



ERIE INDEMNITY COMPANY

Investor Supplement First Quarter 2024

This report is for informational purposes only and includes financial statements and financial exhibits that are unaudited. This report should be read in conjunction with documents filed with the U.S. Securities and Exchange Commission, including the most recent Annual Report on Form 10-K for 2023.

Erie Indemnity Company
Investor Supplement - First Quarter 2024
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Erie Indemnity Company
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Definitions

Indemnity is a publicly held Pennsylvania business corporation that has since its incorporation in 1925 served as the attorney-in-fact for the subscribers (policyholders) at the Erie Insurance Exchange ("Exchange"). Our primary function as attorney-in-fact is to perform policy issuance and renewal services on behalf of the subscribers at the Exchange. We also act as attorney-in-fact on behalf of the subscribers at the Exchange with respect to all claims handling and investment management services, as well as the service provider for all claims handling, life insurance, and investment management services for the Exchange's insurance subsidiaries, collectively referred to as "administrative services".

Exchange, which also commenced business in 1925, is a Pennsylvania-domiciled reciprocal insurer that writes property and casualty insurance.

Property and Casualty Group

The Property and Casualty Group ("P&C Group") is a regional insurance group operating in 12 Midwestern, Mid-Atlantic, and Southeastern states and the District of Columbia. The P&C Group is comprised of the Exchange and its wholly owned property and casualty subsidiaries. Certain operating and statistical measures have been incorporated herein to provide supplemental data that indicate current trends in the P&C Group's business. These measures include revenue, policies in-force and policyholder retention. Policyholder retention is defined as renewal policies in the current period divided by total policies in the prior period.

The P&C Group, along with others in the property and casualty insurance industry, use statutory underwriting ratios as measures of performance. The loss and loss expense ratio is the ratio of incurred losses and loss adjustment expenses to earned premiums. The statutory underwriting expense ratio is the ratio of underwriting expenses to written premiums. The combined ratio is the sum of the loss and loss expense ratio, the underwriting expense ratio and the policyholder dividend ratio. A combined ratio below 100% demonstrates underwriting profit; a combined ratio above 100% demonstrates underwriting losses.

- The calendar year ratio represents the combined ratio for the current calendar year.
- Loss reserve development is the increase or decrease in incurred losses and loss adjustment expenses as a result of the re-estimation of loss and loss adjustment expense reserves at successive valuation dates for a group of claims. Loss reserve development may be related to one or more prior years. The prior year reserve development ratio represents the ratio of prior years' incurred losses and loss adjustment expenses to earned premiums.
- The current accident year catastrophe loss ratio represents the ratio of current accident year incurred catastrophe losses and loss adjustment expenses to earned premiums.
- The current accident year excluding catastrophe loss ratio represents the sum of the current accident year incurred losses and loss adjustment expenses to earned premiums ratio, the underwriting expense ratio, and the policyholder dividend ratio.

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(dollars in thousands, except per share data)

Operating revenue

Management fee revenue - policy issuance and renewal services
Management fee revenue - administrative services
Administrative services reimbursement revenue
Service agreement revenue
Total operating revenue

Operating expenses

Commissions
Non-commission expenses
Cost of operations - policy issuance and renewal services
Cost of operations - administrative services
Total operating expenses
Operating income

Investment income

Interest and dividend income, net
Equity in earnings (losses) of limited partnerships
Net investment income
Net realized and unrealized investment gains (losses)
Net impairment losses recognized in earnings
Total investment income (loss)

Other income

Income before income taxes
Income tax expense
Net income
Net income per share - diluted

Indemnity Income Statements				
Three Months Ended				
March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
\$ 665,686	\$ 601,595	\$ 649,049	\$ 633,339	\$ 558,090
16,934	16,693	16,151	15,636	15,189
191,567	192,728	187,118	184,466	172,827
6,514	6,651	6,620	6,429	6,359
880,701	817,667	858,938	839,870	752,465
375,760	334,409	354,169	351,144	308,808
174,562	163,446	169,180	170,102	160,287
550,322	497,855	523,349	521,246	469,095
191,567	192,728	187,118	184,466	172,827
741,889	690,583	710,467	705,712	641,922
138,812	127,084	148,471	134,158	110,543
15,378	14,795	14,655	13,495	12,935
525	(583)	(13)	40	(10,752)
15,903	14,212	14,642	13,535	2,183
1,853	3,408	(2,227)	(1,737)	(5,282)
(2,677)	(7,849)	(113)	(171)	(1,633)
15,079	9,771	12,302	11,627	(4,732)
3,411	3,069	3,001	3,305	3,337
157,302	139,924	163,774	149,090	109,148
32,750	28,996	32,734	31,238	22,907
\$ 124,552	\$ 110,928	\$ 131,040	\$ 117,852	\$ 86,241
\$ 2.38	\$ 2.12	\$ 2.51	\$ 2.25	\$ 1.65

Erie Indemnity Company
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(in thousands)

Assets

Cash, cash equivalents, and restricted cash
Receivables from Erie Insurance Exchange and affiliates, net
Investments, net ⁽¹⁾
Fixed assets, net
Agent loans, net
Defined benefit pension plan
Other assets, net ⁽¹⁾

Total assets

Liabilities and shareholders' equity

Liabilities

Commissions payable
Agent incentive compensation
Defined benefit pension plans
Contract liability
Other liabilities

Total liabilities

Shareholders' equity

Total liabilities and shareholders' equity

Indemnity
Balance Sheet Information

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
\$	144,872	\$ 144,055	\$ 102,873	\$ 142,996	\$ 122,376
	641,691	625,338	620,683	591,008	533,306
	1,084,597	1,068,520	1,011,949	1,016,700	1,006,581
	461,914	442,610	434,975	422,903	417,339
	67,448	67,787	68,192	68,903	68,054
	66,270	34,320	65,163	0	0
	89,002	89,334	90,714	83,001	76,313
\$	2,555,794	\$ 2,471,964	\$ 2,394,549	\$ 2,325,511	\$ 2,223,969
\$	384,613	\$ 353,709	\$ 357,614	\$ 347,795	\$ 322,910
	26,968	68,077	50,252	37,443	20,565
	23,792	26,260	27,744	55,075	53,522
	60,555	61,120	60,484	57,938	55,329
	333,686	299,963	286,566	282,348	284,676
	829,614	809,129	782,660	780,599	737,002
	1,726,180	1,662,835	1,611,889	1,544,912	1,486,967
\$	2,555,794	\$ 2,471,964	\$ 2,394,549	\$ 2,325,511	\$ 2,223,969

(1) Historical periods have been restated to conform to current period presentation.

Erie Indemnity Company
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Property and Casualty Group
Direct Written Premium Growth Measures

Three Months Ended

(dollars in thousands)

Direct written premiums of the P&C Group

Private passenger auto
Homeowners
Commercial multi-peril
Workers compensation
Commercial auto
All other lines of business
P&C Group direct written premiums - total

March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
\$ 1,154,951	\$ 1,037,831	\$ 1,143,337	\$ 1,080,607	\$ 978,743
680,642	689,679	767,335	721,339	542,308
418,799	356,948	346,600	369,770	346,162
138,986	105,105	121,333	128,575	143,971
263,055	212,116	219,119	235,242	224,540
84,587	67,620	72,462	77,598	68,144
\$ 2,741,020	\$ 2,469,299	\$ 2,670,186	\$ 2,613,131	\$ 2,303,868

Property and Casualty Group
Direct Written Premium Growth Measures

12 month growth rate policies in force

Total all lines
Total personal lines
Total commercial lines

Retention trends ⁽¹⁾

Total all lines
Total personal lines
Total commercial lines

12 month % change average premiums

Total all lines
Total personal lines
Total commercial lines

March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
7.1 %	6.9 %	6.1 %	5.2 %	4.4 %
7.5 %	7.4 %	6.6 %	5.6 %	4.8 %
4.2 %	3.2 %	2.7 %	2.3 %	2.1 %
91.2 %	91.2 %	91.1 %	90.8 %	90.6 %
92.2 %	92.1 %	91.9 %	91.6 %	91.3 %
84.6 %	85.3 %	85.4 %	85.6 %	85.7 %
10.6 %	9.4 %	8.7 %	7.6 %	6.4 %
12.0 %	10.5 %	9.2 %	7.4 %	5.8 %
9.4 %	9.5 %	10.0 %	10.1 %	9.5 %

(1) Policyholder retention rates are impacted when a policyholder cancels an existing policy and enters into a new policy due to various factors, including buying a new home or changing the policy type. When this occurs, the cancelled policy reduces the reported retention rate.

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Property and Casualty Group								
Statutory Basis Combined Ratio - Direct Business								
Three Months Ended March 31, 2024					Three Months Ended March 31, 2023			
	Prior Year	Current	Current		Prior Year	Current	Current	
	Reserve	Accident	Accident		Reserve	Accident	Accident	
	Development	Year	Year		Development	Year	Year	
	Calendar	Catastrophe	Excluding		Calendar	Catastrophe	Excluding	
	Year	Losses	Catastrophes		Year	Losses	Catastrophes	
Direct business only								
Private passenger auto	116.4 %	(1.5) %	1.0 %	116.9 %	120.4 %	2.0 %	0.4 %	118.0 %
Homeowners	105.8 %	(3.5) %	28.0 %	81.3 %	140.2 %	8.2 %	48.8 %	83.2 %
Other personal lines	111.8 %	11.7 %	0.5 %	99.6 %	88.8 %	4.8 %	0.4 %	83.6 %
Total personal lines	112.3 %	(2.1) %	11.3 %	103.1 %	127.4 %	4.4 %	18.8 %	104.2 %
Commercial multi-peril	88.4 %	(4.2) %	7.4 %	85.2 %	131.4 %	28.1 %	12.6 %	90.7 %
Commercial auto	106.6 %	0.4 %	0.8 %	105.4 %	119.0 %	1.8 %	0.7 %	116.5 %
Workers compensation	84.2 %	(4.6) %	0.0 %	88.8 %	83.5 %	(5.2) %	0.0 %	88.7 %
Other commercial lines	112.1 %	0.0 %	0.0 %	112.1 %	60.6 %	(50.4) %	0.0 %	111.0 %
Total commercial lines	94.6 %	(2.6) %	3.8 %	93.4 %	115.0 %	9.8 %	6.0 %	99.2 %
Grand total	107.1 %	(2.2) %	9.1 %	100.2 %	123.6 %	6.0 %	14.9 %	102.7 %