The Hanover Insurance Group, Inc.

Second Quarter 2026 Results

July 28, 2026

To be read in conjunction with the press release dated July 28, 2026, and conference call scheduled for July 29, 2026.

Please also see important information regarding forward-looking statements and additional risks and uncertainties at the end of this presentation.

Excellent Second Quarter 2026 Operating Results

- Record second quarter net and operating income[1] per diluted share of $5.38 and $5.31, respectively
- Record second quarter net and operating return on equity[2] of 21.2% and 19.8%, respectively
- Combined ratio of 91.2%; combined ratio, excluding catastrophes[3], of 85.5%
- Catastrophe losses of $91.8 million, or 5.7 points of the combined ratio
- Net premiums written increase of 4.6%*
- Renewal price increases[4] of 8.7% in Personal Lines, 7.8% in Core Commercial and 3.6% in Specialty
- Rate increases[4] of 7.0% in Core Commercial, 4.8% in Personal Lines and 2.1% in Specialty
- Loss and loss adjustment expense (LAE) ratio of 60.2%, 1.7 points below the prior-year quarter
- Current accident year loss and LAE ratio, excluding catastrophes[5], of 55.8%, 0.3 points below the prior-year quarter
- Net investment income of $119.6 million, up 13.4% from the prior-year quarter
- Book value per share of $105.40, up 3.5% from March 31, 2026; excluding net unrealized depreciation on fixed maturity investments, net of tax[6], book value per share increased 3.8%
- Year-to-date, through July 24, 2026, the company repurchased approximately 827,000 shares of common stock, totaling approximately $149 million

(1) See information about this and other non-GAAP measures and definitions used throughout this presentation on the final pages of this document.
*Unless otherwise stated, net premiums written growth and other growth comparisons are to the same period of the prior year.
The Hanover Insurance Group, Inc. may also be referred to as “The Hanover” or “the company” interchangeably throughout this presentation.

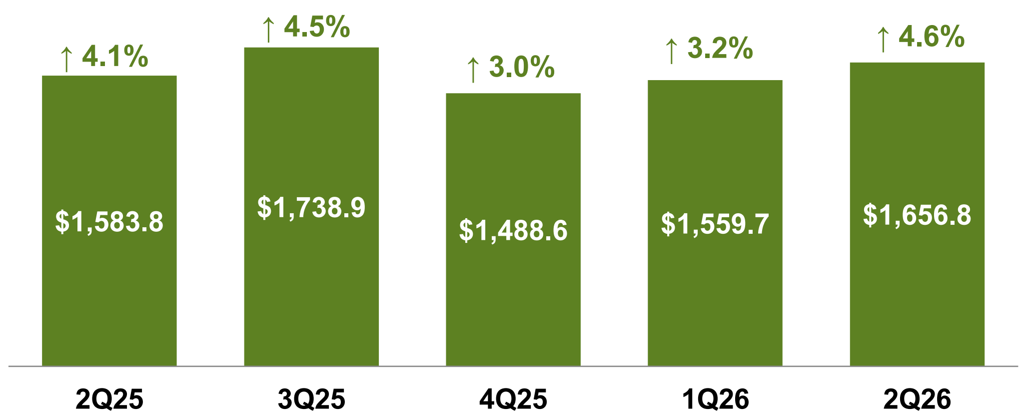
Consolidated Financial Results

($ in millions, *except per share amounts)*	Three months ended June 30, 2025	Three months ended June 30, 2026	Six months ended June 30, 2025	Six months ended June 30, 2026
Net income	**$157.1**	**$191.6**	**$285.3**	**$378.4**
Per diluted share	*$4.30*	*$5.38*	*$7.80*	*$10.58*
Operating income before interest expense and income taxes	$209.9	$251.9	$396.3	$502.1
Operating income after income taxes	**$158.7**	**$189.2**	**$300.5**	**$377.7**
Per diluted share	*$4.35*	*$5.31*	*$8.22*	*$10.55*
Book value per share	***$89.62***	***$105.40***	***$89.62***	***$105.40***
Book value per share, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	*$96.16*	*$111.26*	*$96.16*	*$111.26*
Shareholders' equity	$3,216.3	$3,672.5	$3,216.3	$3,672.5
Debt	$784.6	$844.0	$784.6	$844.0
Total capital	$4,000.9	$4,516.5	$4,000.9	$4,516.5
Debt/total capital	19.6%	18.7%	19.6%	18.7%
Total assets	$15,732.1	$16,863.9	$15,732.1	$16,863.9
Net income return on average equity	20.1%	21.2%	18.8%	21.0%
Operating income return on average equity	18.7%	19.8%	18.0%	20.0%

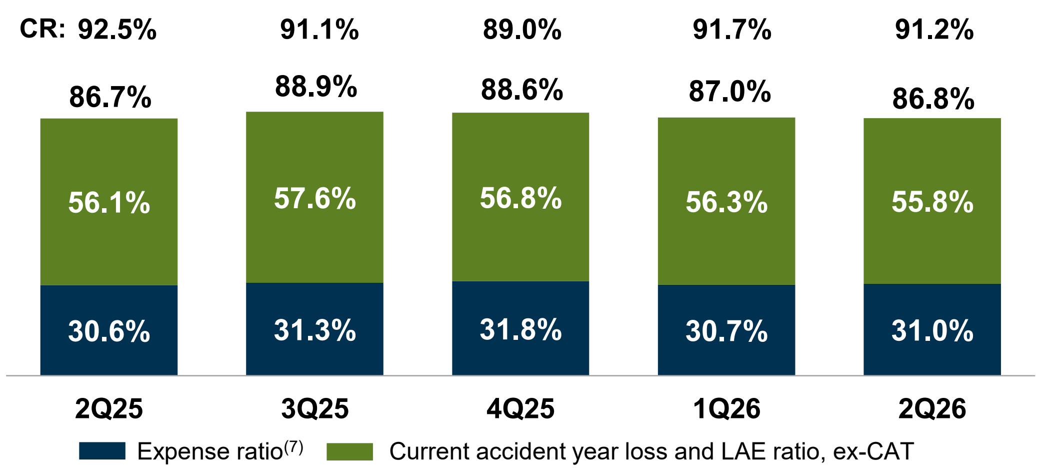
This page contains non-GAAP financial measures. For reconciliation to the closest GAAP measures, please refer to the endnotes in this presentation starting on page 16.

Second Quarter 2026 Underwriting Results

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



Current accident year combined ratio, ex-CAT[3]



- Combined ratio (CR) of 91.2%, 1.3 points improved from the prior-year quarter
- Catastrophe losses of $91.8 million, or 5.7%, inclusive of 0.8 points of favorable prior-year CAT development, below the company's guidance for the second quarter
- Combined ratio, ex-CAT, of 85.5%, in line with the prior-year quarter
- Current accident year loss and LAE ratio, ex-CAT, of 55.8%, improved 0.3 points from the prior-year quarter, driven by Personal Lines
- Expense ratio of 31.0% increased 0.4 points from the prior-year quarter, primarily reflecting higher variable agency compensation in Personal Lines due to meaningfully better-than-expected results to date
- Favorable prior-year reserve development, ex-CAT, of $21.5 million, or 1.3 points, including favorability across each segment
- Net premiums written growth of 4.6%, an acceleration from the first quarter of 2026

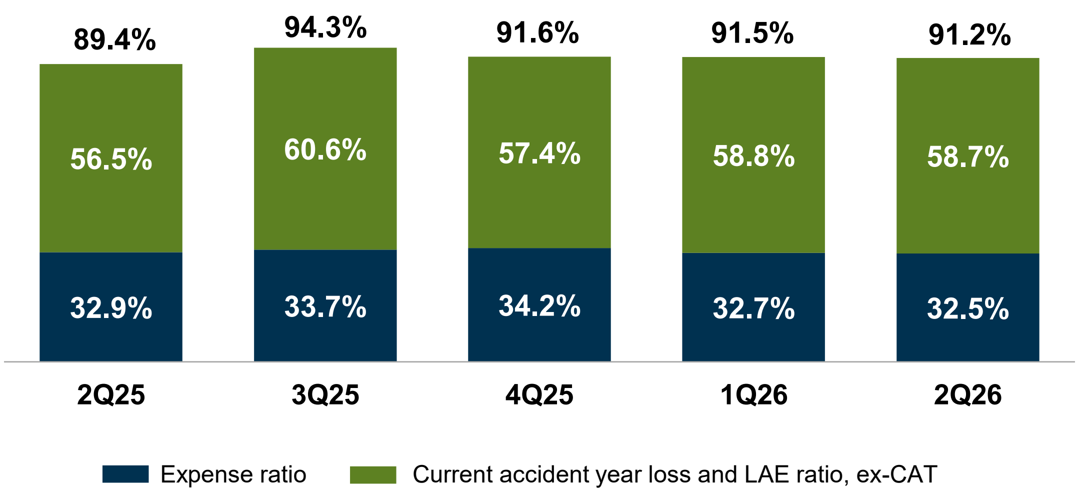
This page contains non-GAAP financial measures. For reconciliation to the closest GAAP measures, please refer to the endnotes in this presentation starting on page 16.

Core Commercial Underwriting Highlights

	Three months ended June 30		Six months ended June 30	
($ in millions)	2025	2026	2025	2026
Net premiums written	$536.0	$574.8	$1,140.6	$1,205.2
Growth	*4.4%*	*7.2%*	*4.1%*	*5.7%*
Net premiums earned	$554.3	$579.3	$1,095.3	$1,143.1
Combined ratio	93.0%	95.7%	98.2%	96.1%
Catastrophe ratio	4.1%	4.6%	6.3%	5.0%
Combined ratio, ex-CAT	88.9%	91.1%	91.9%	91.1%
Prior-year development ratio	(0.5)%	(0.1)%	(0.4)%	(0.2)%
Current accident year combined ratio, ex-CAT	89.4%	91.2%	92.3%	91.3%

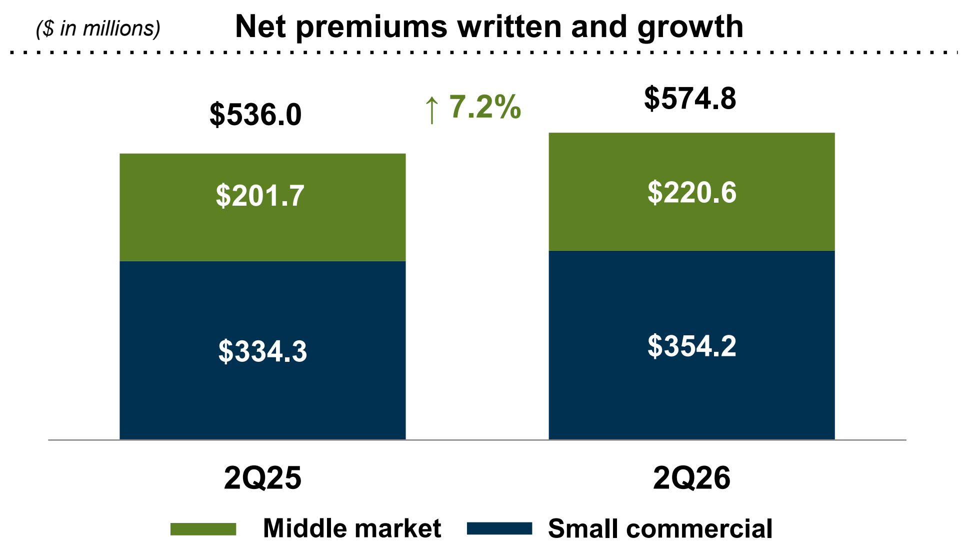
- Combined ratio, ex-CAT, of 91.1%, compared to 88.9% in the prior-year quarter
- Current accident year loss and LAE ratio, ex-CAT, of 58.7%, increased 2.2 points from the prior-year quarter, but was 0.4 points improved from the full year of 2025; reflects prudently increased loss ratio selections in liability coverages in the current quarter, as well as lower-than-usual property losses in the prior-year quarter
- Expense ratio of 32.5%, improved 0.4 points from the prior-year quarter, reflecting fixed cost leverage and efficiency gains
- Favorable prior-year reserve development, ex-CAT, of $0.6 million, or 0.1 points

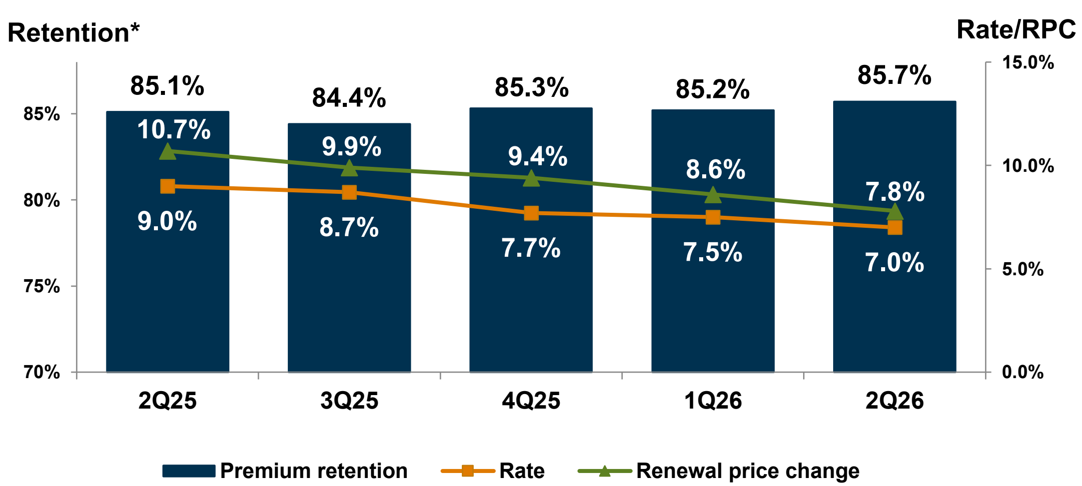
Current accident year combined ratio, ex-CAT



This page contains non-GAAP financial measures. For reconciliation to the closest GAAP measures, please refer to the endnotes in this presentation starting on page 16.

Core Commercial Growth Highlights





*Retention is defined as the ratio of net retained premium for the noted period to the premium available to renew over the same period.

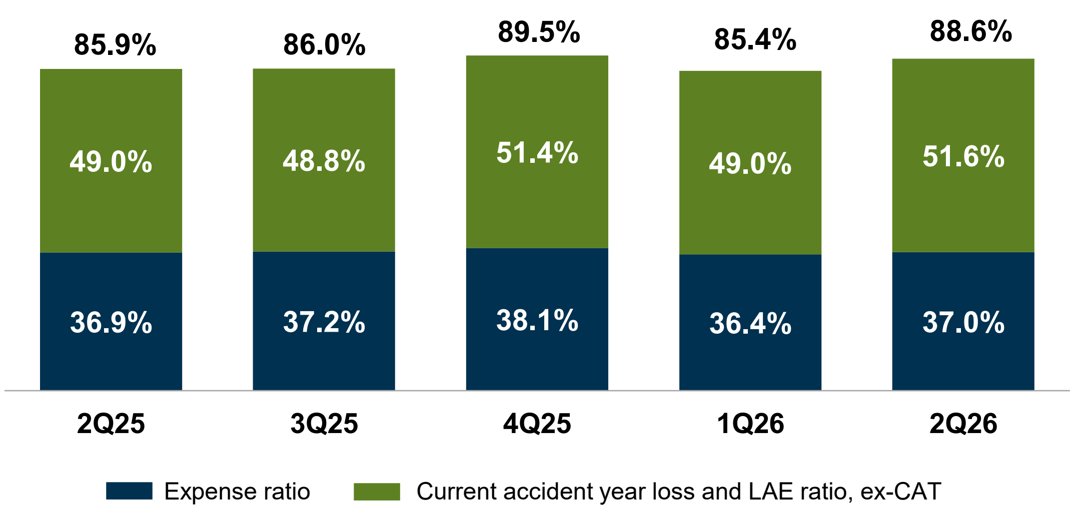
- Net premiums written increased 7.2% in the second quarter, reflecting strong growth in both small commercial and middle market:
  - Growth of 6.0% in small commercial, reflecting robust new business and healthy retention, helped by advanced underwriting tools and technology; remain encouraged with the growth trajectory of the business
  - Growth of 9.4% in middle market; excluding the benefit of several non-recurring items, growth was approximately 7%; year-to-date middle market growth of 4.9% reflects a better view of the trajectory of the sub-segment
- Renewal price increases remained healthy at 7.8%, including rate increases of 7.0%
- Retention improved sequentially to 85.7%

Specialty Underwriting Highlights

($ in millions)	Three months ended June 30 2025	Three months ended June 30 2026	Six months ended June 30 2025	Six months ended June 30 2026
Net premiums written	$368.2	$384.4	$726.5	$751.1
Growth	*4.6%*	*4.4%*	*5.0%*	*3.4%*
Net premiums earned	$355.9	$365.8	$695.5	$725.7
Combined ratio	86.5%	88.3%	87.0%	86.3%
Catastrophe ratio	4.1%	2.7%	4.2%	2.7%
Combined ratio, ex-CAT	82.4%	85.6%	82.8%	83.6%
Prior-year development ratio	(3.5)%	(3.0)%	(4.1)%	(3.4)%
Current accident year combined ratio, ex-CAT	85.9%	88.6%	86.9%	87.0%

- Combined ratio, ex-CAT, of 85.6%, compared to 82.4% in the prior-year quarter
- Current accident year loss and LAE ratio, ex-CAT, of 51.6%, in line with the company's expectations; the second quarter 2026 result was modestly higher than the prior-year quarter, which saw lower-than-expected property large losses, while property losses in the current quarter approximated the company's expectations
- Favorable prior-year reserve development, ex-CAT, of $10.8 million, or 3.0 points, with widespread favorability

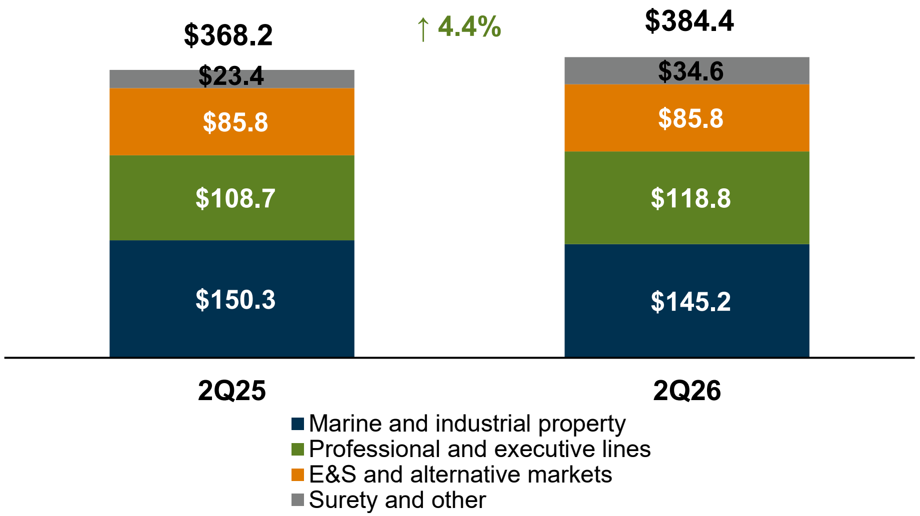
Current accident year combined ratio, ex-CAT



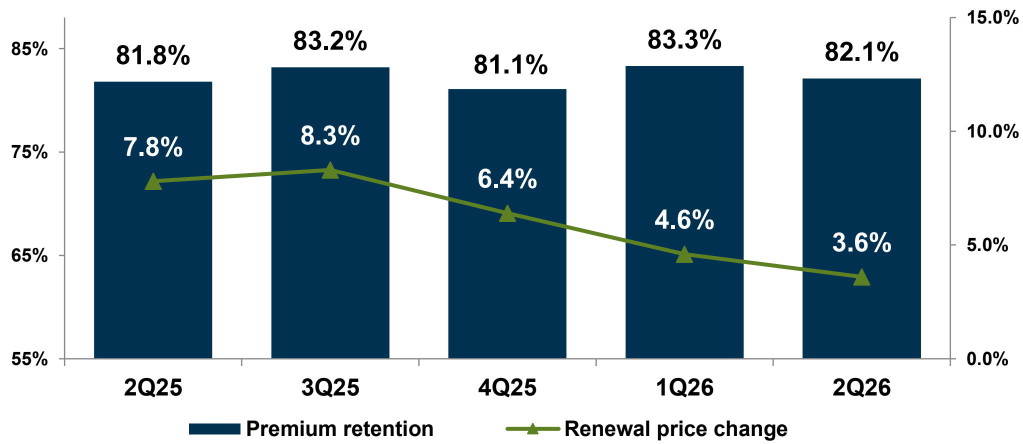
This page contains non-GAAP financial measures. For reconciliation to the closest GAAP measures, please refer to the endnotes in this presentation starting on page 16.

Specialty Growth Highlights

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



Retention*

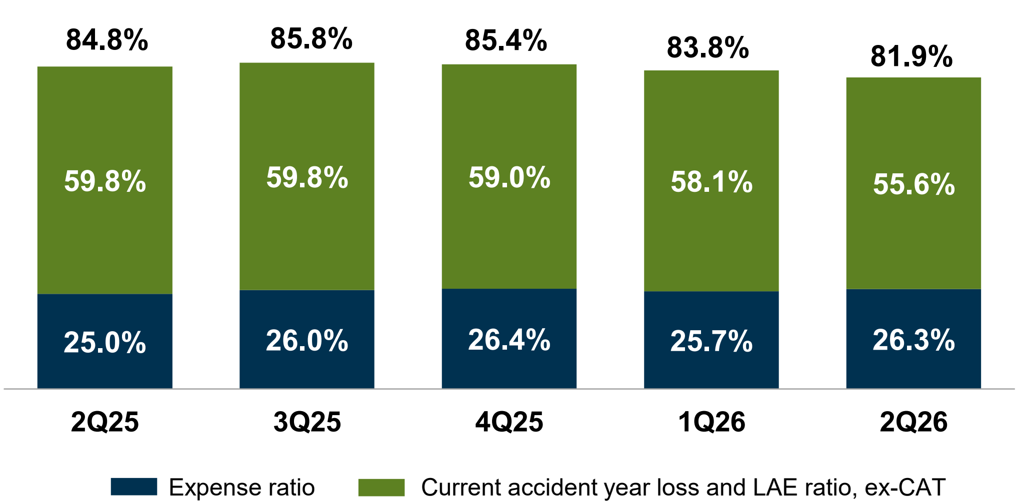


*Retention is defined as the ratio of net retained premium for the noted period to the premium available to renew over the same period.

- Net premiums written increased 4.4% in the second quarter, an acceleration from the first quarter:
  - Delivered strong growth across a number of lines, including in management and professional liability, as well as surety
  - Measured posture in areas facing elevated competition, particularly property lines
- Renewal price increases remained adequate at 3.6%, including rate increases of 2.1%; pricing moderation primarily driven by certain property coverages where profitability continues to be strong

Personal Lines Underwriting Highlights

($ in millions)	Three months ended June 30		Six months ended June 30	
	2025	2026	2025	2026
Net premiums written	$679.6	$697.6	$1,227.5	$1,260.2
Growth	*3.7%*	*2.6%*	*3.4%*	*2.7%*
Net premiums earned	$635.1	$652.5	$1,263.0	$1,299.4
Combined ratio	95.5%	88.9%	92.6%	90.2%
Catastrophe ratio	11.1%	8.5%	8.3%	8.8%
Combined ratio, ex-CAT	84.4%	80.4%	84.3%	81.4%
Prior-year development ratio	(0.4)%	(1.5)%	(0.4)%	(1.5)%
Current accident year combined ratio, ex-CAT	84.8%	81.9%	84.7%	82.9%

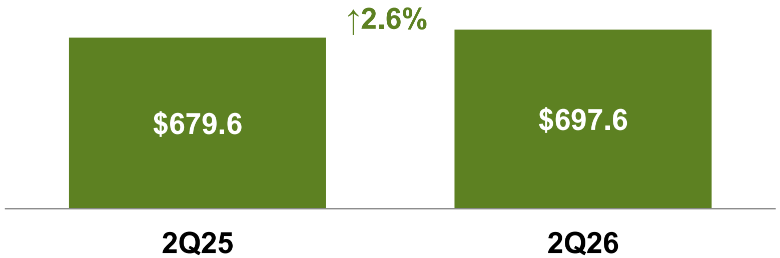


- Combined ratio, ex-CAT, of 80.4%, improved 4.0 points from the prior-year quarter
- Current accident year loss and LAE ratio, ex-CAT, improved 4.2 points from the prior-year quarter:
  - Auto improved 1.5 points compared to the prior-year quarter, benefitting from earned pricing increases and benign property loss frequency
  - Homeowners and Other improved 7.4 points compared to the prior-year quarter, driven by the benefit of rate earning in, favorable loss frequency, and lower large losses
- Favorable prior-year reserve development, ex-CAT, of $10.1 million, or 1.5 points, with favorability in homeowners and auto, both driven by property coverages
- Expense ratio of 26.3%, increased 1.3 points from the prior-year quarter, primarily reflecting higher variable agency compensation due to meaningfully better-than-expected results to date

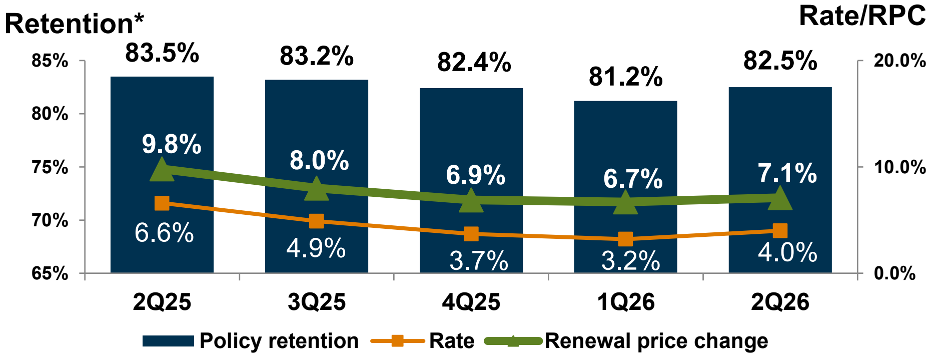
This page contains non-GAAP financial measures. For reconciliation to the closest GAAP measures, please refer to the endnotes in this presentation starting on page 16.

Personal Lines Growth Highlights

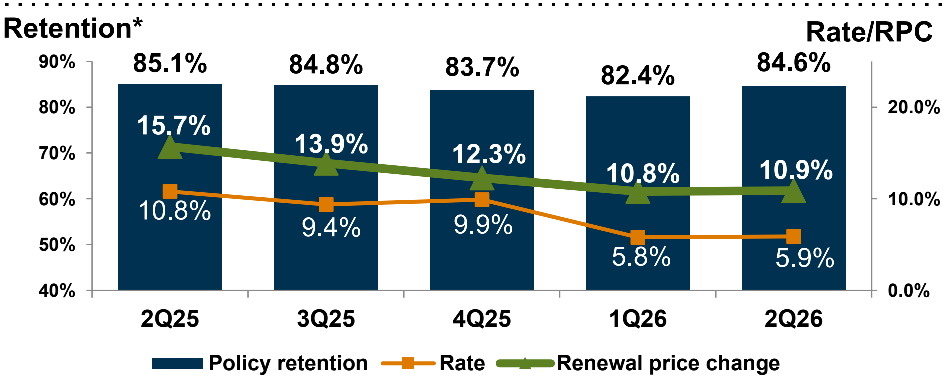
($ in millions) **Net premiums written and growth**



Personal auto



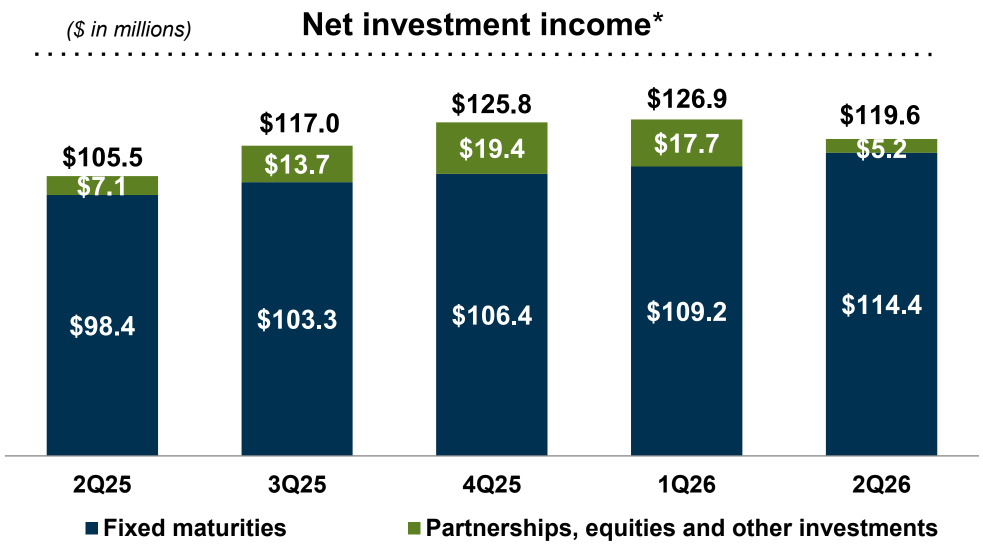
Homeowners



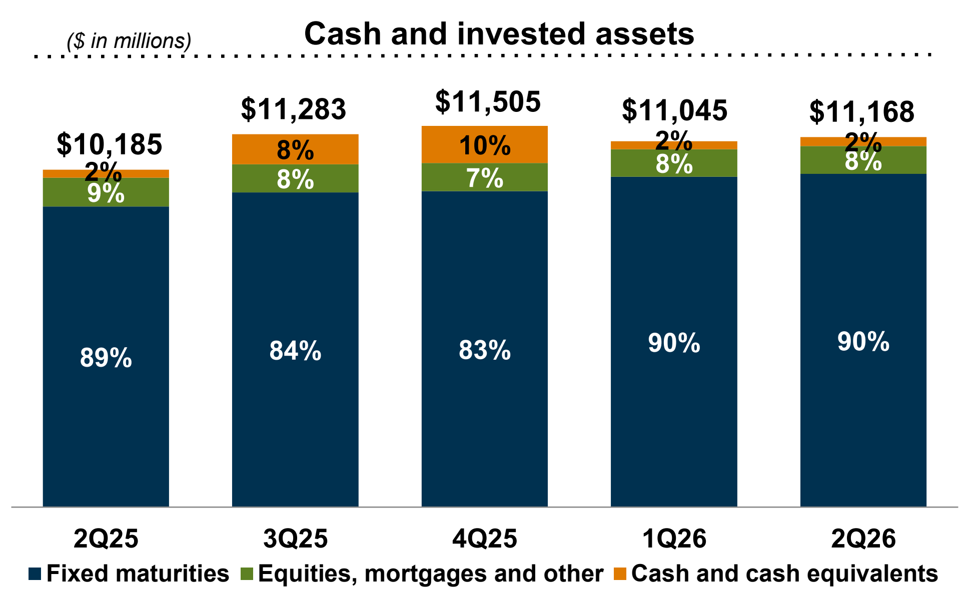
*Retention is defined as the ratio of net retained policies for the noted period to those policies available to renew over the same period and includes policies that were canceled and rewritten.

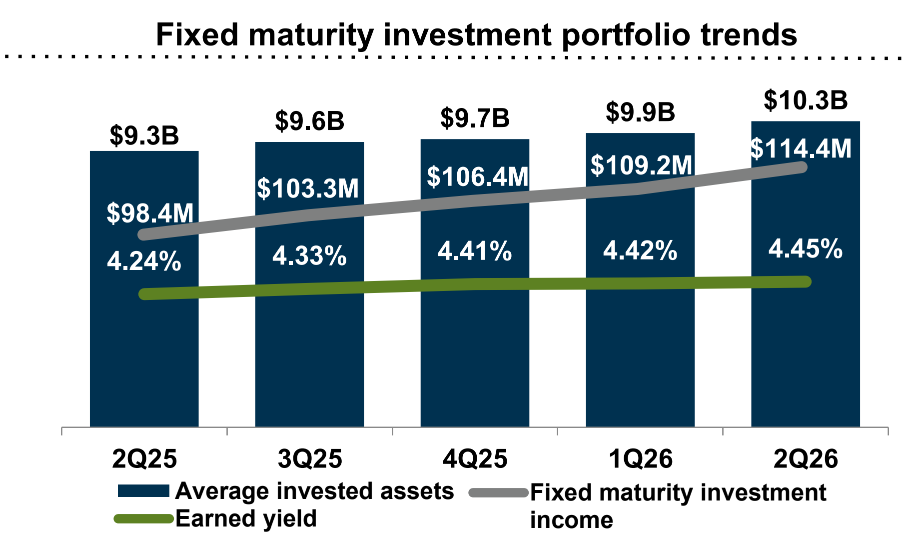
- Net premiums written growth of 2.6% in the second quarter, driven by higher new business
- Renewal price increases of 8.7%, including 10.9% in homeowners and 7.1% in auto. Achieved increases of approximately 19% in umbrella. Pricing remains healthy and above loss trend
- Policies in force (PIF) were essentially flat sequentially; continue to expect PIF growth in 2026
- Well positioned to capitalize on profitable opportunities in the marketplace:
  - Successful execution of margin improvement and CAT mitigation initiatives
  - Most diversification states achieving target profitability
  - Full-account offering and Prestige product drive strong customer loyalty and retention

Net Investment Income Trends



- Net investment income of $119.6 million in the second quarter, up 13.4% from the prior-year quarter, reflecting the continued investment of cashflows, as well as higher earned yields, partially offset by lower partnership income
  - Net investment income from the fixed maturity portfolio grew 16.3% from the prior-year quarter





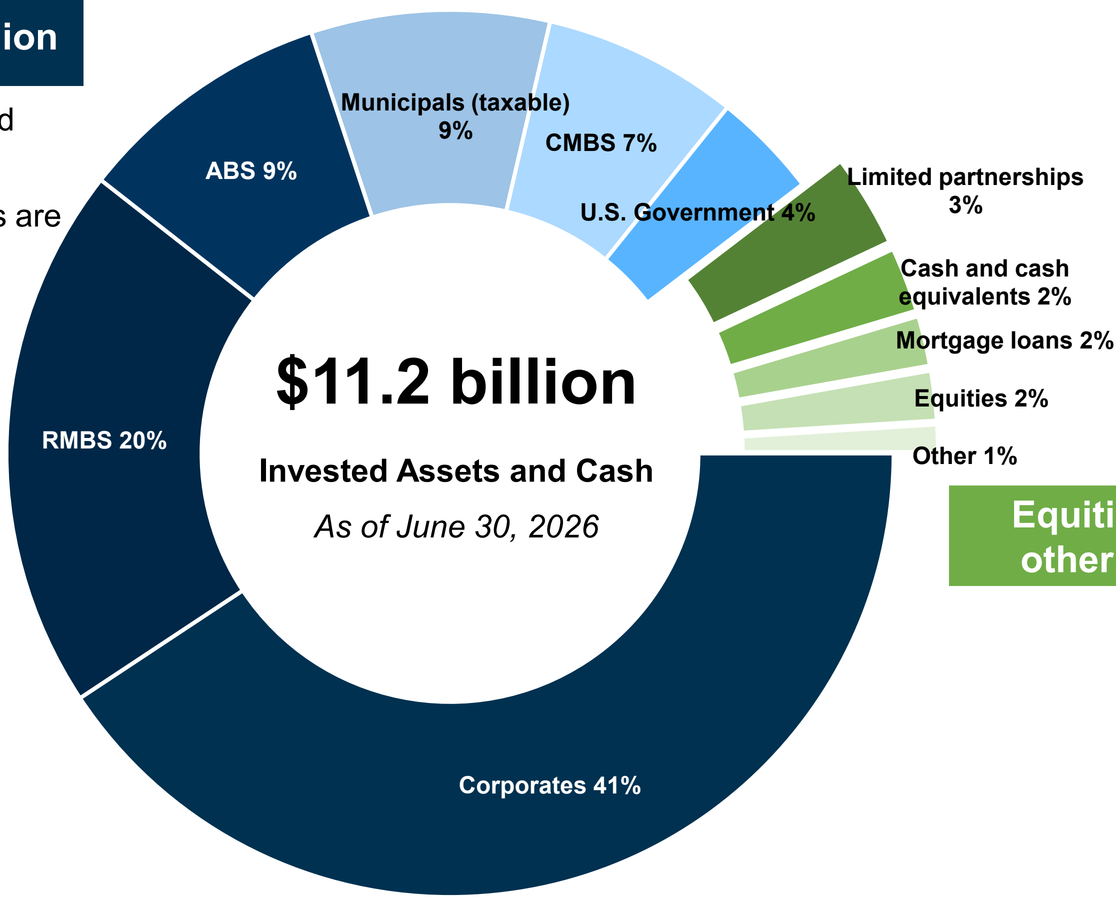
*Net investment income from partnerships, equities and other investments also includes net investment expenses.

Investment Portfolio – Total Invested Assets and Cash of $11.2 Billion
As of June 30, 2026

High-quality, well-diversified investment portfolio

Fixed maturities: $10.1 billion

- High-quality, well-laddered fixed income portfolio
- 95% of fixed maturity securities are investment grade
- Weighted average quality: A+
- Duration: 4.5 years



Equities, cash and other: $1.1 billion

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,” 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”) and other technologies, 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. Income from continuing operations 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 income from continuing operations or net income determined in accordance with GAAP. A reconciliation of operating income to income from continuing operations and net income for the relevant periods is included on page 16 of this presentation and in the Financial Supplement.

Operating return on average equity (ROE) is a non-GAAP measure. See end note (2) for a detailed explanation of how this measure is calculated. Operating ROE is based on non-GAAP operating income. In addition, the portion of shareholder equity attributed to unrealized appreciation (depreciation) on fixed maturity investments, net of tax, is excluded. The company believes this measure is helpful in that it provides insight to the capital used by, and results of, the continuing business exclusive of interest expense, income taxes, and other non-operating items. These measures should not be misconstrued as substitutes for GAAP ROE, which is based on net income and shareholders' equity of the entire company and without adjustments.

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) Operating income and operating income per diluted share are non-GAAP measures. These and other non-GAAP measures are used throughout this document. See the disclosure on the use of this and other non-GAAP measures under the headings “Forward-Looking Statements” and “Non-GAAP Financial Measures.” The following table provides the reconciliation of operating income and operating income per diluted share to the most directly comparable GAAP measures, income from continuing operations and income from continuing operations per diluted share, and to net income and net income per diluted share, respectively.

The Hanover Insurance Group, Inc.

	Three months ended June 30				Six months ended June 30			
	2026		2025		2026		2025	
($ in millions, except per share data)	$ Amount	Per Share (Diluted)	$ Amount	Per Share (Diluted)	$ Amount	Per Share (Diluted)	$ Amount	Per Share (Diluted)
Operating income								
Core Commercial	$ 77.5		$ 83.9		$ 152.3		$ 110.7	
Specialty	68.4		71.2		152.4		135.8	
Personal Lines	104.9		57.4		194.1		151.6	
Other	1.1		(2.6)		3.3		(1.8)	
Total	251.9		209.9		502.1		396.3	
Interest expense	(10.1)		(8.6)		(20.9)		(17.1)	
Operating income before income taxes	241.8	$ 6.79	201.3	$ 5.51	481.2	$ 13.44	379.2	$ 10.37
Income tax expense on operating income	(52.6)	(1.48)	(42.6)	(1.16)	(103.5)	(2.89)	(78.7)	(2.15)
Operating income after income taxes	189.2	5.31	158.7	4.35	377.7	10.55	300.5	8.22
Non-operating items:								
Net realized losses from sales and other	(5.4)	(0.15)	(4.6)	(0.12)	(10.3)	(0.29)	(23.4)	(0.63)
Net change in fair value of equity securities and other	10.5	0.30	5.0	0.13	15.1	0.43	6.0	0.16
Impairments on investments:								
Credit-related impairments	(1.4)	(0.04)	(2.5)	(0.07)	(3.0)	(0.08)	(2.5)	(0.07)
Losses on intent to sell securities	(0.9)	(0.03)	(0.4)	(0.01)	(1.3)	(0.04)	(0.4)	(0.01)
Total impairments on investments	(2.3)	(0.07)	(2.9)	(0.08)	(4.3)	(0.12)	(2.9)	(0.08)
Income tax benefit (expense) on non-operating items	(0.6)	(0.02)	0.7	0.02	-	-	4.9	0.13
Income from continuing operations, net of taxes	191.4	5.37	156.9	4.30	378.2	10.57	285.1	7.80
Discontinued operations (net of taxes):								
Income from discontinued life businesses	0.2	0.01	0.2	-	0.2	0.01	0.2	-
Net income	$ 191.6	$ 5.38	$ 157.1	$ 4.30	$ 378.4	$ 10.58	$ 285.3	$ 7.80
Dilutive weighted average shares outstanding		35.6		36.5		35.8		36.6
Basic weighted average shares outstanding		35.0		35.9		35.1		35.9

End notes continued

(2) Operating return on average equity (operating ROE) is a non-GAAP measure. Operating ROE is calculated by dividing annualized operating income after tax for the applicable period (see end note (1)), by average shareholders' equity, excluding unrealized appreciation (depreciation) on fixed maturity investments, net of tax, for the period presented. Total shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax, is also a non-GAAP measure. Total shareholders' equity is the most directly comparable GAAP measure and is reconciled below. For the calculation of operating ROE, the average of beginning and ending shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax, is used for the period as shown in the table below.

($ in millions)	Period Ended December 31 2024	March 31 2025	June 30 2025	December 31 2025	March 31 2026	June 30 2026
Total shareholders' equity (GAAP)	$ 2,841.8	$ 3,044.4	$ 3,216.3	$ 3,571.5	$ 3,570.4	$ 3,672.5
Less: net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	(401.1)	(290.9)	(234.7)	(117.1)	(185.0)	(204.1)
Total shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	$ 3,242.9	$ 3,335.3	$ 3,451.0	$ 3,688.6	$ 3,755.4	$ 3,876.6
Quarter Averages						
Average shareholders' equity (GAAP)			$ 3,130.4			$ 3,621.5
Average shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax			$ 3,393.2			$ 3,816.0
Year-to-date Averages						
Average shareholders' equity (GAAP)			$ 3,034.2			$ 3,604.8
Average shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax			$ 3,343.1			$ 3,773.5

($ in millions)	Three months ended June 30		Six months ended June 30	
Net Income ROE	2025	2026	2025	2026
Net income (GAAP)	$ 157.1	$ 191.6	$ 285.3	$ 378.4
Annualized net income*	628.4	766.4	570.6	756.8
Average shareholders' equity (GAAP)	3,130.4	3,621.5	3,034.2	3,604.8
Return on equity	20.1 %	21.2 %	18.8 %	21.0 %
Operating Income ROE (non-GAAP)				
Operating income after income taxes	$ 158.7	$ 189.2	$ 300.5	$ 377.7
Annualized operating income, net of tax* (end note (1))	634.8	756.8	601.0	755.4
Average shareholders' equity, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	3,393.2	3,816.0	3,343.1	3,773.5
Operating return on equity	18.7 %	19.8 %	18.0 %	20.0 %

*For three months ended June 30, 2025, and 2026, annualized net income and operating income after income taxes is calculated by multiplying three months ended net income and operating income after income taxes, respectively, by 4. For six months ended June 30, 2025, and 2026, annualized net income and operating income after taxes is calculated by multiplying six months ended net income and operating income after taxes, respectively, by 2.

End notes continued

(3) 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 to the current accident year combined ratio, excluding catastrophes, is shown below.

	Three months ended					Six months ended	
Consolidated	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	June 30, 2025	June 30, 2026
Total combined ratio (GAAP)	92.5%	91.1%	89.0%	91.7%	91.2%	93.3%	91.4%
Less: Catastrophe ratio	7.0%	3.0%	1.7%	6.3%	5.7%	6.7%	6.0%
Combined ratio, excluding catastrophe losses (non-GAAP)	85.5%	88.1%	87.3%	85.4%	85.5%	86.6%	85.4%
Less: Prior-year reserve development ratio	(1.2)%	(0.8)%	(1.3)%	(1.6)%	(1.3)%	(1.3)%	(1.5)%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	86.7%	88.9%	88.6%	87.0%	86.8%	87.9%	86.9%
Core Commercial							
Total combined ratio (GAAP)	93.0%	97.3%	96.1%	96.6%	95.7%	98.2%	96.1%
Less: Catastrophe ratio	4.1%	3.2%	4.8%	5.4%	4.6%	6.3%	5.0%
Combined ratio, excluding catastrophe losses (non-GAAP)	88.9%	94.1%	91.3%	91.2%	91.1%	91.9%	91.1%
Less: Prior-year reserve development ratio	(0.5)%	(0.2)%	(0.3)%	(0.3)%	(0.1)%	(0.4)%	(0.2)%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	89.4%	94.3%	91.6%	91.5%	91.2%	92.3%	91.3%
Specialty							
Total combined ratio (GAAP)	86.5%	84.9%	83.9%	84.2%	88.3%	87.0%	86.3%
Less: Catastrophe ratio	4.1%	1.7%	(0.3)%	2.7 %	2.7 %	4.2%	2.7%
Combined ratio, excluding catastrophe losses (non-GAAP)	82.4%	83.2%	84.2%	81.5%	85.6%	82.8%	83.6%
Less: Prior-year reserve development ratio	(3.5)%	(2.8)%	(5.3)%	(3.9)%	(3.0)%	(4.1)%	(3.4)%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	85.9%	86.0%	89.5%	85.4%	88.6%	86.9%	87.0%
Personal Lines							
Total combined ratio (GAAP)	95.5%	89.2%	85.5%	91.5%	88.9%	92.6%	90.2%
Less: Catastrophe ratio	11.1%	3.5%	0.2%	9.1%	8.5%	8.3%	8.8%
Combined ratio, excluding catastrophe losses (non-GAAP)	84.4%	85.7%	85.3%	82.4%	80.4%	84.3%	81.4%
Less: Prior-year reserve development ratio	(0.4)%	(0.1)%	(0.1)%	(1.4)%	(1.5)%	(0.4)%	(1.5)%
Current accident year combined ratio, excluding catastrophe losses (non-GAAP)	84.8%	85.8%	85.4%	83.8%	81.9%	84.7%	82.9%

End notes continued

(4) Renewal price changes in Core Commercial and Specialty represent the average change in premium on renewed policies caused by the estimated net effect of base rate changes, discretionary pricing, specific inflationary changes or changes in policy level exposure or insured risks. Rate increases in Core Commercial and Specialty represent the average change in premium on renewed policies caused by the base rate changes, discretionary pricing, and inflation, excluding the impact of changes in policy level exposure or insured risks. Renewal price change in Personal Lines represents the average change in premium on policies charged at renewal caused by the net effects of filed rate, inflation adjustments or other changes in policy level exposure or insured risks, regardless of whether or not the policies are retained for the duration of their contractual terms. Rate change in Personal Lines is the estimated cumulative premium effect of approved rate actions applied to policies at renewal, regardless of whether or not policies are actually renewed. Accordingly, rate changes do not represent actual increases or decreases realized by the company. Personal Lines rate changes do not include inflation or changes in policy level exposure or insured risks.

(5) 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.

	Three months ended					Six months ended	
Consolidated	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	June 30, 2025	June 30, 2026
Total Loss and LAE ratio (GAAP)	61.9%	59.8%	57.2%	61.0%	60.2%	62.6%	60.6%
Less: Prior-year reserve development ratio	(1.2)%	(0.8)%	(1.3)%	(1.6)%	(1.3)%	(1.3)%	(1.5)%
Less: Catastrophe ratio	7.0%	3.0%	1.7%	6.3%	5.7%	6.7%	6.0%
Current accident year loss and LAE ratio, excluding catastrophes (non-GAAP)	56.1%	57.6%	56.8%	56.3%	55.8%	57.2%	56.1%
Core Commercial							
Total Loss and LAE ratio (GAAP)	60.1%	63.6%	61.9%	63.9%	63.2%	65.0%	63.5%
Less: Prior-year reserve development ratio	(0.5)%	(0.2)%	(0.3)%	(0.3)%	(0.1)%	(0.4)%	(0.2)%
Less: Catastrophe ratio	4.1%	3.2%	4.8%	5.4%	4.6%	6.3%	5.0%
Current accident year loss and LAE ratio, excluding catastrophes (non-GAAP)	56.5%	60.6%	57.4%	58.8%	58.7%	59.1%	58.7%
Specialty							
Total Loss and LAE ratio (GAAP)	49.6%	47.7%	45.8%	47.8%	51.3%	50.1%	49.6%
Less: Prior-year reserve development ratio	(3.5)%	(2.8)%	(5.3)%	(3.9)%	(3.0)%	(4.1)%	(3.4)%
Less: Catastrophe ratio	4.1%	1.7%	(0.3)%	2.7 %	2.7 %	4.2%	2.7%
Current accident year loss and LAE ratio, excluding catastrophes (non-GAAP)	49.0%	48.8%	51.4%	49.0%	51.6%	50.0%	50.3%
Personal Lines							
Total Loss and LAE ratio (GAAP)	70.5%	63.2%	59.1%	65.8%	62.6%	67.5%	64.2%
Less: Prior-year reserve development ratio	(0.4)%	(0.1)%	(0.1)%	(1.4)%	(1.5)%	(0.4)%	(1.5)%
Less: Catastrophe ratio	11.1%	3.5%	0.2%	9.1%	8.5%	8.3%	8.8%
Current accident year loss and LAE ratio, excluding catastrophes (non-GAAP)	59.8%	59.8%	59.0%	58.1%	55.6%	59.6%	56.9%

End notes continued

(6) Book value per share, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax, is a non-GAAP measure. Book value per share is the most directly comparable GAAP measure and is reconciled in the table below.

	Period ended June 30 2025	Period ended March 31 2026	Period ended June 30 2026
Book value per share	$ 89.62	$ 101.86	$ 105.40
Less: Net unrealized appreciation (depreciation) on fixed maturity investments, net of tax, per share	(6.54)	(5.28)	(5.86)
Book value per share, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax	$ 96.16	$ 107.14	$ 111.26
<u>Versus prior quarter</u>			
Change in book value per share			3.5 %
Change in book value per share, excluding net unrealized appreciation (depreciation) on fixed maturity investments, net of tax			3.8 %

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