

**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): February 15, 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 February 15, 2024, Employers Holdings, Inc. (the “Company”) issued a press release and financial supplement announcing results for the fourth quarter and fiscal year ended December 31, 2023. 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 February 14, 2024, the Company's Board of Directors declared a first quarter 2024 cash dividend of \$0.28 per share on the Company's common stock. The dividend is payable on March 13, 2024 to stockholders of record as of February 28, 2024.

## Section 9 – Financial Statements and Exhibits

### Item 9.01. Financial Statements and Exhibits.

99.1 Employers Holdings, Inc. press release, dated February 15, 2024.

99.2 Employers Holdings, Inc. financial supplement, dated February 15, 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: February 15, 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>	February 15, 2024
99.2	<a href="#">Employers Holdings, Inc. financial supplement, dated</a>	February 15, 2024



America's small business insurance specialist®

**Exhibit 99.1**  
news release

For Immediate Release

## **Employers Holdings, Inc. Reports Fourth Quarter 2023 and Full-Year Financial Results; Declares Quarterly Cash Dividend of \$0.28 per Share**

**Company to Host Conference Call on Friday, February 16, 2024, at 11:00 a.m. Eastern Standard Time**

**Henderson, Nevada - (GLOBE NEWSWIRE) – February 15, 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 select, small businesses engaged in low-to-medium hazard industries, today reported financial results for its fourth quarter and year ended December 31, 2023.

### **Full-Year 2023 Financial Highlights**

(All comparisons versus full-year 2022)

- Net income of \$118.1 million (\$4.45 per diluted share), versus \$48.4 million (\$1.75 per diluted share);
- Adjusted net income of \$101.7 million (\$3.83 per diluted share), versus \$81.0 million (\$2.93 per diluted share);
- Net investment income of \$106.5 million, versus \$89.8 million;
- Gross premiums written of \$767.7 million, versus \$714.2 million;
- Net premiums earned of \$721.9 million, versus \$675.2 million;
- Net favorable prior year loss reserve development of \$44.9 million, versus \$33.5 million;
- GAAP combined ratio of 95.0% (96.0% excluding LPT), versus 96.9% (98.1% excluding LPT);
- Returned \$106.5 million to stockholders through a combination of share repurchases and regular quarterly dividends;
- Record number of ending policies in-force of 126,409, versus 121,356; and
- Adjusted Book value per share of \$47.26, up 10.5% including dividends declared.

### **Fourth Quarter 2023 Financial Highlights**

(All comparisons versus fourth quarter 2022)

- Net income of \$45.6 million (\$1.77 per diluted share), versus \$47.2 million (\$1.72 per diluted share);
- Adjusted net income of \$36.1 million (\$1.40 per diluted share), versus \$34.4 million (\$1.25 per diluted share);
- Net investment income of \$26.2 million, versus \$27.0 million;
- Gross premiums written of \$178.2 million, versus \$173.8 million;
- Net premiums earned of \$187.5 million, versus \$181.1 million;
- Net favorable prior year loss reserve development of \$24.9 million, versus \$23.2 million;
- GAAP combined ratio of 88.1% (88.8% excluding LPT), versus 90.6% (91.7% excluding LPT); and
- Returned \$22.9 million to stockholders through a combination of share repurchases and regular quarterly dividends.

### **CEO Commentary**

Chief Executive Officer Katherine Antonello commented: “We are thrilled with our fourth quarter and full-year 2023 results. We closed the year with impressive revenue growth driven by strong increases in both premium writings and investment income. Our growth in written premium in 2023 resulted from a 20% increase in new business coupled with a 9% increase in renewal business, and solid audit premium recognition. Our investment performance also contributed nicely to our overall results and financial strength. Our 2023 net investment income of \$106.5 million represented a 19% increase over 2022, and we recognized \$70.9 million of after-tax unrealized gains from our fixed maturities, common stock and other investments.”

Ms. Antonello continued, “We maintained our current accident year loss and loss adjustment expense ratio on voluntary business at 63.3%, an improvement over the 64.0% we recorded throughout 2022. Our fourth quarter full reserve study led to the recognition of \$24.6 million of net favorable prior year loss reserve development from our voluntary business. Those

actions, coupled with our continual focus on our underwriting expenses yielded an ex-LPT combined ratio of 88.8% for the fourth quarter, down from 91.7% a year ago, and 96.0% for the full year, down from 98.1% a year ago.

Our active capital management efforts throughout 2023, which consisted of \$77.1 million of share repurchases and \$29.4 million of regular quarterly dividends, coupled with the greater economies of scale we are achieving, further complemented our success in 2023. Our strong balance sheet and abundant underwriting capital are highly supportive of our plans for continued growth and success.

Beyond our financial results, we completed a full integration of Cerity's operations into those of Employers during the fourth quarter. As a result of this action: (i) we will continue to offer direct-to-consumer policies through the Cerity brand; (ii) we expect to realize meaningful fixed underwriting expense savings going forward; and (iii) we have eliminated the former Cerity segment and have reverted back to being a single segment reporter. With the Cerity integration complete, we are well-positioned to focus our efforts in 2024 on further appetite expansion, and increased self-service options for policyholders, agents and injured workers.

Finally, I want to thank our highly dedicated employees for their outstanding efforts in 2023."

### **Summary of Consolidated Fourth Quarter 2023 Results**

(All comparisons versus fourth quarter 2022, unless otherwise noted)

Gross premiums written were \$178.2 million, an increase of 3%. The increase was primarily due to higher new and renewal business writings. Net earned premiums were \$187.5 million, an increase of 4%.

Losses and loss adjustment expenses were \$92.9 million, an increase of 2%. The increase was primarily due to higher earned premium, partially offset by a lower current accident year loss and loss adjustment expense ratio and higher net favorable prior year loss reserve development. The Company recognized \$24.9 million of favorable prior year loss reserve development during the quarter versus \$23.2 million a year ago. The Company's loss and loss adjustment expense ratio was 49.5% (50.2% excluding LPT) for the quarter versus 50.4% a year ago (51.5% excluding LPT).

Commission expenses of \$26.3 million were highly consistent with those of a year ago. The Company's commission expense ratio was 14.0% for the quarter versus 14.4%.

Underwriting and general and administrative expenses of \$46.1 million were consistent with those of a year ago. The Company's underwriting and general and administrative expense ratio was 24.6% for the quarter versus 25.8%.

Net investment income was \$26.2 million, a decrease of 3%. The decrease was due to lower invested balances of fixed maturity securities, short-term investments and cash and cash equivalents, as measured by amortized cost, partially offset by higher bond yields.

Net realized and unrealized gains on investments reflected on the income statement were \$12.1 million versus \$13.7 million.

Interest and financing expenses were \$0.6 million, a decrease of 70%. The decrease resulted from the recent repayment of all outstanding Federal Home Loan Bank of San Francisco advances.

Other expenses of \$1.6 million consisted of a non-recurring charge in connection with previously capitalized cloud computing costs.

Federal and state income tax expense was \$12.6 million (21.6% effective rate) versus \$8.7 million (15.6% effective rate). The effective rates in each period reflect 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 \$43.88 increased by 16.3% during 2023, computed after taking into account dividends declared. This measure was favorably impacted by \$46.6 million of after-tax unrealized gains arising from fixed maturity securities (which are reflected on the balance sheet) and \$24.3 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 \$47.26 increased by 10.5% during 2023, computed after taking into account dividends declared. This measure was favorably impacted by \$24.3 million of net after tax unrealized gains arising from equity securities and other investments (which are reflected on the income statement).

### **Share Repurchases and First Quarter 2024 Dividend Declaration**

During the fourth quarter of 2023, the Company repurchased 400,334 shares of its common stock at an average price of \$38.40 per share. During the period from January 1, 2024 through February 14, 2024, the Company repurchased a further 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.

On February 14, 2024, the Board of Directors declared a first quarter dividend of \$0.28 per share. The dividend is payable on March 13, 2024 to stockholders of record as of February 28, 2024.

### **Earnings Conference Call and Webcast**

The Company will host a conference call on Friday, February 16, 2024 at 11:00 a.m. Eastern Standard Time / 8:00 a.m. Pacific Standard 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 the evolving nature of the COVID-19 pandemic, current levels of inflation, changes in interest rates, labor market expectations, catastrophic events or geopolitical 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 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**

Mike Paquette (775) 327-2562 or [mpaquette@employers.com](mailto:mpaquette@employers.com)

**Employers Holdings, Inc.**  
Fourth Quarter and Full Year 2023  
Financial Supplement

February 15, 2024

**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			Years Ended		
	December 31,			December 31,		
	2023	2022	% change	2023	2022	% change
<b>Selected financial highlights:</b>						
Gross premiums written	\$ 178.2	\$ 173.8	3 %	\$ 767.7	\$ 714.2	7 %
Net premiums written	176.4	171.9	3	760.6	707.2	8
Net premiums earned	187.5	181.1	4	721.9	675.2	7
Net investment income	26.2	27.0	(3)	106.5	89.8	19
Net income excluding LPT <sup>(1)</sup>	44.4	45.2	(2)	110.9	40.1	177
Adjusted net income <sup>(1)</sup>	36.1	34.4	5	101.7	81.0	26
Net income before income taxes	58.2	55.9	4	148.4	55.8	166
Net income	45.6	47.2	(3)	118.1	48.4	144
Comprehensive income (loss)	116.2	67.2	73	171.0	(151.1)	213
Total assets				3,550.4	3,716.7	(4)
Stockholders' equity				1,013.9	944.2	7
Stockholders' equity including the Deferred Gain <sup>(2)</sup>				1,113.1	1,050.3	6
Adjusted stockholders' equity <sup>(2)</sup>				1,199.1	1,189.2	1
Annualized adjusted return on stockholders' equity <sup>(3)</sup>	12.2 %	11.6 %	5 %	8.5 %	6.6 %	29
<b>Amounts per share:</b>						
Cash dividends declared per share	\$ 0.28	\$ 1.51	(81)%	\$ 1.10	\$ 3.28	(66)%
Earnings per diluted share <sup>(4)</sup>	1.77	1.72	3	4.45	1.75	154
Earnings per diluted share excluding LPT <sup>(4)</sup>	1.72	1.65	4	4.18	1.45	188
Adjusted earnings per diluted share <sup>(4)</sup>	1.40	1.25	12	3.83	2.93	31
Book value per share <sup>(2)</sup>				39.96	34.76	15
Book value per share including the Deferred Gain <sup>(2)</sup>				43.88	38.67	13
Adjusted book value per share <sup>(2)</sup>				47.26	43.78	8
<b>Combined ratio excluding LPT:<sup>(5)</sup></b>						
Loss and loss adjustment expense ratio:						
Current year	63.5 %	64.3 %		63.4 %	64.1 %	
Prior Year	(13.3)	(12.8)		(6.2)	(5.0)	
Loss and loss adjustment expense ratio	50.2 %	51.5 %		57.2 %	59.1 %	
Commission expense ratio	14.0	14.4		13.9	14.2	
Underwriting and general and administrative expense ratio	24.6	25.8		24.9	24.8	
Combined ratio excluding LPT	88.8 %	91.7 %		96.0 %	98.1 %	

(1) See Page 5 for calculations and Page 12 for information regarding our use of Non-GAAP Financial Measures.

(2) See Page 10 for calculations and Page 12 for information regarding our use of Non-GAAP Financial Measures.

(3) See Page 6 for calculations and Page 12 for information regarding our use of Non-GAAP Financial Measures.

(4) See Page 11 for calculations and Page 12 for information regarding our use of Non-GAAP Financial Measures.

(5) See Page 7 for calculations and Page 12 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>December 31, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>		
Available for sale:		
Investments, cash and cash equivalents	\$ 2,504.7	\$ 2,658.2
Accrued investment income	16.3	19.0
Premiums receivable, net	359.4	305.9
Reinsurance recoverable, net of allowance, on paid and unpaid losses and LAE	433.8	451.3
Deferred policy acquisition costs	55.6	48.3
Deferred income taxes, net	43.4	62.7
Contingent commission receivable—LPT Agreement	14.2	13.9
Other assets	123.0	157.4
<b>Total assets</b>	<b>\$ 3,550.4</b>	<b>\$ 3,716.7</b>
<b>LIABILITIES</b>		
Unpaid losses and LAE	\$ 1,884.5	\$ 1,960.7
Unearned premiums	379.7	339.5
Commissions and premium taxes payable	66.0	58.2
Deferred Gain	99.2	106.1
FHLB Advances <sup>(1)</sup>	—	182.5
Other liabilities	107.1	125.5
<b>Total liabilities</b>	<b>\$ 2,536.5</b>	<b>\$ 2,772.5</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock and additional paid-in capital	\$ 420.4	\$ 415.2
Retained earnings	1,384.3	1,295.6
Accumulated other comprehensive loss, net	(86.0)	(138.9)
Treasury stock, at cost	(704.8)	(627.7)
<b>Total stockholders' equity</b>	<b>1,013.9</b>	<b>944.2</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 3,550.4</b>	<b>\$ 3,716.7</b>
Stockholders' equity including the Deferred Gain <sup>(2)</sup>	\$ 1,113.1	\$ 1,050.3
Adjusted stockholders' equity <sup>(2)</sup>	1,199.1	1,189.2
Book value per share <sup>(2)</sup>	\$ 39.96	\$ 34.76
Book value per share including the Deferred Gain <sup>(2)</sup>	43.88	38.67
Adjusted book value per share <sup>(2)</sup>	47.26	43.78

(1) FHLB = Federal Home Loan Bank

(2) See Page 10 for calculations and Page 12 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>Years Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Revenues:</b>				
Net premiums earned	\$ 187.5	\$ 181.1	\$ 721.9	\$ 675.2
Net investment income	26.2	27.0	106.5	89.8
Net realized and unrealized gains (losses) on investments <sup>(1)</sup>	12.1	13.7	22.7	(51.8)
Other (loss) income	(0.1)	—	(0.2)	0.3
<b>Total revenues</b>	<b>225.7</b>	<b>221.8</b>	<b>850.9</b>	<b>713.5</b>
<b>Expenses:</b>				
Losses and LAE incurred	92.9	91.2	405.7	391.0
Commission expense	26.3	26.0	100.0	95.9
Underwriting and general and administrative expenses	46.1	46.7	180.0	167.3
Interest and financing expenses	0.6	2.0	5.8	3.5
Other expenses	1.6	—	11.0	—
<b>Total expenses</b>	<b>(167.5)</b>	<b>(165.9)</b>	<b>(702.5)</b>	<b>(657.7)</b>
Net income before income taxes	58.2	55.9	148.4	55.8
Income tax expense	(12.6)	(8.7)	(30.3)	(7.4)
<b>Net income</b>	<b>45.6</b>	<b>47.2</b>	<b>118.1</b>	<b>48.4</b>
Unrealized AFS investment gains (losses) arising during the period, net of tax	66.6	19.9	46.6	(202.3)
Reclassification adjustment for realized AFS investment gains in net income, net of tax	4.0	0.1	6.3	2.8
<b>Total Comprehensive income (loss)</b>	<b>\$ 116.2</b>	<b>\$ 67.2</b>	<b>\$ 171.0</b>	<b>\$ (151.1)</b>
Net income	\$ 45.6	\$ 47.2	\$ 118.1	\$ 48.4
Amortization of the Deferred Gain - losses	(1.5)	(1.7)	(6.3)	(6.8)
Amortization of the Deferred Gain - contingent commission	(0.3)	(0.3)	(1.5)	(1.5)
LPT reserve adjustment	0.9	—	0.9	—
LPT contingent commission adjustments	(0.3)	—	(0.3)	—
<b>Net income excluding LPT Agreement<sup>(2)</sup></b>	<b>\$ 44.4</b>	<b>\$ 45.2</b>	<b>\$ 110.9</b>	<b>\$ 40.1</b>
Net realized and unrealized (gains) losses on investments	(12.1)	(13.7)	(22.7)	51.8
Lease termination and asset impairment charges	1.6	—	11.0	—
Income tax expense (benefit) related to items excluded from Net income	2.2	2.9	2.5	(10.9)
<b>Adjusted net income<sup>(2)</sup></b>	<b>\$ 36.1</b>	<b>\$ 34.4</b>	<b>\$ 101.7</b>	<b>\$ 81.0</b>

(1) Includes unrealized gains (losses) on equity securities and other invested assets of \$17.8 million and \$16.9 million for the three months ended December 31, 2023 and 2022, respectively, and \$36.2 million and \$(72.3) million for the year ended December 31, 2023 and 2022, respectively

(2) See Page 12 regarding our use of Non-GAAP Financial Measures.

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

		Three Months Ended		Years Ended	
		December 31,		December 31,	
		2023	2022	2023	2022
<b>Net income</b>	<b>A</b>	\$ 45.6	\$ 47.2	\$ 118.1	\$ 48.4
Impact of the LPT Agreement		(1.2)	(2.0)	(7.2)	(8.3)
Net realized and unrealized (gains) losses on investments		(12.1)	(13.7)	(22.7)	51.8
Lease termination and asset impairment charges		1.6	—	11.0	—
Income tax expense (benefit) related to items excluded from Net income		2.2	2.9	2.5	(10.9)
<b>Adjusted net income<sup>(1)</sup></b>	<b>B</b>	\$ 36.1	\$ 34.4	\$ 101.7	\$ 81.0
Stockholders' equity - end of period		\$ 1,013.9	\$ 944.2	\$ 1,013.9	\$ 944.2
Stockholders' equity - beginning of period		919.0	919.0	944.2	1,213.1
<b>Average stockholders' equity</b>	<b>C</b>	\$ 966.5	\$ 931.6	\$ 979.1	\$ 1,078.7
Stockholders' equity - end of period		\$ 1,013.9	\$ 944.2	\$ 1,013.9	\$ 944.2
Deferred Gain - end of period		99.2	106.1	99.2	106.1
Accumulated other comprehensive loss, before taxes - end of period		108.9	175.8	108.9	175.8
Income tax related to accumulated other comprehensive loss - end of period		(22.9)	(36.9)	(22.9)	(36.9)
Adjusted stockholders' equity - end of period		1,199.1	1,189.2	1,199.1	1,189.2
Adjusted stockholders' equity - beginning of period		1,175.8	1,186.0	1,189.2	1,266.9
<b>Average adjusted stockholders' equity<sup>(1)</sup></b>	<b>D</b>	\$ 1,187.5	\$ 1,187.6	\$ 1,194.2	\$ 1,228.1
Return on stockholders' equity	<b>A / C</b>	4.7 %	5.1 %	12.1 %	4.5 %
<b>Annualized return on stockholders' equity</b>		18.9	20.3		
Adjusted return on stockholders' equity <sup>(1)</sup>	<b>B / D</b>	3.0	2.9	8.5	6.6
<b>Annualized adjusted return on stockholders' equity<sup>(1)</sup></b>		12.2	11.6		

(1) See Page 12 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>Years Ended</b>	
		<b>December 31,</b>		<b>December 31,</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Net premiums earned	<b>A</b>	\$ 187.5	\$ 181.1	\$ 721.9	\$ 675.2
Losses and LAE incurred	<b>B</b>	92.9	91.2	405.7	391.0
Amortization of deferred reinsurance gain - losses		1.5	1.7	6.3	6.8
Amortization of deferred reinsurance gain - contingent commission		0.3	0.3	1.5	1.5
LPT reserve adjustment		(0.9)	—	(0.9)	—
LPT contingent commission adjustments		0.3	—	0.3	—
Losses and LAE excluding LPT <sup>(1)</sup>	<b>C</b>	\$ 94.1	\$ 93.2	\$ 412.9	\$ 399.3
Prior year loss reserve development		(24.9)	(23.2)	(44.9)	(33.5)
Losses and LAE excluding LPT - current accident year	<b>D</b>	\$ 119.0	\$ 116.4	\$ 457.8	\$ 432.8
Commission expense	<b>E</b>	\$ 26.3	\$ 26.0	\$ 100.0	\$ 95.9
Underwriting and general and administrative expense	<b>F</b>	\$ 46.1	\$ 46.7	\$ 180.0	\$ 167.3
<b>GAAP combined ratio:</b>					
Loss and LAE ratio	<b>B/A</b>	49.5 %	50.4 %	56.2 %	57.9 %
Commission expense ratio	<b>E/A</b>	14.0	14.4	13.9	14.2
Underwriting and general and administrative expense ratio	<b>F/A</b>	24.6	25.8	24.9	24.8
GAAP combined ratio		88.1 %	90.6 %	95.0 %	96.9 %
<b>Combined ratio excluding LPT:<sup>(1)</sup></b>					
Loss and LAE ratio excluding LPT	<b>C/A</b>	50.2 %	51.5 %	57.2 %	59.1 %
Commission expense ratio	<b>E/A</b>	14.0	14.4	13.9	14.2
Underwriting and general and administrative expense ratio	<b>F/A</b>	24.6	25.8	24.9	24.8
Combined ratio excluding LPT		88.8 %	91.7 %	96.0 %	98.1 %
<b>Combined ratio excluding LPT: current accident year:<sup>(1)</sup></b>					
Loss and LAE ratio excluding LPT	<b>D/A</b>	63.5 %	64.3 %	63.4 %	64.1 %
Commission expense ratio	<b>E/A</b>	14.0	14.4	13.9	14.2
Underwriting and general and administrative expenses ratio	<b>F/A</b>	24.6	25.8	24.9	24.8
Combined ratio excluding LPT: current accident year		102.1 %	104.5 %	102.2 %	103.1 %

(1) See Page 12 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>Years Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Unpaid losses and LAE at beginning of period	\$ 1,913.4	\$ 1,979.9	\$ 1,960.7	\$ 1,981.2
Less reinsurance recoverable on unpaid losses and LAE	426.6	456.4	445.4	476.9
Net unpaid losses and LAE at beginning of period	<u>1,486.8</u>	<u>1,523.5</u>	<u>1,515.3</u>	<u>1,504.3</u>
Losses and LAE incurred:				
Current year	119.1	116.5	457.8	432.8
Prior years - voluntary business	(24.6)	(22.5)	(44.6)	(32.1)
Prior years - involuntary business	<u>(0.3)</u>	<u>(0.7)</u>	<u>(0.3)</u>	<u>(1.4)</u>
Total losses incurred	<u>94.2</u>	<u>93.3</u>	<u>412.9</u>	<u>399.3</u>
Losses and LAE paid:				
Current year	47.6	42.1	111.7	92.5
Prior years	<u>77.3</u>	<u>59.4</u>	<u>360.4</u>	<u>295.8</u>
Total paid losses	<u>124.9</u>	<u>101.5</u>	<u>472.1</u>	<u>388.3</u>
Net unpaid losses and LAE at end of period	<u>1,456.1</u>	<u>1,515.3</u>	<u>1,456.1</u>	<u>1,515.3</u>
Reinsurance recoverable, excluding CECL allowance, on unpaid losses and LAE	<u>428.4</u>	<u>445.4</u>	<u>428.4</u>	<u>445.4</u>
Unpaid losses and LAE at end of period	<u>\$ 1,884.5</u>	<u>\$ 1,960.7</u>	<u>\$ 1,884.5</u>	<u>\$ 1,960.7</u>

Total losses and LAE shown in the above table exclude amortization of the Deferred Gain, LPT Reserve Adjustments, and LPT Contingent Commission Adjustments, which totaled \$1.2 million and \$2.0 million for the three months ended December 31, 2023 and 2022, respectively, and \$7.2 million and \$8.3 million for the year ended December 31, 2023 and 2022, respectively.

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

	December 31, 2023				December 31, 2022	
	Cost or Amortized Cost <sup>(1)</sup>	Net Unrealized Gain (Loss)	Fair Value	%	Fair Value	%
<b>Investment Positions:</b>						
Fixed maturity securities	\$ 2,048.0	\$ (109.0)	\$ 1,936.3	77 %	\$ 2,186.3	82 %
Equity securities	131.9	85.3	217.2	9	203.7	8
Other invested assets	82.5	9.0	91.5	4	59.7	2
Short-term investments	33.1	—	33.1	1	119.1	4
Cash and cash equivalents	226.4	—	226.4	9	89.2	3
Restricted cash and cash equivalents	0.2	—	0.2	—	0.2	—
<b>Total investments and cash</b>	<b>\$ 2,522.1</b>	<b>\$ (14.7)</b>	<b>\$ 2,504.7</b>	<b>100 %</b>	<b>\$ 2,658.2</b>	<b>100 %</b>
<b>Breakout of Fixed Maturity Securities:</b>						
U.S. Treasuries and Agencies	\$ 62.5	\$ (2.0)	\$ 60.5	3 %	\$ 92.9	4 %
States and Municipalities	212.3	(2.1)	210.2	11	317.6	15
Corporate Securities	952.8	(54.9)	895.8	46	868.1	40
Mortgage-Backed Securities	469.5	(43.5)	426.0	22	415.3	19
Asset-Backed Securities	131.8	(3.8)	128.0	7	66.1	3
Collateralized loan obligations	92.2	(0.7)	91.5	5	260.9	12
Bank loans and other	126.9	(2.0)	124.3	6	165.4	8
<b>Total fixed maturity securities</b>	<b>\$ 2,048.0</b>	<b>\$ (109.0)</b>	<b>\$ 1,936.3</b>	<b>100 %</b>	<b>\$ 2,186.3</b>	<b>100 %</b>
Weighted average ending book yield				4.3 %		3.9 %
Average credit quality (S&P)				A		A
Duration				4.5		3.9

(1) Amortized cost excludes an allowance for current expected credit losses (CECL) of \$2.7 million

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

		<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Numerators:</b>			
<b>Stockholders' equity</b>	<b>A</b>	\$ 1,013.9	\$ 944.2
Deferred Gain		99.2	106.1
<b>Stockholders' equity including the Deferred Gain<sup>(1)</sup></b>	<b>B</b>	1,113.1	1,050.3
Accumulated other comprehensive loss, before taxes		108.9	175.8
Income taxes related to accumulated other comprehensive loss, before taxes		(22.9)	(36.9)
<b>Adjusted stockholders' equity<sup>(1)</sup></b>	<b>C</b>	\$ 1,199.1	\$ 1,189.2
<b>Denominator (shares outstanding)</b>	<b>D</b>	25,369,753	27,160,748
Book value per share <sup>(1)</sup>	<b>A / D</b>	\$ 39.96	\$ 34.76
Book value per share including the Deferred Gain <sup>(1)</sup>	<b>B / D</b>	43.88	38.67
Adjusted book value per share <sup>(1)</sup>	<b>C / D</b>	47.26	43.78
Cash dividends declared per share		\$ 1.10	\$ 3.28
<b>YTD Change in:<sup>(2)</sup></b>			
Book value per share		18.1 %	(13.0)%
Book value per share including the Deferred Gain		16.3	(12.3)
Adjusted book value per share		10.5	3.0

(1) See Page 12 for information regarding our use of Non-GAAP Financial Measures.

(2) Reflects the change per share after taking into account dividends declared in the period.

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

		Three Months Ended December 31,		Years Ended December 31,	
		2023	2022	2023	2022
<b>Numerators:</b>					
<b>Net income</b>	<b>A</b>	\$ 45.6	\$ 47.2	\$ 118.1	\$ 48.4
Impact of the LPT Agreement		(1.2)	(2.0)	(7.2)	(8.3)
<b>Net income excluding LPT <sup>(1)</sup></b>	<b>B</b>	\$ 44.4	\$ 45.2	\$ 110.9	\$ 40.1
Net realized and unrealized (gains) losses on investments		(12.1)	(13.7)	(22.7)	51.8
Lease termination and asset impairment charges		1.6	—	11.0	—
Income tax expense (benefit) related to items excluded from Net income		2.2	2.9	2.5	(10.9)
<b>Adjusted net income <sup>(1)</sup></b>	<b>C</b>	\$ 36.1	\$ 34.4	\$ 101.7	\$ 81.0
<b>Denominators:</b>					
Average common shares outstanding (basic)	<b>D</b>	25,645,821	27,258,246	26,368,801	27,503,941
Average common shares outstanding (diluted)	<b>E</b>	25,801,380	27,435,134	26,523,651	27,680,988
<b>Earnings per share:</b>					
Basic	<b>A / D</b>	\$ 1.78	\$ 1.73	\$ 4.48	\$ 1.76
Diluted	<b>A / E</b>	1.77	1.72	4.45	1.75
<b>Earnings per share excluding LPT:<sup>(1)</sup></b>					
Basic	<b>B / D</b>	\$ 1.73	\$ 1.66	\$ 4.21	\$ 1.46
Diluted	<b>B / E</b>	1.72	1.65	4.18	1.45
<b>Adjusted earnings per share:<sup>(1)</sup></b>					
Basic	<b>C / D</b>	\$ 1.41	\$ 1.26	\$ 3.86	\$ 2.95
Diluted	<b>C / E</b>	1.40	1.25	3.83	2.93

(1) See Page 12 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 5 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 10 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 10 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 6 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 10 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 5 for calculations). Management believes that these performance and underwriting measures are widely used by our investors, analysts and other interested parties.