



FINANCIAL SUPPLEMENT  
FOURTH QUARTER 2021

**THE HANOVER INSURANCE GROUP**  
**FINANCIAL SUPPLEMENT**

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## **THE HANOVER INSURANCE GROUP**

### **BASIS OF PRESENTATION**

#### **BUSINESS DESCRIPTIONS**

##### **COMMERCIAL LINES**

*Commercial multiple peril* coverage insures businesses against third-party general liability from accidents occurring on their premises or arising out of their operations, such as injuries sustained from products sold. It also insures business property for damage, such as that caused by fire, wind, hail, water damage (which may include flood), theft and vandalism.

*Commercial automobile* coverage insures businesses against losses incurred from personal bodily injury, bodily injury to third parties, property damage to an insured's vehicle, and property damage to other vehicles and property. Commercial automobile policies are often written in conjunction with other commercial policies.

*Workers' compensation* coverage insures employers against employee medical and indemnity claims resulting from injuries related to work. Workers' compensation policies are often written in conjunction with other commercial policies.

*Other Commercial Lines* is comprised of management and professional liability, which covers primarily professional, management and medical liability, which provides protection for directors, officers and other employees of companies that may be sued in connection with their performance, and errors and omissions protection to companies and individuals against negligence or bad faith, as well as protection for employment practices liability; marine, which includes inland and ocean marine, and insures businesses against physical losses to property; Hanover Programs, which includes coverage to markets where there are specialty coverage or risk management needs related to groups of similar businesses; specialty industrial and commercial property, which provides insurance to small and medium-sized chemical, paint, solvent and other manufacturing and distribution companies; monoline general liability, which covers bodily injury, property damage and personal injury arising from products sold or accidents occurring on premises, or from operations; surety, which provides businesses with contract surety coverage in the event of claims for non-performance or non-payment and commercial surety coverage related to fiduciary or regulatory obligations; and other commercial lines, which includes umbrella, fidelity and crime.

##### **PERSONAL LINES**

*Personal automobile* coverage insures individuals against losses incurred from personal bodily injury, bodily injury to third parties, property damage to an insured's vehicle, and property damage to other vehicles and other property.

*Homeowners* coverage insures individuals for losses to their residences and personal property, such as those caused by fire, wind, hail, water damage (excluding flood), theft and vandalism, and against third-party liability claims.

*Other Personal Lines* are comprised of personal umbrella, inland marine (jewelry, art, etc.), fire, personal watercraft, personal cyber and other miscellaneous coverages.

##### **OTHER**

Included in *Other* are Opus, which provides investment advisory services to affiliates and also manages assets for unaffiliated institutions such as insurance companies, retirement plans and foundations; earnings on holding company assets; holding company and other expenses and a discontinued run-off voluntary property and casualty pools business.

*This report is for informational purposes only. It should be read in conjunction with documents filed with the Securities and Exchange Commission, including the Hanover Insurance Group's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.*

**THE HANOVER INSURANCE GROUP**  
**FINANCIAL HIGHLIGHTS**

| (In millions, except earnings per share)     | <b>Q4<br/>2020</b> | <b>Q1<br/>2021</b> | <b>Q2<br/>2021</b> | <b>Q3<br/>2021</b> | <b>Q4<br/>2021</b> | <b>Dec-YTD<br/>2020</b> | <b>Dec-YTD<br/>2021</b> |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|-------------------------|
| <b>PREMIUMS</b>                              |                    |                    |                    |                    |                    |                         |                         |
| Gross premiums written                       | \$ 1,235.5         | \$ 1,337.6         | \$ 1,342.8         | \$ 1,493.2         | \$ 1,170.7         | 5,154.5                 | \$ 5,344.3              |
| Net premiums written                         | 1,112.1            | 1,196.1            | 1,207.2            | 1,375.2            | 1,214.9            | 4,598.5                 | 4,993.4                 |
| Net premiums earned                          | 1,154.0            | 1,161.8            | 1,179.8            | 1,186.0            | 1,242.6            | 4,527.4                 | 4,770.2                 |
| <b>EARNINGS</b>                              |                    |                    |                    |                    |                    |                         |                         |
| Operating income before interest and taxes   | \$ 150.3           | \$ 85.1            | \$ 137.3           | \$ 47.0            | \$ 162.9           | 484.7                   | \$ 432.3                |
| Operating income after taxes                 | 112.0              | 61.4               | 104.0              | 30.8               | 122.1              | 355.0                   | 318.3                   |
| Income from continuing operations            | 165.9              | 92.8               | 129.6              | 34.8               | 162.8              | 362.0                   | 420.0                   |
| Net income                                   | 164.6              | 92.7               | 128.5              | 34.0               | 163.5              | 358.7                   | 418.7                   |
| <b>PER SHARE DATA (DILUTED)</b>              |                    |                    |                    |                    |                    |                         |                         |
| Operating income after taxes                 | \$ 3.02            | \$ 1.66            | \$ 2.85            | \$ 0.85            | \$ 3.38            | 9.32                    | \$ 8.73                 |
| Income from continuing operations            | 4.47               | 2.52               | 3.55               | 0.96               | 4.51               | 9.50                    | 11.52                   |
| Net income                                   | 4.43               | 2.51               | 3.52               | 0.94               | 4.53               | 9.42                    | 11.49                   |
| Dilutive weighted average shares outstanding | 37.1               | 36.9               | 36.5               | 36.3               | 36.1               | 38.1                    | 36.4                    |
| Basic weighted average shares outstanding    | 36.7               | 36.4               | 35.9               | 35.7               | 35.5               | 37.7                    | 35.9                    |

**BALANCE SHEET**

| (In millions, except per share data)  | <b>December 31<br/>2020</b> | <b>March 31<br/>2021</b> | <b>June 30<br/>2021</b> | <b>September 30<br/>2021</b> | <b>December 31<br/>2021</b> |
|---|-----------------------------|--------------------------|-------------------------|------------------------------|-----------------------------|
| Total assets  | \$ 13,443.7                 | \$ 13,448.0              | \$ 13,728.1             | \$ 14,105.3                  | \$ 14,254.3                 |
| Total loss and loss adjustment expense reserves   | 6,024.0                     | 6,223.7                  | 6,343.4                 | 6,540.1                      | 6,447.6                     |
| Total shareholders' equity  | 3,202.2                     | 3,046.8                  | 3,154.0                 | 3,102.3                      | 3,144.9                     |
| Total shareholders' equity, excluding net unrealized appreciation<br>(depreciation) on fixed maturity investments, net of tax | 2,774.1                     | 2,804.2                  | 2,849.3                 | 2,845.5                      | 2,960.0                     |
| Property and Casualty Companies   |                             |                          |                         |                              |                             |
| Statutory surplus   | \$ 2,588.5                  | \$ 2,667.7               | \$ 2,547.1              | \$ 2,548.4                   | \$ 2,720.0                  |
| Premium to surplus ratio  | 1.78:1                      | 1.75:1                   | 1.88:1                  | 1.92:1                       | 1.83:1                      |
| Book value per share  | \$ 87.96                    | \$ 84.21                 | \$ 88.23                | \$ 87.04                     | \$ 88.59                    |
| Book value per share, excluding net unrealized appreciation<br>(depreciation) on fixed maturity investments, net of tax       | \$ 76.20                    | \$ 77.50                 | \$ 79.71                | \$ 79.84                     | \$ 83.38                    |
| Tangible book value per share (total book value excluding goodwill<br>and intangibles)  | \$ 82.55                    | \$ 78.78                 | \$ 82.76                | \$ 81.54                     | \$ 83.08                    |
| Shares outstanding  | 36.4                        | 36.2                     | 35.8                    | 35.6                         | 35.5                        |
| Total debt/equity   | 24.4 %                      | 25.6 %                   | 24.8 %                  | 25.2 %                       | 24.8 %                      |
| Total debt/total capital  | 19.6 %                      | 20.4 %                   | 19.9 %                  | 20.1 %                       | 19.9 %                      |

**THE HANOVER INSURANCE GROUP**  
**CONSOLIDATED INCOME STATEMENTS**

| (In millions)  | Three Months ended December 31 |            |          | Year ended December 31 |            |          |
|--|--------------------------------|------------|----------|------------------------|------------|----------|
|  | 2021                           | 2020       | % Change | 2021                   | 2020       | % Change |
| <b>REVENUES</b>  |                                |            |          |                        |            |          |
| Premiums earned  | \$ 1,242.6                     | \$ 1,154.0 | 7.7      | \$ 4,770.2             | \$ 4,527.4 | 5.4      |
| Net investment income                                  | 79.5                           | 70.2       | 13.2     | 310.7                  | 265.1      | 17.2     |
| Net realized and unrealized investment gains (losses): |                                |            |          |                        |            |          |
| Net realized gains (losses) from sales and other       | (2.2)                          | 5.8        | N/M      | 4.6                    | 17.9       | (74.3)   |
| Net change in fair value of equity securities          | 53.2                           | 57.8       | (8.0)    | 119.1                  | 13.4       | N/M      |
| Impairment recoveries (losses) on investments          | (0.6)                          | 1.6        | N/M      | (0.7)                  | (26.3)     | (97.3)   |
| Total net realized and unrealized investment gains     | 50.4                           | 65.2       | (22.7)   | 123.0                  | 5.0        | N/M      |
| Fees and other income                                  | 6.0                            | 6.4        | (6.2)    | 23.9                   | 27.3       | (12.5)   |
| Total revenues   | 1,378.5                        | 1,295.8    | 8.7      | 5,227.8                | 4,824.8    | 8.4      |
| <b>LOSSES AND EXPENSES</b>                             |                                |            |          |                        |            |          |
| Losses and loss adjustment expenses                    | 763.8                          | 695.3      | 9.9      | 3,134.2                | 2,845.2    | 10.2     |
| Amortization of deferred acquisition costs             | 254.2                          | 239.1      | 6.3      | 982.7                  | 951.0      | 3.3      |
| Interest expense                                       | 8.5                            | 8.5        | -        | 34.0                   | 37.1       | (8.4)    |
| Loss from repayment of debt                            | -                              | -          | -        | -                      | 6.2        | N/M      |
| Other operating expenses                               | 147.2                          | 145.9      | 0.9      | 555.6                  | 540.5      | 2.8      |
| Total losses and expenses                              | 1,173.7                        | 1,088.8    | 8.0      | 4,706.5                | 4,380.0    | 7.5      |
| Income from continuing operations before income taxes  | 204.8                          | 207.0      | (1.1)    | 521.3                  | 444.8      | 17.2     |
| Income tax expense                                     | 42.0                           | 41.1       | 2.2      | 101.3                  | 82.8       | 22.3     |
| Income from continuing operations                      | 162.8                          | 165.9      | (1.9)    | 420.0                  | 362.0      | 16.0     |
| Discontinued operations (net of taxes):                |                                |            |          |                        |            |          |
| Income from Chaucer business                           | 1.2                            | 0.4        | N/M      | 1.2                    | 0.4        | N/M      |
| Loss from discontinued life businesses                 | (0.5)                          | (1.7)      | (70.6)   | (2.5)                  | (3.7)      | (32.4)   |
| Net income   | \$ 163.5                       | \$ 164.6   | (0.7)    | \$ 418.7               | \$ 358.7   | 16.7     |

**THE HANOVER INSURANCE GROUP**  
**CONSOLIDATED BALANCE SHEETS**

| (In millions, except per share data)   | December 31<br>2021 | December 31<br>2020 | % Change |
|--|---------------------|---------------------|----------|
| <b>ASSETS</b>  |                     |                     |          |
| Investments:   |                     |                     |          |
| Fixed maturities, at fair value (amortized cost of \$7,514.8 and \$6,945.6)                              | \$ 7,723.9          | \$ 7,454.4          | 3.6      |
| Equity securities, at fair value   | 661.3               | 598.5               | 10.5     |
| Other investments  | 767.4               | 793.2               | (3.3)    |
| Total investments  | 9,152.6             | 8,846.1             | 3.5      |
| Cash and cash equivalents  | 230.9               | 120.6               | 91.5     |
| Accrued investment income  | 49.8                | 51.2                | (2.7)    |
| Premiums and accounts receivable, net  | 1,469.5             | 1,339.3             | 9.7      |
| Reinsurance recoverable on paid and unpaid losses and unearned premiums                                  | 1,907.3             | 1,874.3             | 1.8      |
| Deferred acquisition costs   | 552.0               | 477.5               | 15.6     |
| Goodwill   | 178.8               | 178.8               | -        |
| Other assets   | 606.3               | 445.7               | 36.0     |
| Assets of discontinued businesses  | 107.1               | 110.2               | (2.8)    |
| Total assets   | \$ 14,254.3         | \$ 13,443.7         | 6.0      |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                     |                     |          |
| <b>LIABILITIES</b>   |                     |                     |          |
| Loss and loss adjustment expense reserves  | \$ 6,447.6          | \$ 6,024.0          | 7.0      |
| Unearned premiums  | 2,734.9             | 2,482.7             | 10.2     |
| Expenses and taxes payable   | 907.7               | 687.5               | 32.0     |
| Deferred income tax liability  | 60.8                | 97.3                | (37.5)   |
| Reinsurance premiums payable   | 55.1                | 48.4                | 13.8     |
| Debt   | 781.6               | 780.8               | 0.1      |
| Liabilities of discontinued businesses   | 121.7               | 120.8               | 0.7      |
| Total liabilities  | 11,109.4            | 10,241.5            | 8.5      |
| <b>SHAREHOLDERS' EQUITY</b>  |                     |                     |          |
| Preferred stock, par value \$0.01 per share;<br>20.0 million shares authorized; none issued              | -                   | -                   | -        |
| Common stock, par value \$0.01 per share; 300.0 million shares<br>authorized; 60.5 million shares issued | 0.6                 | 0.6                 | -        |
| Additional paid-in capital   | 1,887.2             | 1,857.4             | 1.6      |
| Accumulated other comprehensive income   | 122.2               | 372.5               | (67.2)   |
| Retained earnings  | 2,983.2             | 2,668.0             | 11.8     |
| Treasury stock at cost (25.0 million and 24.1 million shares)  | (1,848.3)           | (1,696.3)           | 9.0      |
| Total shareholders' equity   | 3,144.9             | 3,202.2             | (1.8)    |
| Total liabilities and shareholders' equity   | \$ 14,254.3         | \$ 13,443.7         | 6.0      |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**CONSOLIDATED**

Three Months ended December 31

|   | 2021             |                |               |                 | 2020             |                |                 |                 |
|---|------------------|----------------|---------------|-----------------|------------------|----------------|-----------------|-----------------|
| (In millions, except percentage data)   | Commercial Lines | Personal Lines | Other         | Total           | Commercial Lines | Personal Lines | Other           | Total           |
| Gross premiums written  | \$ 830.9         | \$ 339.8       | \$ -          | \$ 1,170.7      | \$ 759.4         | \$ 476.1       | \$ -            | \$ 1,235.5      |
| Net premiums written  | \$ 712.7         | \$ 502.2       | \$ -          | \$ 1,214.9      | \$ 650.1         | \$ 462.0       | \$ -            | \$ 1,112.1      |
| Net premiums earned   | \$ 745.9         | \$ 496.7       | \$ -          | \$ 1,242.6      | \$ 683.7         | \$ 470.3       | \$ -            | \$ 1,154.0      |
| Losses and LAE:   |                  |                |               |                 |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses   | 417.6            | 321.6          | -             | 739.2           | 385.5            | 280.7          | -               | 666.2           |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (11.4)           | (3.0)          | -             | (14.4)          | (6.3)            | -              | 0.3             | (6.0)           |
| Current accident year catastrophe losses  | 15.5             | 23.5           | -             | 39.0            | 10.6             | 25.0           | -               | 35.6            |
| Prior accident year favorable catastrophe loss development                                    | -                | -              | -             | -               | (0.6)            | 0.1            | -               | (0.5)           |
| Total losses and LAE  | 421.7            | 342.1          | -             | 763.8           | 389.2            | 305.8          | 0.3             | 695.3           |
| Amortization of deferred acquisition costs and other underwriting expenses                    | 256.6            | 137.6          | -             | 394.2           | 238.6            | 136.1          | -               | 374.7           |
| <b>GAAP underwriting profit (loss)</b>  | <b>67.6</b>      | <b>17.0</b>    | <b>-</b>      | <b>84.6</b>     | <b>55.9</b>      | <b>28.4</b>    | <b>(0.3)</b>    | <b>84.0</b>     |
| Net investment income   | 53.7             | 22.9           | 2.9           | 79.5            | 46.6             | 20.4           | 3.2             | 70.2            |
| Other income  | 2.3              | 2.6            | 1.1           | 6.0             | 2.4              | 2.6            | 1.4             | 6.4             |
| Other operating expenses  | (2.7)            | (1.6)          | (2.9)         | (7.2)           | (1.7)            | (0.6)          | (8.0)           | (10.3)          |
| <b>Operating income (loss) before income taxes</b>  | <b>\$ 120.9</b>  | <b>\$ 40.9</b> | <b>\$ 1.1</b> | <b>\$ 162.9</b> | <b>\$ 103.2</b>  | <b>\$ 50.8</b> | <b>\$ (3.7)</b> | <b>\$ 150.3</b> |
| Loss and LAE ratio:   |                  |                |               |                 |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses   | 55.9 %           | 64.8 %         | N/M           | 59.6 %          | 56.3 %           | 59.7 %         | N/M             | 57.8 %          |
| Prior accident year favorable reserve development, excluding catastrophe losses               | (1.5)%           | (0.6)%         | N/M           | (1.2)%          | (0.9)%           | -              | N/M             | (0.5)%          |
| Current accident year catastrophe losses  | 2.1 %            | 4.7 %          | N/M           | 3.1 %           | 1.6 %            | 5.3 %          | N/M             | 3.0 %           |
| Prior accident year favorable catastrophe loss development                                    | -                | -              | N/M           | -               | (0.1)%           | -              | N/M             | -               |
| Total loss and LAE ratio  | 56.5 %           | 68.9 %         | N/M           | 61.5 %          | 56.9 %           | 65.0 %         | N/M             | 60.3 %          |
| Expense ratio   | 34.2 %           | 27.3 %         | N/M           | 31.4 %          | 34.6 %           | 28.4 %         | N/M             | 32.1 %          |
| <b>Combined ratio</b>   | <b>90.7 %</b>    | <b>96.2 %</b>  | <b>N/M</b>    | <b>92.9 %</b>   | <b>91.5 %</b>    | <b>93.4 %</b>  | <b>N/M</b>      | <b>92.4 %</b>   |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**CONSOLIDATED**

Year ended December 31

|   | 2021             |                 |               |                 | 2020             |                 |                 |                 |
|---|------------------|-----------------|---------------|-----------------|------------------|-----------------|-----------------|-----------------|
| (In millions, except percentage data)   | Commercial Lines | Personal Lines  | Other         | Total           | Commercial Lines | Personal Lines  | Other           | Total           |
| Gross premiums written  | \$ 3,448.9       | \$ 1,895.4      | \$ -          | \$ 5,344.3      | \$ 3,201.0       | \$ 1,953.5      | \$ -            | \$ 5,154.5      |
| Net premiums written  | \$ 2,983.7       | \$ 2,009.7      | \$ -          | \$ 4,993.4      | \$ 2,733.1       | \$ 1,865.4      | \$ -            | \$ 4,598.5      |
| Net premiums earned   | \$ 2,840.8       | \$ 1,929.4      | \$ -          | \$ 4,770.2      | \$ 2,683.3       | \$ 1,844.1      | \$ -            | \$ 4,527.4      |
| Losses and LAE:   |                  |                 |               |                 |                  |                 |                 |                 |
| Current accident year, excluding catastrophe losses   | 1,617.9          | 1,169.8         | -             | 2,787.7         | 1,534.1          | 1,039.1         | 0.1             | 2,573.3         |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (34.0)           | (23.1)          | 1.0           | (56.1)          | (19.0)           | (0.7)           | 4.2             | (15.5)          |
| Current accident year catastrophe losses  | 239.3            | 178.3           | -             | 417.6           | 151.0            | 152.8           | -               | 303.8           |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (12.0)           | (3.0)           | -             | (15.0)          | (18.8)           | 1.7             | -               | (17.1)          |
| Total losses and LAE  | 1,811.2          | 1,322.0         | 1.0           | 3,134.2         | 1,647.3          | 1,192.9         | 4.3             | 2,844.5         |
| Amortization of deferred acquisition costs and other underwriting expenses                    | 967.7            | 542.3           | -             | 1,510.0         | 929.7            | 518.3           | -               | 1,448.0         |
| <b>GAAP underwriting profit (loss)</b>  | <b>61.9</b>      | <b>65.1</b>     | <b>(1.0)</b>  | <b>126.0</b>    | <b>106.3</b>     | <b>132.9</b>    | <b>(4.3)</b>    | <b>234.9</b>    |
| Net investment income   | 209.4            | 89.4            | 11.9          | 310.7           | 175.3            | 76.7            | 13.1            | 265.1           |
| Other income  | 9.7              | 9.7             | 4.5           | 23.9            | 9.7              | 10.6            | 7.0             | 27.3            |
| Other operating expenses  | (11.1)           | (5.7)           | (11.5)        | (28.3)          | (15.9)           | (7.7)           | (19.0)          | (42.6)          |
| <b>Operating income (loss) before income taxes</b>  | <b>\$ 269.9</b>  | <b>\$ 158.5</b> | <b>\$ 3.9</b> | <b>\$ 432.3</b> | <b>\$ 275.4</b>  | <b>\$ 212.5</b> | <b>\$ (3.2)</b> | <b>\$ 484.7</b> |
| Loss and LAE ratio:   |                  |                 |               |                 |                  |                 |                 |                 |
| Current accident year, excluding catastrophe losses   | 57.0 %           | 60.6 %          | N/M           | 58.5 %          | 57.2 %           | 56.3 %          | N/M             | 56.8 %          |
| Prior accident year favorable reserve development, excluding catastrophe losses               | (1.2)%           | (1.2)%          | N/M           | (1.2)%          | (0.7)%           | -               | N/M             | (0.3)%          |
| Current accident year catastrophe losses  | 8.4 %            | 9.3 %           | N/M           | 8.7 %           | 5.6 %            | 8.3 %           | N/M             | 6.7 %           |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (0.4)%           | (0.2)%          | N/M           | (0.3)%          | (0.7)%           | 0.1 %           | N/M             | (0.4)%          |
| Total loss and LAE ratio  | 63.8 %           | 68.5 %          | N/M           | 65.7 %          | 61.4 %           | 64.7 %          | N/M             | 62.8 %          |
| Expense ratio   | 33.8 %           | 27.7 %          | N/M           | 31.3 %          | 34.4 %           | 27.7 %          | N/M             | 31.6 %          |
| <b>Combined ratio</b>   | <b>97.6 %</b>    | <b>96.2 %</b>   | <b>N/M</b>    | <b>97.0 %</b>   | <b>95.8 %</b>    | <b>92.4 %</b>   | <b>N/M</b>      | <b>94.4 %</b>   |



**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING INFORMATION AND RELATED RATIOS**

**CONSOLIDATED**

| (In millions, except percentage data)   | Q4<br>2020     | Q1<br>2021    | Q2<br>2021     | Q3<br>2021       | Q4<br>2021     | Dec-YTD<br>2020 | Dec-YTD<br>2021 |
|---|----------------|---------------|----------------|------------------|----------------|-----------------|-----------------|
| Gross premiums written  | \$ 1,235.5     | \$ 1,337.6    | \$ 1,342.8     | \$ 1,493.2       | \$ 1,170.7     | \$ 5,154.5      | \$ 5,344.3      |
| Net premiums written  | \$ 1,112.1     | \$ 1,196.1    | \$ 1,207.2     | \$ 1,375.2       | \$ 1,214.9     | \$ 4,598.5      | \$ 4,993.4      |
| Net premiums earned   | \$ 1,154.0     | \$ 1,161.8    | \$ 1,179.8     | \$ 1,186.0       | \$ 1,242.6     | \$ 4,527.4      | \$ 4,770.2      |
| Losses and LAE:   |                |               |                |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses                             | 666.2          | 656.2         | 680.9          | 711.4            | 739.2          | 2,573.3         | 2,787.7         |
| Prior accident year favorable reserve development, excluding catastrophe losses | (6.0)          | (8.2)         | (12.6)         | (20.9)           | (14.4)         | (15.5)          | (56.1)          |
| Current accident year catastrophe losses  | 35.6           | 133.3         | 91.8           | 153.5            | 39.0           | 303.8           | 417.6           |
| Prior accident year favorable catastrophe loss development                      | (0.5)          | -             | (15.0)         | -                | -              | (17.1)          | (15.0)          |
| Total losses and LAE  | 695.3          | 781.3         | 745.1          | 844.0            | 763.8          | 2,844.5         | 3,134.2         |
| Amortization of deferred acquisition costs and other underwriting expenses      | 374.7          | 371.2         | 371.7          | 372.9            | 394.2          | 1,448.0         | 1,510.0         |
| <b>GAAP underwriting profit (loss)</b>  | <b>\$ 84.0</b> | <b>\$ 9.3</b> | <b>\$ 63.0</b> | <b>\$ (30.9)</b> | <b>\$ 84.6</b> | <b>\$ 234.9</b> | <b>\$ 126.0</b> |
| Loss and LAE ratio:   |                |               |                |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses                             | 57.8 %         | 56.4 %        | 57.8 %         | 60.1 %           | 59.6 %         | 56.8 %          | 58.5 %          |
| Prior accident year favorable reserve development, excluding catastrophe losses | (0.5)%         | (0.7)%        | (1.1)%         | (1.8)%           | (1.2)%         | (0.3)%          | (1.2)%          |
| Current accident year catastrophe losses  | 3.0 %          | 11.5 %        | 7.8 %          | 12.9 %           | 3.1 %          | 6.7 %           | 8.7 %           |
| Prior accident year favorable catastrophe loss development                      | -              | -             | (1.3)%         | -                | -              | (0.4)%          | (0.3)%          |
| Total loss and LAE ratio  | 60.3 %         | 67.2 %        | 63.2 %         | 71.2 %           | 61.5 %         | 62.8 %          | 65.7 %          |
| Expense ratio   | 32.1 %         | 31.6 %        | 31.2 %         | 31.1 %           | 31.4 %         | 31.6 %          | 31.3 %          |
| <b>Combined ratio</b>   | <b>92.4 %</b>  | <b>98.8 %</b> | <b>94.4 %</b>  | <b>102.3 %</b>   | <b>92.9 %</b>  | <b>94.4 %</b>   | <b>97.0 %</b>   |
| Combined ratio, excluding catastrophe losses                                    | 89.4 %         | 87.3 %        | 87.9 %         | 89.4 %           | 89.8 %         | 88.1 %          | 88.6 %          |
| Current accident year combined ratio, excluding catastrophe losses              | 89.9 %         | 88.0 %        | 89.0 %         | 91.2 %           | 91.0 %         | 88.4 %          | 89.8 %          |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**COMMERCIAL LINES**

Three Months ended December 31

|   | 2021              |         |                  |          |                 | 2020              |         |                  |          |                 |
|---|-------------------|---------|------------------|----------|-----------------|-------------------|---------|------------------|----------|-----------------|
| (In millions, except percentage data)   | Multiple<br>Peril | Auto    | Workers'<br>Comp | Other    | Total           | Multiple<br>Peril | Auto    | Workers'<br>Comp | Other    | Total           |
| Net premiums written  | \$ 222.5          | \$ 79.2 | \$ 85.4          | \$ 325.6 | \$ 712.7        | \$ 209.1          | \$ 79.6 | \$ 79.2          | \$ 282.2 | \$ 650.1        |
| Net premiums earned   | \$ 242.7          | \$ 87.5 | \$ 91.6          | \$ 324.1 | \$ 745.9        | \$ 230.3          | \$ 84.5 | \$ 83.8          | \$ 285.1 | \$ 683.7        |
| Losses and LAE:   |                   |         |                  |          |                 |                   |         |                  |          |                 |
| Current accident year, excluding catastrophe losses   | 139.3             | 59.0    | 54.6             | 164.7    | 417.6           | 130.1             | 54.5    | 50.4             | 150.5    | 385.5           |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (1.4)             | 0.4     | (10.0)           | (0.4)    | (11.4)          | 0.9               | 4.8     | (10.4)           | (1.6)    | (6.3)           |
| Current accident year catastrophe losses  | 8.1               | 1.1     | -                | 6.3      | 15.5            | 3.5               | 0.6     | -                | 6.5      | 10.6            |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (0.1)             | (0.3)   | -                | 0.4      | -               | (0.1)             | -       | -                | (0.5)    | (0.6)           |
| Total losses and LAE  | 145.9             | 60.2    | 44.6             | 171.0    | 421.7           | 134.4             | 59.9    | 40.0             | 154.9    | 389.2           |
| Amortization of deferred acquisition costs and other underwriting expenses                    |                   |         |                  |          | 256.6           |                   |         |                  |          | 238.6           |
| <b>GAAP underwriting profit</b>   |                   |         |                  |          | 67.6            |                   |         |                  |          | 55.9            |
| Net investment income   |                   |         |                  |          | 53.7            |                   |         |                  |          | 46.6            |
| Other income  |                   |         |                  |          | 2.3             |                   |         |                  |          | 2.4             |
| Other operating expenses  |                   |         |                  |          | (2.7)           |                   |         |                  |          | (1.7)           |
| <b>Operating income before income taxes</b>   |                   |         |                  |          | <u>\$ 120.9</u> |                   |         |                  |          | <u>\$ 103.2</u> |
| Loss and LAE ratio:   |                   |         |                  |          |                 |                   |         |                  |          |                 |
| Current accident year, excluding catastrophe losses   | 57.4 %            | 67.4 %  | 59.6 %           | 50.8 %   | 55.9 %          | 56.5 %            | 64.5 %  | 60.1 %           | 52.8 %   | 56.3 %          |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (0.6)%            | 0.5 %   | (10.9)%          | (0.1)%   | (1.5)%          | 0.4 %             | 5.7 %   | (12.4)%          | (0.6)%   | (0.9)%          |
| Current accident year catastrophe losses  | 3.3 %             | 1.2 %   | -                | 2.0 %    | 2.1 %           | 1.5 %             | 0.7 %   | -                | 2.3 %    | 1.6 %           |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | -                 | (0.3)%  | -                | 0.1 %    | -               | -                 | -       | -                | (0.2)%   | (0.1)%          |
| Total loss and LAE ratio  | 60.1 %            | 68.8 %  | 48.7 %           | 52.8 %   | 56.5 %          | 58.4 %            | 70.9 %  | 47.7 %           | 54.3 %   | 56.9 %          |
| Expense ratio   |                   |         |                  |          | 34.2 %          |                   |         |                  |          | 34.6 %          |
| <b>Combined ratio</b>   |                   |         |                  |          | <u>90.7 %</u>   |                   |         |                  |          | <u>91.5 %</u>   |
| Change in policies in force   | 3.8 %             | (4.1)%  | 7.8 %            | 5.0 %    | 4.3 %           | 2.0 %             | (7.7)%  | 7.2 %            | 0.2 %    | 1.2 %           |
| Retention   | 88.5 %            | 83.2 %  | 84.8 %           | N/M      | 86.7 %          | 86.8 %            | 81.9 %  | 84.2 %           | N/M      | 85.3 %          |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**COMMERCIAL LINES**

Year ended December 31

|   | 2021              |          |                  |            |                 | 2020              |          |                  |            |                 |
|---|-------------------|----------|------------------|------------|-----------------|-------------------|----------|------------------|------------|-----------------|
|   | Multiple<br>Peril | Auto     | Workers'<br>Comp | Other      | Total           | Multiple<br>Peril | Auto     | Workers'<br>Comp | Other      | Total           |
| (In millions, except percentage data)   |                   |          |                  |            |                 |                   |          |                  |            |                 |
| Net premiums written  | \$ 978.6          | \$ 349.0 | \$ 354.7         | \$ 1,301.4 | \$ 2,983.7      | \$ 921.7          | \$ 336.0 | \$ 320.3         | \$ 1,155.1 | \$ 2,733.1      |
| Net premiums earned   | \$ 951.9          | \$ 345.7 | \$ 346.0         | \$ 1,197.2 | \$ 2,840.8      | \$ 909.2          | \$ 335.3 | \$ 317.1         | \$ 1,121.7 | \$ 2,683.3      |
| Losses and LAE:   |                   |          |                  |            |                 |                   |          |                  |            |                 |
| Current accident year, excluding catastrophe losses   | 563.7             | 218.1    | 206.1            | 630.0      | 1,617.9         | 525.0             | 213.7    | 192.9            | 602.5      | 1,534.1         |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (4.7)             | 3.4      | (23.1)           | (9.6)      | (34.0)          | 14.2              | 15.5     | (36.0)           | (12.7)     | (19.0)          |
| Current accident year catastrophe losses  | 174.9             | 2.6      | -                | 61.8       | 239.3           | 99.1              | 2.1      | -                | 49.8       | 151.0           |
| Prior accident year favorable catastrophe loss development                                    | (8.3)             | (1.3)    | -                | (2.4)      | (12.0)          | (14.4)            | (0.1)    | -                | (4.3)      | (18.8)          |
| Total losses and LAE  | 725.6             | 222.8    | 183.0            | 679.8      | 1,811.2         | 623.9             | 231.2    | 156.9            | 635.3      | 1,647.3         |
| Amortization of deferred acquisition costs and other underwriting expenses                    |                   |          |                  |            | 967.7           |                   |          |                  |            | 929.7           |
| <b>GAAP underwriting profit</b>   |                   |          |                  |            | 61.9            |                   |          |                  |            | 106.3           |
| Net investment income   |                   |          |                  |            | 209.4           |                   |          |                  |            | 175.3           |
| Other income  |                   |          |                  |            | 9.7             |                   |          |                  |            | 9.7             |
| Other operating expenses  |                   |          |                  |            | (11.1)          |                   |          |                  |            | (15.9)          |
| <b>Operating income before income taxes</b>   |                   |          |                  |            | <u>\$ 269.9</u> |                   |          |                  |            | <u>\$ 275.4</u> |
| Loss and LAE ratio:   |                   |          |                  |            |                 |                   |          |                  |            |                 |
| Current accident year, excluding catastrophe losses   | 59.2 %            | 63.0 %   | 59.6 %           | 52.6 %     | 57.0 %          | 57.7 %            | 63.8 %   | 60.9 %           | 53.6 %     | 57.2 %          |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (0.5)%            | 1.0 %    | (6.7)%           | (0.8)%     | (1.2)%          | 1.6 %             | 4.6 %    | (11.4)%          | (1.1)%     | (0.7)%          |
| Current accident year catastrophe losses  | 18.4 %            | 0.8 %    | -                | 5.2 %      | 8.4 %           | 10.9 %            | 0.6 %    | -                | 4.5 %      | 5.6 %           |
| Prior accident year favorable catastrophe loss development                                    | (0.9)%            | (0.4)%   | -                | (0.2)%     | (0.4)%          | (1.6)%            | -        | -                | (0.4)%     | (0.7)%          |
| Total loss and LAE ratio  | 76.2 %            | 64.4 %   | 52.9 %           | 56.8 %     | 63.8 %          | 68.6 %            | 69.0 %   | 49.5 %           | 56.6 %     | 61.4 %          |
| Expense ratio   |                   |          |                  |            | 33.8 %          |                   |          |                  |            | 34.4 %          |
| <b>Combined ratio</b>   |                   |          |                  |            | <u>97.6 %</u>   |                   |          |                  |            | <u>95.8 %</u>   |
| Change in policies in force   | 3.8 %             | (4.1)%   | 7.8 %            | 5.0 %      | 4.3 %           | 2.0 %             | (7.7)%   | 7.2 %            | 0.2 %      | 1.2 %           |
| Retention   | 88.3 %            | 83.7 %   | 84.5 %           | N/M        | 86.7 %          | 88.3 %            | 81.9 %   | 83.1 %           | N/M        | 86.2 %          |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING INFORMATION AND RELATED RATIOS**

**COMMERCIAL LINES**

| (In millions, except percentage data)   | Q4<br>2020     | Q1<br>2021       | Q2<br>2021     | Q3<br>2021       | Q4<br>2021     | Dec-YTD<br>2020 | Dec-YTD<br>2021 |
|---|----------------|------------------|----------------|------------------|----------------|-----------------|-----------------|
| Gross premiums written  | \$ 759.4       | \$ 884.0         | \$ 805.7       | \$ 928.3         | \$ 830.9       | \$ 3,201.0      | \$ 3,448.9      |
| Net premiums written  | \$ 650.1       | \$ 757.4         | \$ 686.8       | \$ 826.8         | \$ 712.7       | \$ 2,733.1      | \$ 2,983.7      |
| Net premiums earned   | \$ 683.7       | \$ 692.9         | \$ 703.4       | \$ 698.6         | \$ 745.9       | \$ 2,683.3      | \$ 2,840.8      |
| Losses and LAE:   |                |                  |                |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses                             | 385.5          | 388.9            | 403.9          | 407.5            | 417.6          | 1,534.1         | 1,617.9         |
| Prior accident year favorable reserve development, excluding catastrophe losses | (6.3)          | (3.3)            | (7.9)          | (11.4)           | (11.4)         | (19.0)          | (34.0)          |
| Current accident year catastrophe losses  | 10.6           | 118.8            | 30.2           | 74.8             | 15.5           | 151.0           | 239.3           |
| Prior accident year favorable catastrophe loss development                      | (0.6)          | -                | (12.0)         | -                | -              | (18.8)          | (12.0)          |
| Total losses and LAE  | 389.2          | 504.4            | 414.2          | 470.9            | 421.7          | 1,647.3         | 1,811.2         |
| Amortization of deferred acquisition costs and other underwriting expenses      | 238.6          | 237.8            | 235.4          | 237.9            | 256.6          | 929.7           | 967.7           |
| <b>GAAP underwriting profit (loss)</b>  | <b>\$ 55.9</b> | <b>\$ (49.3)</b> | <b>\$ 53.8</b> | <b>\$ (10.2)</b> | <b>\$ 67.6</b> | <b>\$ 106.3</b> | <b>\$ 61.9</b>  |
| Loss and LAE ratio:   |                |                  |                |                  |                |                 |                 |
| Current accident year, excluding catastrophe losses                             | 56.3 %         | 56.2 %           | 57.4 %         | 58.3 %           | 55.9 %         | 57.2 %          | 57.0 %          |
| Prior accident year favorable reserve development, excluding catastrophe losses | (0.9)%         | (0.5)%           | (1.1)%         | (1.6)%           | (1.5)%         | (0.7)%          | (1.2)%          |
| Current accident year catastrophe losses  | 1.6 %          | 17.1 %           | 4.3 %          | 10.7 %           | 2.1 %          | 5.6 %           | 8.4 %           |
| Prior accident year favorable catastrophe loss development                      | (0.1)%         | -                | (1.7)%         | -                | -              | (0.7)%          | (0.4)%          |
| Total loss and LAE ratio  | 56.9 %         | 72.8 %           | 58.9 %         | 67.4 %           | 56.5 %         | 61.4 %          | 63.8 %          |
| Expense ratio   | 34.6 %         | 34.1 %           | 33.2 %         | 33.8 %           | 34.2 %         | 34.4 %          | 33.8 %          |
| <b>Combined ratio</b>   | <b>91.5 %</b>  | <b>106.9 %</b>   | <b>92.1 %</b>  | <b>101.2 %</b>   | <b>90.7 %</b>  | <b>95.8 %</b>   | <b>97.6 %</b>   |
| Combined ratio, excluding catastrophe losses                                    | 90.0 %         | 89.8 %           | 89.5 %         | 90.5 %           | 88.6 %         | 90.9 %          | 89.6 %          |
| Current accident year combined ratio, excluding catastrophe losses              | 90.9 %         | 90.3 %           | 90.6 %         | 92.1 %           | 90.1 %         | 91.6 %          | 90.8 %          |

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**PERSONAL LINES**

Three Months ended December 31

| (In millions, except percentage data)   | 2021     |          |         |                | 2020     |          |         |                |
|---|----------|----------|---------|----------------|----------|----------|---------|----------------|
|   | Auto     | Home     | Other   | Total          | Auto     | Home     | Other   | Total          |
| Net premiums written  | \$ 300.3 | \$ 181.9 | \$ 20.0 | \$ 502.2       | \$ 283.7 | \$ 162.4 | \$ 15.9 | \$ 462.0       |
| Net premiums earned   | \$ 305.3 | \$ 173.2 | \$ 18.2 | \$ 496.7       | \$ 293.4 | \$ 162.0 | \$ 14.9 | \$ 470.3       |
| Losses and LAE:   |          |          |         |                |          |          |         |                |
| Current accident year, excluding catastrophe losses   | 226.3    | 87.7     | 7.6     | 321.6          | 197.1    | 77.7     | 5.9     | 280.7          |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (4.4)    | 1.9      | (0.5)   | (3.0)          | 1.7      | (1.1)    | (0.6)   | -              |
| Current accident year catastrophe losses  | 2.5      | 20.5     | 0.5     | 23.5           | 1.0      | 23.8     | 0.2     | 25.0           |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (0.3)    | 0.3      | -       | -              | (0.1)    | 0.1      | 0.1     | 0.1            |
| Total losses and LAE  | 224.1    | 110.4    | 7.6     | 342.1          | 199.7    | 100.5    | 5.6     | 305.8          |
| Amortization of deferred acquisition costs and other underwriting expenses                    |          |          |         | 137.6          |          |          |         | 136.1          |
| <b>GAAP underwriting profit</b>   |          |          |         | 17.0           |          |          |         | 28.4           |
| Net investment income   |          |          |         | 22.9           |          |          |         | 20.4           |
| Other income  |          |          |         | 2.6            |          |          |         | 2.6            |
| Other operating expenses  |          |          |         | (1.6)          |          |          |         | (0.6)          |
| <b>Operating income before income taxes</b>   |          |          |         | <b>\$ 40.9</b> |          |          |         | <b>\$ 50.8</b> |
| Loss and LAE ratio:   |          |          |         |                |          |          |         |                |
| Current accident year, excluding catastrophe losses   | 74.1 %   | 50.6 %   | 41.8 %  | 64.8 %         | 67.2 %   | 47.9 %   | 39.6 %  | 59.7 %         |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (1.4)%   | 1.1 %    | (2.7)%  | (0.6)%         | 0.6 %    | (0.7)%   | (4.0)%  | -              |
| Current accident year catastrophe losses  | 0.8 %    | 11.8 %   | 2.7 %   | 4.7 %          | 0.3 %    | 14.7 %   | 1.3 %   | 5.3 %          |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (0.1)%   | 0.2 %    | -       | -              | -        | 0.1 %    | 0.7 %   | -              |
|   | 73.4 %   | 63.7 %   | 41.8 %  | 68.9 %         | 68.1 %   | 62.0 %   | 37.6 %  | 65.0 %         |
| Expense ratio   |          |          |         | 27.3 %         |          |          |         | 28.4 %         |
| <b>Combined ratio</b>   |          |          |         | <b>96.2 %</b>  |          |          |         | <b>93.4 %</b>  |
| Change in policies in force   | 6.1 %    | 6.0 %    | 40.5 %  | 8.7 %          | (2.8)%   | (1.1)%   | 40.7 %  | 0.4 %          |
| Retention <sup>(1)</sup>  | 88.1 %   | 89.4 %   | N/M     | 88.8 %         | 81.8 %   | 83.4 %   | N/M     | 82.7 %         |

<sup>(1)</sup> The calculation of this measure has been updated, including prior periods, to include the "lost business" from policy rewrites.

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING AND OPERATING INCOME INFORMATION AND RATIOS**

**PERSONAL LINES**

Year ended December 31

| (In millions, except percentage data)   | 2021       |          |         |            | 2020       |          |         |            |
|---|------------|----------|---------|------------|------------|----------|---------|------------|
|   | Auto       | Home     | Other   | Total      | Auto       | Home     | Other   | Total      |
| Net premiums written  | \$ 1,230.4 | \$ 704.1 | \$ 75.2 | \$ 2,009.7 | \$ 1,151.5 | \$ 653.4 | \$ 60.5 | \$ 1,865.4 |
| Net premiums earned   | \$ 1,193.8 | \$ 668.8 | \$ 66.8 | \$ 1,929.4 | \$ 1,145.8 | \$ 642.9 | \$ 55.4 | \$ 1,844.1 |
| Losses and LAE:   |            |          |         |            |            |          |         |            |
| Current accident year, excluding catastrophe losses   | 792.5      | 349.0    | 28.3    | 1,169.8    | 703.1      | 315.3    | 20.7    | 1,039.1    |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (23.5)     | 1.2      | (0.8)   | (23.1)     | 4.5        | (0.6)    | (4.6)   | (0.7)      |
| Current accident year catastrophe losses  | 20.0       | 156.6    | 1.7     | 178.3      | 10.2       | 141.4    | 1.2     | 152.8      |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (1.3)      | (1.8)    | 0.1     | (3.0)      | 0.7        | 0.8      | 0.2     | 1.7        |
| Total losses and LAE  | 787.7      | 505.0    | 29.3    | 1,322.0    | 718.5      | 456.9    | 17.5    | 1,192.9    |
| Amortization of deferred acquisition costs and other underwriting expenses                    |            |          |         | 542.3      |            |          |         | 518.3      |
| <b>GAAP underwriting profit</b>   |            |          |         | 65.1       |            |          |         | 132.9      |
| Net investment income   |            |          |         | 89.4       |            |          |         | 76.7       |
| Other income  |            |          |         | 9.7        |            |          |         | 10.6       |
| Other operating expenses  |            |          |         | (5.7)      |            |          |         | (7.7)      |
| <b>Operating income before income taxes</b>   |            |          |         | \$ 158.5   |            |          |         | \$ 212.5   |
| Loss and LAE ratio:   |            |          |         |            |            |          |         |            |
| Current accident year, excluding catastrophe losses   | 66.4 %     | 52.2 %   | 42.4 %  | 60.6 %     | 61.3 %     | 49.1 %   | 37.4 %  | 56.3 %     |
| Prior accident year unfavorable (favorable) reserve development, excluding catastrophe losses | (2.0)%     | 0.2 %    | (1.2)%  | (1.2)%     | 0.4 %      | (0.1)%   | (8.3)%  | -          |
| Current accident year catastrophe losses  | 1.7 %      | 23.4 %   | 2.6 %   | 9.3 %      | 0.9 %      | 22.0 %   | 2.1 %   | 8.3 %      |
| Prior accident year unfavorable (favorable) catastrophe loss development                      | (0.1)%     | (0.3)%   | 0.1 %   | (0.2)%     | 0.1 %      | 0.1 %    | 0.4 %   | 0.1 %      |
| Total loss and LAE ratio  | 66.0 %     | 75.5 %   | 43.9 %  | 68.5 %     | 62.7 %     | 71.1 %   | 31.6 %  | 64.7 %     |
| Expense ratio   |            |          |         | 27.7 %     |            |          |         | 27.7 %     |
| <b>Combined ratio</b>   |            |          |         | 96.2 %     |            |          |         | 92.4 %     |
| Change in policies in force   | 6.1 %      | 6.0 %    | 40.5 %  | 8.7 %      | (2.8)%     | (1.1)%   | 40.7 %  | 0.4 %      |
| Retention <sup>(1)</sup>  | 86.6 %     | 87.7 %   | N/M     | 87.2 %     | 83.5 %     | 84.7 %   | N/M     | 84.2 %     |

<sup>(1)</sup> The calculation of this measure has been updated, including prior periods, to include the "lost business" from policy rewrites.

**THE HANOVER INSURANCE GROUP**  
**GAAP UNDERWRITING INFORMATION AND RELATED RATIOS**

**PERSONAL LINES**

| (In millions, except percentage data)   | <b>Q4<br/>2020</b> | <b>Q1<br/>2021</b> | <b>Q2<br/>2021</b> | <b>Q3<br/>2021</b> | <b>Q4<br/>2021</b> | <b>Dec-YTD<br/>2020</b> | <b>Dec-YTD<br/>2021</b> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|-------------------------|
| Gross premiums written  | \$ 476.1           | \$ 453.6           | \$ 537.1           | \$ 564.9           | \$ 339.8           | \$ 1,953.5              | \$ 1,895.4              |
| Net premiums written  | \$ 462.0           | \$ 438.7           | \$ 520.4           | \$ 548.4           | \$ 502.2           | \$ 1,865.4              | \$ 2,009.7              |
| Net premiums earned   | \$ 470.3           | \$ 468.9           | \$ 476.4           | \$ 487.4           | \$ 496.7           | \$ 1,844.1              | \$ 1,929.4              |
| Losses and LAE:   |                    |                    |                    |                    |                    |                         |                         |
| Current accident year, excluding catastrophe losses                             | 280.7              | 267.3              | 277.0              | 303.9              | 321.6              | 1,039.1                 | 1,169.8                 |
| Prior accident year favorable reserve development, excluding catastrophe losses | -                  | (5.2)              | (5.0)              | (9.9)              | (3.0)              | (0.7)                   | (23.1)                  |
| Current accident year catastrophe losses  | 25.0               | 14.5               | 61.6               | 78.7               | 23.5               | 152.8                   | 178.3                   |
| Prior accident year unfavorable (favorable) catastrophe loss development        | 0.1                | -                  | (3.0)              | -                  | -                  | 1.7                     | (3.0)                   |
| Total losses and LAE  | 305.8              | 276.6              | 330.6              | 372.7              | 342.1              | 1,192.9                 | 1,322.0                 |
| Amortization of deferred acquisition costs and other underwriting expenses      | 136.1              | 133.4              | 136.3              | 135.0              | 137.6              | 518.3                   | 542.3                   |
| <b>GAAP underwriting profit (loss)</b>  | <b>\$ 28.4</b>     | <b>\$ 58.9</b>     | <b>\$ 9.5</b>      | <b>\$ (20.3)</b>   | <b>\$ 17.0</b>     | <b>\$ 132.9</b>         | <b>\$ 65.1</b>          |
| Loss and LAE ratio:   |                    |                    |                    |                    |                    |                         |                         |
| Current accident year, excluding catastrophe losses                             | 59.7 %             | 57.0 %             | 58.1 %             | 62.4 %             | 64.8 %             | 56.3 %                  | 60.6 %                  |
| Prior accident year favorable reserve development, excluding catastrophe losses | -                  | (1.1)%             | (1.0)%             | (2.0)%             | (0.6)%             | -                       | (1.2)%                  |
| Current accident year catastrophe losses  | 5.3 %              | 3.1 %              | 12.9 %             | 16.1 %             | 4.7 %              | 8.3 %                   | 9.3 %                   |
| Prior accident year unfavorable (favorable) catastrophe loss development        | -                  | -                  | (0.6)%             | -                  | -                  | 0.1 %                   | (0.2)%                  |
| Total loss and LAE ratio  | 65.0 %             | 59.0 %             | 69.4 %             | 76.5 %             | 68.9 %             | 64.7 %                  | 68.5 %                  |
| Expense ratio   | 28.4 %             | 28.0 %             | 28.2 %             | 27.3 %             | 27.3 %             | 27.7 %                  | 27.7 %                  |
| <b>Combined ratio</b>   | <b>93.4 %</b>      | <b>87.0 %</b>      | <b>97.6 %</b>      | <b>103.8 %</b>     | <b>96.2 %</b>      | <b>92.4 %</b>           | <b>96.2 %</b>           |
| Combined ratio, excluding catastrophe losses                                    | 88.1 %             | 83.9 %             | 85.3 %             | 87.7 %             | 91.5 %             | 84.0 %                  | 87.1 %                  |
| Current accident year combined ratio, excluding catastrophe losses              | 88.1 %             | 85.0 %             | 86.3 %             | 89.7 %             | 92.1 %             | 84.0 %                  | 88.3 %                  |

**THE HANOVER INSURANCE GROUP**  
**NET INVESTMENT INCOME AND YIELDS**

| (In millions, except yields) | Q4<br>2020 | Q1<br>2021 | Q2<br>2021 | Q3<br>2021 | Q4<br>2021     | YTD<br>2020 | YTD<br>2021     |
|------------------------------|------------|------------|------------|------------|----------------|-------------|-----------------|
| <b>Net Investment Income</b> |            |            |            |            |                |             |                 |
| Fixed maturities             | \$ 54.8    | \$ 54.5    | \$ 53.9    | \$ 54.2    | \$ <b>54.3</b> | \$ 222.5    | \$ <b>216.9</b> |
| Limited partnerships         | 8.7        | 15.1       | 15.5       | 18.9       | <b>18.7</b>    | 16.7        | <b>68.2</b>     |
| Mortgage loans               | 4.4        | 5.4        | 4.2        | 4.0        | <b>4.4</b>     | 17.5        | <b>18.0</b>     |
| Equity securities            | 4.0        | 3.8        | 3.8        | 3.7        | <b>4.3</b>     | 14.8        | <b>15.6</b>     |
| Other investments            | 0.8        | 0.7        | 0.9        | 0.7        | <b>0.7</b>     | 3.2         | <b>3.0</b>      |
| Investment expenses          | (2.5)      | (2.7)      | (2.7)      | (2.7)      | <b>(2.9)</b>   | (9.6)       | <b>(11.0)</b>   |
| Total                        | \$ 70.2    | \$ 76.8    | \$ 75.6    | \$ 78.8    | \$ <b>79.5</b> | \$ 265.1    | \$ <b>310.7</b> |
| <b>Pre-tax Yields</b>        |            |            |            |            |                |             |                 |
| Fixed maturities             | 3.15%      | 3.11%      | 3.02%      | 2.96%      | <b>2.90%</b>   | 3.33%       | <b>2.99%</b>    |
| Total                        | 3.45%      | 3.74%      | 3.65%      | 3.72%      | <b>3.69%</b>   | 3.35%       | <b>3.70%</b>    |

Pre-tax yields represent annualized net investment income for the period divided by the monthly average invested assets at amortized cost or cost, which excludes accumulated changes in fair value for fixed maturities and equity securities.



**THE HANOVER INSURANCE GROUP**  
**INVESTMENT PORTFOLIO**  
December 31, 2021

(In millions)

| Investment Type                       | Weighted<br>Average<br>Quality | Amortized<br>Cost<br>or Cost (1) | Fair Value /<br>Carry Value | % of<br>Total | Net<br>Unrealized<br>Gain (Loss) | Change in<br>Net<br>Unrealized<br>During Q4 | Change in<br>Net<br>Unrealized<br>YTD |
|---------------------------------------|--------------------------------|----------------------------------|-----------------------------|---------------|----------------------------------|---|---------------------------------------|
| Fixed maturities:                     |                                |                                  |                             |               |                                  |   |                                       |
| U.S. Treasury and government agencies | AAA                            | \$ 394.3                         | \$ 396.2                    | 4.2%          | \$ 1.9                           | \$ (1.6)                                    | \$ (13.7)                             |
| Foreign government                    | A-                             | 2.2                              | 2.6                         | -             | 0.4                              | -   | (0.1)                                 |
| Municipals:                           |                                |                                  |                             |               |                                  |   |                                       |
| Taxable                               | AA                             | 1,149.2                          | 1,173.0                     | 12.5%         | 23.8                             | (9.6)                                       | (36.1)                                |
| Tax-exempt                            | AA                             | 27.0                             | 27.8                        | 0.3%          | 0.8                              | -   | (0.9)                                 |
| Corporate:                            |                                |                                  |                             |               |                                  |   |                                       |
| NAIC 1                                | A                              | 1,407.3                          | 1,476.4                     | 15.7%         | 69.1                             | (19.4)                                      | (69.5)                                |
| NAIC 2                                | BBB                            | 2,178.8                          | 2,257.7                     | 24.1%         | 78.9                             | (33.1)                                      | (102.4)                               |
| NAIC 3 and below                      | BB-                            | 345.1                            | 356.0                       | 3.8%          | 10.9                             | (3.8)                                       | (10.6)                                |
| Total corporate                       | BBB+                           | 3,931.2                          | 4,090.1                     | 43.6%         | 158.9                            | (56.3)                                      | (182.5)                               |
| Asset-backed:                         |                                |                                  |                             |               |                                  |   |                                       |
| Residential mortgage-backed           | AAA                            | 1,068.2                          | 1,069.6                     | 11.4%         | 1.4                              | (9.1)                                       | (31.1)                                |
| Commercial mortgage-backed            | AA+                            | 802.4                            | 824.4                       | 8.8%          | 22.0                             | (11.1)                                      | (32.6)                                |
| Asset-backed                          | A-                             | 140.3                            | 140.2                       | 1.5%          | (0.1)                            | (2.0)                                       | (2.7)                                 |
| Total fixed maturities                | A+                             | 7,514.8                          | 7,723.9                     | 82.3%         | 209.1                            | (89.7)                                      | (299.7)                               |
| Equity securities                     |                                | 661.3                            | 661.3                       | 7.0%          | -                                | -   | -                                     |
| Mortgage and other loans              |                                | 434.0                            | 434.0                       | 4.6%          | -                                | -   | -                                     |
| Other investments                     |                                | 333.4                            | 333.4                       | 3.6%          | -                                | -   | -                                     |
| Total investments                     |                                | 8,943.5                          | 9,152.6                     | 97.5%         | 209.1                            | (89.7)                                      | (299.7)                               |
| Cash and cash equivalents             |                                | 230.9                            | 230.9                       | 2.5%          | -                                | -   | -                                     |
| <b>Total</b>                          |                                | <b>\$ 9,174.4</b>                | <b>\$ 9,383.5</b>           | <b>100.0%</b> | <b>\$ 209.1</b>                  | <b>\$ (89.7)</b>                            | <b>\$ (299.7)</b>                     |

(1) Net of allowance for credit losses of \$7.4 million.

**THE HANOVER INSURANCE GROUP**  
**CREDIT QUALITY AND DURATION OF FIXED MATURITIES**  
December 31, 2021

(In millions)

**CREDIT QUALITY OF FIXED MATURITIES**

| NAIC Designation       | Rating Agency<br>Equivalent Designation | Amortized<br>Cost (1) | Fair<br>Value     | % of Total<br>Fair Value |
|------------------------|---|-----------------------|-------------------|--------------------------|
| 1                      | Aaa/Aa/A                                | \$ 4,867.5            | \$ 4,987.6        | 64.6%                    |
| 2                      | Baa                                     | 2,302.2               | 2,380.4           | 30.8%                    |
| 3                      | Ba                                      | 216.9                 | 225.2             | 2.9%                     |
| 4                      | B                                       | 123.2                 | 125.3             | 1.6%                     |
| 5                      | Caa and lower                           | 5.0                   | 5.4               | 0.1%                     |
| Total fixed maturities |   | <u>\$ 7,514.8</u>     | <u>\$ 7,723.9</u> | <u>100.0%</u>            |

**DURATION OF FIXED MATURITIES**

|                           | Amortized<br>Cost (1) | Fair<br>Value     | % of Total<br>Fair Value |
|---------------------------|-----------------------|-------------------|--------------------------|
| 0-2 Years                 | \$ 1,080.2            | \$ 1,108.3        | 14.3%                    |
| 2-4 Years                 | 1,581.1               | 1,660.9           | 21.5%                    |
| 4-6 Years                 | 2,263.8               | 2,349.0           | 30.4%                    |
| 6-8 Years                 | 1,603.8               | 1,622.4           | 21.0%                    |
| 8-10 Years                | 854.9                 | 846.5             | 11.0%                    |
| 10+ Years                 | 131.0                 | 136.8             | 1.8%                     |
| Total fixed maturities    | <u>\$ 7,514.8</u>     | <u>\$ 7,723.9</u> | <u>100.0%</u>            |
| Weighted Average Duration | <u>4.9</u>            |                   |                          |

(1) Net of allowance for credit losses of \$0.3 million.

**THE HANOVER INSURANCE GROUP**  
**TOP 25 CORPORATE AND MUNICIPAL FIXED MATURITY HOLDINGS**  
December 31, 2021

(In millions, except percentage data)

| <b>Issuer</b>                           | <b>Amortized Cost</b> | <b>Fair Value</b> | <b>As a Percent of<br/>Invested Assets</b> | <b>Ratings (1)</b> |
|---|-----------------------|-------------------|--|--------------------|
| Minnesota Housing Finance Agency        | \$ 41.0               | \$ 40.7           | 0.43%                                      | AAA                |
| Morgan Stanley                          | 34.4                  | 36.4              | 0.39%                                      | BBB+               |
| State of Ohio                           | 34.2                  | 33.8              | 0.36%                                      | AA+                |
| Charles Schwab                          | 29.6                  | 31.1              | 0.33%                                      | A                  |
| Truist Financial                        | 29.5                  | 31.1              | 0.33%                                      | A-                 |
| Goldman Sachs                           | 29.0                  | 30.3              | 0.32%                                      | BBB+               |
| Sumitomo Mitsui Financial               | 27.6                  | 28.1              | 0.30%                                      | A-                 |
| AbbVie                                  | 27.1                  | 28.2              | 0.30%                                      | BBB+               |
| Bank of America                         | 26.3                  | 28.2              | 0.30%                                      | A-                 |
| Massachusetts School Building Authority | 26.3                  | 25.8              | 0.28%                                      | AA+                |
| Westpac Banking                         | 25.6                  | 26.7              | 0.28%                                      | A                  |
| State of Oregon                         | 25.5                  | 25.2              | 0.27%                                      | AA+                |
| California State University             | 25.3                  | 25.8              | 0.28%                                      | AA-                |
| JP Morgan Chase                         | 25.0                  | 26.1              | 0.28%                                      | A-                 |
| PNC Bank                                | 24.7                  | 26.3              | 0.28%                                      | A                  |
| National Grid                           | 24.2                  | 24.8              | 0.26%                                      | BBB+               |
| Cigna                                   | 23.6                  | 24.3              | 0.26%                                      | A-                 |
| Kroger                                  | 23.1                  | 23.8              | 0.25%                                      | BBB                |
| Mitsubishi UFJ Financial Group          | 23.1                  | 23.9              | 0.26%                                      | A-                 |
| District of Columbia                    | 23.0                  | 22.3              | 0.24%                                      | AAA                |
| State of Wisconsin                      | 22.5                  | 22.5              | 0.24%                                      | AA+                |
| Citizens Financial Group                | 22.3                  | 22.9              | 0.24%                                      | BBB+               |
| UBS Group                               | 22.0                  | 22.4              | 0.24%                                      | A-                 |
| SVB Financial Group                     | 22.0                  | 21.9              | 0.23%                                      | BBB                |
| MassMutual Global Funding II            | 22.0                  | 23.2              | 0.25%                                      | AA+                |
| Top 25 Corporate and Municipal          | \$ 658.9              | \$ 675.8          | 7.20%                                      |                    |

(1) - Represents nationally recognized rating agency sources.

**THE HANOVER INSURANCE GROUP**  
**RECONCILIATION OF OPERATING INCOME TO NET INCOME**

|   | Three Months ended December 31 |                     |                 |                     | Year ended December 31 |                     |                 |                     |
|---|--------------------------------|---------------------|-----------------|---------------------|------------------------|---------------------|-----------------|---------------------|
|   | 2021                           |                     | 2020            |                     | 2021                   |                     | 2020            |                     |
|   | \$                             | Per Share (Diluted) | \$              | Per Share (Diluted) | \$                     | Per Share (Diluted) | \$              | Per Share (Diluted) |
| (In millions, except per share data)                |                                |                     |                 |                     |                        |                     |                 |                     |
| <b>OPERATING INCOME (LOSS)</b>                      |                                |                     |                 |                     |                        |                     |                 |                     |
| Commercial Lines                                    | \$ 120.9                       |                     | \$ 103.2        |                     | \$ 269.9               |                     | \$ 275.4        |                     |
| Personal Lines                                      | 40.9                           |                     | 50.8            |                     | 158.5                  |                     | 212.5           |                     |
| Other   | 1.1                            |                     | (3.7)           |                     | 3.9                    |                     | (3.2)           |                     |
| Total   | 162.9                          |                     | 150.3           |                     | 432.3                  |                     | 484.7           |                     |
| Interest expense                                    | (8.5)                          |                     | (8.5)           |                     | (34.0)                 |                     | (37.1)          |                     |
| Operating income before income taxes                | 154.4                          | \$ 4.27             | 141.8           | \$ 3.82             | 398.3                  | \$ 10.93            | 447.6           | \$ 11.75            |
| Income tax expense on operating income              | (32.3)                         | (0.89)              | (29.8)          | (0.80)              | (80.0)                 | (2.20)              | (92.6)          | (2.43)              |
| Operating income after income taxes                 | 122.1                          | 3.38                | 112.0           | 3.02                | 318.3                  | 8.73                | 355.0           | 9.32                |
| Non-operating items:                                |                                |                     |                 |                     |                        |                     |                 |                     |
| Net realized gains (losses) from sales and other    | (2.2)                          | (0.06)              | 5.8             | 0.16                | 4.6                    | 0.13                | 17.9            | 0.47                |
| Net change in fair value of equity securities       | 53.2                           | 1.47                | 57.8            | 1.56                | 119.1                  | 3.27                | 13.4            | 0.35                |
| Impairment recoveries (losses) on investments       | (0.6)                          | (0.02)              | 1.6             | 0.04                | (0.7)                  | (0.02)              | (26.3)          | (0.69)              |
| Loss from repayment of borrowings                   | -                              | -                   | -               | -                   | -                      | -                   | (6.2)           | (0.16)              |
| Other non-operating items                           | -                              | -                   | -               | -                   | -                      | -                   | (1.6)           | (0.05)              |
| Income tax benefit (expense) on non-operating items | (9.7)                          | (0.26)              | (11.3)          | (0.31)              | (21.3)                 | (0.59)              | 9.8             | 0.26                |
| Income from continuing operations, net of taxes     | 162.8                          | 4.51                | 165.9           | 4.47                | 420.0                  | 11.52               | 362.0           | 9.50                |
| Discontinued operations (net of taxes):             |                                |                     |                 |                     |                        |                     |                 |                     |
| Income from Chaucer business                        | 1.2                            | 0.03                | 0.4             | 0.01                | 1.2                    | 0.03                | 0.4             | 0.01                |
| Loss from discontinued life businesses              | (0.5)                          | (0.01)              | (1.7)           | (0.05)              | (2.5)                  | (0.06)              | (3.7)           | (0.09)              |
| <b>NET INCOME</b>                                   | <b>\$ 163.5</b>                | <b>\$ 4.53</b>      | <b>\$ 164.6</b> | <b>\$ 4.43</b>      | <b>\$ 418.7</b>        | <b>\$ 11.49</b>     | <b>\$ 358.7</b> | <b>\$ 9.42</b>      |

## Non-GAAP Financial Measures

The Hanover uses non-GAAP financial measures as important measures of the Company's operating performance, which we believe provide investors with additional information regarding management's evaluation of our results of operations and financial performance. The Company's non-GAAP measures include operating income before interest expense and taxes, total operating income after taxes, total operating income after taxes per share, total book value per share, total book value per share excluding net unrealized gains and losses related to investments, net of tax, tangible book value per share and measures of operating income and loss and combined ratios excluding catastrophe losses (catastrophe losses as discussed here and in all other measures include catastrophe loss development) and reserve development.

Operating income before interest expense and taxes is net income (loss), excluding interest expense on debt, income taxes and net realized and unrealized investment gains and losses, which includes changes in the fair value of equity securities still held because fluctuations in these gains and losses are determined by interest rates, financial markets and the timing of sales. Operating income before interest expense and taxes also excludes net gains and losses on disposals of businesses, discontinued operations, restructuring costs, the cumulative effect of accounting changes and certain other items. Operating income before interest expense and taxes is the sum of the operating income (loss) from: Commercial Lines, Personal Lines, and Other. After-tax operating income EPS (sometimes referred to as "after-tax operating income per share") is also a non-GAAP measure. It is defined as net income (loss) excluding the after-tax impact of net realized and unrealized investment gains (losses), as well as results from discontinued operations and other non-operating items for a period divided by the average number of diluted shares of common stock. The Hanover believes that measures of operating income before interest expense and taxes provide investors with a valuable measure of the performance of the Company's ongoing businesses because they highlight net income (loss) attributable to the core operations of the business.

Book value per share is total shareholders' equity divided by the number of common shares outstanding. Book value per share excluding net unrealized gains and losses related to fixed maturity investments, net of tax, is total shareholders' equity excluding the after-tax effect of unrealized investment gains and losses on fixed maturities divided by the number of common shares outstanding. Tangible book value per share is total shareholders' equity, excluding goodwill and intangible assets, divided by the number of common shares outstanding.

The Hanover also provides measures of operating income and loss ratios that exclude the effects of catastrophe losses. A catastrophe is a severe loss, resulting from natural or manmade events, including, among others, hurricanes, tornadoes and other windstorms, earthquakes, hail, severe winter weather, fire, explosions and terrorism. Each catastrophe has unique characteristics. Catastrophes are not predictable as to timing or loss amount in advance. The Hanover believes that providing certain financial metrics and trends excluding the effects of catastrophes is meaningful for investors to understand the variability of periodic earnings and loss ratios.

Prior year reserve development, which can be favorable or unfavorable, represents changes in our estimate of the costs to pay claims from prior years. We believe that a discussion of operating income excluding prior year reserve development is helpful to investors since it provides insight into both our estimate of current year accident results and changes to prior-year reserve estimates.

Operating income before and after interest expense and taxes and measures of operating income that exclude the effects of catastrophe losses or reserve development should not be construed as substitutes for net income (loss) determined in accordance with GAAP. A reconciliation of income (loss) from continuing operations to operating income before interest expense and taxes and income (loss) from continuing operations per share to operating income after taxes per share for the three and twelve months ended December 31, 2021 and 2020 is set forth on page 18 of this document. The presentation of loss ratios calculated excluding the effects of reserve development and/or catastrophe losses should not be construed as a substitute for loss ratios determined in accordance with GAAP.

Additional reconciliations are provided in the press release relating to the current period(s) financial results, which is available on the Company's website, [www.hanover.com](http://www.hanover.com)

## CORPORATE OFFICES AND PRINCIPAL SUBSIDIARIES

### THE HANOVER INSURANCE GROUP, INC.

440 Lincoln Street  
Worcester, MA 01653

### The Hanover Insurance Company

440 Lincoln Street  
Worcester, MA 01653

### Citizens Insurance Company of America

808 North Highlander Way  
Howell, MI 48843

## MARKET AND DIVIDEND INFORMATION

The following tables set forth the high and low closing sales prices of our common stock and quarterly cash dividends for the periods indicated:

| Quarter Ended 2021 |                 |                 |                        |
|--------------------|-----------------|-----------------|------------------------|
|                    | Price Range     |                 | Dividends<br>Per Share |
|                    | High            | Low             |                        |
| March 31           | \$133.12        | \$112.47        | \$0.700                |
| June 30            | \$142.80        | \$129.83        | \$0.700                |
| September 30       | \$142.35        | \$127.33        | \$0.700                |
| <b>December 31</b> | <b>\$136.97</b> | <b>\$121.75</b> | <b>\$0.750</b>         |

| Quarter Ended 2020 |             |         |                        |
|--------------------|-------------|---------|------------------------|
|                    | Price Range |         | Dividends<br>Per Share |
|                    | High        | Low     |                        |
| March 31           | \$140.54    | \$83.67 | \$0.650                |
| June 30            | \$115.06    | \$84.64 | \$0.650                |
| September 30       | \$107.36    | \$89.10 | \$0.650                |
| December 31        | \$118.34    | \$93.58 | \$0.700                |

## INDUSTRY RATINGS AS OF February 2, 2022

| Financial Strength Ratings            | A.M.<br>Best | Standard<br>& Poor's | Moody's |
|---------------------------------------|--------------|----------------------|---------|
| The Hanover Insurance Company         | A            | A                    | A2      |
| Citizens Insurance Company of America | A            | A                    | -       |

| Debt Ratings                      | A.M.<br>Best | Standard<br>& Poor's | Moody's |
|-----------------------------------|--------------|----------------------|---------|
| The Hanover Insurance Group, Inc. |              |                      |         |
| Senior Debt                       | bbb+         | BBB                  | Baa2    |
| Subordinated Debentures           | bbb-         | BB+                  | Baa3    |

The above ratings are accurate as of February 2, 2022, and may be revised, superseded or withdrawn by the respective rating agency at any time. For the most current information concerning the financial ratings of The Hanover Insurance Group and its subsidiaries, please visit the websites of the respective rating agencies.

## TRANSFER AGENT

Computershare Investor Services  
PO Box 505000  
Louisville, KY 40233-5000  
1-800-317-4454

## COMMON STOCK

Common stock of The Hanover Insurance Group, Inc. is traded on the New York Stock Exchange under the symbol "THG".

## INQUIRIES

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