

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of report (Date of earliest event reported): April 25, 2024**

**EMPLOYERS HOLDINGS, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Nevada**

(State or Other Jurisdiction of Incorporation)

**001-33245**

(Commission File Number)

**04-3850065**

(I.R.S. Employer Identification No.)

**2340 Corporate Circle, Suite 200**

**Henderson, Nevada**

(Address of Principal Executive Offices)

**89074**

(Zip Code)

Registrant's telephone number including area code: **(888) 682-6671**

**No change since last report**

(Former Name or Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	EIG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Section 2 – Financial Information

### Item 2.02. Results of Operations and Financial Condition.

On April 25, 2024, Employers Holdings, Inc. (the “Company”) issued a press release and financial supplement announcing results for the quarter ended March 31, 2024. The press release and financial supplement are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference, and are being furnished, not filed, under Item 2.02 to this Current Report on Form 8-K.

## Section 8 – Other Information

### Item 8.01. Other Events.

On April 24, 2024, the Company's Board of Directors declared a regular quarterly dividend of \$0.30 per share on the Company's common stock. The dividend is payable on May 22, 2024 to stockholders of record as of May 8, 2024.

## Section 9 – Financial Statements and Exhibits

### Item 9.01. Financial Statements and Exhibits.

99.1 Employers Holdings, Inc. press release, dated April 25, 2024.

99.2 Employers Holdings, Inc. financial supplement, dated April 25, 2024.

104 Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EMPLOYERS HOLDINGS, INC.

Dated: April 25, 2024

/s/ Michael S. Paquette

Michael S. Paquette  
Executive Vice President,  
Chief Financial Officer

## Exhibit Index

<u>Exhibit No.</u>	<u>Exhibit</u>	
99.1	<a href="#">Employers Holdings, Inc. press release, dated</a>	April 25, 2024
99.2	<a href="#">Employers Holdings, Inc. financial supplement, dated</a>	April 25, 2024

## **Employers Holdings, Inc. Reports First Quarter 2024 Results and Increases Regular Quarterly Dividend to \$0.30 per Share**

**Company to Host Conference Call on Friday, April 26, 2024, at 11:00 a.m. Eastern Daylight Time**

**Henderson, Nevada - (GLOBE NEWSWIRE) - April 25, 2024 - Employers Holdings, Inc. (the "Company") (NYSE:EIG)**, a holding company with subsidiaries that are specialty providers of workers' compensation insurance and services focused on small and select businesses engaged in low-to-medium hazard industries, today reported financial results for its first quarter ended March 31, 2024.

### **Financial Highlights:**

(All comparisons vs. the first quarter of 2023).

- Net income per diluted share increased 29%, from \$0.86 to \$1.11;
- Adjusted net income per diluted share increased 12%, from \$0.60 to \$0.67;
- Gross premiums written increased 8%, from \$194.9 million to \$210.9 million;
- Net premiums earned increased 7%, from \$172.7 million to \$184.9 million;
- Net investment income decreased \$0.8 million, to \$26.8 million, while interest and financing expenses related to investing activities decreased \$2.3 million, to less than \$0.1 million;
- Record number of ending policies in-force of 127,484; and
- Returned \$12.1 million to stockholders through a combination of share repurchases and regular quarterly dividends.

### **Management Commentary**

Chief Executive Officer Katherine Antonello commented: "Higher new and renewal premiums, strong and steady net investment income and moderate net investment gains drove an 8% increase in revenue year-over-year. We also ended the quarter with yet another record number of policies in-force, which were up 4% year-over-year.

We recorded our current accident year loss and LAE ratio on voluntary business at 64.0%, slightly above the 63.3% we maintained throughout 2023 and consistent with that of 2022. As was the case in the first quarter of 2023, we did not recognize any prior year loss reserve development on our voluntary business because a full actuarial study was not performed and the amount of indicated net prior year loss reserve development was consistent with our expectations. We will evaluate our prior year reserves in more detail at mid-year when we routinely perform a full reserve study.

Our commission expense ratio was 13.8%, up slightly from 13.5% a year ago. The increase related to higher new business writings, which are typically subject to higher initial commission rates, and an increase in anticipated 2024 agency incentives.

Our underwriting and general and administrative expense ratio was 24.8%, a nice improvement from 25.7% a year ago. The decrease was primarily due to savings associated with the fourth quarter 2023 full integration of Cerity's operations into those of Employers, partially offset by increases in payroll and benefit costs and bad debt expenses. In addition to the meaningful decrease in our expense ratio experienced this quarter, I am highly confident that we will continue to see further reductions for the balance of the year.

Lastly, we raised our regular quarterly dividend to \$0.30 per share, an increase of 7%. This action reflects our strong balance sheet, abundant underwriting capital and our confidence in the Company's future operations."

## Summary of First Quarter 2024 Results

(All comparisons vs. the first quarter of 2023, unless otherwise noted).

Net income was \$28.3 million, an increase of 20%, and adjusted net income was \$17.2 million, an increase of 4%.

Gross premiums written were \$210.9 million, an increase of 8%. The increase was primarily due to higher new and renewal business writings. Net premiums earned were \$184.9 million, an increase of 7%.

Losses and loss adjustment expenses were \$116.5 million, an increase of 8%. The Company's loss and loss adjustment expense ratio was 63.0% (64.1% excluding LPT), versus 62.2% (63.3% excluding LPT).

Commission expenses were \$25.5 million, an increase of 9%. The Company's commission expense ratio was 13.8%, versus 13.5% a year ago.

Underwriting and general and administrative expenses were \$45.8 million, an increase of 3%. The Company's underwriting and general and administrative expense ratio was 24.8%, versus 25.7% a year ago.

Net investment income was \$26.8 million, a decrease of 3%. The decrease was due to a lower invested balance of fixed maturity securities and short-term investments, as measured by amortized cost, resulting primarily from the unwinding of our former Federal Home Loan Bank (FHLB) leveraged investment strategy, which was in effect from the first quarter of 2022 to the fourth quarter of 2023.

Net realized and unrealized gains on investments reflected on the income statement were \$11.4 million, versus \$6.4 million.

Interest and financing expenses were less than \$0.1 million, versus \$2.3 million. The decrease resulted from the unwinding of our former FHLB leveraged investment strategy.

Income tax expense was \$7.0 million (19.8% effective rate), versus \$5.4 million (18.6% effective rate). The effective rates during each of the periods included income tax benefits and exclusions associated with tax-advantaged investment income, LPT adjustments, and deferred gain amortization.

The Company's book value per share including the deferred gain of \$44.04 increased 13.1% year-over-year and 1.0% during the first quarter of 2024, computed after considering dividends declared. During the first quarter this measure was unfavorably impacted by \$11.5 million of after-tax unrealized losses arising from fixed maturity securities (which are reflected on the balance sheet), partially offset by \$9.7 million of net after tax unrealized gains arising from equity securities and other investments (which are reflected on the income statement). The Company's adjusted book value per share of \$47.86 increased by 10.8% year-over-year and 1.9% during the first quarter of 2024, computed after considering dividends declared. During the first quarter this measure was favorably impacted by the net after tax unrealized gains arising from equity securities and other investments previously described.

## Regular Quarterly Dividend Increase and Declaration

On April 24, 2024, the Company's Board of Directors declared a regular quarterly dividend of \$0.30 per share, an increase of 7% from the prior quarterly dividend of \$0.28 per share. The dividend is payable on May 22, 2024 to stockholders of record as of May 8, 2024.

## Share Repurchases

During the first quarter of 2024, the Company repurchased 123,073 shares of its common stock at an average price of \$39.45 per share. The Company currently has a remaining share repurchase authorization of \$16.2 million.

## Earnings Conference Call and Webcast

The Company will host a conference call on Friday, April 26, 2024 at 11:00 a.m. Eastern Daylight Time / 8:00 a.m. Pacific Daylight Time.

To participate in the live conference call, you must first register [here](#). Once registered you will receive dial-in numbers and a unique PIN number.

The webcast will be accessible on the Company's website at [www.employers.com](http://www.employers.com) through the "[Investors](#)" link.

## Reconciliation of Non-GAAP Financial Measures to GAAP

The information in this press release should be read in conjunction with the Financial Supplement that is attached to this press release and available on our website.

Within this earnings release we present various financial measures, some of which are “non-GAAP financial measures” as defined in Regulation G pursuant to Section 401 of the Sarbanes - Oxley Act of 2002. A description of these non-GAAP financial measures, as well as a reconciliation of such non-GAAP measures to our most directly comparable GAAP financial measures is included in the attached Financial Supplement. Management believes that these non-GAAP measures are important to the Company's investors, analysts and other interested parties who benefit from having an objective and consistent basis for comparison with other companies within our industry. Management further believes that these measures are more relevant than comparable GAAP measures in evaluating our financial performance.

### **Forward-Looking Statements**

In this press release, the Company and its management discuss and make statements based on currently available information regarding their intentions, beliefs, current expectations, and projections of, among other things, the Company's future performance, economic or market conditions, including current levels of inflation, changes in interest rates, labor market expectations, catastrophic events or geo-political conditions, legislative or regulatory actions or court decisions, business growth, retention rates, loss costs, claim trends and the impact of key business initiatives, future technologies and planned investments. Certain of these statements may constitute “forward-looking” statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and are often identified by words such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “target,” “project,” “intend,” “believe,” “estimate,” “predict,” “potential,” “pro forma,” “seek,” “likely,” or “continue,” or other comparable terminology and their negatives. The Company and its management caution investors that such forward-looking statements are not guarantees of future performance. Risks and uncertainties are inherent in the Company's future performance. Factors that could cause the Company's actual results to differ materially from those indicated by such forward-looking statements include, among other things, those discussed or identified from time to time in the Company's public filings with the Securities and Exchange Commission (SEC), including the risks detailed in the Company's Quarterly Reports on Form 10-Q and the Company's Annual Reports on Form 10-K. Except as required by applicable securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

### **Filings with the SEC**

The Company's filings with the SEC and its quarterly investor presentations can be accessed through the “[Investors](#)” link on the Company's website, [www.employers.com](http://www.employers.com). The Company's filings with the SEC can also be accessed through the SEC's EDGAR Database at [www.sec.gov](http://www.sec.gov) (EDGAR CIK No. 0001379041).

### **About Employers Holdings, Inc.**

EMPLOYERS® and America's small business insurance specialist® are registered trademarks of EIG Services, Inc. Employers Holdings, Inc. is a holding company with subsidiaries that are specialty providers of workers' compensation insurance and services focused on small and select businesses engaged in low-to-medium hazard industries. The Company operates throughout the United States, with the exception of four states that are served exclusively by their state funds. Insurance is offered through Employers Insurance Company of Nevada, Employers Compensation Insurance Company, Employers Preferred Insurance Company, Employers Assurance Company and Cerity Insurance Company, all rated A- (Excellent) by the A.M. Best Company. Not all companies do business in all jurisdictions. See [www.employers.com](http://www.employers.com) and [www.cerity.com](http://www.cerity.com) for coverage availability.

### **Contact Information**

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**Employers Holdings, Inc.**  
First Quarter 2024  
Financial Supplement

***EMPLOYERS***<sup>®</sup>

*America's small business insurance specialist*<sup>®</sup>

# EMPLOYERS HOLDINGS, INC.

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**EMPLOYERS HOLDINGS, INC.**  
**Consolidated Financial Highlights (unaudited)**  
**\$ in millions, except per share amounts**

	Three Months Ended		
	March 31,		
	2024	2023	% change
<b>Selected financial highlights:</b>			
Gross premiums written	\$ 210.9	\$ 194.9	8 %
Net premiums written	209.1	193.1	8
Net premiums earned	184.9	172.7	7
Net investment income	26.8	27.6	(3)
Net income excluding LPT <sup>(1)</sup>	26.2	21.6	21
Adjusted net income <sup>(1)</sup>	17.2	16.5	4
Net Income before income taxes	35.3	29.0	22
Net Income	28.3	23.6	20
Comprehensive income	17.4	47.4	(63)
Total assets	3,562.8	3,744.0	(5)
Stockholders' equity	1,018.9	974.1	5
Stockholders' equity including the Deferred Gain <sup>(2)</sup>	1,116.1	1,078.2	4
Adjusted stockholders' equity <sup>(2)</sup>	1,213.0	1,193.3	2
Annualized adjusted return on stockholders' equity <sup>(3)</sup>	5.7 %	5.5 %	4 %
<b>Amounts per share:</b>			
Cash dividends declared per share	\$ 0.28	\$ 0.26	8 %
Earnings per diluted share <sup>(4)</sup>	1.11	0.86	29
Earnings per diluted share excluding LPT <sup>(4)</sup>	1.03	0.79	30
Adjusted earnings per diluted share <sup>(4)</sup>	0.67	0.60	12
Book value per share <sup>(2)</sup>	40.20	36.08	11
Book value per share including the Deferred Gain <sup>(2)</sup>	44.04	39.93	10
Adjusted book value per share <sup>(2)</sup>	47.86	44.19	8
<b>Combined ratio excluding LPT:<sup>(5)</sup></b>			
Loss and loss adjustment expense ratio:			
Current Year	64.2 %	63.5 %	
Prior Year	(0.1)%	(0.2)	
Loss and loss adjustment expense ratio	64.1 %	63.3 %	
Commission expense ratio	13.8 %	13.5 %	
Underwriting and general and administrative expense ratio	24.8 %	25.7 %	
Combined ratio excluding LPT	102.7 %	102.5 %	

(1) See Page 3 for calculations and Page 10 for information regarding our use of Non-GAAP Financial Measures.

(2) See Page 8 for calculations and Page 10 for information regarding our use of Non-GAAP Financial Measures.

(3) See Page 4 for calculations and Page 10 for information regarding our use of Non-GAAP Financial Measures.

(4) See Page 9 for description and calculations and Page 10 for information regarding our use of Non-GAAP Financial Measures.

(5) See Pages 5 for details and Page 10 for information regarding our use of Non-GAAP Financial Measures.



**EMPLOYERS HOLDINGS, INC.**  
**Summary Consolidated Balance Sheets (unaudited)**  
**\$ in millions, except per share amounts**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
<b>ASSETS</b>		
Investments, cash and cash equivalents	\$ 2,494.3	\$ 2,504.7
Accrued investment income	16.5	16.3
Premiums receivable, net	380.4	359.4
Reinsurance recoverable, net of allowance, on paid and unpaid losses and LAE	429.8	433.8
Deferred policy acquisition costs	59.4	55.6
Deferred income tax asset, net	42.1	43.4
Contingent commission receivable—LPT Agreement	14.4	14.2
Other assets	125.9	123.0
Total assets	<u>\$ 3,562.8</u>	<u>\$ 3,550.4</u>
<b>LIABILITIES</b>		
Unpaid losses and LAE	\$ 1,874.5	\$ 1,884.5
Unearned premiums	402.3	379.7
Commissions and premium taxes payable	60.9	66.0
Deferred Gain	97.2	99.2
Other liabilities	109.0	107.1
Total liabilities	<u>\$ 2,543.9</u>	<u>\$ 2,536.5</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock and additional paid-in capital	\$ 420.1	\$ 420.4
Retained earnings	1,405.4	1,384.3
Accumulated other comprehensive loss	(96.9)	(86.0)
Treasury stock, at cost	(709.7)	(704.8)
Total stockholders' equity	<u>1,018.9</u>	<u>1,013.9</u>
Total liabilities and stockholders' equity	<u>\$ 3,562.8</u>	<u>\$ 3,550.4</u>
Stockholders' equity including the Deferred Gain <sup>(1)</sup>	\$ 1,116.1	\$ 1,113.1
Adjusted stockholders' equity <sup>(1)</sup>	1,213.0	1,199.1
Book value per share <sup>(1)</sup>	\$ 40.20	\$ 39.96
Book value per share including the Deferred Gain <sup>(1)</sup>	44.04	43.88
Adjusted book value per share <sup>(1)</sup>	47.86	47.26

(1) See Page 8 for calculations and Page 10 for information regarding our use of Non-GAAP Financial Measures.

**EMPLOYERS HOLDINGS, INC.**  
**Summary Consolidated Income Statements (unaudited)**  
**\$ in millions**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Revenues:</b>		
Net premiums earned	\$ 184.9	\$ 172.7
Net investment income	26.8	27.6
Net realized and unrealized gains on investments <sup>(1)</sup>	11.4	6.4
Other income (loss)	—	(0.2)
<b>Total revenues</b>	<b>223.1</b>	<b>206.5</b>
<b>Expenses:</b>		
Losses and LAE incurred	(116.5)	(107.4)
Commission expense	(25.5)	(23.4)
Underwriting and general and administrative expenses	(45.8)	(44.4)
Interest and financing expenses	—	(2.3)
<b>Total expenses</b>	<b>(187.8)</b>	<b>(177.5)</b>
Net income before income taxes	35.3	29.0
Income tax expense	(7.0)	(5.4)
<b>Net Income</b>	<b>28.3</b>	<b>23.6</b>
Unrealized AFS investment (losses) gains arising during the period, net of tax <sup>(2)</sup>	(11.6)	22.5
Reclassification adjustment for net realized AFS investment losses in net income, net of tax <sup>(2)</sup>	0.7	1.3
<b>Total comprehensive income</b>	<b>\$ 17.4</b>	<b>\$ 47.4</b>
Net Income	\$ 28.3	\$ 23.6
Amortization of the Deferred Gain - losses	(1.5)	(1.6)
Amortization of the Deferred Gain - contingent commission	(0.4)	(0.4)
LPT contingent commission adjustments	(0.2)	—
<b>Net income excluding LPT Agreement<sup>(3)</sup></b>	<b>26.2</b>	<b>21.6</b>
Net realized and unrealized gains on investments	(11.4)	(6.4)
Income tax expense related to items excluded from Net income or loss	2.4	1.3
<b>Adjusted net income</b>	<b>\$ 17.2</b>	<b>\$ 16.5</b>

(1) Includes net realized and unrealized gains on equity securities and other investments of \$12.3 million and \$8.0 million for the three months ended March 31, 2024 and 2023.

(2) AFS = Available for Sale securities.

(3) See Page 10 regarding our use of Non-GAAP Financial Measures.

**EMPLOYERS HOLDINGS, INC.**  
**Return on Equity (unaudited)**  
**\$ in millions**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Net income</b>	<b>A</b> \$ 28.3	\$ 23.6
Impact of the LPT Agreement	(2.1)	(2.0)
Net realized and unrealized gains on investments	(11.4)	(6.4)
Income tax expense related to items excluded from Net income	2.4	1.3
<b>Adjusted net income <sup>(1)</sup></b>	<b>B</b> 17.2	16.5
Stockholders' equity - end of period	\$ 1,018.9	\$ 974.1
Stockholders' equity - beginning of period	1,013.9	944.2
<b>Average stockholders' equity</b>	<b>C</b> 1,016.4	959.2
Stockholders' equity - end of period	\$ 1,018.9	\$ 974.1
Deferred Gain - end of period	97.2	104.1
Accumulated other comprehensive loss - end of period	122.6	145.7
Income taxes related to accumulated other comprehensive loss - end of period	(25.7)	(30.6)
Adjusted stockholders' equity - end of period	1,213.0	1,193.3
Adjusted stockholders' equity - beginning of period	1,199.1	1,189.2
<b>Average adjusted stockholders' equity <sup>(1)</sup></b>	<b>D</b> 1,206.1	1,191.3
Return on stockholders' equity	<b>A / C</b> 2.8 %	2.5 %
<b>Annualized return on stockholders' equity</b>	11.1	9.8
Adjusted return on stockholders' equity <sup>(1)</sup>	<b>B / D</b> 1.4 %	1.4 %
<b>Annualized adjusted return on stockholders' equity <sup>(1)</sup></b>	5.7	5.5

(1) See Page 10 for information regarding our use of Non-GAAP Financial Measures.

**EMPLOYERS HOLDINGS, INC.**  
**Combined Ratios (unaudited)**  
**\$ in millions, except per share amounts**

		<b>Three Months Ended</b>	
		<b>March 31,</b>	
		<b>2024</b>	<b>2023</b>
Net premiums earned	<b>A</b>	\$ 184.9	\$ 172.7
Losses and LAE incurred	<b>B</b>	116.5	107.4
Amortization of deferred reinsurance gain - losses		1.5	1.6
Amortization of deferred reinsurance gain - contingent commission		0.4	0.4
LPT contingent commission adjustments		0.2	—
Losses and LAE excluding LPT <sup>(1)</sup>	<b>C</b>	\$ 118.6	\$ 109.4
Prior year loss reserve development		(0.1)	(0.2)
Losses and LAE excluding LPT - current accident year	<b>D</b>	\$ 118.7	\$ 109.6
Commission expense	<b>E</b>	\$ 25.5	\$ 23.4
Underwriting and general and administrative expense	<b>F</b>	\$ 45.8	\$ 44.4
<b>GAAP combined ratio:</b>			
Loss and LAE ratio	<b>B/A</b>	63.0 %	62.2 %
Commission expense ratio	<b>E/A</b>	13.8	13.5
Underwriting and general and administrative expense ratio	<b>F/A</b>	24.8	25.7
GAAP combined ratio		101.6 %	101.4 %
<b>Combined ratio excluding LPT:<sup>(1)</sup></b>			
Loss and LAE ratio excluding LPT	<b>C/A</b>	64.1 %	63.3 %
Commission expense ratio	<b>E/A</b>	13.8	13.5
Underwriting and general and administrative expense ratio	<b>F/A</b>	24.8	25.7
Combined ratio excluding LPT		102.7 %	102.5 %
<b>Combined ratio excluding LPT: current accident year:<sup>(1)</sup></b>			
Loss and LAE ratio excluding LPT	<b>D/A</b>	64.2 %	63.5 %
Commission expense ratio	<b>E/A</b>	13.8	13.5
Underwriting and general and administrative expenses ratio	<b>F/A</b>	24.8	25.7
Combined ratio excluding LPT: current accident year		102.8 %	102.7 %

(1) See Page 10 for information regarding our use of Non-GAAP Financial Measures.

**EMPLOYERS HOLDINGS, INC.**  
**Roll-forward of Unpaid Losses and LAE (unaudited)**  
**\$ in millions**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2024</b>	<b>2023</b>
Unpaid losses and LAE at beginning of period	\$ 1,884.5	\$ 1,960.7
Reinsurance recoverable, excluding CECL allowance, on unpaid losses and LAE	428.4	445.4
Net unpaid losses and LAE at beginning of period	<u>1,456.1</u>	<u>1,515.3</u>
Losses and LAE incurred:		
Current year losses	118.7	109.6
Prior year losses on involuntary business	(0.1)	(0.2)
Total losses incurred	<u>118.6</u>	<u>109.4</u>
Losses and LAE paid:		
Current year losses	6.8	5.6
Prior year losses	117.4	105.7
Total paid losses	<u>124.2</u>	<u>111.3</u>
Net unpaid losses and LAE at end of period	1,450.5	1,513.4
Reinsurance recoverable, excluding CECL allowance, on unpaid losses and LAE	424.0	440.3
Unpaid losses and LAE at end of period	<u>\$ 1,874.5</u>	<u>\$ 1,953.7</u>

Total losses and LAE shown in the above table exclude amortization of the Deferred Gain and LPT Contingent Commission Adjustments, which totaled \$2.1 million and \$2.0 million for the three months ended March 31, 2024 and 2023.

**EMPLOYERS HOLDINGS, INC.**  
**Consolidated Investment Portfolio (unaudited)**  
**\$ in millions**

	March 31, 2024				December 31, 2023		
	Cost or Amortized Cost <sup>(1)</sup>	Net Unrealized Gain (Loss)	Fair Value	%	Fair Value	%	
<b>Investment Positions:</b>							
Fixed maturity securities	\$ 2,139.7	\$ (122.7)	\$ 2,013.8	81 %	\$ 1,936.3	77 %	
Equity securities	131.9	98.4	230.3	9	217.2	9	
Short-term investments	38.2	—	38.2	2	33.1	1	
Other invested assets	88.9	8.7	97.6	4	91.5	4	
Cash and cash equivalents	114.2	—	114.2	5	226.4	9	
Restricted cash and cash equivalents	0.2	—	0.2	—	0.2	—	
Total investments and cash	\$ 2,513.1	\$ (15.6)	\$ 2,494.3	100 %	\$ 2,504.7	100 %	
<b>Breakout of Fixed Maturity Securities:</b>							
U.S. Treasuries and agencies	\$ 67.8	\$ (2.7)	\$ 65.1	3 %	\$ 60.5	3 %	
States and municipalities	202.8	(3.0)	199.8	10	210.2	11	
Corporate securities	1,003.5	(61.8)	939.5	47	895.8	46	
Mortgage-backed securities	482.7	(49.2)	433.2	22	426.0	22	
Asset-backed securities	180.3	(3.6)	176.7	9	128.0	7	
Collateralized loan obligations	73.0	(0.2)	72.8	4	91.5	5	
Bank loans and other	129.6	(2.2)	126.7	6	124.3	6	
Total fixed maturity securities	\$ 2,139.7	\$ (122.7)	\$ 2,013.8	100 %	\$ 1,936.3	100 %	
Weighted average book yield				4.3%			4.3%
Average credit quality (S&P)				A+			A
Duration				4.5			4.5

(1) Amortized cost excludes allowance for current expected credit losses of \$3.2 million.

**EMPLOYERS HOLDINGS, INC.**  
**Book Value Per Share (unaudited)**  
**\$ in millions, except per share amounts**

		<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Numerators:</b>					
<b>Stockholders' equity</b>	<b>A</b>	\$ 1,018.9	\$ 1,013.9	\$ 974.1	\$ 944.2
Plus: Deferred Gain		97.2	99.2	104.1	106.1
<b>Stockholders' equity including the Deferred Gain<sup>(1)</sup></b>	<b>B</b>	1,116.1	1,113.1	1,078.2	1,050.3
Accumulated other comprehensive loss		122.6	108.9	145.7	175.8
Income taxes related to accumulated other comprehensive loss		(25.7)	(22.9)	(30.6)	(36.9)
<b>Adjusted stockholders' equity<sup>(1)</sup></b>	<b>C</b>	<u>\$ 1,213.0</u>	<u>\$ 1,199.1</u>	<u>\$ 1,193.3</u>	<u>\$ 1,189.2</u>
<b>Denominator (shares outstanding)</b>	<b>D</b>	25,343,504	25,369,753	27,001,967	27,160,748
Book value per share <sup>(1)</sup>	<b>A / D</b>	\$ 40.20	\$ 39.96	\$ 36.08	\$ 34.76
Book value per share including the Deferred Gain <sup>(1)</sup>	<b>B / D</b>	44.04	43.88	39.93	38.67
Adjusted book value per share <sup>(1)</sup>	<b>C / D</b>	47.86	47.26	44.19	43.78
<b>Year-over-year change in:<sup>(2)</sup></b>					
Book value per share		14.5 %	18.1 %	(1.6)%	(13.0)%
Book value per share including the Deferred Gain		13.1	16.3	(1.9)	(12.3)
Adjusted book value per share		10.8	10.5	5.4	3.0

(1) See Page 10 for information regarding our use of Non-GAAP Financial Measures.

(2) Reflects the twelve month change in book value per share after taking into account dividends declared of \$1.12, \$1.10, \$3.29, and \$3.28 for the twelve month periods ended March 31, 2024, December 31, 2023, March 31, 2023, and December 31, 2022, respectively.

**EMPLOYERS HOLDINGS, INC.**  
**Earnings Per Share (unaudited)**  
**\$ in millions, except per share amounts**

		<b>Three Months Ended</b>	
		<b>March 31,</b>	
		<b>2024</b>	<b>2023</b>
<b>Numerators:</b>			
<b>Net income</b>	<b>A</b>	\$ 28.3	\$ 23.6
Impact of the LPT Agreement		(2.1)	(2.0)
<b>Net income excluding LPT <sup>(1)</sup></b>	<b>B</b>	26.2	21.6
Net realized and unrealized gains on investments		(11.4)	(6.4)
Income tax expense related to items excluded from Net income		2.4	1.3
<b>Adjusted net income <sup>(1)</sup></b>	<b>C</b>	\$ 17.2	\$ 16.5
<b>Denominators:</b>			
Average common shares outstanding (basic)	<b>D</b>	25,345,942	27,176,823
Average common shares outstanding (diluted)	<b>E</b>	25,535,971	27,392,678
<b>Earnings per share:</b>			
Basic	<b>A / D</b>	\$ 1.12	\$ 0.87
Diluted	<b>A / E</b>	1.11	0.86
<b>Earnings per share excluding LPT: <sup>(1)</sup></b>			
Basic	<b>B / D</b>	\$ 1.03	\$ 0.79
Diluted	<b>B / E</b>	1.03	0.79
<b>Adjusted earnings per share: <sup>(1)</sup></b>			
Basic	<b>C / D</b>	\$ 0.68	\$ 0.61
Diluted	<b>C / E</b>	0.67	0.60

(1) See Page 10 for information regarding our use of Non-GAAP Financial Measures.



## **Non-GAAP Financial Measures**

Within this earnings release we present the following measures, each of which are "non-GAAP financial measures." A reconciliation of these measures to the Company's most directly comparable GAAP financial measures is included herein. Management believes that these non-GAAP measures are important to the Company's investors, analysts and other interested parties who benefit from having an objective and consistent basis for comparison with other companies within our industry. Management further believes that these measures are more relevant than comparable GAAP measures in evaluating our financial performance.

**The LPT Agreement** is a non-recurring transaction that does not result in any meaningful ongoing cash benefits to the Company. Management believes that providing non-GAAP measures that exclude the effects of the LPT Agreement (amortization of deferred reinsurance gain, adjustments to LPT Agreement ceded reserves and adjustments to contingent commission receivable) is useful in providing investors, analysts and other interested parties a meaningful understanding of the Company's ongoing underwriting performance.

**Deferred reinsurance gain (Deferred Gain)** reflects the unamortized gain from the LPT Agreement. This gain has been deferred and is being amortized using the recovery method, whereby the amortization is determined by the proportion of actual reinsurance recoveries to total estimated recoveries, except for the contingent profit commission, which is being amortized through June 30, 2024. Amortization is reflected in losses and LAE incurred.

**Adjusted net income** (see Page 3 for calculations) is net income excluding the effects of the LPT Agreement, and net realized and unrealized gains and losses on investments (net of tax), and any miscellaneous non-recurring transactions (net of tax). Management believes that providing this non-GAAP measure is helpful to investors, analysts and other interested parties in identifying trends in the Company's operating performance because such items have limited significance to its ongoing operations or can be impacted by both discretionary and other economic factors and may not represent operating trends.

**Stockholders' equity including the Deferred Gain** (see Page 8 for calculations) is stockholders' equity including the Deferred Gain. Management believes that providing this non-GAAP measure is useful in providing investors, analysts and other interested parties a meaningful measure of the Company's total underwriting capital.

**Adjusted stockholders' equity** (see Page 8 for calculations) is stockholders' equity including the Deferred Gain, less accumulated other comprehensive income (net of tax). Management believes that providing this non-GAAP measure is useful to investors, analysts and other interested parties since it serves as the denominator to the Company's adjusted return on stockholders' equity metric.

**Return on stockholders' equity and Adjusted return on stockholders' equity** (see Page 4 for calculations). Management believes that these profitability measures are widely used by our investors, analysts and other interested parties.

**Book value per share, Book value per share including the Deferred Gain, and Adjusted book value per share** (see Page 8 for calculations). Management believes that these valuation measures are widely used by our investors, analysts and other interested parties.

**Net income excluding LPT** (see Page 3 for calculations). Management believes that these performance and underwriting measures are widely used by our investors, analysts and other interested parties.