



ERIE INDEMNITY COMPANY

Investor Supplement Third 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 - Third 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 catastrophes 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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Investor Supplement - Third Quarter 2024 (Unaudited)

(dollars in thousands, except per share data)

	Indemnity						
	Income Statements						
	Three Months Ended				Nine Months Ended		
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	September 30, 2024	September 30, 2023
Operating revenue							
Management fee revenue - policy issuance and renewal services	\$ 769,162	\$ 760,886	\$ 665,686	\$ 601,595	\$ 649,049	\$ 2,195,734	\$ 1,840,478
Management fee revenue - administrative services	17,154	17,051	16,934	16,693	16,151	51,139	46,976
Administrative services reimbursement revenue	206,754	206,028	191,567	192,728	187,118	604,349	544,411
Service agreement revenue	6,816	6,473	6,514	6,651	6,620	19,803	19,408
Total operating revenue	999,886	990,438	880,701	817,667	858,938	2,871,025	2,451,273
Operating expenses							
Commissions	420,516	419,951	375,760	334,409	354,169	1,216,227	1,014,121
Non-commission expenses	192,491	174,251	174,562	163,446	169,180	541,304	499,569
Cost of operations - policy issuance and renewal services	613,007	594,202	550,322	497,855	523,349	1,757,531	1,513,690
Cost of operations - administrative services	206,754	206,028	191,567	192,728	187,118	604,349	544,411
Total operating expenses	819,761	800,230	741,889	690,583	710,467	2,361,880	2,058,101
Operating income	180,125	190,208	138,812	127,084	148,471	509,145	393,172
Investment income							
Interest and dividend income, net	17,449	16,274	15,378	14,795	14,655	49,101	41,085
Equity in (losses) earnings of limited partnerships	(127)	(264)	525	(583)	(13)	134	(10,725)
Net investment income	17,322	16,010	15,903	14,212	14,642	49,235	30,360
Net realized and unrealized investment gains (losses)	2,925	(1,795)	1,853	3,408	(2,227)	2,983	(9,246)
Net impairment losses recognized in earnings	(698)	(388)	(2,677)	(7,849)	(113)	(3,763)	(1,917)
Total investment income	19,549	13,827	15,079	9,771	12,302	48,455	19,197
Other income	1,168	3,292	3,411	3,069	3,001	7,871	9,643
Income before income taxes	200,842	207,327	157,302	139,924	163,774	565,471	422,012
Income tax expense	41,012	43,424	32,750	28,996	32,734	117,186	86,879
Net income	\$ 159,830	\$ 163,903	\$ 124,552	\$ 110,928	\$ 131,040	\$ 448,285	\$ 335,133
Net income per share - diluted	\$ 3.06	\$ 3.13	\$ 2.38	\$ 2.12	\$ 2.51	\$ 8.57	\$ 6.41

Erie Indemnity Company
Investor Supplement - Third Quarter 2024 (Unaudited)

(in thousands)

Assets

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Cash, cash equivalents and restricted cash	\$ 221,213	\$ 170,634	\$ 144,872	\$ 144,055	\$ 102,873
Receivables from Erie Insurance Exchange and affiliates, net	736,973	708,171	641,691	625,338	620,683
Investments, net ⁽¹⁾	1,169,600	1,108,139	1,084,597	1,068,520	1,011,949
Fixed assets, net	480,707	469,145	461,914	442,610	434,975
Agent loans, net	91,636	66,280	67,448	67,787	68,192
Defined benefit pension plan	64,172	65,221	66,270	34,320	65,163
Other assets, net ⁽¹⁾	99,846	104,370	89,002	89,334	90,714
Total assets	\$ 2,864,147	\$ 2,691,960	\$ 2,555,794	\$ 2,471,964	\$ 2,394,549

Liabilities and shareholders' equity

Liabilities

Commissions payable	\$ 426,341	\$ 413,205	\$ 384,613	\$ 353,709	\$ 357,614
Agent incentive compensation	60,073	44,870	26,968	68,077	50,252
Defined benefit pension plan	27,757	26,591	23,792	26,260	27,744
Contract liability	63,974	62,215	60,555	61,120	60,484
Other liabilities	338,047	316,266	333,686	299,963	286,566
Total liabilities	916,192	863,147	829,614	809,129	782,660

Shareholders' equity

Total liabilities and shareholders' equity	1,947,955	1,828,813	1,726,180	1,662,835	1,611,889
	\$ 2,864,147	\$ 2,691,960	\$ 2,555,794	\$ 2,471,964	\$ 2,394,549

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

Indemnity
Balance Sheet Information

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Total assets	\$ 2,864,147	\$ 2,691,960	\$ 2,555,794	\$ 2,471,964	\$ 2,394,549
Total liabilities and shareholders' equity	1,947,955	1,828,813	1,726,180	1,662,835	1,611,889
	\$ 2,864,147	\$ 2,691,960	\$ 2,555,794	\$ 2,471,964	\$ 2,394,549

Erie Indemnity Company
Investor Supplement - Third Quarter 2024 (Unaudited)

Property and Casualty Group
Direct Written Premium Growth Measures

<i>(dollars in thousands)</i>	Three Months Ended				Nine Months Ended	
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	September 30, 2023
Direct written premiums of the P&C Group						
Private passenger auto	\$ 1,339,707	\$ 1,287,418	\$ 1,154,951	\$ 1,037,831	\$ 1,143,337	\$ 3,782,076
Homeowners	956,385	917,549	680,642	689,679	767,335	2,554,576
Commercial multi-peril	414,132	438,806	418,799	356,948	346,600	1,271,737
Workers compensation	111,935	123,369	138,986	105,105	121,333	374,290
Commercial auto	250,801	272,548	263,055	212,116	219,119	786,404
All other lines of business	89,342	95,496	84,587	67,620	72,462	269,425
P&C Group direct written premiums - total	\$ 3,162,302	\$ 3,135,186	\$ 2,741,020	\$ 2,469,299	\$ 2,670,186	\$ 9,038,508
						\$ 7,587,185

Property and Casualty Group
Direct Written Premium Growth Measures

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
12 month growth rate policies in force					
Total all lines	6.0 %	6.8 %	7.1 %	6.9 %	6.1 %
Total personal lines	6.2 %	7.1 %	7.5 %	7.4 %	6.6 %
Total commercial lines	4.8 %	4.9 %	4.2 %	3.2 %	2.7 %
Retention trends ⁽¹⁾					
Total all lines	90.8 %	91.1 %	91.2 %	91.2 %	91.1 %
Total personal lines	91.9 %	92.1 %	92.2 %	92.1 %	91.9 %
Total commercial lines	82.7 %	83.5 %	84.6 %	85.3 %	85.4 %
12 month % change average premiums					
Total all lines	12.8 %	11.9 %	10.6 %	9.4 %	8.7 %
Total personal lines	14.7 %	13.7 %	12.0 %	10.5 %	9.2 %
Total commercial lines	9.3 %	9.0 %	9.4 %	9.5 %	10.0 %

(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 September 30, 2024				Three Months Ended September 30, 2023			
	Calendar Year	Prior Year Reserve Development Deficiency (Redundancy)	Current Accident Year Catastrophe Losses	Current Accident Year Excluding Catastrophes	Calendar Year	Prior Year Reserve Development Deficiency (Redundancy)	Current Accident Year Catastrophe Losses	Current Accident Year Excluding Catastrophes
Direct business only								
Private passenger auto	116.9 %	0.4 %	1.6 %	114.9 %	129.4 %	(1.0) %	2.7 %	127.7 %
Homeowners	111.3 %	(1.2) %	32.4 %	80.1 %	139.5 %	0.1 %	54.9 %	84.5 %
Other personal lines	129.1 %	4.9 %	1.0 %	123.2 %	83.0 %	(10.8) %	0.5 %	93.3 %
Total personal lines	114.9 %	(0.2) %	13.6 %	101.5 %	132.5 %	(0.7) %	22.6 %	110.6 %
Commercial multi-peril	98.5 %	1.5 %	14.2 %	82.8 %	103.6 %	5.2 %	15.6 %	82.8 %
Commercial auto	141.4 %	15.0 %	0.8 %	125.6 %	124.0 %	8.8 %	2.0 %	113.2 %
Workers compensation	99.4 %	(15.9) %	0.0 %	115.3 %	88.4 %	(1.2) %	0.0 %	89.6 %
Other commercial lines	157.7 %	30.4 %	0.0 %	127.3 %	104.9 %	(12.8) %	0.0 %	117.7 %
Total commercial lines	115.1 %	4.7 %	7.2 %	103.2 %	107.2 %	4.2 %	7.9 %	95.1 %
Grand total	115.0 %	1.2 %	11.8 %	102.0 %	124.9 %	0.7 %	18.2 %	106.0 %
	Nine Months Ended September 30, 2024				Nine Months Ended September 30, 2023			
	Calendar Year	Prior Year Reserve Development Deficiency (Redundancy)	Current Accident Year Catastrophe Losses	Current Accident Year Excluding Catastrophes	Calendar Year	Prior Year Reserve Development Deficiency (Redundancy)	Current Accident Year Catastrophe Losses	Current Accident Year Excluding Catastrophes
Direct business only								
Private passenger auto	117.1 %	(1.2) %	1.4 %	116.9 %	124.5 %	0.6 %	1.8 %	122.1 %
Homeowners	116.2 %	(2.5) %	37.1 %	81.6 %	141.7 %	3.1 %	52.8 %	85.8 %
Other personal lines	133.1 %	21.7 %	0.7 %	110.7 %	84.3 %	(6.3) %	0.7 %	89.9 %
Total personal lines	117.0 %	(1.3) %	15.2 %	103.1 %	130.3 %	1.4 %	21.2 %	107.7 %
Commercial multi-peril	94.3 %	(1.5) %	11.9 %	83.9 %	112.5 %	13.9 %	13.9 %	84.7 %
Commercial auto	124.5 %	8.6 %	0.9 %	115.0 %	120.1 %	5.5 %	1.2 %	113.4 %
Workers compensation	86.2 %	(15.8) %	0.0 %	102.0 %	76.9 %	(14.7) %	0.0 %	91.6 %
Other commercial lines	132.7 %	12.2 %	0.0 %	120.5 %	82.9 %	(27.1) %	0.0 %	110.0 %
Total commercial lines	104.4 %	0.1 %	6.1 %	98.2 %	106.7 %	4.0 %	6.8 %	95.9 %
Grand total	113.4 %	(0.9) %	12.6 %	101.7 %	123.2 %	2.2 %	16.9 %	104.1 %