The Hanover Insurance Group, Inc.

Investor Presentation

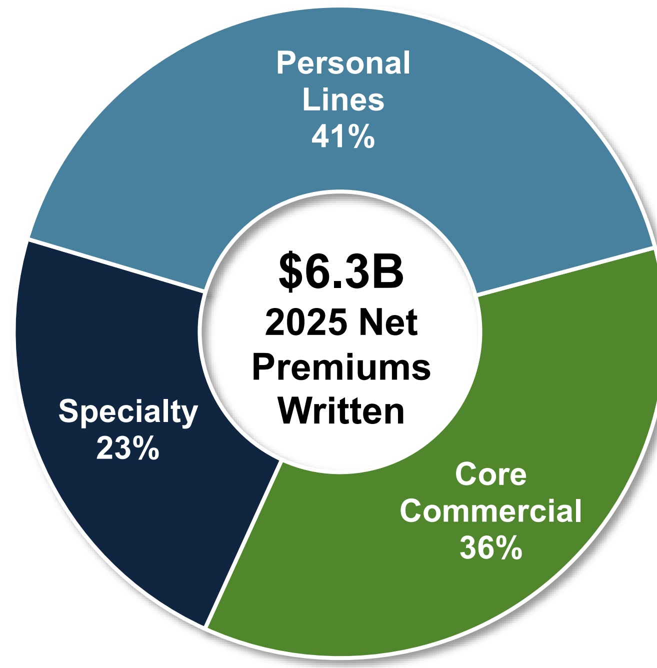
May 2026

The Hanover Insurance Group, Inc. (NYSE: THG) Overview

	Exchange/Ticker	NYSE: THG
May 14, 2026	Stock price*	$191.87
	Market capitalization*	$6.7 billion
	Annual dividend per share	$3.80 (Yield: 2.0%)
March 31, 2026	GAAP Equity	$3.6 billion
	Equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	$3.8 billion
	Total Capital	$4.4 billion
	Book value per share	$101.86

Company Ratings*	AM Best	S&P Global	Moody's
Financial Strength Ratings			
The Hanover Insurance Company	A	A	A2
Debt Ratings			
Senior Debt	bbb+	BBB	Baa2
Subordinated Debentures	bbb-	BB+	Baa3

Business Mix



*As of May 14, 2026

Key Takeaways

Strategy	Our winning business strategy presents a sustainable competitive advantage in the independent agency market
Differentiation	Robust product capabilities and analytics combined with distinctive distribution approach and local underwriting drives Hanover's differentiation, positioning us well among both national and regional carriers
Growth	Broad set of specialized products and capabilities provides distinct growth opportunities, with a particular focus on further expansion of our Specialty business
Profitability	Each major segment is positioned for strong profitability over the near- and long-term, enabling for broad-based, balanced returns
Sustainability	Building a sustainable organization by focusing on culture, human capital development, and enterprise risk management

Strategy

Robust Product Capabilities and Analytics Combined with Fulsome Distribution and Local Underwriting Drives Hanover’s Differentiation

Large Carriers

Broad product offerings

Technology

Deep analytics

The Hanover combines the best attributes of Nationals and Regionals

Regional Carriers

Local presence

Robust agency relationships

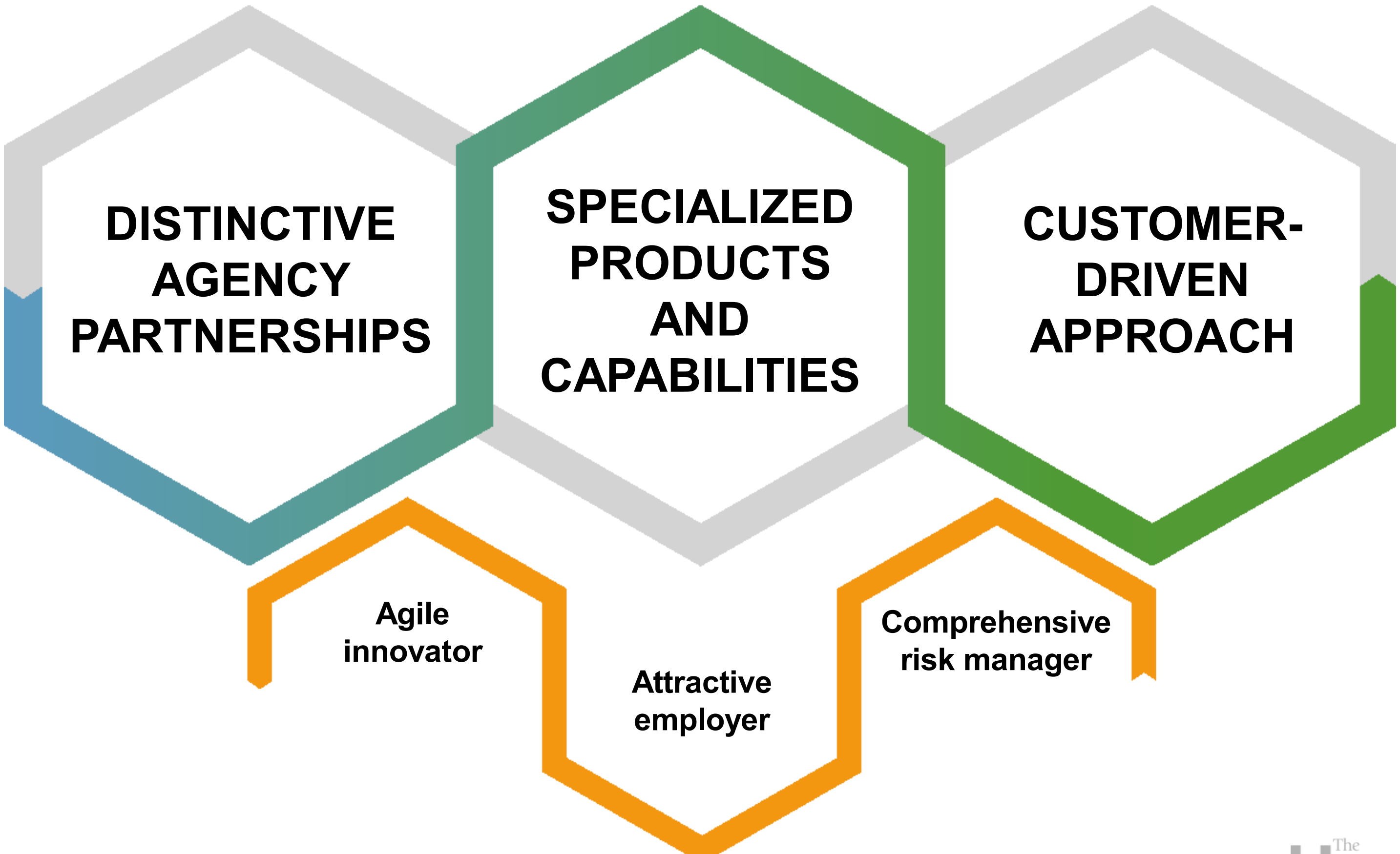
Underwriting flexibility

Our Differentiated Strategy Presents a Sustainable Competitive Advantage in the Independent Agency Market

OUR VISION:

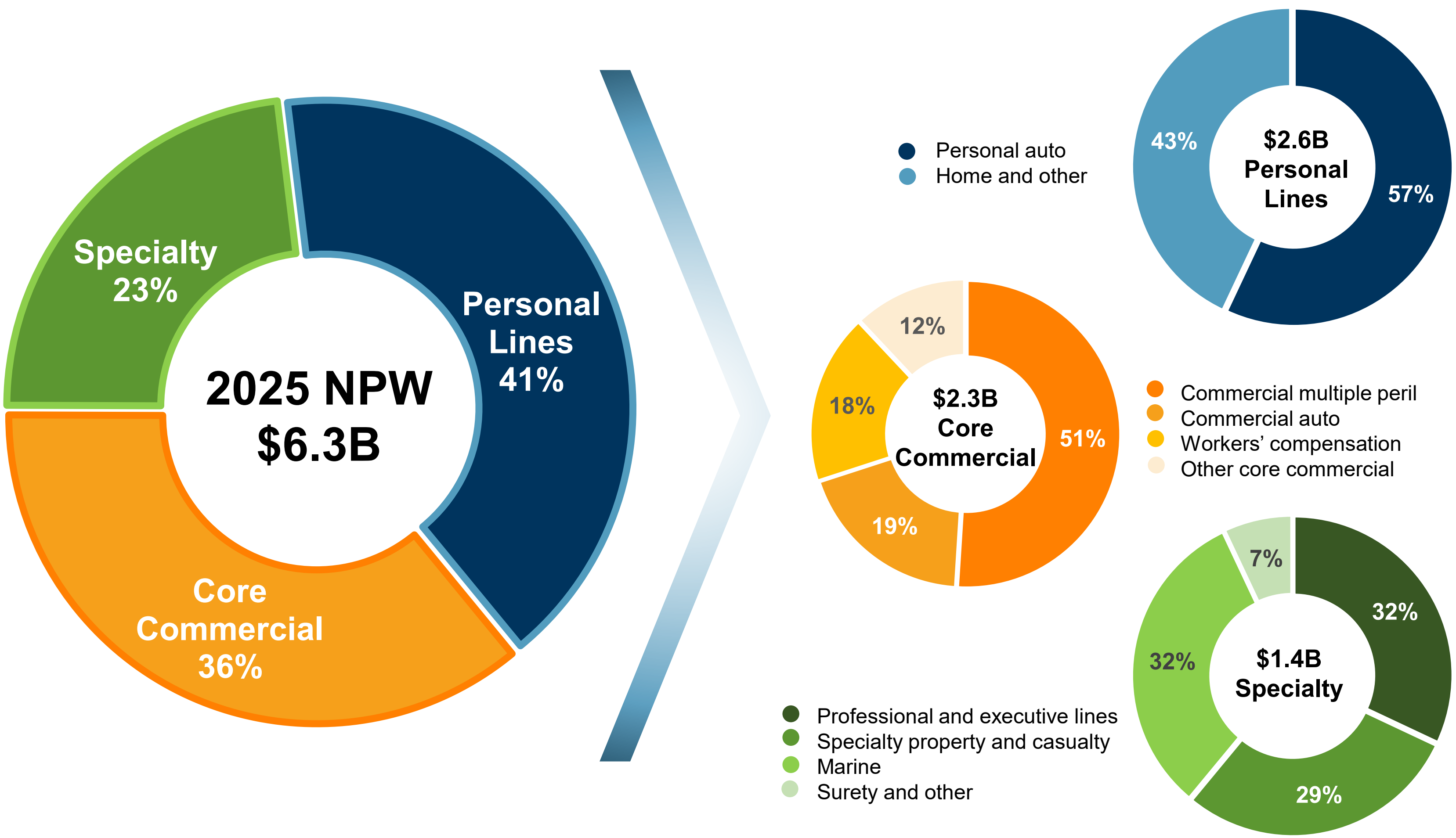
To be the premier P&C franchise in the independent agency channel and help agents transform the way customers experience insurance

Competitive Advantages



Strategic Sustainability Enablers

Diversified and Relevant Business Capabilities



Specialized and Differentiated Offering in Each Business Segment

Business Profile
$6.3B 2025 Net Premiums Written

Personal Lines – 41%

- ✓ Account business creates higher retention and lifetime value
- ✓ Expanding up-market to higher value properties
- ⊘ Avoid non-standard and monoline business

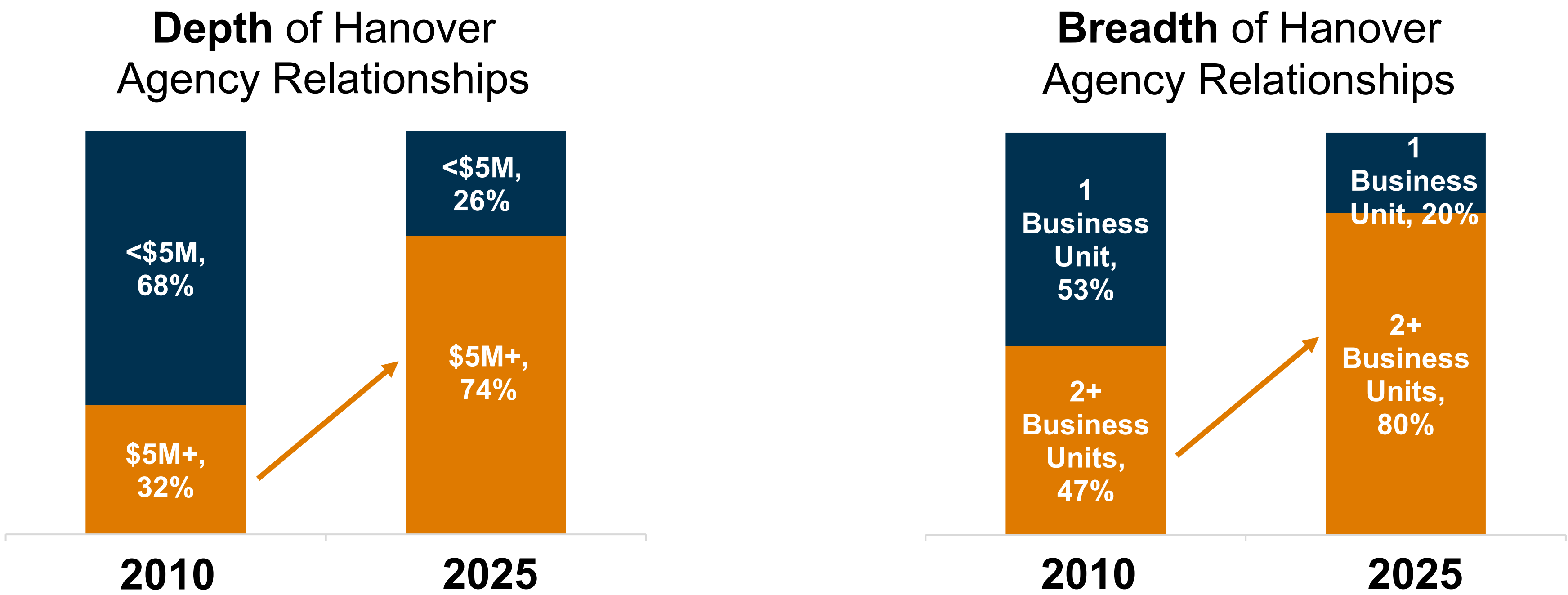
Core Commercial – 36%

- ✓ Specialized products by industry class
- ✓ Profitable account business (65%)
- ✓ POS and non-POS capabilities
- ⊘ Avoid large account, monoline umbrella, intensely volatile markets

Specialty – 23%

- ✓ Lower end of the risk and size spectrum
- ✓ Account-based approach, integrated with core commercial
- ✓ Retail agency focus
- ⊘ Avoid potentially volatile products (MedMal, Excess Casualty)

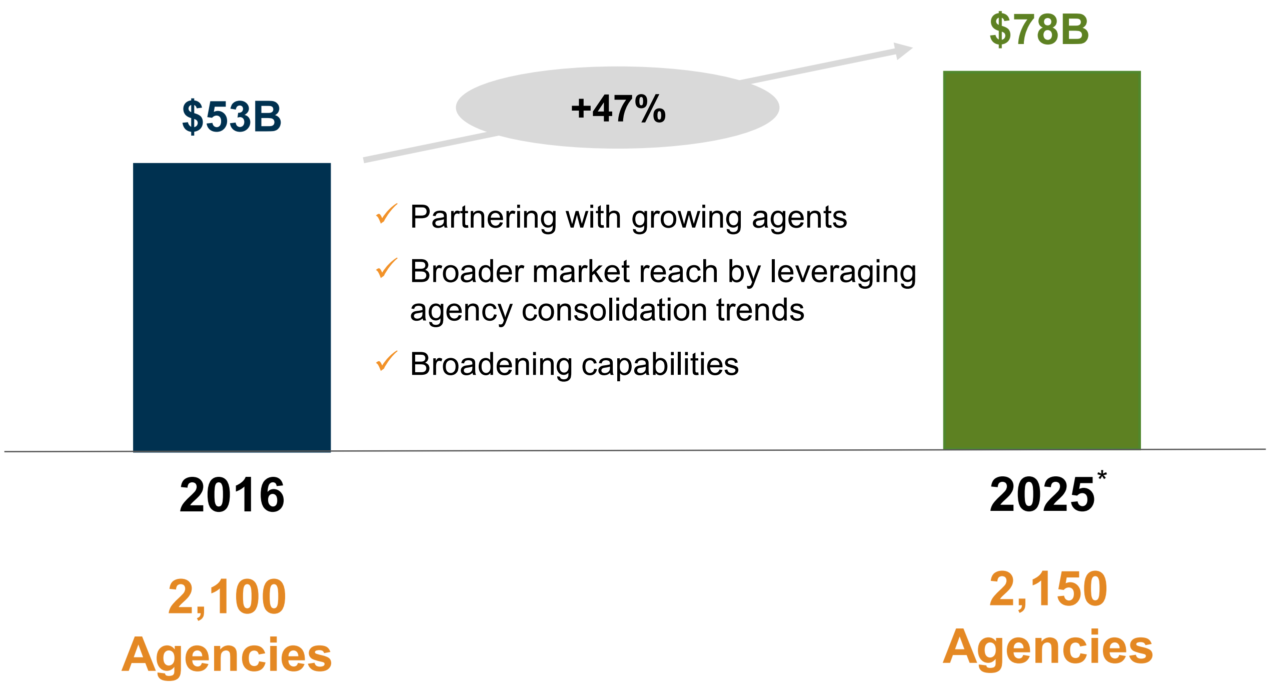
Our Three-Pronged Agency Approach Focused on Targeted Distribution, Broad and Relevant Underwriting, and Deep Business Insights Drives Growth and Profitability



Increased depth and breadth of agency relationships drives growth and profitability, and increased relevance leads to higher retention and improved loss ratios

Capitalizing on Industry-Wide Agency Consolidation Trends

Total Addressable Market



- ✓ Partnering with growing agents
- ✓ Broader market reach by leveraging agency consolidation trends
- ✓ Broadening capabilities

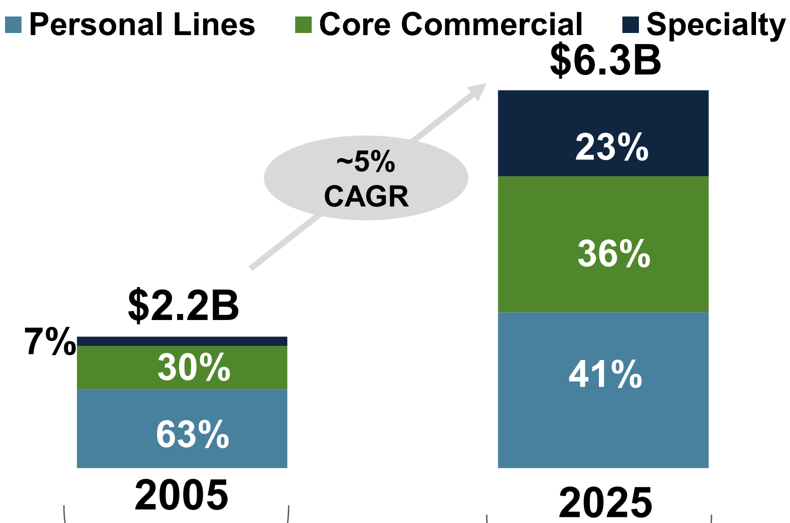
Positioned to drive continued expansion in a consolidating market through organic growth, partnering with consolidators, and new agency appointments

*Total addressable market of $78B reflects 2023 data, which is the latest available update.

Growth

Transformed Into Diversified P&C Franchise with Broad-Based Profitability and Extensive Growth Opportunities Across the P&C Market

Net Premiums Written



- Regional footprint
- Personal Lines focused
- Property concentration

- National footprint
- Diversified across PL, Core Commercial, and Specialty
- Balanced between property/casualty

Pre-tax Operating Income

by major segment

- ✓ Transformed to a more balanced, differentiated P&C franchise with broad-based profitability and opportunities
- ✓ Diversification allows for greater agility and ability to best navigate varying points in the insurance cycle
- ✓ More geographically diversified through national footprint
- ✓ Change fueled by organic growth and targeted “capabilities” acquisitions
- ✓ Reduced reliance on property lines in challenging geographies
- ✓ Most recent growth primarily driven by pricing increases

Specialty

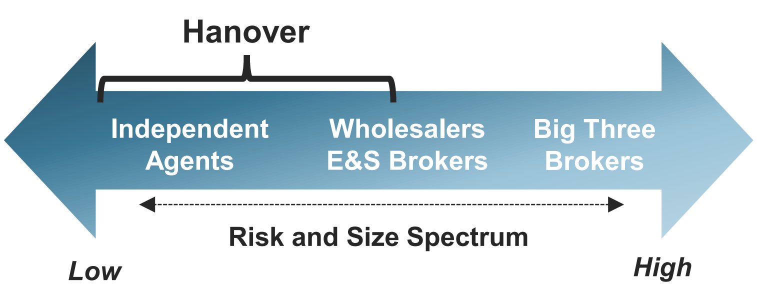
Leading carrier for small to mid-sized clients primarily served by retail agents, with compelling growth strategy

$84B
Market Opportunity

Business Mix
$1.4B NPW

Market Focus

Independent agency focus, with an emphasis on the lower-end of the risk and account size spectrum



Growth and Profitability Drivers

- ✓ Nearly doubled written premium over the last 10 years using organic and inorganic opportunities
- ✓ Accelerating technology investments to create efficiencies for agents
- ✓ Expanding product capabilities focused on agent needs
  - ✓ Capturing excess & surplus opportunities at strong margins
  - ✓ Expanding marine business
  - ✓ Leveraging Core Commercial for account strategy
- ✓ Expanding shelf space with agent partners
- ✓ Broadening distribution (i.e., wholesale channel)

2026 Target:
Elevate growth while accelerating investments in technology and talent

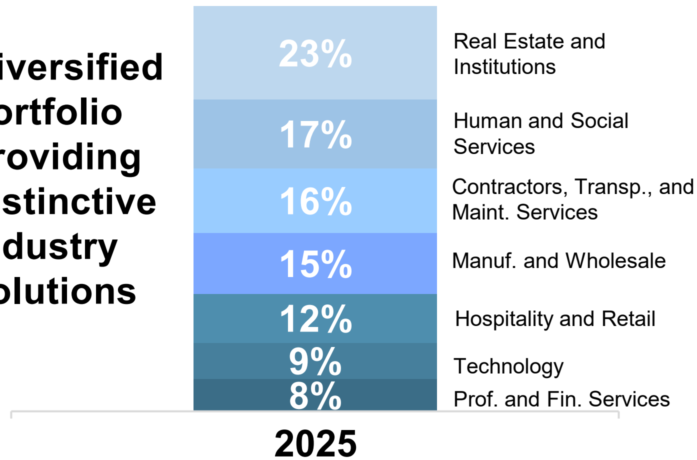
Core Commercial

Leading carrier in providing agents with the flexibility between straight through and more complex, risk specific underwriting

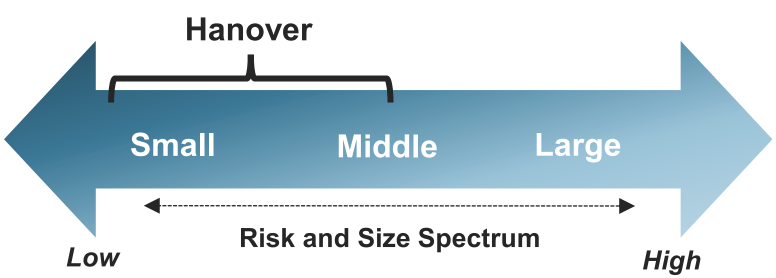
$198B
Market Opportunity

Business Mix
$2.3B NPW

Diversified portfolio providing distinctive industry solutions



Market Focus



Growth and Profitability Drivers

- ✓ Deepen agency relationships, leveraging market insights
- ✓ Enhanced use of granular pricing and segmentation; capitalizing on rate momentum
- ✓ Leveraging our new, state-of-the-art quoting and binding platform in Small Commercial
- ✓ Targeted underwriting appetite expansion

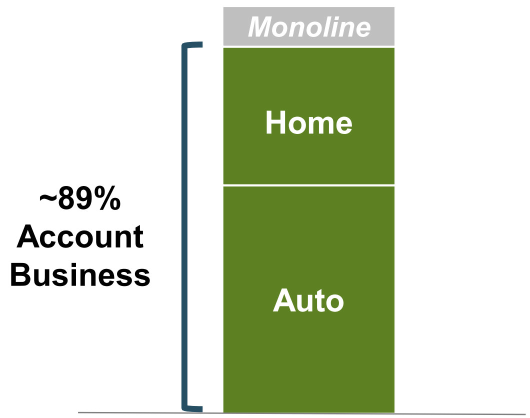
2026 Target:
Accelerate our successful growth strategy, while prudently managing profitability

Personal Lines

Leading carrier for whole account offerings for middle market customers across an attractive regional footprint

$82B Market Opportunity

Business Mix
$2.6B NPW



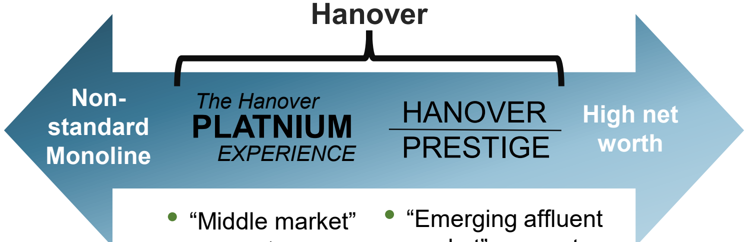
20 State Footprint

Value Drivers

- ✓ Partnering with select independent agents to gain share of preferred accounts
- ✓ Leveraging state-of-the-art TAP Sales platform
- ✓ Continue successful expansion "upmarket" through Prestige product
- ✓ New agency appointments in under-penetrated geographies

Market Focus

Expanding upstream toward a more value-oriented and growing customer segment



- "Middle market" account customers
- "Emerging affluent market" account customers

2026 Target:
Accelerate growth led by higher-return diversification states

Profitability

Long-term Approach to Financial Discipline Drives Success

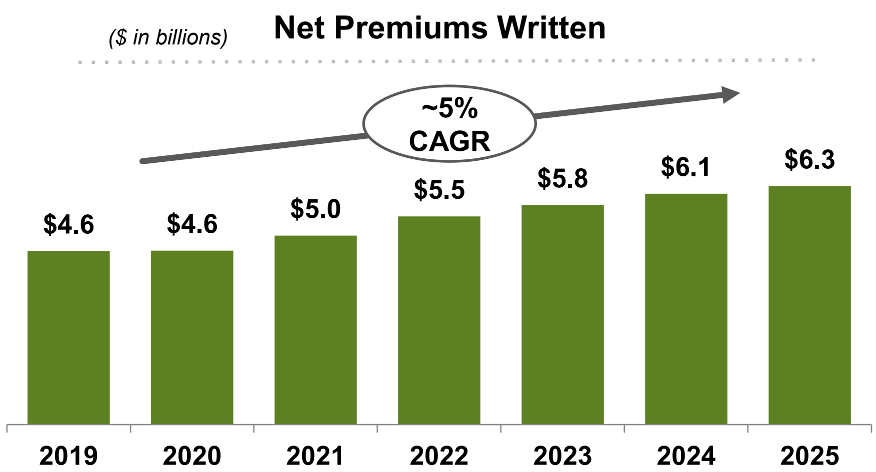
- Rigorous underwriting performance management
- Investment in innovation

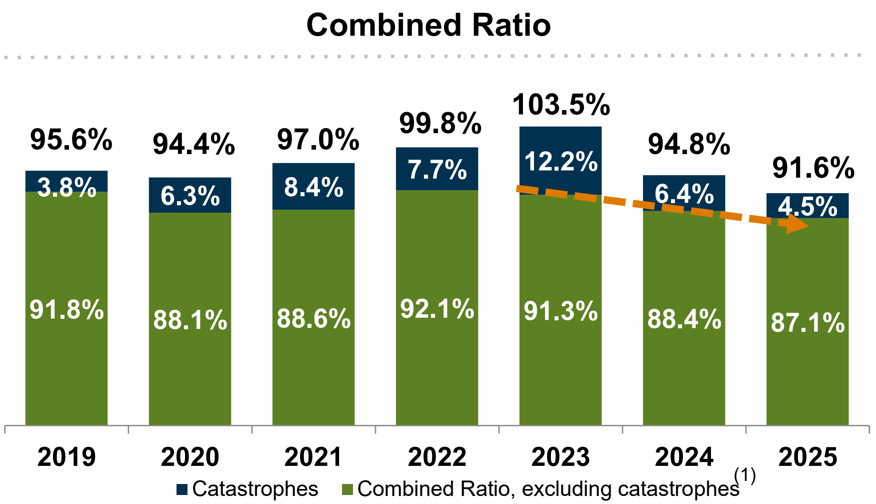
- Conservative reserving philosophy strengthens resilience
- Limited earnings volatility

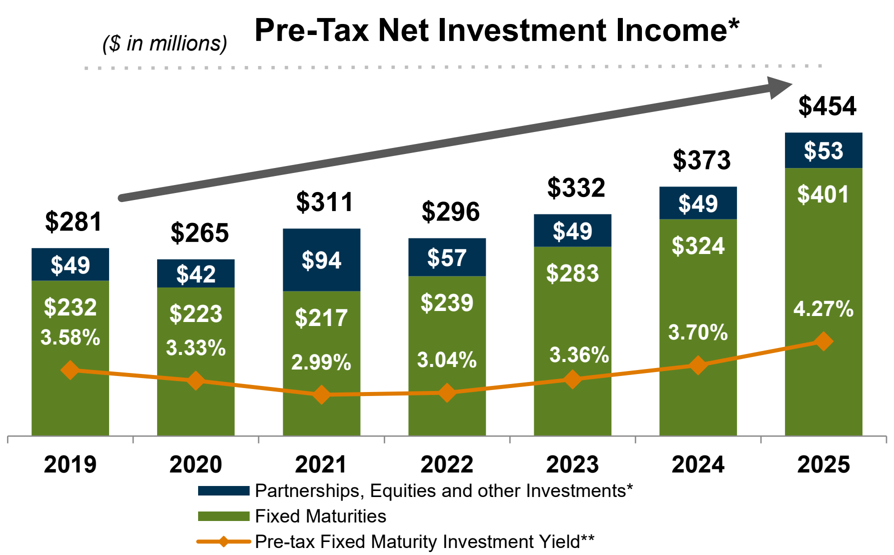
- Business investment based on risk-adjusted returns
- Return excess capital to shareholders

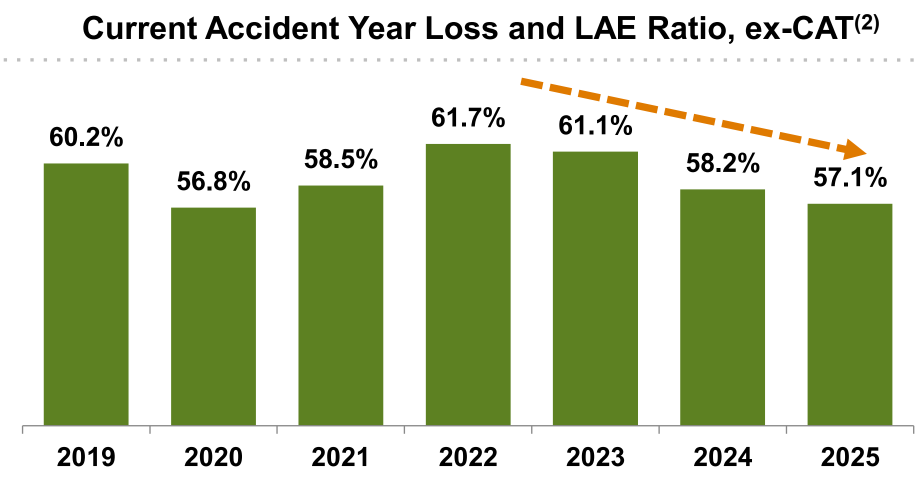
- Enterprise-wide risk management
- Responsible appetite expansion

Built a Robust Performance Track Record Over The Last Several Years…









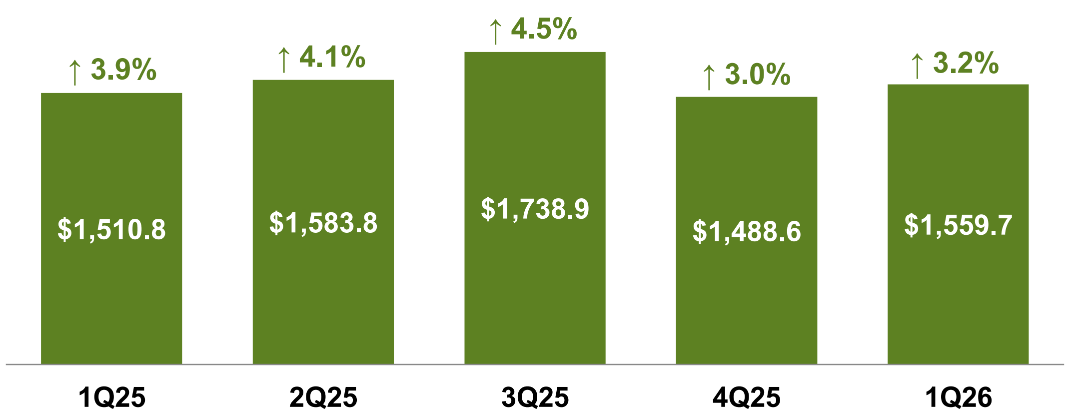
(1) See information about this and other non-GAAP measures and definitions used throughout this presentation on the final pages of this document.

*Net investment income from partnerships, equities and other investments also includes net investment expenses

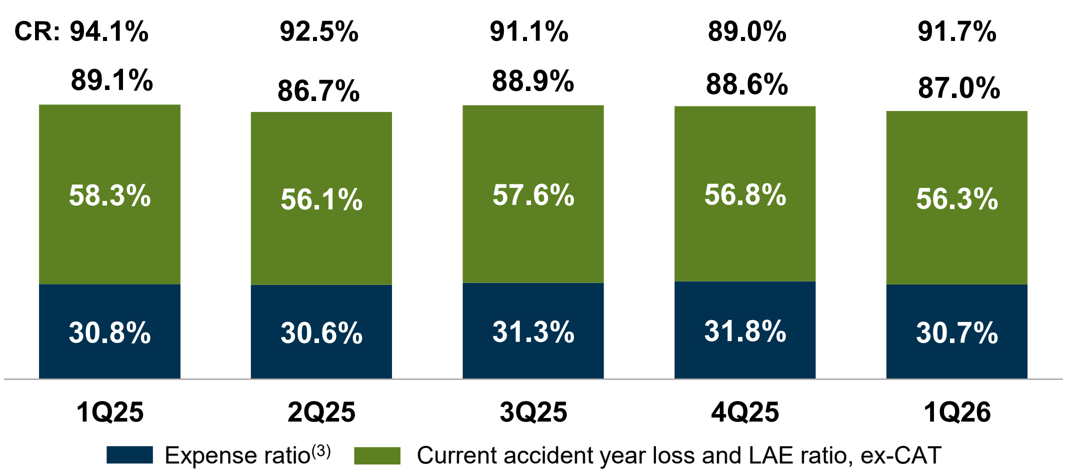
**Pre-tax yields represent annualized net investment income for the period divided by the monthly average invested assets at amortized cost or cost, which excludes accumulated changes in fair value for fixed maturities and equity securities

First Quarter 2026 Underwriting Results

($ in millions) **Net premiums written and growth***



Current accident year combined ratio, ex-CAT(1)



- Combined ratio (CR) of 91.7%, 2.4 points improved from the prior-year quarter
- Catastrophe losses of $98.9 million, or 6.3%, which included current year losses of $147.7 million, or 9.4%, and favorable prior-year CAT development of $48.8 million, or 3.1%
  - Favorable CAT development was driven by lower-than-estimated frequency of large losses in Core Commercial and severity in Personal Lines, due in part to a higher-than-estimated benefit from prior terms and conditions changes and other property actions
  - Current year CAT losses were primarily driven by an unusually severe hail and wind event in March which primarily impacted Illinois and Michigan, as well as Winter Storm Fern in January
- Combined ratio, ex-CAT, of 85.4%, improved 2.4 points from the prior-year quarter, driven by a 2.0-point improvement in the loss ratio, reflecting improvement in each segment
- Favorable prior-year reserve development, ex-CAT, of $25.0 million, or 1.6 points, with favorability in each segment
- Net premiums written growth of 3.2%

*Unless otherwise stated, net premiums written growth and other growth comparisons are to the same period of the prior year

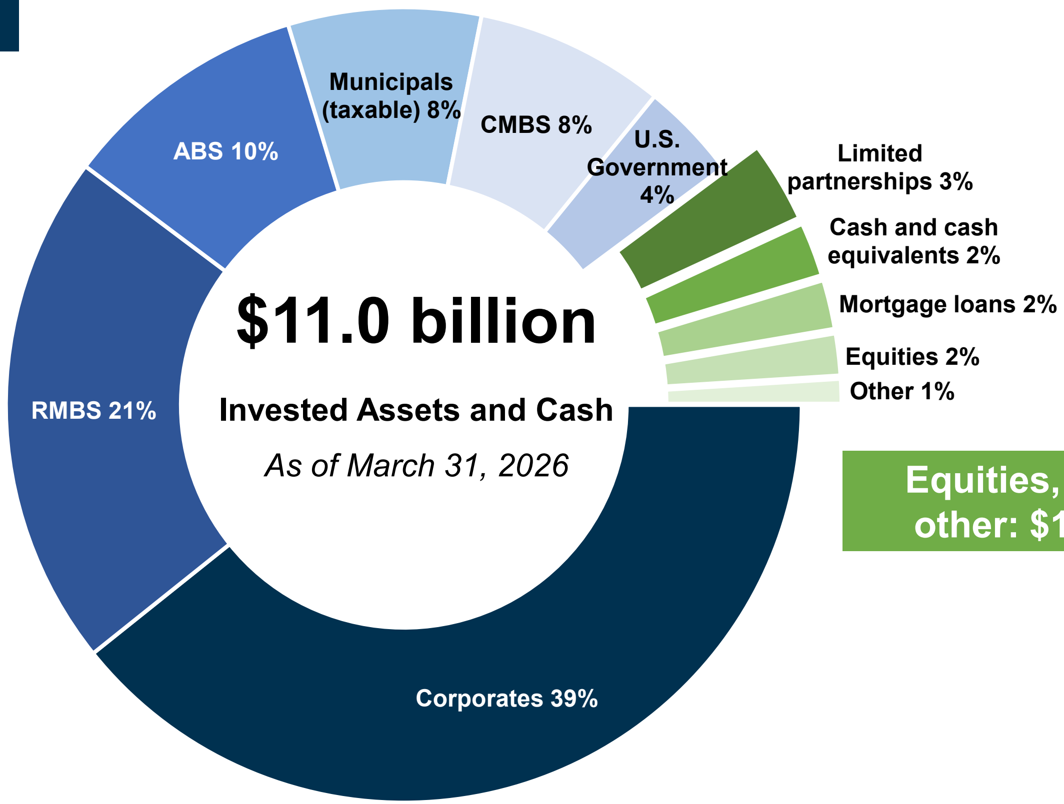
For additional information regarding forward-looking statements and non-GAAP measures on this page and throughout this presentation, please refer to pages 27-28 of this presentation.

Investment Portfolio – Total Invested Assets and Cash of $11.0 Billion
As of March 31, 2026

High-quality, well-diversified investment portfolio

Fixed maturities: $10.0 billion

- High-quality, well-laddered fixed income portfolio
- 95% of fixed maturity securities are investment grade
- Weighted average quality: AA-
- Duration: 4.4 years



Equities, cash and other: $1.0 billion

The Hanover Technology Strategy:

Enable the Evolution of Capabilities and Technologies Which Advance The Hanover's Competitive Position in the Marketplace

Areas of Focus*

Streamline Operations

For Agents

- Quote and Issue Platform (TAP Sales)
- APIs
- Tighter Data Integration

For Employees

- Claims System (CMX)
- Microsoft Copilot
- Document Summarization
- Workflow Automation
- AI-Enabled Triage

For Customers

- Digital Payments
- Texting
- Status Tracking

Augment Risk Analytics

- Property Tools for Underwriters
- Risk Scoring
- Jumper Models
- Third-Party Data Integration
- Customer 360 Views
- Continued Investment in Operational Data Stores
- Drone Capabilities
- Further Expanding Sensor and Telematic Usage

Ensure Governance and Security

- Governance
- Cybersecurity
- Data Privacy Safeguards
- AI Governance and Model Oversight

*Areas of focus either executed or in progress at The Hanover.

Building On Our Modernized Platforms

Optimizing Our Operating Model Ecosystem as a Strategic Differentiator

INTAKE

Real-time, AI-enabled, integrated submission

TRIAGE

Smooth transition between reps and ability to monitor tasks

UNDERWRITING & PRICING

Accelerate and improve UW decisions and leveraging AI and predictive models

CUSTOMER SERVICE & CLAIMS MANAGEMENT

Digitize and automate simple interactions and optimize self-service offerings. Use AI to summarize calls to free time for exceptional experience

DESIRED OUTCOMES

- Straight-through processing
- Improved decision-making
- Realization of operational efficiencies
- Improved customer service and satisfaction
- Reusable and repeatable AI capabilities to enable scale

Case Study: Innovative Technology Solutions Augment Our Strong Claims Capabilities

An organization of 1,400 professionals and an extremely broad and sophisticated set of capabilities

Experienced best-in-class specialists driving advanced insights and differentiated performance

Deploying new capabilities and tools to increase operating efficiency and further improve claims expenses as the industry undergoes rapid change

Digitally transforming business through leverage of AI capabilities to bolster accuracy, speed and scalability

Yielding Exceptional Results

325k — **Claims paid per year**

71% — **Net promoter score**

~80% — **Of auto physical damage claims settled with virtual appraisal**

50 people — **Robust medical management team**

Living Our CARE Values Through A People-First Culture

care

Collaboration

Accountability

Respect

Empowerment

80%+ Participation
In All-Employee Pulse Survey

Forbes America's Best Insurance Companies powered by statista 2026

TIME World's Best Companies in partnership with statista 2025

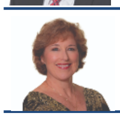
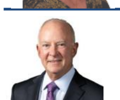
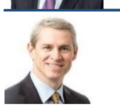
Ward's 50 Safety • Consistency • Performance ®

Best Companies to Work For U.S. News & World Report Overall 2025-2026

WELL Health-Safety Rated 2025

Human Rights Campaign Foundation 2025 Equality 100 Leader in LGBTQ+ Workplace Inclusion

Diverse Board Focused on Delivering Sustainable, Long-Term Stakeholder Value Through Strong Governance

	Board Member	Selected Experience
	**Cynthia Egan** *Chair of the Board*	T. Rowe Price, Fidelity
	**Francisco Aristeguieta**	Citigroup, State Street
	**Kevin Bradicich**	McKinsey
	**Theodore Bunting, Jr.**	Entergy
	**Jane Carlin***	Morgan Stanley, Credit Suisse
	**J. Paul Condrin III***	Liberty Mutual, KPMG
	**Kathleen Lane**	TJX, National Grid, Gillette, GE, Pepsi
	**Joseph Ramrath***	Colchester Partners, United Asset Management
	**Elizabeth Ward**	MassMutual, Babson Capital Management
	**William Donnell**	NCCI, Swiss Re
	**Jack Roche** *CEO, The Hanover*	Travelers, Fireman's Fund, Atlantic Mutual

* Committee Chair

18% People of Color

36% Female

6.7 years average tenure

Added 3 new directors in the last 4 years

Separate CEO and Board Chair

91% Independent (10 of 11 members)

50% Female Leadership in Board Chair and Committee Chair Roles

Collective Expertise

- ✓ P&C Insurance
- ✓ Financial Services
- ✓ Mergers and Acquisitions
- ✓ Finance / Accounting
- ✓ Investments / Portfolio Management
- ✓ Technology
- ✓ Operations
- ✓ Marketing and Distribution
- ✓ Governance
- ✓ Government and Public Policy
- ✓ Capital Markets
- ✓ Risk Management
- ✓ Information Security
- ✓ Artificial Intelligence
- ✓ Legal / Regulatory
- ✓ Investor Relations
- ✓ Corporate Strategy
- ✓ Human Resources
- ✓ Sustainability

About The Hanover

The Hanover Insurance Group, Inc. is the holding company for several property and casualty insurance companies, which together constitute one of the largest insurance businesses in the United States. The company provides exceptional insurance solutions through a select group of independent agents and brokers. Together with its agent partners, The Hanover offers standard and specialized insurance protection for small and mid-sized businesses, as well as for homes, automobiles, and other personal items. For more information, please visit hanover.com.

Forward-Looking Statements

This document and statements by management contains certain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements may address, among other things, our expected growth and growth strategy; expected developments in our business, including losses and loss reserves; the impact of our routine reserve reviews; our expectations regarding our revenues, profitability, expenses, efficiency efforts, investment activities or results; the impact of recently revised policy terms and conditions and targeted property actions; our proposed actions in response to trends in our business and our industry; as well as our expectations, intentions and other statements that are not historical facts. Words such as: “believes,” “anticipates,” “expects,” “hope,” “projections,” “outlook,” “confident,” “should,” “could,” “plan,” “guidance,” “likely,” “on track to,” “potential,” “continue,” “targeted,” “designed,” “positioned,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. We caution readers that accuracy with respect to forward-looking projections is difficult and subject to risks and uncertainties. Those risks and uncertainties, in some cases, have affected, and in the future could affect, our actual results and could cause our actual results for the remainder of 2026 and beyond to differ materially from historical results and from those expressed in any of our forward-looking statements. We operate in a business environment that is continually changing, and as such, new risk factors may emerge over time. We cannot predict these new risk factors, nor can we assess the impact, if any, that they may have on our business in the future.

Some of the factors that could cause actual results to differ include, but are not limited to, the following:

- Changes in the demand for our products;
- Risks and uncertainties related to our growth and operating strategies, including our ability to attract, grow and retain profitable policies in force, to increase rates commensurate with, or in excess of, loss trends, and to manage expenses and execute strategic initiatives effectively;
- Adverse claims experience or changes in our estimates of loss and loss adjustment expense reserves, including those arising from catastrophes, inflationary pressures or global unrest, which may result in lower current year underwriting results or adverse loss development and which could negatively impact our carried reserves;
- Uncertainties with respect to the long-term profitability of our products, including with respect to newer products, or longer-tail products covering casualty losses;
- Disruption in our distribution channels, including the loss or disruption of our independent agency channel, and the impact of competition and consolidation in the industry and among agents and brokers;
- Changes in frequency and loss severity trends, exacerbated by fluctuations in economic conditions;
- Changes in regulatory, legislative, economic, market and political conditions, particularly with respect to rates, policy terms and conditions, the use of artificial intelligence (“AI”), privacy and data security, payment flexibility, and regions where we have geographical concentration;
- Volatile and unpredictable developments, including severe weather (whether arising from changing climate conditions or weather patterns or otherwise) and other natural physical events, catastrophes, pandemics, civil unrest, war, global conflicts, and terrorist actions, and the uncertainty in estimating the resulting losses;
- Limitations on the ability to adjust claims or the availability of sufficient information to accurately estimate a loss at a point in time and the limitations and assumptions used to model property and casualty losses in general;
- Risks related to our business being conducted in competitive markets, exposing us to increased risk from competitive pressures, including actions by competitors that may be larger or have greater financial resources than we do;
- Risks and uncertainties with respect to our ability to collect all amounts due from reinsurers and to maintain current levels of reinsurance in the future at commercially reasonable rates, or at all, particularly following large catastrophe events or disruptions in reinsurance markets;
- Heightened market volatility, fluctuations in interest rates (which have a significant impact on the market value of our investment portfolio and thus our book value), inflationary pressures, changes in default rates, tariffs, adverse economic, market and political conditions, and other factors that could negatively affect returns on our investment portfolio;
- Operating difficulties and other unintended consequences from the introduction of new products and related technology changes and applications, including the use of pricing models and AI, as well as new operating models, particularly as business processes become increasingly more digital;
- Changes in our claims-paying and financial strength ratings;
- Negative changes in our level of statutory surplus;
- Risks and uncertainties relating to our operations and technology, including our information systems, cloud and network infrastructure, information security, and cyber risks (including AI-enabled threats), remote work capabilities, and reliance on third-party or outsourced services, which may negatively impact our ability to conduct business;
- Risks, uncertainties or unfavorable developments associated with enacted legislation, litigation matters, social inflation and the possibility of adverse judicial decisions, including those related to exposures to potentially harmful products or substances or those which expand policy coverage beyond its intended scope or award “bad faith,” or other non-contractual damages; and
- Other factors described in such forward-looking statements.

In addition, historical and future reported financial results include estimates with respect to premiums written and earned, reinsurance recoverables, current accident year “picks,” loss and loss adjustment reserves and development, fair values of certain investments, other assets and liabilities, tax, contingent and other liabilities, and other items. These estimates are subject to change as more information becomes available.

Readers should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake any responsibility to update or revise our forward-looking statements, except as required by law.

For a more detailed discussion of our risks and uncertainties, see Part I - Item 1A – “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Non-GAAP Financial Measures

Non-GAAP Financial Measures

As discussed on page 39 of the company's Annual Report on Form 10-K for the year ended December 31, 2025, the company uses non-GAAP financial measures as important measures of its operating performance, including operating income, operating income before interest expense and income taxes, operating income per diluted share, and components of the combined ratio, both excluding and/or including catastrophe losses, prior-year reserve development and the expense ratio. Management believes these non-GAAP financial measures are important indications of the company's operating performance. The definition of other non-GAAP financial measures and terms can be found in the 2025 Annual Report on pages 61-64.

Operating income and operating income per diluted share are non-GAAP measures. They are defined as net income excluding the after-tax impact of net realized and unrealized investment gains (losses), gains and/or losses on the repayment of debt, other non-operating items, and results from discontinued operations. Net realized and unrealized investment gains (losses), which include changes in the fair value of equity securities still held, are excluded for purposes of presenting operating income, as they are, to a certain extent, determined by interest rates, financial markets and the timing of sales. Operating income also excludes net gains and losses from disposals of businesses, gains and losses related to the repayment of debt, costs to acquire businesses, restructuring costs, the cumulative effect of accounting changes, and certain other items. Operating income is the sum of the segment income from: Core Commercial, Specialty, Personal Lines, and Other, after interest expense and income taxes. In reference to one of the company's four reporting segments, "operating income" is the segment income before both interest expense and income taxes. The company also uses "operating income per diluted share" (which is after both interest expense and income taxes). Operating income per share is calculated by dividing operating income by the weighted average number of diluted shares of common stock. Operating loss per share is calculated by dividing operating loss by the weighted average number of basic shares of common stock due to antidilution. The company believes that metrics of operating income and operating income in relation to its four reporting segments provide investors with a valuable measure of the performance of the company's continuing businesses because they highlight the portion of net income attributable to the core operations of the business. Net income is the most directly comparable GAAP measure for operating income (and operating income before income taxes) and measures of operating income that exclude the effects of catastrophe losses and/or prior-year reserve development. These non-GAAP measures should not be misconstrued as substitutes for net income determined in accordance with GAAP.

Book value per share is total shareholders' equity divided by the number of common shares outstanding. Book value per share excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax, is a non-GAAP measure and is total shareholders' equity excluding the after-tax effect of unrealized appreciation (depreciation) on fixed maturities and market risk divided by the number of common shares outstanding.

The company may provide measures of operating income and combined ratios that exclude the impact of catastrophe losses (which in all respects include prior accident year catastrophe loss development). A catastrophe is a severe loss, resulting from natural or manmade events including, but is not limited to, hurricanes, tornadoes and other windstorms, hail, flood, earthquakes, fires, drought, explosions, severe winter weather and other convective storms, riots, and terrorism. Due to the unique characteristics of each catastrophe loss, there is an inherent inability to reasonably estimate the timing or loss amount in advance. The company believes a separate discussion excluding the effects of catastrophe losses is meaningful to understand the underlying trends and variability of earnings, loss and combined ratio results, among others.

Prior accident year reserve development, which can either be favorable or unfavorable, represents changes in the company's estimate of costs related to claims from prior years. Calendar year loss and loss adjustment expense (LAE) ratios determined in accordance with GAAP, excluding prior accident year reserve development, are sometimes referred to as "current accident year loss ratios." The company believes a discussion of loss and combined ratios excluding prior accident year reserve development is helpful since it provides insight into both estimates of current accident year results and the accuracy of prior-year estimates.

The loss and combined ratios in accordance with GAAP are the most directly comparable GAAP measures for the loss and combined ratios calculated excluding the effects of catastrophe losses and/or prior-year reserve development. The presentation of loss and combined ratios calculated excluding the effects of catastrophe losses and/or prior-year reserve development should not be misconstrued as substitutes for the loss and/or combined ratios determined in accordance with GAAP.

End Notes

(1) Combined ratio, excluding catastrophes, and current accident year combined ratio, excluding catastrophes, are non-GAAP measures. The combined ratio (which includes catastrophe losses and prior-year loss reserve development) is the most directly comparable GAAP measure. A reconciliation of the GAAP combined ratio to the combined ratio, excluding catastrophes, and the current accident year combined ratio, excluding catastrophes, is shown below.

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total combined ratio (GAAP)	95.6%	94.4%	97.0%	99.8%	103.5%	94.8%	91.6%
Less: Catastrophe ratio	3.8%	6.3%	8.4%	7.7%	12.2%	6.4%	4.5%
Combined ratio, excluding catastrophe losses (non-GAAP)	91.8%	88.1%	88.6%	92.1%	91.3%	88.4%	87.1%
Less: Prior-year reserve development ratio	0.0%	-0.3%	-1.2%	-0.4%	-0.3%	-1.1%	-1.1%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	91.8%	88.4%	89.8%	92.5%	91.6%	89.5%	88.2%

	Three months ended				
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026
Total combined ratio (GAAP)	94.1%	92.5%	91.1%	89.0%	91.7%
Less: Catastrophe ratio	6.3%	7.0%	3.0%	1.7%	6.3%
Combined ratio, excluding catastrophe losses (non-GAAP)	87.8%	85.5%	88.1%	87.3%	85.4%
Less: Prior-year reserve development ratio	(1.3)%	(1.2)%	(0.8)%	(1.3)%	(1.6)%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	89.1%	86.7%	88.9%	88.6%	87.0%

End Notes Continued

(2) Current accident year loss and LAE ratio, excluding catastrophe losses, is a non-GAAP measure, which is equal to the loss and LAE ratio ("loss ratio"), excluding prior-year reserve development and catastrophe losses. The loss ratio (which includes losses, LAE, catastrophe losses and prior-year loss reserve development) is the most directly comparable GAAP measure. A reconciliation of the GAAP loss ratio to the current accident year loss and LAE ratio, excluding catastrophe losses is shown below.

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Loss and LAE ratio (GAAP)	64.0%	62.8%	65.7%	69.0%	73.0%	63.5%	60.5%
Less: Catastrophe ratio	3.8%	6.3%	8.4%	7.7%	12.2%	6.4%	4.5%
Less: Prior-year reserve development ratio	0.0%	-0.3%	-1.2%	-0.4%	-0.3%	-1.1%	-1.1%
Current accident year loss and LAE ratio, ex cat losses (non-GAAP)	60.2%	56.8%	58.5%	61.7%	61.1%	58.2%	57.1%

	Three months ended				
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026
Total Loss and LAE ratio (GAAP)	63.3%	61.9%	59.8%	57.2%	61.0%
Less: Prior-year reserve development ratio	(1.3)%	(1.2)%	(0.8)%	(1.3)%	(1.6)%
Less: Catastrophe ratio	6.3%	7.0%	3.0%	1.7%	6.3%
Current accident year loss and LAE ratio, excluding catastrophes (non-GAAP)	58.3%	56.1%	57.6%	56.8%	56.3%

(3) Here, and throughout this document, the expense ratio is reduced by installment and other fee revenues for purposes of the ratio calculation.