Insperity®
HR that Makes a Difference™

Earnings Call and Webcast Q2 2024

August 1, 2024

Safe Harbor Statement

The statements contained herein that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. You can identify such forward-looking statements by the words “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “estimates,” “likely,” “possibly,” “probably,” “could,” “goal,” “opportunity,” “objective,” “target,” “assume,” “outlook,” “guidance,” “predicts,” “appears,” “indicator” and similar expressions. Forward-looking statements involve a number of risks and uncertainties. In the normal course of business, in an effort to help keep our stockholders and the public informed about our operations, from time to time, we may issue such forward-looking statements, either orally or in writing. Generally, these statements relate to business plans or strategies; including our strategic partnership with Workday, Inc.; projected or anticipated benefits or other consequences of such plans or strategies; or projections involving anticipated revenues, earnings, average number of worksite employees, benefits and workers’ compensation costs, or other operating results. We base these forward-looking statements on our current expectations, estimates and projections. We caution you that these statements are not guarantees of future performance and involve risks, uncertainties and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Therefore, the actual results of the future events described in such forward-looking statements could differ materially from those stated in such forward-looking statements. Among the factors that could cause actual results to differ materially are (i) adverse economic conditions; (ii) failure to comply with or meet client expectations regarding certain COVID-19 relief programs; (iii) bank failures or other events affecting financial institutions, labor shortages, increasing competition for highly skilled workers, and evolving employee expectations regarding the workplace; (iv) impact of inflation; (v) vulnerability to regional economic factors because of our geographic market concentration; (vi) failure to comply with covenants under our credit facility; (vii) impact of a future outbreak of highly infectious or contagious disease; (viii) our liability for WSEE payroll, payroll taxes and benefits costs, or other liabilities associated with actions of our client companies or WSEEs, including if our clients fail to pay us; (ix) increases in health insurance costs and workers’ compensation rates and underlying claims trends, health care reform, financial solvency of workers’ compensation carriers, other insurers or financial institutions, state unemployment tax rates, liabilities for employee and client actions or payroll-related claims; (x) an adverse determination regarding our status as the employer of our WSEEs for tax and benefit purposes and an inability to offer alternative benefit plans following such a determination; (xi) cancellation of client contracts on short notice, or the inability to renew client contracts or attract new clients; (xii) the ability to secure competitive replacement contracts for health insurance and workers’ compensation insurance at expiration of current contracts; (xiii) regulatory and tax developments and possible adverse application of various federal, state and local regulations; (xiv) failure to manage growth of our operations and the effectiveness of our sales and marketing efforts; (xv) the impact of the competitive environment and other developments in the human resources services industry, including the PEO industry, on our growth and/or profitability; (xvi) an adverse final judgment or settlement of claims against Insperity; (xvii) disruptions of our information technology systems or failure to enhance our service and technology offerings to address new regulations or client expectations; (xviii) our liability or damage to our reputation relating to disclosure of sensitive or private information as a result of data theft, cyberattacks or security vulnerabilities; (xix) failure of third-party providers, such as financial institutions, data centers or cloud service providers; (xx) our ability to fully realize the anticipated benefits of our strategic partnership and plans to develop a joint solution with Workday, Inc.; and (xxi) our ability to integrate or realize expected returns on future product offerings, including through acquisitions, strategic partnerships, and investments. These factors are discussed in further detail in Insperity’s filings with the U.S. Securities and Exchange Commission. Any of these factors, or a combination of such factors, could materially affect the results of our operations and whether forward-looking statements we make ultimately prove to be accurate. Any forward-looking statements are made only as of the date hereof and, unless otherwise required by applicable securities laws, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Supplement to Earnings Release

This presentation is a supplement to our press release announcing our second quarter 2024 results, which can be found in the investor relations area (http://ir.insperity.com) of our website. It is intended to be read in conjunction with, not as a substitute for, or in isolation from, our earnings release.

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures, such as Adjusted Cash, Adjusted EBITDA and Adjusted EPS. Please see the Appendix for a further discussion.

CEO Commentary

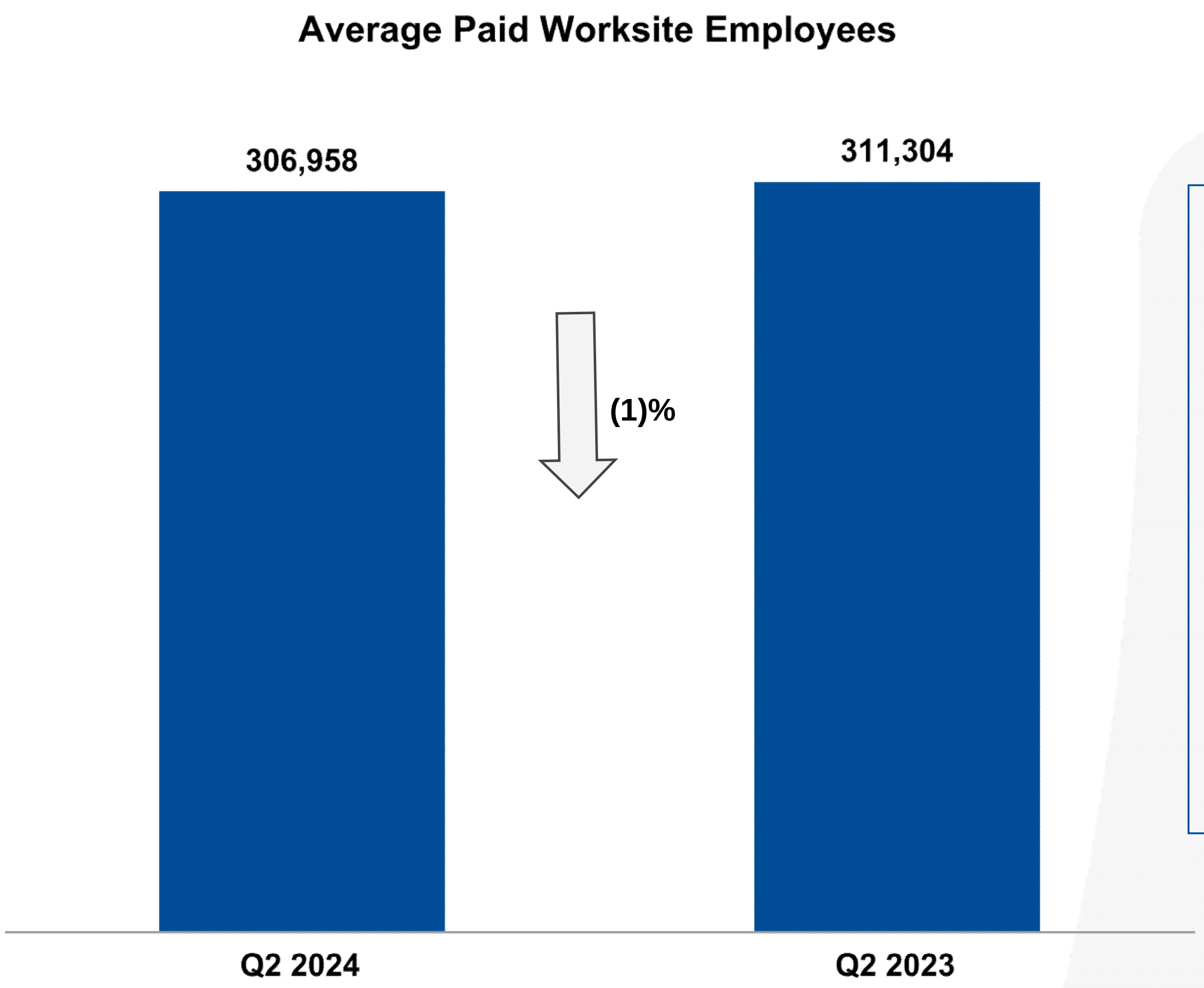
- Our Q2 financial performance was strong, exceeding the high end of out expected range in adjusted EBITDA and EPS even while coming in at the low end of our range for paid worksite employee growth.

- Sales were solid through the first half of the year considering the challenging economic climate in the small business community. Paid worksite employees from previously booked sales and new booked sales in the first half of 2024 were in line with the same period of the prior year and approximately 90% of our budget.

- Our client retention has continued to be strong in Q2, however, nominal net hiring within the client base combined with lower than targeted paid worksite employees from previously booked sales caused a lower starting point in paid worksite employees for the beginning of the second half of 2024.

- We are energized about our plans for the second half to reignite our growth into next year. And our outlook for the long term, including our Workday strategic partnership, is excellent.

Q2 2024 Financial Results

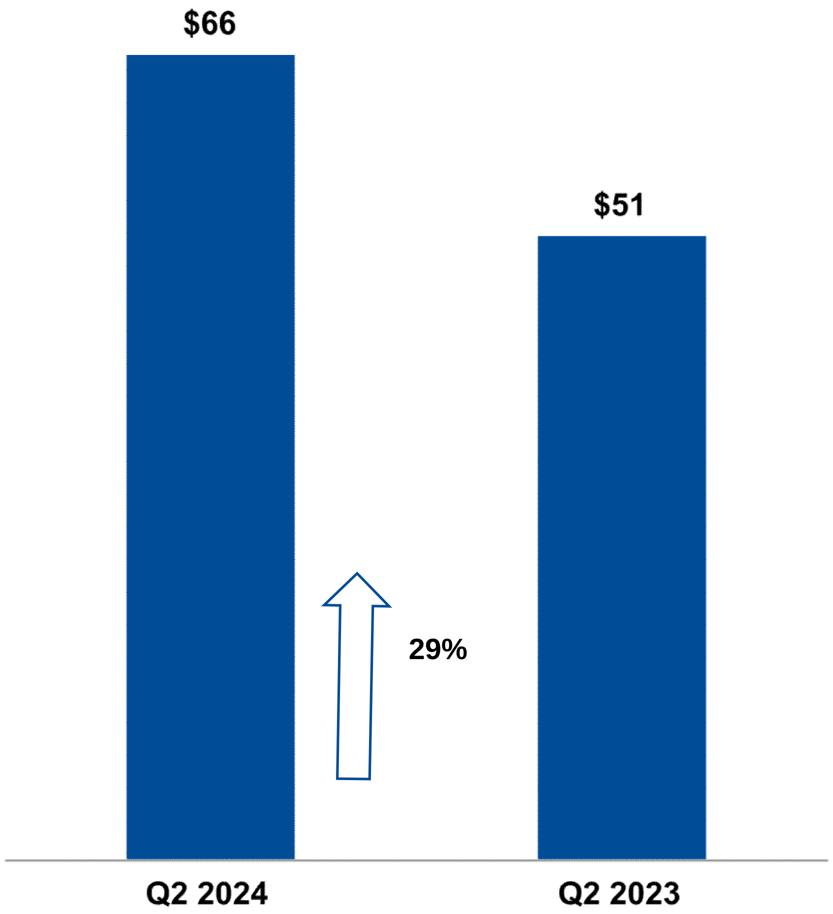


- Q2 average paid worksite employees at the lower end of our forecasted range.
  - Net hiring by our clients in Q2 of 2024, however at a level significantly lower than Q2 of 2023, and lower than our expectations.
  - Worksite employees paid from new sales, although at a similar level compared to Q2 of 2023, came in below our expectations.
  - Client retention of 99% in each of the second quarters of 2024 and 2023.

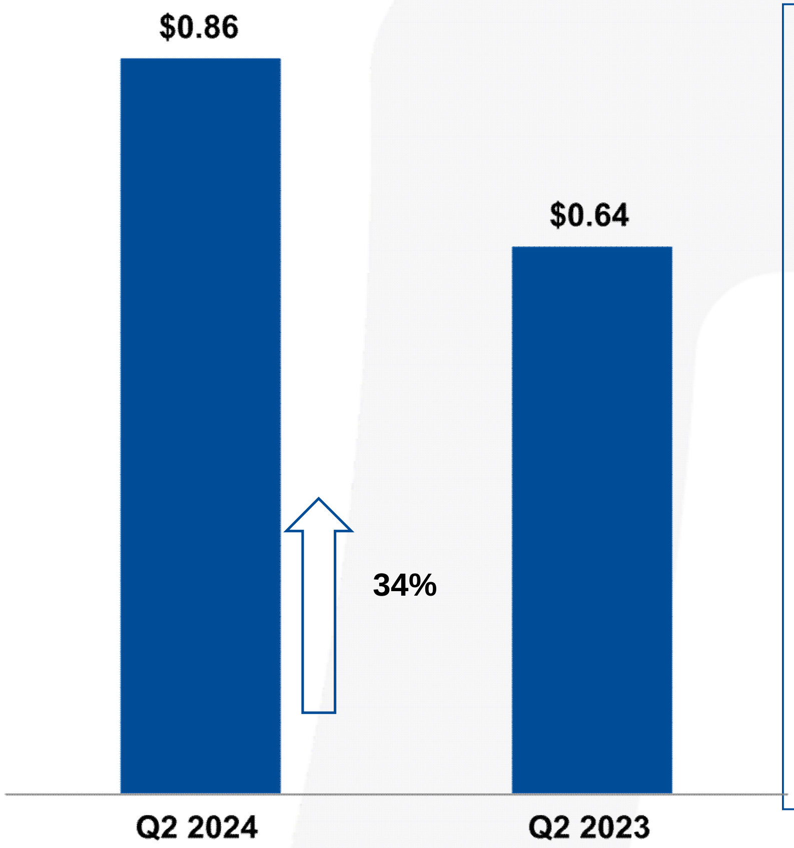
Q2 2024 Financial Results

($ in Millions, except per share amounts)

Adjusted EBITDA



Adjusted EPS



- Q2 Adjusted EPS above the high end of our forecasted range.
- Continued strong pricing.
- Lower benefit cost trend.
- Operating expense up 13% over Q2 2023, slightly below our forecast. Operating expenses included continued investment in our growth and our service and technology offerings, along with costs associated with the implementation of our Workday strategic partnership.

Please refer to the Appendix slide at the end of this presentation for definitions of our non-GAAP financial measures.

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Balance Sheet and Cash Flow

($ in Millions)

	June 30, 2024	December 31, 2023
Adjusted Cash	$211	$171
Total Debt	$369	$369
Working Capital	$238	$159

Year-to-Date Period Ended:	June 30, 2024	June 30, 2023
Adjusted EBITDA	$208	$203
Dividends Paid	$44	$42
Cost of Shares Repurchased	$37	$45

- **Continued strong cash flow and working capital position.**
- **$81 million returned to shareholders in the first six months of 2024 through dividend program and share repurchases.**

Please refer to the Appendix slide at the end of this presentation for definitions of our non-GAAP financial measures.

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FY 2024 Outlook

	August 1, 2024 FY 2024 Outlook			May 1, 2024 FY 2024 Outlook			February 8, 2024 FY 2024 Outlook		
Average WSEEs paid	307,400	—	310,600	312,100	—	318,400	318,350	—	321,500
Year-over-year increase (decrease)	(1.5)%	—	(0.5)%	0%	—	2%	2%	—	3%
Adjusted EPS	$3.33	—	$3.88	$3.17	—	$3.90	$3.02	—	$3.88
Year-over-year decrease	(40)%	—	(30)%	(43)%	—	(29)%	(45)%	—	(30)%
Adjusted EBITDA (in millions)	$261	—	$290	$254	—	$293	$241	—	$285
Year-over-year decrease	(26)%	—	(18)%	(28)%	—	(17)%	(32)%	—	(19)%

- **FY 2024 WSEE growth outlook revised downward on macro-economic factors and ongoing uncertainty in both the economic and political environment which are negatively impacting the small and medium-size business marketplace.**
- **Midpoint of revised FY 2024 earnings guidance above previous guidance on Q2 outperformance, partially offset by slightly lower earnings expectations over the second half of the year.**
- **FY 2024 earnings comparisons to FY 2023 reflect above factors and significant investment in the Workday strategic partnership.**

Definition of Key Metrics

Average WSEEs paid — Determined by calculating the company's cumulative WSEEs paid during the period divided by the number of months in the period.

Adjusted EPS — Represents diluted net income per share computed in accordance with GAAP, excluding the impact of non-cash stock-based compensation.

Adjusted EBITDA — Represents net income computed in accordance with GAAP, plus interest expense, income taxes, depreciation and amortization expense, amortization of SaaS implementation costs and non-cash stock-based compensation.

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Q3 2024 Outlook

	August 1, 2024 Q3 2024 Outlook		
Average WSEEs paid	**307,500**	**—**	**310,600**
Year-over-year decrease	**(2.5)%**	**—**	**(1.5)%**
Adjusted EPS	**$0.21**	**—**	**$0.45**
Year-over-year decrease	**(86)%**	**—**	**(69)%**
Adjusted EBITDA (in millions)	**$32**	**—**	**$45**
Year-over-year decrease	**(66)%**	**—**	**(52)%**

- **Q3 year over year earnings comparisons impacted by:**
  - **Lower paid worksite employees.**
  - **Low benefits costs in Q3 of 2023.**
  - **Investment in Workday strategic partnership.**

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Appendix – Non-GAAP Financial Measures

Non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of the non-GAAP financial measures as provided in the company's press release announcing its second quarter 2024 results, which may be found on the investor relations area (http://ir.insperity.com) of the company's website.

<table>
<tr><th>Non-GAAP Measure</th><th>Definition</th><th>Benefit of Non-GAAP Measure</th></tr>
<tr><td>Adjusted cash, cash equivalents and marketable securities</td><td>Excludes funds associated with:
• federal and state income tax withholdings,
• employment taxes,
• other payroll deductions, and
• client prepayments.</td><td rowspan="4">We believe that the exclusion of the identified items helps us reflect the fundamentals of our underlying business model and analyze results against our expectations, against prior periods, and to plan for future periods by focusing on our underlying operations. We believe that the adjusted results provide relevant and useful information for investors because they allow investors to view performance in a manner similar to the method used by management and improves their ability to understand and assess our operating performance. Adjusted EBITDA is used by our lenders to assess our leverage and ability to make interest payments.</td></tr>
<tr><td>EBITDA</td><td>Represents net income computed in accordance with GAAP, plus:
• interest expense,
• income tax expense,
• depreciation and amortization expense, and
• amortization of SaaS implementation costs.</td></tr>
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• non-cash stock-based compensation.</td></tr>
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• non-cash stock-based compensation.</td></tr>
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