



**EMPLOYERS**<sup>®</sup>

# INVESTOR PRESENTATION

Fourth Quarter 2024

## **Forward-Looking Statements**

In this presentation, 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 or future 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 Holdings, Inc. (NYSE:EIG), is a holding company with subsidiaries that are specialty providers of workers' compensation insurance and services (collectively "EMPLOYERS®") focused on small and mid-sized businesses engaged in low-to-medium hazard industries. EMPLOYERS leverages over a century of experience to deliver comprehensive coverage solutions that meet the unique needs of its customers. Drawing from its long history and extensive knowledge, EMPLOYERS empowers businesses by protecting their most valuable asset – their employees – through exceptional claims management, loss control, and risk management services, creating safer work environments.

EMPLOYERS is also proud to offer Cerity®, which is focused on providing digital-first, direct-to-consumer workers' compensation insurance solutions with fast, and affordable coverage options through a user-friendly online platform.

EMPLOYERS operates throughout the United States, apart from 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 AM Best. Not all companies do business in all jurisdictions. EIG Services, Inc., and Cerity Services, Inc., are subsidiaries of Employers Holdings, Inc. EMPLOYERS® is a registered trademark of EIG Services, Inc., and Cerity® is a registered trademark of Cerity Services, Inc. For more information, please visit [www.employers.com](http://www.employers.com) and [www.cerity.com](http://www.cerity.com).

# Highlights

## Continued Strong Performance In 2024

### ▼ Strong Operating Results

- + Strong operating results and growth in book value
- + Excellent combined ratios and investment results
- + Prior year loss estimates have continued to develop favorably
- + Successful integration of Cerity® into Employers
- + Significant expense ratio improvements

### ▼ Excellent Capital Adequacy and Financial Flexibility

- + Strong STAT and GAAP capitalization
- + Premium to Surplus Ratio of 75%, up from 54% in 2021
- + Extremely low reinsurance dependence (we retain 99% of our writings)
- + Strong levels of risk-adjusted capital (as measured by RBC and BCAR)

### ▼ Strong Enterprise Risk Management

- + Experienced management team with strong risk management backgrounds
- + Formal ERM program that uses the three lines of defense model
- + Dynamic risk appetite monitoring
- + Strong and stable reinsurance program designed to protect against severity events

### ▼ Solid Competitive Position

- + Currently the 19th largest Workers' Compensation writer
- + Solid new premium growth through thoughtful appetite expansion
- + Low financial leverage
- + Multiple distribution channels provide competitive advantages
- + Significant innovation initiatives

# Business Overview

# Who We Are

EMPLOYERS® is a mono-line writer of workers' compensation insurance focused on **low-to-medium hazard risk** small businesses

Over 100-year operating history, unique specialist in Workers' Compensation

Unique, long-standing strategic distribution relationships

Strong underwriting focus with established presence in attractive markets

Conservative risk profile and prudent capital management

Record number of policies In-force, excellent operating ratios

Solid financial position and strong balance sheet

## Unique Growth Drivers Specific to EMPLOYERS

Transforming how small businesses and insurance agents utilize digital capabilities to improve their customer experience

- + enhancing the agent experience and agent efficiency
- + providing direct-to-customer workers' compensation insurance policies through our Certy brand, which was developed to meet the needs of small businesses seeking an online experience

# What We Write

## Top Ten Employer Classifications

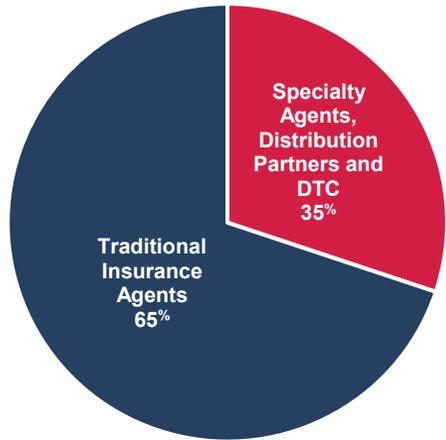


% of In-Force Premium as of December 31, 2024

EMPLOYERS® plans to further expand into other low-to-medium hazard group classes of business in the future

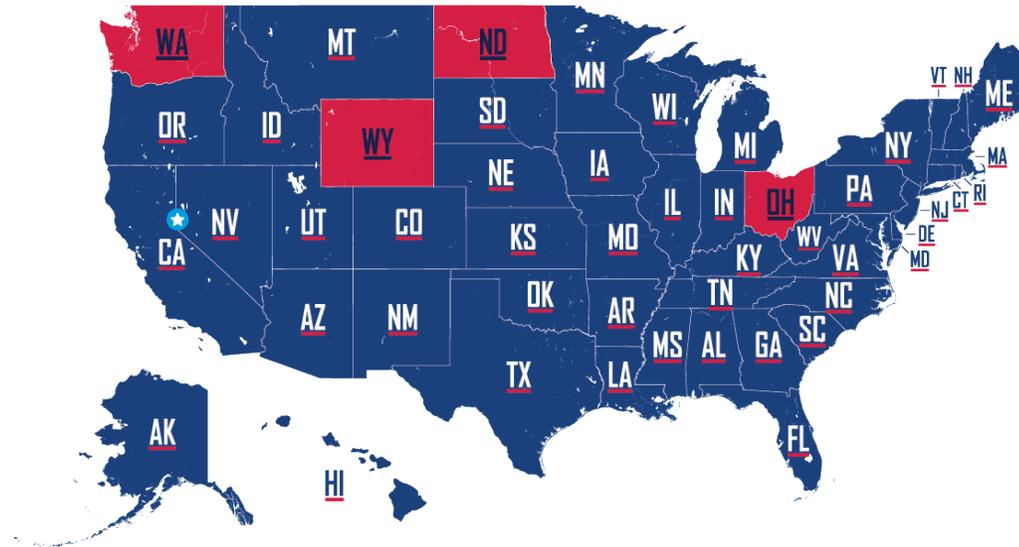
<b>Restaurants and Other Eating Places</b>	17%
<b>Traveler Accommodation</b>	6%
<b>Building Finishing Contractors</b>	5%
<b>Services to Buildings and Dwellings</b>	4%
<b>Building Equipment Contractors</b>	4%
<b>Real Estate Management</b>	3%
<b>Schools</b>	3%
<b>Architectural, Engineering and Related Services</b>	3%
<b>Automobile Dealers</b>	3%
<b>Automobile Repair and Maintenance</b>	3%

# Markets and Distribution



## Current Premium Contribution

as of 12/31/2024



## Nationwide Platform

(excluding the 4 remaining monopolistic states)

**\$776 Million**

2024 Gross Written Premiums

## Low-to-Medium Hazard Focus

Shown as a percentage of 12/31/24 in-force premium

**91%**

Hazard Groups A-E (lower risk)

**9%**

Hazard Groups F-G (higher risk)

**\$768 Million**

In-force Premium

at December 31, 2024  
(incl. est. audit premium)

**130,767**

In-force policies

**\$5,875**

Average policy size  
(incl. est. audit premium)

# Markets and Distribution

Continued

**We market and sell our workers' compensation insurance products through:**

Local, regional, specialty and national insurance agents and brokers;

National, regional, and local trade groups and associations; and

Direct-to-customer interactions.

## Traditional Insurance Agents and Brokers

**65%** *of in-force premium at 12/31/24*

We establish and maintain strong, long-term relationships with our appointed traditional insurance agencies. We offer ease of doing business, provide responsive service, and pay competitive commissions. Our sales representatives and underwriters work closely with these agencies to market and underwrite our business. This results in enhanced understanding of the risks we underwrite and the needs of prospective customers. We do not delegate underwriting authority to agents or brokers.

We had approximately 2,500 traditional insurance agencies that marketed and sold our insurance products at December 31, 2024.

## Specialty Agents and Distribution Partners

**34%** *of in-force premium at 12/31/24*

We have developed and continue to add other important and emerging distribution channels for our products and services including payroll companies, and health care and property and casualty insurers, as well as digital agents and marketplaces.

A significant concentration of our business is being generated by our specialty agent Automatic Data Processing, Inc. (ADP). As part of its services, ADP sells our product along with its payroll and accounting services through its insurance agency and field sales staff. ADP generated 17% of our ending 2024 in-force premiums.

Our digital distribution channel utilizes proprietary application programming interfaces (APIs) to submit, quote and bind applications. Digital agents generated 7% of our ending 2024 in-force premiums.

## DTC Direct-to-customer

**1%** *of in-force premium at 12/31/24*

To address the changing buying behaviors of small and micro-businesses, we continue our commitment to our Certy brand, which offers digital insurance solutions, including direct-to-customer coverage.

Certy specializes in smaller risks and offers a digital and mobile-friendly experience that allows small businesses to easily acquire and maintain their policies.

# Market Share

## 2023

We are the 19th largest  
Workers' Compensation writer

### Property and Casualty Insurance Industry

RANK	GROUP/COMPANY NAME	DIRECT PREMIUMS WRITTEN	DIRECT PREMIUMS EARNED	MARKET SHARE %	
1	TRAVELERS GRP	3,866,767,331	3,849,946,580	6.6	
2	HARTFORD FIRE & CAS GRP	3,771,503,918	3,711,058,710	6.5	
3	AMTRUST FINANCIAL SERV GRP	3,425,169,973	3,344,212,861	5.9	
4	ZURICH INS GRP	2,932,999,433	2,906,799,813	5.0	
5	CHUBB LTD GRP	2,378,524,732	2,443,460,739	4.1	
6	BERKSHIRE HATHAWAY GRP	2,125,792,572	2,113,200,464	3.6	
7	LIBERTY MUT GRP	2,093,981,396	2,175,890,153	3.6	
8	STATE INS FUND	1,709,192,550	1,728,657,460	2.9	NY State Fund
9	BCBS OF MI GRP	1,670,453,988	1,699,989,988	2.9	
10	OLD REPUBLIC GRP	1,471,615,206	1,456,700,846	2.5	
11	AMERICAN FINANCIAL GRP	1,418,133,289	1,408,175,823	2.4	
12	AMERICAN INTL GRP	1,230,622,818	1,210,299,163	2.1	
13	WR BERKLEY CORP GRP	1,219,710,396	1,202,526,654	2.1	
14	STATE COMPENSATION INS	1,140,750,936	1,139,003,536	2.0	CA State Fund
15	ICW GRP ASSETS INC GRP	1,108,761,083	1,040,813,554	1.9	TX State Fund
16	TEXAS MUT INS CO	1,090,472,150	1,067,489,743	1.9	
17	CNA INS GRP	1,070,153,508	1,001,634,082	1.8	
18	ARCH INS GRP	860,901,296	822,773,731	1.5	
<b>19</b>	<b>EMPLOYERS HOLDINGS GRP</b>	<b>758,599,058</b>	<b>719,895,632</b>	<b>1.3</b>	
20	FAIRFAX FIN GRP	757,824,451	761,509,347	1.3	
21	STARR GRP	667,542,449	675,417,170	1.1	
22	SAIF CORP	582,017,765	564,114,897	1.0	
23	ENCOVA MUT INS GRP	572,309,690	561,526,772	1.0	
24	MARKEL CORP GRP	571,279,280	586,001,760	1.0	
25	COPPERPOINT GRP	536,254,436	526,059,952	0.9	

**NOTE:**

Based on annual filings received by 03/05/2024. Additional information can be found on the NAIC's Research and Actuarial Dept. Webpage at [naic.org/research\\_actuarial\\_dept.htm](http://naic.org/research_actuarial_dept.htm)

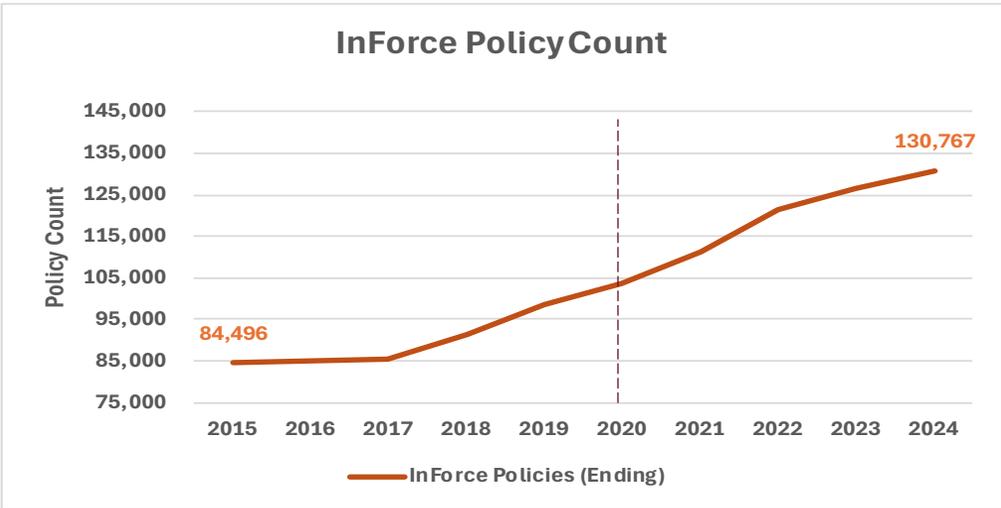
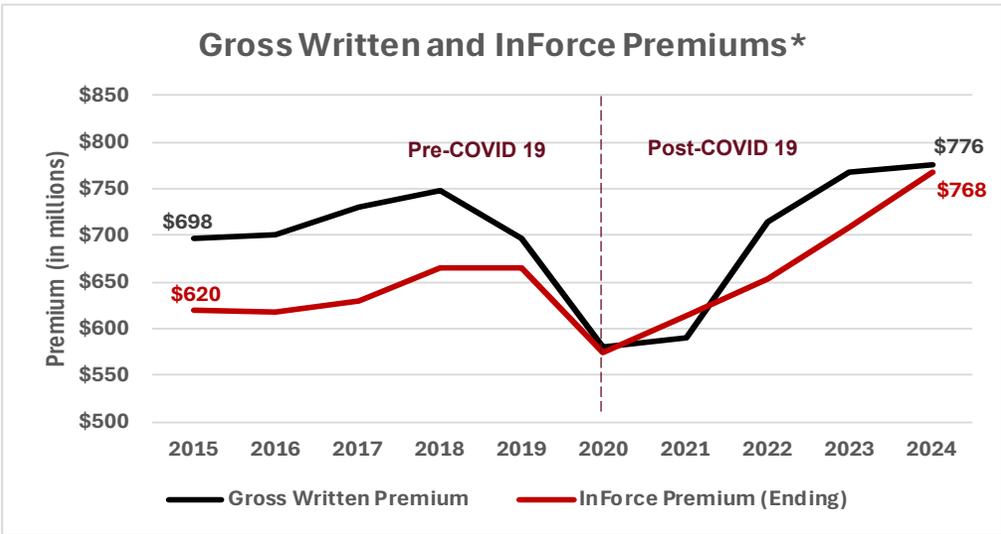
# Accolades

*We were recently applauded by two well-known publications, Newsweek and U.S. News & World Report*

*In September 2024, Employers received the #3 spot on Newsweek's 2024 list of Most Trustworthy Companies in America and the #7 spot in that publication's 2024 ranking of Most Trustworthy Companies in the World. Each of these rankings were within the lists' insurance categories.*

*In October 2024, U.S. News & World Report named Employers one of its 2024-2025 "Best Companies to Work For." In addition to making the overall list, Employers was named as one of its "Best Companies to Work For – Insurance", and "Best Companies – West region."*

# Growth in Premium and Policy Count



Over the past five years we have grown our Gross Written Premiums by 34%. Gross Written Premiums can, at times, be heavily influenced by final audit premium adjustments, through which we recognize the final audit premium for a policy once that policy has been cancelled or has expired.

Over the past five years we have grown our in-force premiums by 33%. In-force premiums represent the estimated annual premium on all policies that are active and in-force at that date. More specifically, in-force premiums include policy endorsements but exclude final audit adjustments. We focus on in-force premium because it represents premium that is available for renewal in the future.

Our Gross Written Premiums (including final audit premium adjustments) and in-force Premiums were significantly impacted by the onset of COVID 19.

Over the past five years we have grown our in-force Policy Count by 26%. Despite the onset of COVID 19, we have increased our policy count in every year since 2015 and our current policy count is the highest it has been in our history.

\* 2020 and onward in-force premiums include an estimate of audit premium

# Current Initiatives and Strategy

# Appetite Expansion

## Background

Beginning in 2021, we extended our reach by applying our established underwriting approach to new industries including plumbing, painting, and landscaping. This has provided meaningful and complementary growth for the company, as we've been able to identify and partner with those small businesses in these classes that fit a desirable low-to-medium risk profile.

## Approach

This expansion was achieved by thoughtfully considering industries that we previously excluded on a broad basis and applying a finer approach to identify the lower hazard opportunities within these classes. For example, for the industries that have shown growth in the higher hazard groups (plumbing, HVAC, electricians, painters and finish carpentry), the underwriting appetite in which we operate is defined by specific and preferred characteristics related to the typical job site, standard work activities, and type of equipment utilized, consistent with our low-to-medium risk appetite.

## Moving Forward

In early 2025, we opened the finish carpentry appetite to all our agents which will provide additional opportunities for growth. In future quarters, we expect to expand our footprint further into the home healthcare industry, which previously has been written only through our specialty agents. We also plan to continue reevaluating and adjusting our current appetite in the A – D hazard groups. By refining how we identify the appropriate low-to-medium risk profiles of our appetite, we feel we are positioned to continue to grow profitably.

# Appetite Expansion (continued)

AE Segment	2025 Premium Distribution	2022 - 2025 Incurred Loss Ratio	Major Hazard Groups	Major Class Codes
Plumbing	3.7%		E, F	5183, 5537, 5187
Paint	3.5%		G	5474
Landscape	3.4%		C	0042
Electrical	2.0%		F	5190, 5140
Janitorial	1.9%		C	9008, 9014
Property Mgmt	1.5%		D	9011, 9015
Flooring	0.7%		E, F	9521, 5478, 5436, 5348
<b>Appetite Expansion</b>	<b>16.7%</b>	<b>39.3%</b>	<b>D, F, G</b>	
Non-AE	83.3%	42.1%		
<b>Total Company</b>	<b>100.0%</b>	<b>41.8%</b>		

# Cerity® Integration

**During the fourth quarter of 2023, we fully integrated Cerity's operations into those of Employers. As a result, policies issued by Cerity and Employers are now administered and serviced consistently on a single platform, generating significant efficiencies and expense savings.**

- ▼ Cerity business is now focused primarily on partnership opportunities like Thimble and Simply Business, while preserving the Cerity brand (which was developed for, and continues to serve, direct customers)
- ▼ We have moved Cerity's policy and claims administration to existing Employers' systems, eliminating redundant processes, increasing efficiency and lowering expenses
- ▼ We have reduced Cerity's marketing spend on paid search
  - + We were previously focused on Search Engine Marketing (SEM), which is very expensive and does not endure
  - + We have moved to a Search Engine Optimization (SEO) strategy, which enhances visibility and increases traffic
- ▼ We have restructured Cerity's payment plans to those better suited to the buying and cancellation behavior of direct consumers

**These actions, which are the primary driver to our meaningfully lower expense ratio in 2024, were possible because we have not experienced any channel conflict among the Employers brand (including its independent agents) and the Cerity brand**

# North Star of Ease

**Our strategic North Star of Ease initiative serves as a guide to making our internal operations more seamless and scalable and our external systems more customer friendly.**

- 1** The development of a Transformation Management Office (TMO) to assist with quarterly project prioritization and improve how we measure and allocate resources to these projects.
- 2** The creation of new functional strategies focused on improving data and analytics (D&A), workforce experience (WX), and customer experience (CX).
- 3** The formation of a Test and Learn Center to understand the impacts of our projects prior to full-scale implementation.

## KEY INVESTMENT STREAMS

### Distribution

Our new agency partnership program better meets the needs of our highest-performing agency partners and further supports their growth.

### Claims

Our new online claims intake process supports injured workers and will reduce claim costs by encouraging digital claims submission and streamlining our internal processes.

### Premium Audit and Billing

Our modern payment programs offer greater ease and flexibility to our policyholders and increase retention, and an enhanced online premium audit program will make it easier for our customers to understand and comply with the audit process.

### Customer Support

Transitioning all customer support teams to one communication platform will enable a single view of a customer's interactions. In addition, developing an array of self-service features will empower our customers to meet their needs online.

# Artificial Intelligence Vision

*To be a forward-thinking, AI-empowered organization that leverages advanced technology responsibly and effectively to optimize decision-making, enhance customer experiences, and remain a leader in the insurance industry*

We take AI seriously and know that it will shape the future. EMPLOYERS is implementing AI programming that focuses on upskilling employees, delivering new capabilities, and empowering teams to think and work differently.

- + **Innovation:** A knowledgeable and motivated workforce will drive creative solutions, positioning the organization at the forefront of industry advancements
- + **Operational Efficiency:** By mastering AI tools and techniques, teams will optimize workflows, improve decision-making, and reduce manual efforts
- + **Empowered Workforce:** Employees will feel confident and capable in using AI tools, boosting their sense of purpose and contribution to meaningful projects
- + **Competitive Advantage:** Building AI fluency across the organization will enable strategic differentiation in the marketplace and open new growth opportunities

## Artificial Intelligence (AI)

Welcome to the AI resource site.

We are committed to providing regular and timely updates, training, and resources as AI technology evolves and as our stance and usage policies adapt accordingly.



Our vision is to become a forward-thinking, AI-empowered organization that leverages advanced technology responsibly and effectively to optimize decision-making, enhance customer experiences, and remain a leader in the insurance industry.

### AI in the Workplace

- AI tools currently available to employees
- Who to contact about using a new AI tool at EMPLOYERS
- Tips and best practices for using current AI tools *(coming soon)*

### AI Training\_ (coming soon)

- AI training courses available in CornerStone *(launching in 2025)*
- Basic AI concepts and definitions
- Advanced AI concepts and topics
- Recommended articles and videos on AI

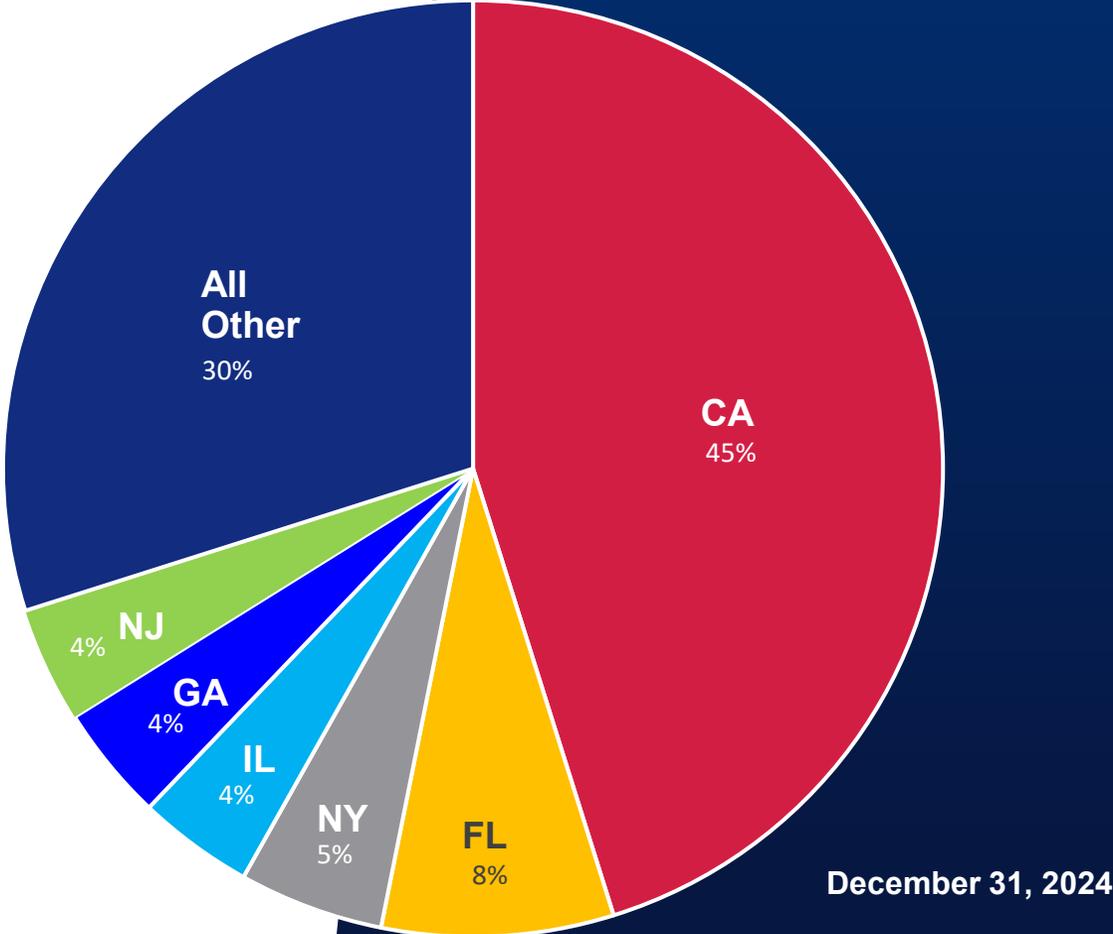
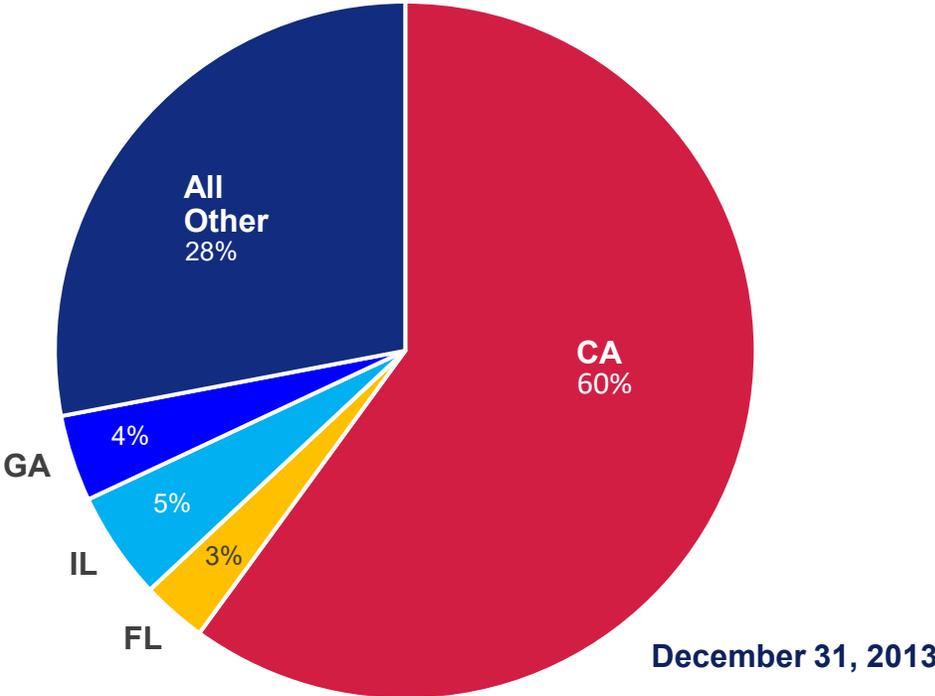
### Frequently Asked Questions

- Common questions and answers about how to use AI at EMPLOYERS
- Who to contact with additional questions

# Strategic Diversification

By in-force premium

Our California concentration, as measured by in-force premium, is higher than that on a policy basis because California business has higher premiums per policy than most other states.



# Book Mix by Hazard Group

We employ a thoughtful and conservative underwriting approach designed to individually select specific types of businesses that we believe will have fewer and less costly claims relative to other businesses in the same hazard groups.

## Focus on Select Low-to-Medium Hazard Groups

Data shown as a % of in-force premium

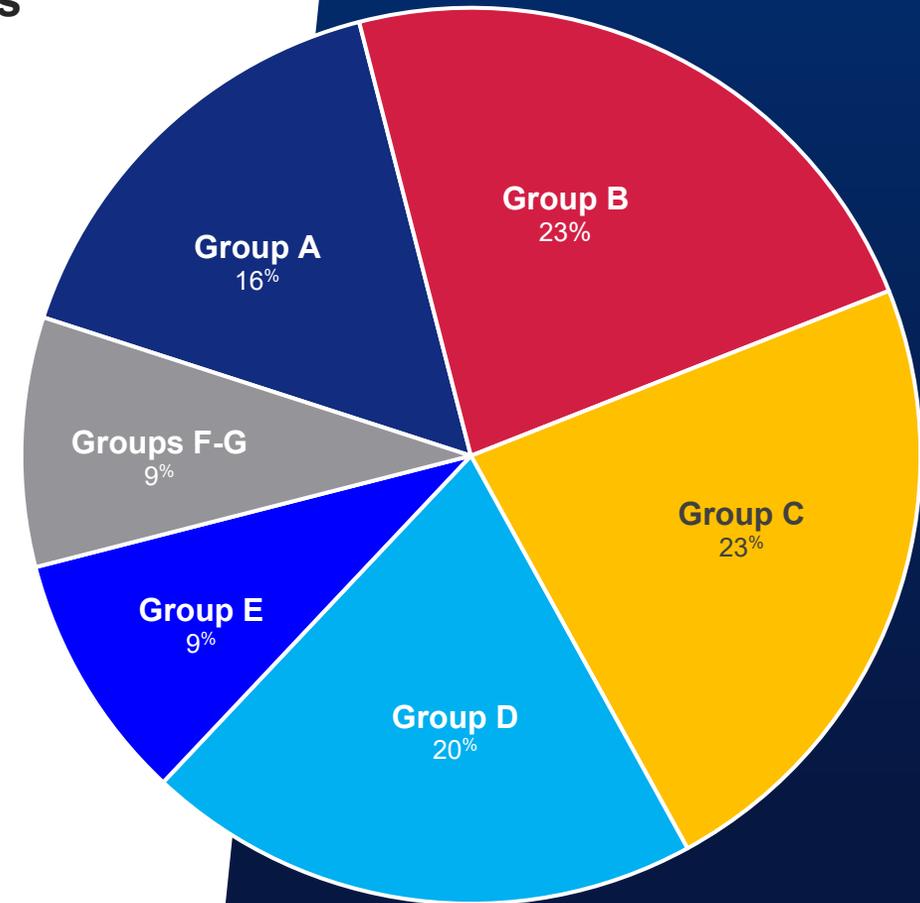
As of December 31, 2024



91% in lower risk hazard groups A-E

9% in higher risk hazard groups F-G

*Our appetite expansion effort continues to be a large contributor to our profitability and growth in premium. Our loss ratios in these new segments continue to be in-line or better than our traditional segments and we expect to further benefit from this strategy well into the future.*



# Financial Performance

# Fourth Quarter 2024 Highlights

## Strong Financial Results

Adjusted Net Income  
**\$28.7M**  
or \$1.15/share

Net Investment  
Income  
**\$26.7M**

Book Value incl.  
Deferred Gain  
**\$47.35**  
per share

## Insurance Operations

Gross Premiums Written  
**\$176.3M**  
-1% from 4Q23

Net Premiums Earned  
**\$190.2**  
+1% from 4Q23

Combined Ratio  
excluding LPT  
**95.5%**  
vs. 88.8% in 4Q23

Loss & LAE Ratio  
59.5% vs. 50.2% in 4Q23  
Commission Expense Ratio  
12.8% vs. 14.0% in 4Q23  
Underwriting Expense Ratio  
23.2% vs. 24.6% in 4Q23

## Strong Balance Sheet and Capital Mgmt.

Total Investments  
and Cash  
**\$2.5B**

4Q24 Share  
Repurchases  
**\$9.9M**

193,857 shares at average price  
of \$51.20/share

4Q24 Dividend  
Declared  
**\$0.30**  
per share  
(up 7% from 4Q23)

# Full Year 2024 Highlights

## Strong Financial Results

Net Income  
**\$118.6M**  
consistent with 2023

Adjusted Net Income  
**\$94.0M**  
-8% vs 2023

Adjusted Book Value  
**\$50.71**  
per share  
+9.8% vs 2023 (incl. divs.)

## Insurance Operations

Gross Premiums Written  
**\$776M**  
+1% from 2023

In-Force Premiums  
(incl Est. Audit Premium)  
**\$768**  
+8% from 2023

GAAP Combined  
Ratio excl. LPT  
**98.6%**  
vs. 96.0% for 2023

Policies In-Force  
**130,767**  
+3% from 2023

Loss & LAE **61.6%**  
vs. 57.2% for 2023  
Commission Expense **13.5%**  
vs. 13.9% for 2023  
Underwriting Expense **23.5%**  
vs. 24.9% for 2023

## Strong Balance Sheet and Capital Mgmt.

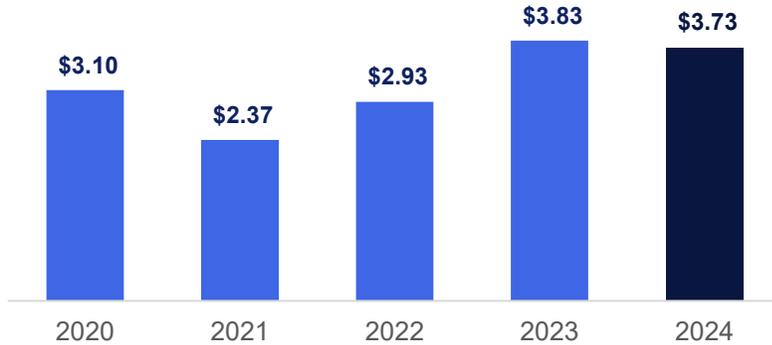
Total Investments  
and Cash  
**\$2.5B**

2024 Share  
Repurchases  
**\$41.4M**  
941,940 shares at average price  
of \$43.90/share

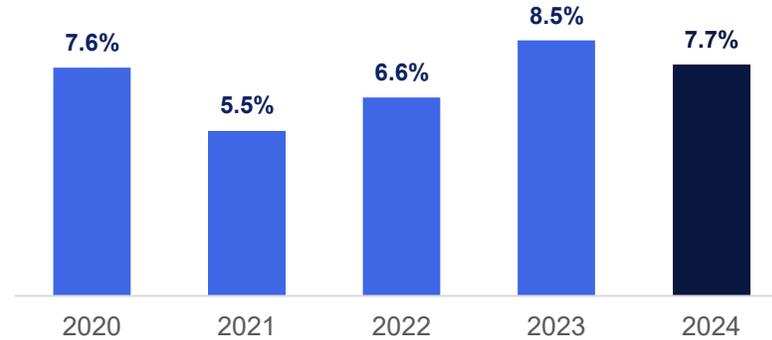
2024 Dividends  
Declared  
**\$1.18**  
per share  
(up 7% from 2023)

# Five-Year Annual Financial Performance

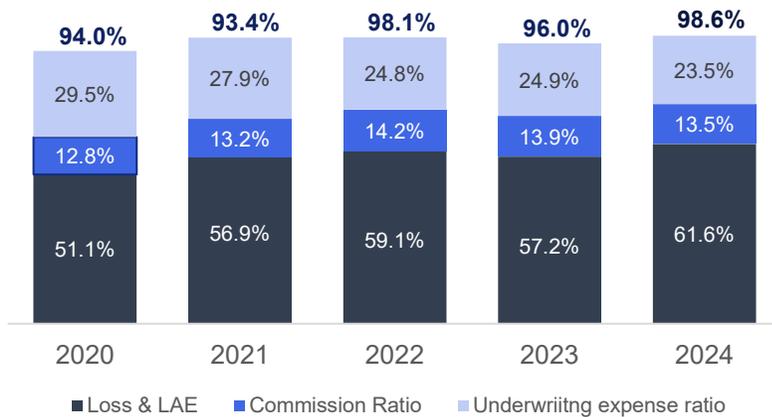
Adjusted EPS (Diluted)



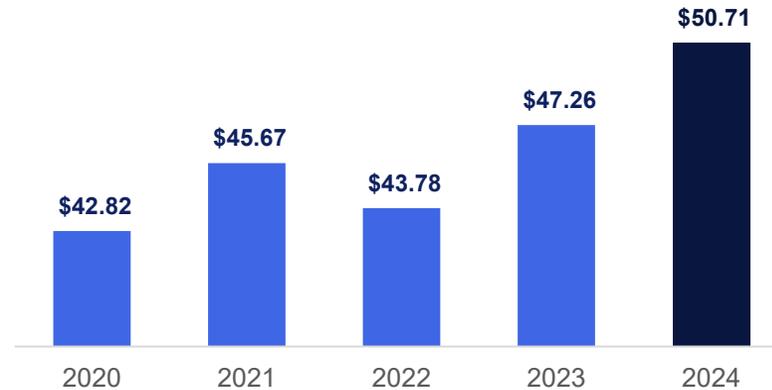
Adjusted ROE



Combined Ratio excluding LPT



Adjusted Book Value per Share



# Financial Strength

# Net Investment Income

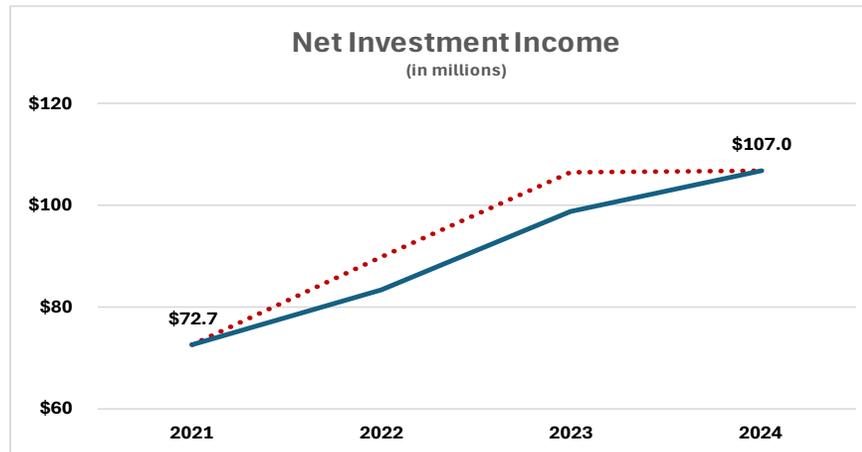
## Up nearly 50% versus 2021

- + Weighted average book yield of fixed maturity investments of 4.5% (versus 3.0% at December 31, 2021)
- + Dramatically higher yields today on variable rate instruments (such as Bank Loans and Collateralized Loan Obligations), short-term investments and cash equivalents due to the prolonged inverted yield curve
- + Proactive management of investments formerly on deposit is a contributor
- + Federal Home Loan Bank (FHLB) letters of credits increased by \$100 million in 4Q24, as they became a more effective source of collateral than amounts physically on deposit in CA

### Net Investment Income

In Millions

- NII excluding FHLB impact
- NII as reported



*Our net investment income in 2022 and 2023 was enhanced by \$6.3M and \$7.6M of incremental net investment income, respectively, originating from FHLB borrowings that were used to purchase investment securities. These borrowings were fully repaid in 4Q23.*

*The interest expense associated with this leveraged investment strategy was \$3.0 and \$5.3 million in 2022 and 2023, respectively.*

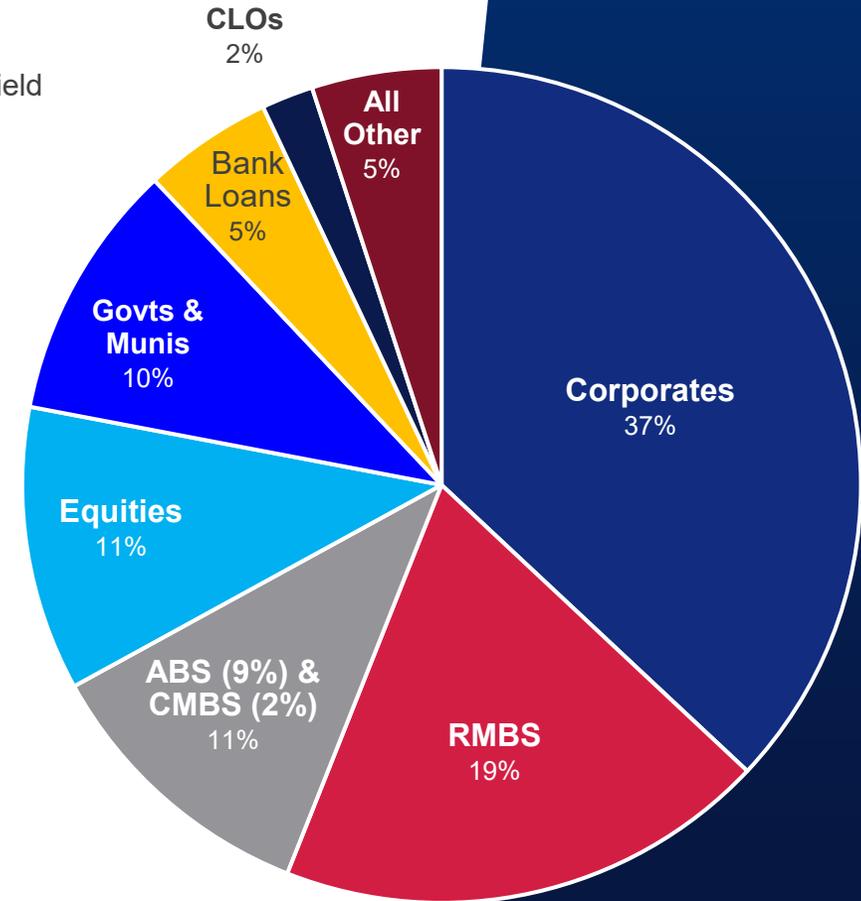
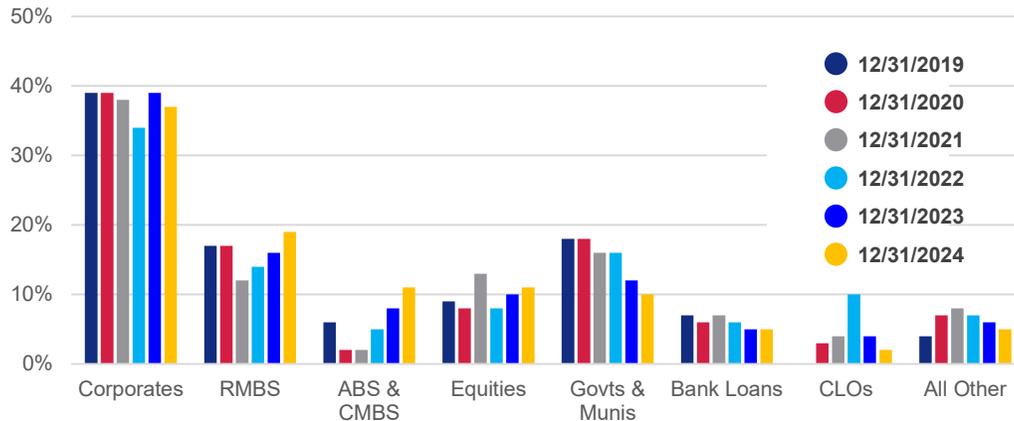
# Investment Portfolio

## Consolidated

### \$2.5 billion fair market value, including cash

- + High quality (average credit quality of A+)
- + Highly liquid (\$1,149 million is unencumbered at the operating companies and is available within 2 business days)
- + Duration of 4.5
- + 2024 total investment return of 5.4%
- + 4.5% average ending pre-tax book yield vs. 4.3% a year ago

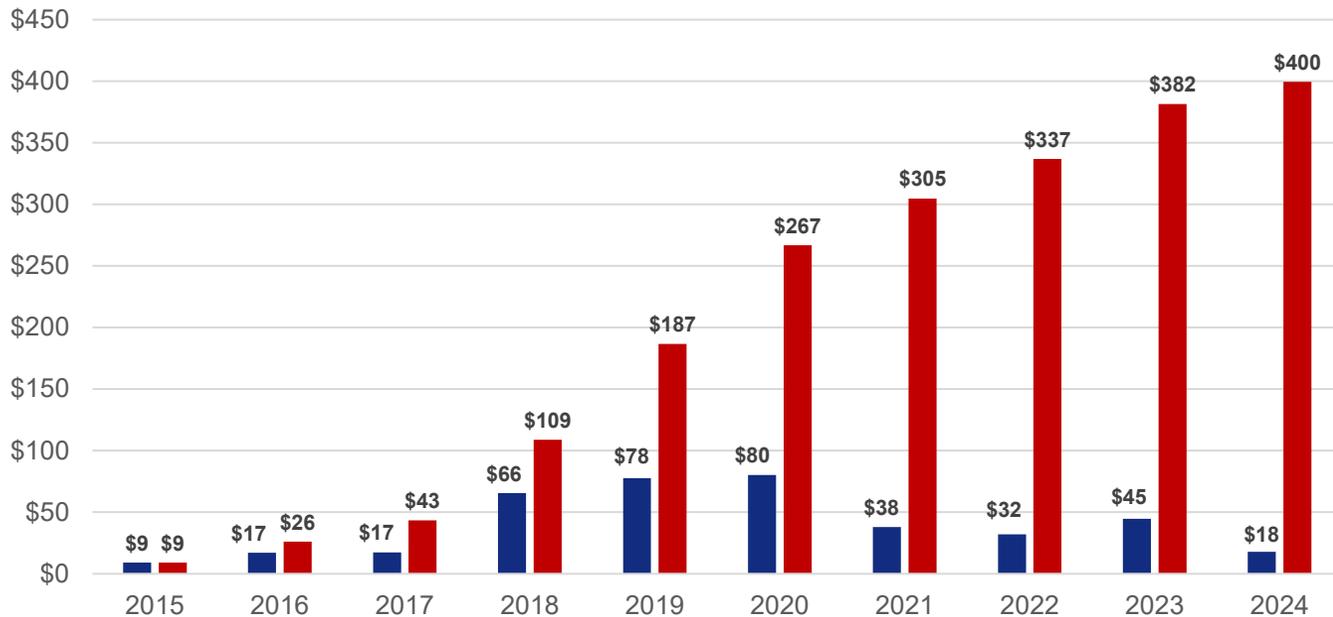
### Investment Portfolio Allocation History



December 31, 2024

# History of Reserve Strength

Reserves are reviewed internally each quarter, with full reviews occurring in 2Q and 4Q



## Net Calendar Year Reserve Development in Recent Prior Accident Years

\$ millions, excludes involuntary business

- Annual net favorable development
- Cumulative net favorable development since 2015

Reserve estimates are presented to the Audit Committee of our Board of Directors each quarter

### Fourth Quarter 2024 Reserve Study

Recognized \$8.6 million of net favorable prior-year loss reserve development from voluntary business

# Strong Capital Management

## Year ended 2024:

**\$41.4M**

*Aggregate share repurchases, excl. excise taxes*  
(941,940 shares at an average price per share of \$43.90)

**\$30.0M**

*Regular quarterly dividends declared*  
(\$0.28 in 1Q24 and \$0.30 in 2Q24, 3Q24  
and 4Q24, each per share)

## Year ended 2023:

**\$76.4M**

*Aggregate share repurchases, excl. excise taxes*  
(1,970,676 shares at an average price per share of \$38.78)

**\$29.4M**

*Regular quarterly dividends declared*  
(\$0.26 in 1Q23 and \$0.28 in 2Q23, 3Q23  
and 4Q23, each per share)

The shares we repurchased during 2023 and 2024 were accretive to our current book value per share including the deferred gain (\$47.35) and our adjusted book value per share (\$50.71)

# Strong and Transparent Balance Sheet

- Low premium leverage and reinsurance reliance
- Favorable reserving track record
- LPT protection
- High-quality reinsurance recoverables
- Low duration investment portfolio
- Less than \$50M of goodwill and other intangible assets

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**= Strong and Transparent Balance Sheet**

*Our balance sheet is strong and is unburdened by either legacy issues or a significant amount of goodwill and other intangible assets*

# Environmental, Social and Governance (ESG)

# Our ESG Strategy

As a U.S. domestic workers' compensation provider with a small real-estate footprint, our most significant ESG considerations are primarily limited to: (i) the potential impacts of climate change and increased climate change awareness to our investment portfolio over time; (ii) diversity, equity and inclusion, human rights and labor standards; and (iii) Board and management composition, employee relations, executive and employee compensation, bribery and corruption, and cyber risks, including data protection and privacy.

The Board Governance and Nominating Committee of our Board periodically reviews our ESG programs, including receiving periodic updates from our management responsible for such activities.

*Employers' Climate-Related  
and ESG Reports on its  
Website*

# Key Takeaways

- + Excellent market reputation and optimally positioned as a Workers' Compensation specialist,
- + Strong underwriting and investment performance, conservative balance sheet,
- + Low financial leverage, strong capital adequacy and diverse financial flexibility at both the parent company and within its operating companies,
- + Solid organic premium growth with no "legacy" issues,
- + Cerity<sup>®</sup> integration created meaningful efficiencies and cost savings, while preserving our direct-to-consumer capabilities,
- + Multiple distribution channels provide significant competitive advantages,
- + Significant innovation initiatives,
- + Strong risk culture, with a consistent view of risk across the organization.

From our 4Q24 Earnings Release dated February 21, 2025:

*“Chief Executive Officer Katherine Antonello commented: “We are pleased with our fourth quarter and full-year 2024 results. In fact, we closed the year with the highest levels of written and earned premium, ending in-force premium and policies and net investment income in the Company’s history.”*

*“Our focus on disciplined underwriting, prudent risk management, and strategic investments has positioned us strongly in the workers' compensation insurance market, which is evidenced by the recent upgrade to our insurance companies' AM Best Financial Strength Rating to “A” (Excellent).”*

Kathy Antonello,  
President and CEO

# Contact Information

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## **Katherine “Kathy” Antonello**

President and  
Chief Executive Officer

## **Michael “Mike” Paquette**

Executive Vice President,  
Chief Financial Officer

## **Michael “Mike” Pedraja**

Executive Vice President,  
Chief Financial Officer (Designate)

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NYSE:EIG

# Additional Financial Information

## Press Releases



This section includes financial reports, governance information, stock information, featured events and the latest company news.

## SEC Filings



This section includes financial reports, governance information, stock information, featured events and the latest company news.

### Reconciliation of Non-GAAP Financial Measures to GAAP

Within this investor presentation 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.

These measures should not be viewed as a substitute for those determined in accordance with GAAP. Reconciliation of these measures to their most comparable GAAP financial measures are included in the attachment to this presentation. They are also included in the earnings release Form 8-Ks filed with the Securities and Exchange Commission (SEC) and available in the "Investors" section of our website at [www.employers.com](http://www.employers.com).