Specialty Insurance Underwriters, Inc. (b)
PMA Management Corporation
PMA Management Corporation of New England
Republic Equity Credit Services, Inc.
Republic Insured Credit Services, Inc.

Title Insurance Group

Insurance Companies

American Guaranty Title Insurance Company
Mississippi Valley Title Insurance Company
Old Republic National Title Insurance Company

Agencies & Service Companies

Attorneys' Title Fund Services, LLC (b)
Compass Abstract, Inc.
eRecording Partners Network, LLC (b)
Genesis Abstract, LLC (b)
iMarc, Inc.
Lenders' Inspection Company
Lex Terrae, Ltd.
Lex Terrae National Title Services, Inc.
Mara Escrow Company
National Title Agent's Services Company
Old Republic Diversified Services, Inc.
Old Republic Exchange Company
Old Republic Title Company
Old Republic Title Company of Conroe (b)
Old Republic Title Company of Indiana
Old Republic Title Company of Kansas City, Inc.
Old Republic Title Company of Nevada
Old Republic Title Company of Oklahoma
Old Republic Title Company of Oregon
Old Republic Title Company of St. Louis, Inc.
Old Republic Title Company of Tennessee
Old Republic Title and Escrow of Hawaii, Ltd.
Old Republic Title Insurance Agency, Inc.
Old Republic Title, Ltd.
RQ Holdings, Inc.
Sentry Abstract Company
The Title Company of North Carolina, Inc.
Troon Management Corporation

Republic Financial Indemnity Group

Insurance Companies

Republic Mortgage Assurance Company
Republic Mortgage Guaranty Insurance Corporation
Republic Mortgage Insurance Company

Life & Accident Group

Old Republic Life Insurance Company
Reliable Life Insurance Company (Canada)

Corporate and Other Operations

Old Republic Asset Management Corporation
Old Republic Capital Corporation
Old Republic Financial Acceptance Corporation
Old Republic General Services, Inc.
Old Republic International Corporation

(a) Managing insurance or underwriting agencies and related service companies.

(b) Joint underwriting venture and/or partially owned subsidiaries and affiliates.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE GROUPS

Old Republic's major operating subsidiaries and segments are headed by teams of senior executives formally organized as the Office of the Chief Executive Officer. These executive teams provide an inter-disciplinary approach tailored to the specific management needs of the Company's multi-faceted business. Members of Old Republic's Board of Directors bring diversity of expertise, experience, and insurance industry knowledge to corporate governance.

OLD REPUBLIC INTERNATIONAL CORPORATION
BOARD OF DIRECTORS*

Steven J. Bateman
Partner (Retired)
PricewaterhouseCoopers, LLP

Harrington Bischof
President
Pandora Capital Corporation

Lisa J. Caldwell
Executive Vice President and Chief Human Resources Officer (Retired)
Reynolds American, Inc.

Jimmy A. Dew
Vice Chairman (Retired)
Republic Mortgage Insurance Corporation

John M. Dixon
Partner (Retired)
Chapman and Cutler Attorneys
Chicago, IL

Michael D. Kennedy
Senior Client Partner
Korn Ferry

Charles J. Kovaleski
Executive Vice President (Retired)
Old Republic Title Insurance Companies; President (Retired)
Attorney's Title Division

Spencer LeRoy III
Senior Vice President,
Secretary, and General Counsel (Retired)
Old Republic International Corporation

Peter B. McNitt
Vice Chairman (Retired)
BMO Harris Bank

Glenn W. Reed
Managing Director - Strategy Division (Retired)
The Vanguard Group, Inc.

Craig R. Smiddy
President and
Chief Executive Officer

Arnold L. Steiner
President (Retired)
Steiner Bank, Birmingham, AL

Fredricka Taubitz
Executive Vice President
and Chief Financial Officer (Retired)
Zenith National Insurance Corporation

Steven R. Walker
Partner (Retired)
Leland, Parachini, Steinberg, Matzger and Melnick, LLP
Attorneys, San Francisco, CA

Aldo C. Zucaro
Chairman of the Board

** As of April 15, 2021*

IN MEMORIAM: Dennis P. Van Mieghem

Last year we lost a distinguished member of Old Republic's Board. Dennis P. Van Mieghem became one of our Directors in 2004, and served for a fifteen year term. Prior to joining us, Dennis had been a nationally recognized insurance taxation specialist partner with the international accounting firm of KPMG. With all this, he brought great perspective and tangible value to our Board's work.

OLD REPUBLIC GENERAL INSURANCE COMPANIES
OFFICE OF THE CHIEF EXECUTIVE OFFICER

W. Todd Gray
ORI Senior Vice President
and Treasurer

Thomas A. Dare
ORI Senior Vice President,
Secretary, and General Counsel

Jeffrey P. Lange
Senior Vice President -
Underwriting & Distribution

Karl W. Mueller
ORI Senior Vice President and
Chief Financial Officer

Stephen J. Oberst
ORI Executive Vice President;
Executive Vice President and Chief
Operating Officer

Craig R. Smiddy
ORI President and Chief Executive Officer;
President and Chief Executive Officer

OLD REPUBLIC GENERAL INSURANCE COMPANIES
CHIEF EXECUTIVE OFFICERS AND/OR PRESIDENTS

Michael L. Cescon
Old Republic Insured
Automotive Services, Inc.

Scott L. Dahlager
Old Republic Residual
Market Services, Inc.

Paul M. Field
Old Republic Insurance
Company of Canada

William P. Franchi
Old Republic Specialty
Insurance Underwriters, Inc.

Gwen M. Gallagher
Old Republic Home
Protection Company

James D. Jensen
Great West Casualty Company

Frank J. Kastelic
Old Republic Professional
Liability, Inc.

Vincent C. Lamb
BITCO Insurance Companies

Terri E. Minik
Old Republic Risk
Management, Inc.

Alan P. Pavlic
Old Republic Surety Company

John Santulli III
PMA Companies

Ralph H. Sohl
Old Republic Aerospace, Inc.

OLD REPUBLIC TITLE INSURANCE COMPANIES
OFFICE OF THE CHIEF EXECUTIVE OFFICER

Ivy L. Anderson
Executive Vice President;
President - Old Republic
Western Title, Inc.

Mark A. Bilbrey
Chief Executive Officer

Mark M. Budzinski
Executive Vice President;
Chief Legal Officer

Curtis J. Hoffman
Executive Vice President;
President - Old Republic
Central Title, Inc.

Cheryl A. Jones
Executive Vice President;
Chief Human Resources
& Communications Officer

Chris G. Lieser
Executive Vice President
and Chief Financial Officer

Carolyn J. Monroe
President

Dana C. Solms
Executive Vice President;
President - Old Republic
Eastern Title, Inc.

Rande K. Yeager
Executive Chairman

OLD REPUBLIC MORTGAGE INSURANCE COMPANIES
OFFICE OF THE CHIEF EXECUTIVE OFFICER

Steven R. Buckland
Vice President and
Chief Information Officer

D. Christopher Cash
Vice President and
Chief Accounting Officer

Kevin J. Henry
President and
Chief Operating Officer

Cynthia L. Lowe
Compliance Manager, Secretary
and Assistant Vice President

Michele D. Nuckles
Vice President — Claims

Robert E. Showfety, Jr.
Agency Relations and
Human Resources Manager

THE MOST RECENT DECADE

2020

The COVID-19 pandemic caused devastating human and economic harm. Thanks to our investment in technology, most of Old Republic's more than 9,400 employees could work remotely. Our associates rose above the personal and professional obstacles to meet the ongoing needs of our business, our customers, and other important stakeholders.

Despite this adversity, Old Republic's consolidated pretax operating income reached an all-time high of $830.5 million, up 21% from the prior record in 2019.

General Insurance underwriting and related services profitability significantly improved in 2020. Worker's Compensation premiums declined, reflecting the pandemic's impact on payroll exposures. Other coverages helped offset this, supported by strong premium rate increases and continued new business production. Excellent underwriting results enabled General Insurance to produce a new high in pretax operating income of $440 million.

Title Insurance revenues and operating income experienced exceptional growth. A robust real estate market and low interest rates facilitated strong refinance and purchase activity. Title Insurance revenues set a record of more than $3.3 billion, while pretax operating income was a record $344 million. These impressive results were generated from both agency and direct production channels.

Cash dividends on Old Republic's common stock rose for the 39th consecutive year. The Company has now paid a cash dividend, without interruption, for 79 years. In addition, a special cash dividend of $1.00 per share was declared in December 2020.

2019

Old Republic's consolidated pretax operating earnings, excluding its RFIG run-off segment, reached an all-time high of $659.9 million. Including the run-off business, pretax operating earnings grew to $686.2, edging above the prior 2005 record.

The Company announced changes in its senior executive ranks. Craig R. Smiddy was appointed Chief Executive Officer becoming the fifth CEO in its 96-year history. He succeeds A.C. Zucaro, who held that post for the 29 preceding years. Additionally, Stephen J. Oberst was named Executive Vice President. A long serving executive, he most recently led our general insurance risk management and alternative markets operations.

General Insurance underwriting/service profitability declined slightly in 2019. Earned premiums edged up as premiums grew for most types of coverages and markets served. This was reflective of the cumulative effects of ongoing premium rate increases, along with new business production. Claim ratios remained basically level.

The continuation of a lower interest rate environment in a favorable real estate market, coupled with a stable market share position has led Title Insurance revenues to exceed $2 billion for the fifth consecutive year, with 2019 setting an all-time high at more than $2.5 billion. Pretax operating earnings were in excess of $200 million for the fourth straight year. This success came from our direct and independent agency operations, along with continued growth in ORTIG's commercial division.

The RFIG Run-Off business is now largely represented by mortgage guaranty coverages. In 2019, it once again showed profitable underwriting performance, though we still expect its profitability to decline as premiums drop in tandem with the anticipated reduction of insurance risk in-force.

Old Republic has paid a cash dividend without interruption since 1942 (78 years), and it has raised the annual cash dividend pay-out for each of the past 38 years. Additionally, a special cash dividend of $1.00 per share was declared and paid in Sept. 2019.

2018

Old Republic celebrated its 95th anniversary in 2018. The Company reached new highs in consolidated premiums and fees earned ($5.7 billion), net investment income ($431.8 million), pretax operating income ($673.7 million), and net operating income ($556.4 million).

General Insurance underwriting/service profitability rebounded. Earned premiums edged up while claim ratios remained essentially unchanged. 2018 brought another year of record net premiums earned and net investment income, leading to another record in pretax operating profit.

Title Insurance premium and fees revenues rose to more than $2 billion for the fourth consecutive year. In addition, pretax operating earnings exceeded $200 million for the third year in a row. Market share gains came from several places. These included investments in both our agency and direct revenue operations, growth in the commercial division, and doing business the "right way" by offering exceptional service and support to our title agents and customers. In 2018, Standard and Poor's raised our financial strength rating to A+: unsurpassed by any other title insurance underwriter.

The RFIG Run-Off business returned to "normal" in 2018. The mortgage guaranty business is expected to generate profitable operating results through the end of its term in 2022-2023. We foresee an economically sound future for the operation. The CCI part of the RFIG run-off book of business posted operating profits for the first time since 2007. This should lead CCI operations to handle the remaining book of insurance in-force in an efficiently economical and potentially profitable manner through the end of policy terms.

Old Republic's Board of Directors approved an increase in the cash dividend for the 37th consecutive year. The Company has now paid a cash dividend for 77 straight years: a testament to managing a well-capitalized business for the long run.

2017

Old Republic put the lasting effects of the Great Recession and the run-off of its financial indemnity business behind it. This allowed us to plan for greater outcomes for all stakeholders in the coming years.

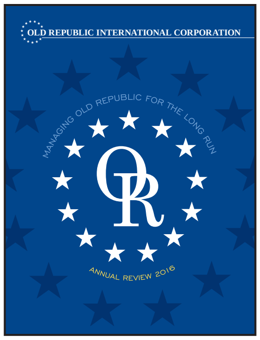
General Insurance benefited from a rebounding economy and the repairs we made to our under-writing protocols in prior years. Record net premiums earned and net investment income led to a new high in pretax operating profit. We worked to further improve our underwriting and total operating margins.

Title Insurance posted its third consecutive years of $2+ billion in revenue and set a new record. Low mortgage interest rates and active housing and commercial markets led to higher premiums and fees. In addition, both our direct and independent agency operations contributed to growth. Consumer confidence and positive economic conditions support a continued healthy environment.

RFIG's mortgage guaranty companies were freed from regulatory supervision near year-end 2017. This business is likely to remain profitable through the end of its term, and we are planning an economically sound future for the operation. The CCI part of the RFIG run-off book of business settled long-standing litigation with a major bank and its acquired mortgage banking subsidiary. This should lead CCI operations to handle the remaining book of insurance in-force in an efficiently economical and potentially profitable manner through the end of policy terms.

New highs were reached in pretax operating income from actively managed businesses ($587.3 million), total net income ($560.5 million), and total capitalization ($6.18 billion). For the 76th consecutive year, we returned value to shareholders by paying a regular cash dividend which was increased for the 36th consecutive year. In addition, a special cash dividend of $1.00 per share was declared in December 2017.

2016



Old Republic reported much higher operating income for the year. Consolidated net income, however, grew at a slower pace as realized investment gains were lower than 2015 levels.

General Insurance pretax operating earnings were marked by reasonably stable underwriting and investment income contributions. Earned premiums were basically level with last year's production with trends unevenly distributed among various insurance coverages.

For the second straight year, record-setting Title Insurance earnings were achieved due to the strong performance in this segment's underwriting and related services functions. The continuation of a favorable mortgage rate environment and generally improving housing and commercial property markets led to higher revenues from title premiums and fees.

RFIG's mortgage guaranty business exhibited better underwriting results from continued declines in reported delinquencies and the higher rates at which reported mortgage loan defaults are cured or otherwise resolved without payment. Operating results for the much smaller CCI run-off line have been particularly impacted by ongoing litigation costs of a near-eight-year long commercial dispute.

Old Republic increased its cash dividend for the 35th consecutive year, and has paid a cash dividend, without interruption, for 75 years.

2015

Consolidated operating earnings were enhanced by greater General Insurance underwriting and investment income, and record Title Insurance earnings. Earned premium revenues rose for most general insurance coverages. Production was spurred by new business and continued strong renewal rates. The record-setting Title Insurance operating results were driven by the very good performance in this segment's underwriting and related services functions. Significant title premiums and fees growth resulted from stronger housing and commercial property transactions and this segment's expanded market share.

The improvement in RFIG's mortgage guaranty business stemmed from continued declines in reported delinquencies and higher rates at which reported defaults are cured or resolved without payment. The consumer credit indemnity portion of RFIG's run-off operations reflected a lot of volatility and was adversely affected by continued litigation expense provisions.

Consolidated net investment income increased benefiting from a rising invested asset base, and the higher yields from an increasingly greater commitment to high quality, dividend-paying common stocks. Consolidated net income was affected by lower realized gains from the sale of investments in 2015. Consolidated assets reached a new high of $17.1 billion.

Cash dividends on Old Republic's common stock rose for the 34th consecutive year. Old Republic has now paid a cash dividend for 74 straight years, since 1942. The steady growth of the Company's cash dividend payments over the decades has been a significant factor in the total market return provided by its common stock.

2014

Earnings decreased as Old Republic's General Insurance operating income contribution was much lower in 2014. Greater premium revenues benefited from rate improvements, higher policy retentions and new business production, but were not enough to offset more costly claim settlements and an increase in reserve levels. Title Insurance operating income was eroded by transitory weaknesses in housing-related markets. Premium and fee revenues declined due to a significant drop in refinance transactions. Claim costs were lower as claim frequency and severity continued to abate. The continued profitability of RFIG's mortgage guaranty business was eclipsed by significantly higher consumer credit indemnity claim costs. Net investment income gained from a greater invested asset base and the higher yields realized from an increasingly greater commitment to high quality dividend-paying common stocks.

Consolidated assets rose to nearly $17.0 billion, while total capitalization reached a high of $4.8 billion. The cash dividend was raised for the 33rd consecutive year. Old Republic has now paid a cash dividend for 73 straight years. The steady growth of our cash dividends over decades has been a significant part of the total market return registered by our common stock.

2013

On its 90th anniversary, Old Republic posted a substantial operating profit after six lean and challenging Great Recession years. The turnaround in consolidated operating results largely reflected our run-off Mortgage Guaranty line's return to profitability. The line posted much lower claim costs. This resulted from further drops in newly reported defaults, and a rising rate at which previously reported defaults were cured or otherwise resolved without payment. Ongoing improvements in our Title business also helped to boost Old Republic's earnings. This operation has nearly tripled in size since 2007. Title's market share grew for the seventh-straight year and now accounts for about 15% of total industry volume. General Insurance also contributed, with a moderate earnings gain.

Consolidated assets grew to over $16.5 billion. The Board of Directors approved an increase in the cash dividend for the 32nd consecutive year. Old Republic has now paid a cash dividend for 72 straight years, a testament to managing a well-capitalized business for the long run.

2012

Old Republic refocused its mortgage related insurance products and preserved its strategic options by combining its Mortgage Guaranty and Consumer Credit Indemnity businesses—both in run-off mode—into the Republic Financial Indemnity Group (RFIG). While the Company is not able to provide significant additional capital to these individual operations, it retains the option to recapitalize all or part of RFIG's business with funds from capital markets should this prove realistically doable and in the best interest of all stakeholders.

Consolidated operating results benefited from substantial improvement in Title Insurance due to continued market share growth and tight cost controls, which brought its expense ratio to a seven-year low. General Insurance results saw moderate premium rate increases but these were offset by flat investment income and a rise in workers' compensation claim costs in particular.

Managing the business for the long term, despite recent market dislocations, allowed Old Republic to continue outperforming the S&P 500 in total shareholder return: 10.8% CAGR versus 9.7% for the past 25 years. The Board increased the cash dividend for the 31st consecutive year, and the Company paid a cash dividend for the 71st consecutive year.

2011

Old Republic's General Insurance operating income contribution increased significantly during 2011, due to a full year of the PMA-related business, and lower incurred claims in the consumer credit indemnity lines. Greater market share and refinancing activity were key to Title Insurance's continued positive operating momentum. Mortgage Guaranty reported greater operating losses, as claims intensified greatly throughout the year. In August, the Company stopped underwriting new policies and the existing mortgage guaranty book of business was placed in run-off operating mode.

Consolidated assets crossed the $16.0 billion threshold by the end of 2011. The cash dividend increased for the 30th consecutive year, and the Company paid a cash dividend for the 70th consecutive year. A regular and growing cash return remains a part of providing value to our shareholders.

HISTORICAL AND FORWARD LOOKING STATEMENTS

OLD REPUBLIC INTERNATIONAL CORPORATION

Historical data pertaining to the operating results, liquidity, and other performance indicators applicable to an insurance enterprise such as Old Republic are not necessarily indicative of results to be achieved in succeeding years. In addition to the factors cited below, the long-term nature of the insurance business, seasonal and annual patterns in premium production and incidence of claims, changes in yields obtained on invested assets, changes in government policies and free markets affecting inflation rates and general economic conditions, and changes in legal precedents or the application of law affecting the settlement of disputed and other claims can have a bearing on period-to-period comparisons and future operating results. It is possible that Old Republic's operating results, business and financial condition could be adversely affected in subsequent periods by future economic disruptions caused by the COVID-19 pandemic and the associated governmental responses.

Some of the oral or written statements made in the Company's reports, press releases, and conference calls following earnings releases, can constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Of necessity, any such forward-looking statements involve assumptions, uncertainties, and risks that may affect the Company's future performance. With regard to Old Republic's General Insurance segment, its results can be particularly affected by the level of market competition, which is typically a function of available capital and expected returns on such capital among competitors, the levels of investment yields and inflation rates, and periodic changes in claim frequency and severity patterns caused by natural disasters, weather conditions, accidents, illnesses, work-related injuries, and unanticipated external events. Title Insurance and RFIG Run-off results can be affected by similar factors and by changes in national and regional housing demand and values, the availability and cost of mortgage loans, employment trends, and default rates on mortgage loans. Life and accident insurance earnings can be affected by the levels of employment and consumer spending, changes in mortality and health trends, and alterations in policy lapsation rates. At the parent holding company level, operating earnings or losses are generally reflective of the amount of debt outstanding and its cost, interest income on temporary holdings of short-term investments, and period-to-period variations in the costs of administering the Company's widespread operations.

The General Insurance, Title Insurance and Corporate and Other Segments, and the RFIG Run-off business maintain customer information and rely upon technology platforms to conduct their business. As a result, each of them and the Company are exposed to cyber risk. Many of the Company's operating subsidiaries maintain separate IT systems which are deemed to reduce the enterprise-wide risks of potential cybersecurity incidents. However, given the potential magnitude of a significant breach, the Company continually evaluates on an enterprise-wide basis its IT hardware, security infrastructure and business practices to respond to these risks and to detect and remediate in a timely manner significant cybersecurity incidents or business process interruptions.

A more detailed listing and discussion of the risks and other factors which affect the Company's risk-taking insurance business are included in Part 1, Item 1A-Risk Factors, of the Company's 2020 Form 10-K Annual Report to the Securities and Exchange Commission, which Item is specifically included herein by reference.

Any forward-looking statements or commentaries speak only as of their dates. Old Republic undertakes no obligation to publicly update or revise any and all such comments, whether as a result of new information, future events or otherwise, and accordingly they may not be unduly relied upon.

This 2020 Annual Review is published to inform policyholders, stockholders, clients, employees, and the investment community of Old Republic's business operations and philosophy. More detailed financial information appears in the Company's Annual Report sent to shareholders of record. The contents of this Annual Review are consistent with data in the Annual Report. Readers of the Annual Report or Annual Review who wish to obtain Old Republic information following the March 31, 2021 effective issuance date of these documents, should refer to the Company's subsequently issued reports to its shareholders and the Securities and Exchange Commission.

Old Republic International Corporation's Annual Report to Shareholders, which includes its Annual Report to the Securities and Exchange Commission (Form 10-K and Proxy Statement), can be accessed through our website, www.oldrepublic.com, or obtained upon request to: Investor Relations, Old Republic International Corporation, 307 North Michigan Avenue, Chicago, Illinois 60601.

Neither the Annual Review nor the Annual Report is intended to represent solicitations or offers to buy or sell the Corporation's securities.

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