Third Quarter 2023 Investor Supplement

September 30, 2023

Horace Mann

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Note: The information contained in this document includes measures which are based on methodologies other than accounting principles generally accepted in the United States of America (non-GAAP) and are marked with an asterisk (*) within this document. Reconciliations of non-GAAP measures to the closest GAAP measures are contained in the supplemental numerical pages of HMEC's quarterly earnings releases (and related SEC filings), and additional descriptions of non-GAAP measures are contained in the Glossary of Selected Terms included as an exhibit to HMEC's SEC filings.

Consolidated Financial Highlights

($ in millions, except per share data)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net premiums and contract charges earned	$ 266.0	$ 260.7	$ 255.9	$ 259.1	$ 257.4	$ 782.6	$ 768.6
Net investment income	118.9	108.5	100.4	100.2	97.6	327.8	300.7
Net investment losses	(8.4)	(17.4)	(3.9)	(12.7)	(12.8)	(29.7)	(43.8)
Other income	2.2	4.6	1.5	(0.2)	0.4	8.3	9.7
Total revenues	$ 378.7	$ 356.4	$ 353.9	$ 346.4	$ 342.6	$ 1,089.0	$ 1,035.2
Net income (loss)	$ 11.7	$ (12.8)	$ 6.6	$ (16.7)	$ 20.4	$ 5.5	$ 36.5
Core earnings (loss)*	18.3	0.9	9.7	(2.9)	30.5	28.9	71.0
Adjusted core earnings (loss)*	21.3	3.8	12.6	0.5	33.8	37.7	80.9
At Period End							
Total assets	$ 13,412.5	$ 13,671.9	$ 13,653.9	$ 13,306.1	$ 13,166.6	$ 13,412.5	$ 13,166.6
Total policy liabilities	7,700.4	7,817.4	7,845.1	7,808.7	7,649.6	7,700.4	7,649.6
Debt	546.1	498.1	498.0	498.0	497.9	546.1	497.9
Shareholders' equity	1,051.3	1,101.9	1,139.2	1,098.3	1,092.3	1,051.3	1,092.3
Per Share and Shares Data (in millions)[1]							
Net income (loss) per share (basic)	$ 0.28	$ (0.31)	$ 0.16	$ (0.40)	$ 0.49	$ 0.13	$ 0.87
Net income (loss) per share (diluted)	0.28	(0.31)	0.16	(0.40)	0.49	0.13	0.87
Core earnings (loss) per share (diluted)*	0.44	0.03	0.23	(0.06)	0.73	0.70	1.69
Adjusted core earnings per share (diluted)*	0.51	0.10	0.30	0.02	0.81	0.91	1.93
Weighted average shares (basic)	41.3	41.3	41.3	41.4	41.4	41.3	41.7
Dilutive effect of share equivalents	0.1	0.1	0.1	0.2	0.2	0.1	0.2
Weighted average shares (diluted)	41.4	41.4	41.4	41.6	41.6	41.4	41.9
Book value per share	$ 25.74	$ 26.96	$ 27.87	$ 26.85	$ 26.69	$ 25.74	$ 26.69
Per share impact of net unrealized investment gains (losses) on fixed maturity securities*	(13.10)	(9.64)	(8.72)	(10.99)	(12.14)	(13.10)	(12.14)
Per share impact of net reserve remeasurements attributable to discount rates*	3.27	1.05	0.43	1.44	1.80	3.27	1.80
Adjusted book value per share*	$ 35.57	$ 35.55	$ 36.16	$ 36.40	$ 37.03	$ 35.57	$ 37.03
Tangible book value per share*	$ 29.99	$ 29.87	$ 30.43	$ 30.58	$ 30.99	$ 29.99	$ 30.99
Dividends paid per share	$ 0.33	$ 0.33	$ 0.33	$ 0.32	$ 0.32	$ 0.99	$ 0.96
Financial Ratios							
Net Income ROE - LTM[2]	(1.0)%	(0.2)%	0.5 %	1.6 %	6.3 %	(1.0)%	6.3 %
Net Income ROE - Annualized	4.3 %	(4.6)%	2.4 %	(6.1)%	7.1 %	0.7 %	3.8 %
Core ROE - LTM*	1.8 %	2.6 %	3.0 %	4.5 %	7.8 %	1.8 %	7.8 %
Core ROE - Annualized*	5.0 %	0.2 %	2.6 %	(0.8)%	8.0 %	2.6 %	6.2 %
Adjusted Core ROE - LTM*	2.6 %	3.4 %	3.9 %	5.4 %	8.6 %	2.6 %	8.6 %
Adjusted Core ROE - Annualized*	5.9 %	1.0 %	3.4 %	0.1 %	8.9 %	3.4 %	7.1 %
Debt to total capitalization excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates*	27.3 %	25.5 %	25.2 %	25.1 %	24.7 %	27.3 %	24.7 %
Investment yield, excluding limited partnership interests, pretax - annualized*	4.78 %	4.52 %	4.72 %	4.01 %	4.26 %	4.68 %	4.32 %

[1] Calculated using basic shares when in a net loss or core loss position. [2] LTM = Last twelve months.

Selected Financial Data - Five Year History

($ in millions, except per share data)	Year Ended December 31, 2022[1]	2021	2020	2019[1]	2018
Consolidated Statement of Operations Data					
Net premiums and contract charges earned	$ 1,027.7	$ 888.8	$ 930.7	$ 898.0	$ 817.3
Net investment income	400.9	422.5	357.6	365.1	376.5
Net income (loss)	19.8	170.4	133.3	184.4	18.3
Net income ROE - Annualized	1.5 %	11.9 %	7.9 %	12.9 %	1.3 %
At Period End					
Total assets	$ 13,306.1	$ 14,465.4	$ 13,471.8	$ 12,478.7	$ 11,031.9
Total policy liabilities	7,808.7	7,733.1	7,148.6	6,956.5	6,384.1
Debt	498.0	502.6	437.3	433.0	297.7
Shareholders' equity	1,098.3	1,499.0	1,790.1	1,567.3	1,290.6
Per Share and Shares Data (in millions)					
Net income (loss) per share (basic)	$ 0.48	$ 4.06	$ 3.18	$ 4.42	$ 0.44
Net income (loss) per share (diluted)	0.47	4.04	3.17	4.40	0.44
Weighted average shares (basic)	41.6	42.0	41.9	41.7	41.6
Weighted average shares (diluted)	41.8	42.2	42.0	41.9	41.9
Book value per share	$ 26.85	$ 36.21	$ 43.22	$ 38.01	$ 31.50
Adjusted book value per share*	36.40	37.17	34.38	32.42	29.13
Tangible book value per share*	30.58	32.62	29.52	26.90	27.91
Dividends paid per share	$ 1.28	$ 1.24	$ 1.20	$ 1.15	$ 1.14
Segment Information					
Net premiums written and contract deposits*					
Property & Casualty	$ 617.5	$ 607.8	$ 635.5	$ 683.1	$ 681.5
Life & Retirement	544.8	563.0	536.3	529.6	550.4
Supplemental & Group Benefits	274.7	128.0	133.2	68.7	3.1
Total	$ 1,437.0	$ 1,298.8	$ 1,305.0	$ 1,281.4	$ 1,235.0
Net income (loss)					
Property & Casualty	$ (44.4)	$ 57.0	$ 76.5	$ 54.3	$ (14.3)
Life & Retirement	63.8	89.1	30.7	12.6	60.4
Supplemental & Group Benefits	65.9	52.9	42.9	18.2	0.1
Corporate & Other	(65.5)	(28.6)	(16.8)	99.3	(27.9)
Total	$ 19.8	$ 170.4	$ 133.3	$ 184.4	$ 18.3

[1] The acquisition of NTA Life Enterprises, LLC closed on July 1, 2019. The acquisition of Madison National Life Insurance Company, Inc. closed on January 1, 2022. Both are reported in the Supplemental & Group Benefits segment.

Consolidated Statements of Operations

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Revenues							
Net premiums and contract charges earned	$ 266.0	$ 260.7	$ 255.9	$ 259.1	$ 257.4	$ 782.6	$ 768.6
Net investment income	118.9	108.5	100.4	100.2	97.6	327.8	300.7
Net investment losses	(8.4)	(17.4)	(3.9)	(12.7)	(12.8)	(29.7)	(43.8)
Other income	2.2	4.6	1.5	(0.2)	0.4	8.3	9.7
Total revenues	378.7	356.4	353.9	346.4	342.6	1,089.0	1,035.2
Benefits, losses and expenses							
Benefits, claims and settlement expenses	199.2	205.2	183.2	201.2	167.1	587.6	545.7
Interest credited	52.7	50.7	48.7	47.5	44.8	152.1	125.9
Operating expenses	75.7	80.1	79.8	86.1	75.6	235.6	229.4
DAC amortization expense	26.3	25.4	23.7	22.6	22.2	75.4	65.7
Intangible asset amortization expense	3.7	3.7	3.7	4.2	4.2	11.1	12.6
Interest expense	7.5	6.9	6.7	5.9	5.3	21.1	13.5
Other expense - goodwill and intangible asset impairments	—	—	—	4.8	—	—	—
Total benefits, losses and expenses	365.1	372.0	345.8	372.3	319.2	1,082.9	992.8
Income (loss) before income taxes	13.6	(15.6)	8.1	(25.9)	23.4	6.1	42.4
Income tax expense (benefit)	1.9	(2.8)	1.5	(9.2)	3.0	0.6	5.9
Net income (loss)	$ 11.7	$ (12.8)	$ 6.6	$ (16.7)	$ 20.4	$ 5.5	$ 36.5
Other Statistics							
Effective tax rate on net investment income	20.8 %	20.7 %	20.7 %	20.7 %	20.6 %	20.7 %	20.6 %
Net investment income, after tax	$ 94.2	$ 86.0	$ 79.6	$ 79.5	$ 77.5	$ 259.8	$ 238.8
Credit loss and intent-to-sell impairments[(1)]	(0.5)	(6.6)	—	(0.3)	(6.7)	(7.1)	(10.4)
Catastrophe losses, net of reinsurance, pretax	28.7	41.5	22.4	12.4	14.6	92.6	67.6
Catastrophe losses, net of reinsurance, after tax	22.7	32.8	17.7	9.8	11.5	73.2	53.4

[(1)] Included in pretax net investment losses.

Consolidated Balance Sheets

($ in millions, except per share data)	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Jun. 30, 2022
Assets						
Investments						
Fixed maturity securities, available for sale, at fair value	$ 4,961.6	$ 5,211.9	$ 5,350.0	$ 5,185.0	$ 5,272.1	$ 5,688.0
Equity securities, at fair value	77.0	85.8	98.8	99.6	113.8	117.3
Limited partnership interests	1,142.6	1,073.8	1,045.4	983.7	997.5	828.4
Short-term and other investments	338.2	298.1	291.1	319.3	254.6	302.7
Total investments	6,519.4	6,669.6	6,785.3	6,587.6	6,638.0	6,936.4
Cash	34.5	23.1	27.4	42.8	36.2	50.1
Deferred policy acquisition costs	334.9	332.9	331.6	330.6	328.8	326.5
Reinsurance balances receivable	441.1	453.6	467.6	468.0	497.5	497.6
Deposit asset on reinsurance	2,515.7	2,514.9	2,518.0	2,516.6	2,525.6	2,507.1
Intangible assets	174.0	177.7	181.5	185.2	192.2	196.4
Goodwill	54.3	54.3	54.3	54.3	56.3	56.3
Other assets	364.6	347.3	333.5	328.7	292.4	283.4
Separate Account variable annuity assets	2,974.0	3,098.5	2,954.7	2,792.3	2,599.6	2,811.2
Total assets	$ 13,412.5	$ 13,671.9	$ 13,653.9	$ 13,306.1	$ 13,166.6	$ 13,665.0
Liabilities and Shareholders' Equity						
Policy liabilities						
Investment contract and future policy benefit reserves	$ 6,817.4	$ 6,947.1	$ 7,007.0	$ 6,978.6	$ 6,902.6	$ 7,042.0
Unpaid claims and claim expenses	586.6	597.8	574.8	564.0	479.1	488.1
Unearned premiums	296.4	272.5	263.3	266.1	267.9	253.7
Total policy liabilities	7,700.4	7,817.4	7,845.1	7,808.7	7,649.6	7,783.8
Other policyholder funds	915.9	900.5	887.1	809.3	1,000.3	1,027.3
Other liabilities	224.8	255.5	329.8	299.5	326.9	347.7
Short-term debt	—	249.0	249.0	249.0	249.0	249.0
Long-term debt	546.1	249.1	249.0	249.0	248.9	248.8
Separate Account variable annuity liabilities	2,974.0	3,098.5	2,954.7	2,792.3	2,599.6	2,811.2
Total liabilities	12,361.2	12,570.0	12,514.7	12,207.8	12,074.3	12,467.8
Common stock, $0.001 par value	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	508.5	505.7	503.1	502.6	500.4	498.1
Retained earnings	1,476.5	1,478.6	1,505.2	1,512.4	1,542.4	1,535.3
Accumulated other comprehensive income, net of taxes:						
Net unrealized investment gains (losses) on fixed maturity securities	(534.7)	(393.7)	(356.4)	(449.6)	(496.8)	(281.8)
Net reserve remeasurements attributable to discount rates	133.6	42.9	17.8	59.0	73.8	(36.9)
Net funded status of benefit plans	(8.8)	(8.8)	(8.8)	(8.8)	(10.2)	(10.2)
Treasury stock, at cost	(523.9)	(522.9)	(521.8)	(517.4)	(517.4)	(507.4)
Total shareholders' equity	1,051.3	1,101.9	1,139.2	1,098.3	1,092.3	1,197.2
Total liabilities and shareholders' equity	$ 13,412.5	$ 13,671.9	$ 13,653.9	$ 13,306.1	$ 13,166.6	$ 13,665.0

Capital Metrics

($ in millions, except per share data)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Debt and Total Capitalization							
Short-term debt due under revolving credit facility(1)	$ —	$ 249.0	$ 249.0	$ 249.0	$ 249.0	$ —	$ 249.0
Senior Debt:							
4.50% Senior notes due December 1, 2025	249.2	249.1	249.0	249.0	248.9	249.2	248.9
7.25% Senior notes due September 15, 2028	296.9	—	—	—	—	296.9	—
FHLB Borrowing	—	—	—	—	—	—	—
Total debt	546.1	498.1	498.0	498.0	497.9	546.1	497.9
Shareholders' equity	1,051.3	1,101.9	1,139.2	1,098.3	1,092.3	1,051.3	1,092.3
Total capitalization	$ 1,597.4	$ 1,600.0	$ 1,637.2	$ 1,596.3	$ 1,590.2	$ 1,597.4	$ 1,590.2
Debt to shareholders' equity	51.9 %	45.2 %	43.7 %	45.3 %	45.6 %	51.9 %	45.6 %
Debt to total capitalization	34.2 %	31.1 %	30.4 %	31.2 %	31.3 %	34.2 %	31.3 %
Debt to total capitalization excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributes to discount rates*	27.3 %	25.5 %	25.2 %	25.1 %	24.7 %	27.3 %	24.7 %
Capital Returned to Shareholders							
Number of shares of common stock repurchased (thousands)	33.0	35.4	128.5	—	295.4	196.9	670.8
Common stock repurchased(2)	$ 0.9	$ 1.1	$ 4.4	$ —	$ 10.0	$ 6.4	$ 24.0
Cash dividends paid	13.4	13.5	13.5	13.1	13.1	40.4	39.5
Total capital returned to shareholders	$ 14.3	$ 14.6	$ 17.9	$ 13.1	$ 23.1	$ 46.8	$ 63.5

(1) Amount available for borrowing is $325.0 million; At SOFR +115 bps + the applicable benchmark adjustment spread; Expires on July 12, 2026.
(2) As of September 30, 2023, the Company's common stock repurchase program had a remaining authorization of $34.9 million.

Property & Casualty Segment | Statements of Operations

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Underwriting Results							
Net premiums written*	$ 188.4	$ 170.9	$ 149.1	$ 153.5	$ 166.4	$ 508.4	$ 464.0
Net premiums earned	164.3	157.4	152.4	155.7	152.4	474.1	452.5
Losses and loss adjustment expenses							
Current accident year before catastrophe losses	120.5	110.5	106.4	127.1	105.7	337.4	305.2
Current accident year catastrophe losses	28.7	41.5	22.4	12.4	14.6	92.6	67.6
Prior years' reserve development(1)	—	—	—	14.0	2.0	—	8.0
Total losses and loss adjustment expenses	149.2	152.0	128.8	153.5	122.3	430.0	380.8
Operating expenses, including DAC amortization expense	42.5	43.1	42.9	45.8	41.6	128.5	121.1
Underwriting gain (loss)	(27.4)	(37.7)	(19.3)	(43.6)	(11.5)	(84.4)	(49.4)
Net investment income	12.0	10.6	4.0	8.5	8.0	26.6	22.9
Other income	0.8	0.8	0.7	0.7	0.7	2.3	2.7
Income (loss) before income taxes	(14.6)	(26.3)	(14.6)	(34.4)	(2.8)	(55.5)	(23.8)
Income tax expense (benefit)	(3.3)	(4.9)	(3.0)	(9.4)	(0.3)	(11.2)	(4.4)
Net income (loss)(2)	$ (11.3)	$ (21.4)	$ (11.6)	$ (25.0)	$ (2.5)	$ (44.3)	$ (19.4)
Core earnings (loss)*	$ (11.3)	$ (21.4)	$ (11.6)	$ (25.0)	$ (2.5)	$ (44.3)	$ (19.4)
Underwriting Ratios (%)							
Losses and loss adjustment expenses							
Current accident year before catastrophe losses and prior years' reserve development	73.3	70.3	69.8	81.6	69.3	71.2	67.3
Current accident year catastrophe losses	17.5	26.3	14.7	8.0	9.6	19.5	15.0
Prior years' reserve development(1)	0.0	0.0	0.0	9.0	1.3	0.0	1.8
Total losses and loss adjustment expenses	90.8	96.6	84.5	98.6	80.2	90.7	84.1
Expense Ratio	25.8	27.4	28.2	29.4	27.3	27.1	26.8
Combined ratio	116.6	124.0	112.7	128.0	107.5	117.8	110.9
Combined ratio before catastrophe losses	99.1	97.7	98.0	120.0	97.9	98.3	95.9
Combined ratio before catastrophe losses and prior years' reserve development*	99.1	97.7	98.0	111.0	96.6	98.3	94.1
Informational Data							
Sales* (Annualized premium)(3)	$ 21.6	$ 18.7	$ 17.2	$ 16.4	$ 18.5	$ 57.5	$ 50.7
Risks in force (in thousands)(4)	528	531	535	538	540	528	540

(1) (Favorable) unfavorable.
(2) Net investment gains (losses) are not allocated by segment.
(3) Horace Mann products.
(4) Includes assumed risks in force of 4 for auto.

Property & Casualty Segment I Auto Products

	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Auto Underwriting Results							
Net premiums written*	$ 118.3	$ 106.7	$ 101.2	$ 98.0	$ 102.5	$ 326.2	$ 296.0
Net premiums earned	105.7	101.3	97.8	98.8	97.7	304.8	291.9
Auto Underwriting Ratios (%)							
Loss and loss adjustment expense ratio	82.6	87.0	82.5	114.5	83.1	84.0	84.1
Expense ratio	26.1	27.6	28.4	29.1	27.7	27.4	26.5
Combined ratio	108.7	114.6	110.9	143.6	110.8	111.4	110.6
Prior years' reserve development[(1)]	0.0	0.0	0.0	14.2	2.0	0.0	4.8
Catastrophe losses	2.9	5.4	1.8	0.5	2.7	3.4	2.3
Combined ratio before catastrophe losses and prior years' reserve development*	105.8	109.2	109.1	128.9	106.1	108.0	103.5
Auto Informational Data							
Household Retention - LTM[(2)]	86.4 %	86.8 %	87.0 %	87.0 %	86.9 %	86.4 %	86.9 %
Sales* (Annualized premium)[(3)]	$ 16.4	$ 14.5	$ 13.4	$ 12.6	$ 14.1	$ 44.3	$ 39.2
Risks in force (in thousands)[(4)]	360	362	365	367	368	360	368

(1) (Favorable) unfavorable.
(2) Retention is based on retained households. History has been restated to reflect this change.
(3) Horace Mann products.
(4) Includes assumed risks in force of 4.

Property & Casualty Segment I Property and Other Products

	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Property and Other Underwriting Results							
Net premiums written*	$ 70.1	$ 64.2	$ 47.9	$ 55.5	$ 63.9	$ 182.2	$ 168.0
Net premiums earned	58.6	56.1	54.6	56.9	54.7	169.3	160.6
Property and Other Underwriting Ratios (%)							
Loss and loss adjustment expense ratio	105.5	114.0	88.1	70.9	75.1	102.7	84.2
Expense ratio	25.5	27.0	27.7	30.1	26.8	26.7	27.4
Combined ratio	131.0	141.0	115.8	101.0	101.9	129.4	111.6
Prior years' reserve development[(1)]	0.0	0.0	0.0	0.0	0.0	0.0	(3.7)
Catastrophe losses	43.7	64.2	37.9	21.0	21.8	48.6	37.8
Combined ratio before catastrophe losses and prior years' development*	87.3	76.8	77.9	80.0	80.1	80.8	77.5
Property and Other Informational Data							
Household Retention - LTM[(2)]	90.0 %	90.1 %	89.8 %	89.6 %	89.5 %	90.0 %	89.5 %
Sales* (Annualized premium)[(3)]	$ 5.2	$ 4.2	$ 3.8	$ 3.8	$ 4.4	$ 13.2	$ 11.5
Risks in force (in thousands)	168	169	170	171	172	168	172

(1) (Favorable) unfavorable.
(2) Retention is based on retained households. History has been restated to reflect this change.
(3) Horace Mann products.

Life & Retirement Segment | Statements of Operations

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net premiums written and contract deposits*	$ 154.8	$ 141.9	$ 136.1	$ 136.8	$ 138.0	$ 432.8	$ 408.0
Revenues							
Net premiums and contract charges earned	$ 38.2	$ 37.4	$ 37.7	$ 35.1	$ 36.8	$ 113.3	$ 108.9
Net investment income	96.9	89.3	87.9	84.3	81.4	274.1	254.0
Other income	3.7	4.5	3.9	3.6	4.1	12.1	13.4
Total revenues	138.8	131.2	129.5	123.0	122.3	399.5	376.3
Benefits and Expenses							
Death benefits / mortality costs(1)	15.9	17.6	19.5	14.9	17.6	53.0	53.7
Interest credited	51.7	49.8	47.9	46.9	44.4	149.4	125.2
Change in reserves	14.6	9.6	13.8	15.5	10.5	38.0	37.4
Operating expenses	23.7	24.8	24.2	27.8	24.1	72.7	74.6
DAC amortization expense	7.5	7.6	6.8	5.9	6.0	21.9	17.1
Intangible asset amortization expense	0.1	—	0.1	0.3	0.2	0.2	0.8
Other expense - goodwill and intangible asset impairments	—	—	—	4.8	—	—	—
Total benefits and expenses	113.5	109.4	112.3	116.1	102.8	335.2	308.8
Income before income taxes	25.3	21.8	17.2	6.9	19.5	64.3	67.5
Income tax expense	4.4	4.4	3.2	0.1	1.8	12.0	10.4
Net income(2)	$ 20.9	$ 17.4	$ 14.0	$ 6.8	$ 17.7	$ 52.3	$ 57.1
Core earnings*	20.9	17.4	14.0	10.6	17.7	52.3	57.1
Adjusted core earnings*	$ 21.0	$ 17.5	$ 14.0	$ 10.9	$ 17.9	$ 52.5	$ 57.7

(1) Ordinary life insurance.
(2) Net investment gains (losses) are not allocated by segment.

Life & Retirement Segment I Life Insurance Products

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net premiums written and contract deposits*	$ 29.2	$ 29.1	$ 26.9	$ 31.8	$ 30.0	$ 85.2	$ 83.8
Net investment income	21.8	20.2	20.1	19.1	18.6	62.1	60.6
Death benefits / mortality costs[1]	15.9	17.6	19.5	14.9	17.6	53.0	53.7
Earnings margin (before tax)							
Return on net premiums - LTM	28.7 %	26.6 %	32.2 %	29.1 %	39.4 %	28.7 %	39.4 %
Informational Data							
Lapse ratio - LTM[1]	4.1 %	4.1 %	4.1 %	4.0 %	4.0 %	4.1 %	4.0 %
Annualized sales*	$ 2.2	$ 2.2	$ 2.2	$ 3.1	$ 2.2	$ 6.6	$ 6.2
Insurance in force	$ 20,351	$ 20,265	$ 20,155	$ 20,030	$ 19,815	$ 20,351	$ 19,815
Policies in force (in thousands)	162	162	162	162	162	162	162

[1] Ordinary life insurance.

Life & Retirement Segment I Retirement Products

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net annuity contract deposits*	$ 125.6	$ 112.8	$ 109.2	$ 105.0	$ 108.1	$ 347.6	$ 324.3
Net investment income - managed portfolio	48.0	43.1	42.1	39.1	36.0	133.2	116.0
Interest credited	23.7	22.3	20.6	18.9	16.5	66.6	43.1
Net interest margin	24.3	20.8	21.5	20.2	19.5	66.6	72.9
Investment income - deposit asset on reinsurance	27.1	26.0	25.7	26.1	26.7	78.8	77.4
Interest credited - reinsured block	27.1	26.8	26.5	27.1	27.1	80.4	79.7
Net interest margin - reinsured block	$ —	$ (0.8)	(0.8)	$ (1.0)	$ (0.4)	$ (1.6)	$ (2.3)
Fixed annuity interest spread - Annualized	251	203	206	198	193	218	263
Variable annuity fee margin - Annualized	146	140	146	146	155	148	143
Informational Data							
Assets under administration (AUA)							
Annuity assets under management[1]	$ 4,938.2	$ 5,033.9	$ 4,944.3	$ 4,837.9	$ 4,694.6	$ 4,938.2	$ 4,694.6
Brokerage and advisory assets under administration	2,253.5	2,332.4	2,237.5	2,112.6	2,058.3	2,253.5	2,058.3
Recordkeeping assets under administration	1,023.6	1,221.1	1,217.0	1,169.8	1,124.6	1,023.6	1,124.6
Total AUA	$ 8,215.3	$ 8,587.4	$ 8,398.8	$ 8,120.3	$ 7,877.5	$ 8,215.3	$ 7,877.5
Total Persistency - LTM	91.7 %	92.2 %	93.1 %	93.7 %	94.0 %	91.7 %	94.0 %
Annuity contracts in force (in thousands)	223	225	226	228	227	223	227
Horace Mann Retirement Advantage® contracts in force (in thousands)	19	18	17	17	16	19	16

[1] Amount reported as of September 30, 2023 excludes $653.6 million of assets under management held under modified coinsurance reinsurance.

Life & Retirement Segment I Account Value Rollforward

($ in millions)	Three Months Ended					
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Jun. 30, 2022
Fixed Account Annuities[1]						
Beginning balance	$ 2,002.8	$ 2,012.6	$ 2,028.9	$ 2,033.2	$ 2,023.3	$ 2,012.8
Reinsurance transfer	(0.8)	2.1	(2.7)	7.9	(20.8)	(16.3)
Deposits	68.6	57.3	53.6	52.3	59.8	46.0
Withdrawals	(104.7)	(118.4)	(114.0)	(113.4)	(82.6)	(74.5)
Net transfers	3.0	8.0	6.6	5.9	7.9	15.8
Interest credited	40.8	39.8	39.0	47.1	44.6	41.4
Other	(0.9)	1.4	1.2	(4.1)	1.0	(1.9)
Ending balance	$ 2,008.8	$ 2,002.8	$ 2,012.6	$ 2,028.9	$ 2,033.2	$ 2,023.3
Fixed Indexed Account Annuities[2]						
Beginning balance	$ 481.2	$ 498.5	$ 510.3	$ 516.9	$ 518.2	$ 518.3
Deposits	5.3	5.3	5.2	7.0	8.1	8.0
Withdrawals	(18.3)	(19.5)	(14.5)	(11.4)	(10.9)	(10.2)
Net transfers	(3.1)	(2.4)	(0.9)	(1.4)	(0.7)	(0.2)
Index credits	3.0	0.9	—	—	—	0.7
Other	(0.1)	(1.6)	(1.6)	(0.8)	2.2	1.6
Ending balance	$ 468.0	$ 481.2	$ 498.5	$ 510.3	$ 516.9	$ 518.2
Variable Account Annuities[3]						
Beginning balance	$ 3,098.4	$ 2,954.7	$ 2,792.3	$ 2,599.6	$ 2,811.2	$ 3,221.8
Deposits	59.8	56.8	57.3	55.5	55.9	62.1
Withdrawals	(58.3)	(58.3)	(46.6)	(47.4)	(47.3)	(44.9)
Net transfers	0.1	(5.5)	(5.6)	(4.5)	(7.2)	(15.5)
Fees and charges	(11.6)	(11.1)	(10.9)	(10.6)	(10.8)	(11.2)
Market appreciation (depreciation)	(114.4)	161.8	168.2	199.7	(202.2)	(401.1)
Ending balance	$ 2,974.0	$ 3,098.4	$ 2,954.7	$ 2,792.3	$ 2,599.6	$ 2,811.2
Held under modified coinsurance agreement	653.6	691.0	664.7	637.7	600.8	658.4
Ending balance net of reinsurance	$ 2,320.4	$ 2,407.4	$ 2,290.0	$ 2,154.6	$ 1,998.8	$ 2,152.8
Fixed and variable annuities in payout phase	$ 141.0	$ 142.5	$ 143.2	$ 144.1	$ 145.7	$ 147.6

[1] Represents account balances having a guarantee of principal and a guaranteed minimum rate of return.
[2] Represents account balances with a contingent return linked to the Standard & Poor's 500 Index and/or the Dow Jones Industrial Average.
[3] Represents account balances invested in various mutual funds at the direction of the contractholders who bear the investment risk.

Supplemental & Group Benefits | Statements of Operations

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Revenues							
Net premiums and contract charges earned	$ 63.5	$ 65.9	$ 65.8	$ 68.2	$ 68.2	$ 195.2	$ 207.2
Net investment income	10.3	9.1	9.1	7.9	8.7	28.5	25.4
Other income	(3.1)	(1.4)	(3.7)	(5.0)	(5.2)	(8.2)	(8.4)
Total revenues	70.7	73.6	71.2	71.1	71.7	215.5	224.2
Benefits and Expenses							
Benefits, settlement expenses and change in reserves	20.5	26.9	21.9	17.9	17.1	69.3	74.5
Operating expenses (includes DAC amortization expense)	26.4	28.0	27.9	27.3	24.4	82.3	76.0
Intangible asset amortization expense	3.6	3.7	3.6	3.9	4.0	10.9	11.8
Total benefits and expenses	50.5	58.6	53.4	49.1	45.5	162.5	162.3
Income before income taxes	20.2	15.0	17.8	22.0	26.2	53.0	61.9
Income tax expense	4.4	3.2	3.8	5.0	5.5	11.4	13.0
Net income[(1)]	$ 15.8	$ 11.8	$ 14.0	$ 17.0	$ 20.7	$ 41.6	$ 48.9
Core earnings*	$ 15.8	$ 11.8	$ 14.0	$ 17.0	$ 20.7	$ 41.6	$ 48.9
Adjusted core earnings*	$ 18.7	$ 14.7	$ 16.9	$ 20.1	$ 23.8	$ 50.2	$ 58.2
Informational Data							
Sales*	$ 8.1	$ 4.4	$ 8.2	$ 4.5	$ 4.4	$ 20.7	$ 11.6
Benefits ratio	32.3 %	40.9 %	33.3 %	26.2 %	25.1 %	35.5 %	35.9 %
Operating expense ratio	37.3 %	38.0 %	39.2 %	38.4 %	33.9 %	38.2 %	33.9 %
Pretax profit margin	28.5 %	20.5 %	24.9 %	30.9 %	36.7 %	24.6 %	27.7 %

(1) Net investment gains (losses) are not allocated by segment.

Supplemental & Group Benefits | Worksite Direct Products

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net premiums written and contract deposits*	$ 29.9	$ 30.2	$ 30.1	$ 29.5	$ 30.3	$ 90.2	$ 91.5
Informational Data							
Sales*	$ 3.5	$ 3.5	$ 3.7	$ 3.4	$ 2.2	$ 10.7	$ 5.8
Benefits ratio	27.8 %	30.1 %	22.1 %	16.9 %	25.4 %	26.7 %	25.0 %
Operating expense ratio	31.5 %	35.3 %	34.4 %	31.9 %	26.3 %	33.7 %	27.2 %
Pretax profit margin	40.4 %	33.6 %	41.2 %	46.6 %	46.0 %	38.4 %	45.8 %
Premium persistency (rolling 12 months)	90.5 %	90.5 %	90.6 %	90.4 %	91.3 %	90.5 %	91.3 %
Policies in force (in thousands)	269	270	269	268	272	269	272

Supplemental & Group Benefits | Employer-Sponsored Products

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net premiums written and contract deposits*	$ 33.8	$ 35.0	$ 37.1	$ 38.4	$ 38.0	$ 105.9	$ 115.3
Informational Data							
Sales*	$ 4.6	$ 0.9	$ 4.5	$ 1.1	$ 2.2	$ 10.0	$ 5.8
Benefits ratio	36.4 %	50.0 %	42.6 %	33.3 %	24.8 %	43.1 %	44.6 %
Operating expense ratio	44.4 %	40.8 %	44.5 %	45.0 %	42.3 %	43.2 %	40.9 %
Pretax profit margin	14.1 %	6.8 %	6.7 %	14.8 %	26.5 %	9.1 %	8.5 %
Covered lives (in thousands)	825	813	815	783	780	825	780

Corporate & Other Segment | Statements of Operations

($ in millions, amounts are net of consolidating eliminations)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Revenues							
Net investment income	$ (0.3)	$ (0.5)	$ (0.6)	$ (0.5)	$ (0.5)	$ (1.4)	$ (1.6)
Other income	0.8	0.7	0.6	0.5	0.8	2.1	2.0
Total revenues	0.5	0.2	—	—	0.3	0.7	0.4
Expenses							
Interest expense	7.5	6.9	6.7	5.9	5.3	21.1	13.5
Other operating expenses	1.9	2.0	1.7	1.9	1.7	5.6	6.3
Total expenses	9.4	8.9	8.4	7.8	7.0	26.7	19.8
Loss before income taxes	(8.9)	(8.7)	(8.4)	(7.8)	(6.7)	(26.0)	(19.4)
Income tax benefit	(1.8)	(1.8)	(1.7)	(2.4)	(1.3)	(5.3)	(3.8)
Core loss* after tax	$ (7.1)	$ (6.9)	$ (6.7)	$ (5.4)	$ (5.4)	$ (20.7)	$ (15.6)
Net investment losses, pretax[1]	(8.4)	(17.4)	(3.9)	(12.7)	(12.8)	(29.7)	(43.8)
Tax on net investment losses [1]	(1.8)	(3.7)	(0.8)	(2.7)	(2.7)	(6.3)	(9.3)
Net investment losses, after tax[1]	(6.6)	(13.7)	(3.1)	(10.0)	(10.1)	(23.4)	(34.5)
Net loss	$ (13.7)	$ (20.6)	$ (9.8)	$ (15.4)	$ (15.5)	$ (44.1)	$ (50.1)
Net Investment Losses							
Gross realized gains	$ 0.3	$ 2.5	$ 1.8	$ 0.7	$ 1.1	$ 4.6	$ 8.2
Gross realized losses, excluding impairment charges	(6.7)	(21.0)	(4.7)	(14.0)	(2.8)	(32.4)	(7.5)
Change in fair value of equity securities	(1.5)	7.7	(1.0)	0.9	(4.4)	5.2	(34.1)
Credit loss and intent-to-sell impairments	(0.5)	(6.6)	—	(0.3)	(6.7)	(7.1)	(10.4)
Total net investment losses	$ (8.4)	$ (17.4)	$ (3.9)	$ (12.7)	$ (12.8)	$ (29.7)	$ (43.8)

[1] Corporate level transactions, such as net investment gains (losses), are not allocated to the operating segments consistent with how management evaluates the results of those segments.

Investment Earnings Before Taxes Consolidated

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Net Investment Income							
Fixed maturity securities(1)							
Taxable	$ 66.9	$ 63.3	$ 65.8	$ 60.7	$ 61.4	$ 196.0	$ 176.3
Tax-exempt	1.8	1.9	1.9	2.0	2.5	5.6	8.2
Total fixed maturity securities	68.7	65.2	67.7	62.7	63.9	201.6	184.5
Equity securities	1.3	0.7	2.7	1.9	1.8	4.7	7.1
Policy loans	1.9	2.2	2.0	2.1	2.0	6.1	6.0
Commercial mortgage loan funds	9.0	9.6	8.1	1.4	2.1	26.7	9.4
Limited partnership interests	11.5	6.1	(3.7)	7.8	2.9	13.9	21.9
Short-term investments and other	2.6	1.3	1.5	0.9	0.9	5.4	2.2
Investment income	95.0	85.1	78.3	76.8	73.6	258.4	231.1
Investment expense	3.2	2.6	3.6	2.7	2.7	9.4	7.8
Total net investment income - investment portfolio	91.8	82.5	74.7	74.1	70.9	249.0	223.3
Investment income - Deposit asset on reinsurance	27.1	26.0	25.7	26.1	26.7	78.8	77.4
Total gross investment income	$ 118.9	$ 108.5	$ 100.4	$ 100.2	$ 97.6	$ 327.8	$ 300.7
Investment yield, pretax - annualized(2)	5.17 %	4.60 %	4.19 %	4.25 %	4.19 %	4.65 %	4.54 %
Investment yield, after tax - annualized(2)	4.10 %	3.66 %	3.33 %	3.38 %	3.34 %	3.70 %	3.61 %
Investment yield, excluding limited partnership interests, pretax - annualized(2)	4.78 %	4.52 %	4.72 %	4.01 %	4.26 %	4.68 %	4.32 %
Investment yield, excluding limited partnership interests, after tax - annualized(2)	3.80 %	3.60 %	3.75 %	3.19 %	3.40 %	3.71 %	3.44 %
Portfolio Net Investment Income by Segment							
Property & Casualty	$ 12.0	$ 10.6	$ 4.0	$ 8.5	$ 8.0	$ 26.6	$ 22.9
Life & Retirement	69.8	63.3	62.2	58.2	54.6	195.3	176.6
Supplemental & Group Benefits	10.3	9.1	9.1	7.9	8.7	28.5	25.4
Corporate & Other, including intersegment eliminations	(0.3)	(0.5)	(0.6)	(0.5)	(0.4)	(1.4)	(1.6)
Total net investment income	$ 91.8	$ 82.5	$ 74.7	$ 74.1	$ 70.9	$ 249.0	$ 223.3
Earnings on Limited Partnership Interests by Segment							
Property & Casualty	$ 5.1	$ 4.0	$ (2.8)	$ 2.4	$ 1.9	$ 6.3	$ 2.3
Life & Retirement	6.0	1.3	(0.3)	4.9	0.3	7.0	15.4
Supplemental & Group Benefits	0.4	0.8	(0.6)	0.5	0.7	0.6	4.2
Total limited partnership interests	$ 11.5	$ 6.1	$ (3.7)	$ 7.8	$ 2.9	$ 13.9	$ 21.9

(1) Includes income on short-term bonds.
(2) Yields calculated by annualizing the result of year-to-date net investment income divided by the average period-end and beginning of year invested assets at cost, amortized cost, or adjusted carrying value, as applicable.

Composition of Invested Assets Consolidated

($ in millions)	September 30, 2023		June 30, 2023		March 31, 2023		December 31, 2022		September 30, 2022		June 30, 2022	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed maturity securities, at fair value(1)	$ 4,961.6	76.1 %	$ 5,211.9	78.1 %	$ 5,350.0	78.8 %	$ 5,185.0	78.7 %	$ 5,272.1	79.4 %	$ 5,688.0	82.0 %
Equity securities, at fair value	77.0	1.2 %	85.8	1.3 %	98.8	1.5 %	99.6	1.5 %	113.8	1.7 %	117.3	1.7 %
Policy loans, at outstanding balance	141.3	2.2 %	140.7	2.1 %	139.6	2.1 %	139.3	2.1 %	139.8	2.1 %	140.8	2.0 %
Commercial mortgage loan funds	671.5	10.3 %	642.7	9.6 %	623.8	9.2 %	593.6	9.0 %	601.5	9.1 %	446.4	6.5 %
Limited partnership interests	471.1	7.2 %	431.1	6.5 %	421.6	6.2 %	390.1	5.9 %	396.0	6.0 %	382.0	5.5 %
Short-term investments and other	196.9	3.0 %	157.4	2.4 %	151.5	2.2 %	180.0	2.8 %	114.8	1.7 %	161.9	2.3 %
Total investments	$ 6,519.4	100.0 %	$ 6,669.6	100.0 %	$ 6,785.3	100.0 %	$ 6,587.6	100.0 %	$ 6,638.0	100.0 %	$ 6,936.4	100.0 %
Asset-backed securities	$ 272.4	5.5 %	$ 287.1	5.5 %	$ 282.4	5.3 %	$ 276.9	5.3 %	$ 290.4	5.5 %	$ 293.6	5.2 %
Collateralized loan obligations	736.1	14.8 %	757.8	14.5 %	741.2	13.8 %	677.9	13.1 %	679.7	12.9 %	680.5	12.0 %
Commercial mortgage-backed securities	284.5	5.7 %	302.6	5.8 %	302.9	5.7 %	298.1	5.7 %	290.9	5.5 %	302.5	5.3 %
Corporate	1,709.8	34.5 %	1,853.1	35.7 %	1,976.1	36.9 %	1,935.3	37.3 %	1,963.2	37.2 %	2,192.0	38.5 %
Municipal	1,185.6	23.9 %	1,252.6	24.0 %	1,290.9	24.1 %	1,269.7	24.5 %	1,307.9	24.8 %	1,426.2	25.1 %
Residential mortgage-backed securities	405.9	8.2 %	387.1	7.4 %	389.1	7.3 %	381.9	7.4 %	394.6	7.5 %	421.9	7.4 %
U.S. Treasuries and government agencies	367.3	7.4 %	371.6	7.1 %	367.4	6.9 %	345.2	6.7 %	345.4	6.6 %	371.3	6.5 %
Total fixed maturity securities	$ 4,961.6	100.0 %	$ 5,211.9	100.0 %	$ 5,350.0	100.0 %	$ 5,185.0	100.0 %	$ 5,272.1	100.0 %	$ 5,688.0	100.0 %
U.S. government/government agencies	$ 996.9	20.1 %	$ 997.1	19.1 %	$ 985.0	18.4 %	$ 949.2	18.3 %	$ 954.5	18.1 %	$ 1,012.3	17.8 %
AAA	578.2	11.7 %	600.1	11.5 %	597.7	11.2 %	556.8	10.7 %	564.5	10.7 %	571.3	10.0 %
AA	1,059.7	21.4 %	1,111.3	21.3 %	1,118.5	20.9 %	1,099.0	21.2 %	1,088.2	20.6 %	1,179.4	20.7 %
A	870.4	17.5 %	965.2	18.5 %	973.2	18.2 %	916.4	17.7 %	939.9	17.8 %	1,020.8	17.9 %
BBB	1,100.2	22.2 %	1,153.2	22.1 %	1,266.3	23.7 %	1,249.4	24.1 %	1,247.1	23.7 %	1,356.6	23.9 %
Not rated(2)	140.8	2.8 %	147.8	2.8 %	158.9	3.0 %	163.3	3.1 %	180.0	3.4 %	191.3	3.4 %
Total investment grade	$ 4,746.2	95.7 %	$ 4,974.7	95.3 %	$ 5,099.6	95.3 %	$ 4,934.1	95.1 %	$ 4,974.2	94.3 %	$ 5,331.7	93.7 %
BB and below	116.2	2.3 %	131.1	2.5 %	144.0	2.7 %	142.6	2.8 %	186.9	3.5 %	243.7	4.3 %
Not rated(2)	99.2	2.0 %	106.1	2.0 %	106.4	2.0 %	108.3	2.1 %	111.0	2.1 %	112.6	2.0 %
Total below investment grade	$ 215.4	4.3 %	$ 237.2	4.7 %	$ 250.4	4.7 %	$ 250.9	4.9 %	$ 297.9	5.7 %	$ 356.3	6.3 %
Total fixed maturity securities	$ 4,961.6	100.0 %	$ 5,211.9	100.0 %	$ 5,350.0	100.0 %	$ 5,185.0	100.0 %	$ 5,272.1	100.0 %	$ 5,688.0	100.0 %
Investments by Segment												
Property & Casualty	$ 812.3	12.4 %	$ 789.1	11.8 %	$ 782.4	11.5 %	$ 777.3	11.8 %	$ 754.9	11.4 %	$ 792.1	11.4 %
Life & Retirement	4,918.5	75.4 %	5,067.9	76.0 %	5,159.3	76.1 %	5,003.7	76.0 %	5,064.9	76.3 %	5,302.1	76.4 %
Supplemental & Group Benefits	786.5	12.2 %	807.6	12.1 %	835.0	12.3 %	804.6	12.2 %	813.3	12.2 %	830.1	12.0 %
Corporate & Other(3)	2.1	— %	5.0	0.1 %	8.6	0.1 %	2.0	— %	4.9	0.1 %	12.1	0.2 %
Total investments	$ 6,519.4	100.0 %	$ 6,669.6	100.0 %	$ 6,785.3	100.0 %	$ 6,587.6	100.0 %	$ 6,638.0	100.0 %	$ 6,936.4	100.0 %

(1) Amortized cost, net of $5,641.6, $5,712.7, $5,803.3, $5,756.9, $5,904.1, and $6,046.5, at September 30, 2023, June 30, 2023, March 31, 2023, December 31, 2022, September 30, 2022, and June 30, 2022, respectively.
(2) Securities denoted as not-rated by an NRSRO were classified as investment or non-investment grade according to the securities' respective NAIC designation.
(3) Corporate & Other segment assets are comprised primarily of short-term investments.

Appendix: Reconciliations of GAAP Measures to Non-GAAP Measures

The following measures are used by the Company's management to evaluate financial performance against historical results and establish targets on a consolidated basis. A number of these measures are components of net income or the balance sheet but, in some cases, are not based on accounting principles generally accepted in the United States of America (non-GAAP) under applicable SEC rules because they are not displayed as separate line items in the Consolidated Statements of Operations or the Consolidated Balance Sheets or are not required to be disclosed in the Notes to the Consolidated Financial Statements or, in some cases, there is inclusion or exclusion of certain items not ordinarily included or excluded in accordance with accounting principles generally accepted in the United States of America (GAAP). Reconciliations of these measures to the most comparable GAAP measures also follow.

In the opinion of the Company's management, a discussion of these measures provides investors, financial analysts, rating agencies and other financial statement users with a better understanding of the significant factors that comprise the Company's periodic results of operations and how management evaluates the Company's financial performance. Internally, the Company's management uses these measures to evaluate performance against historical results, to establish financial targets on a consolidated basis and for other reasons, which are discussed below.

Some of these measures exclude net investment gains (losses), net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates which can be significantly impacted by both discretionary and other economic factors and are not necessarily indicative of operating trends.

An explanation of these measures is contained in the Glossary of Selected Terms included as an exhibit in the Company's reports filed with the SEC.

Other companies may calculate these measures differently, and, therefore, their measures may not be comparable to those used by the Company's management.

Reconciliations of GAAP Measures to Non-GAAP Measures

($ in millions after tax)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Reconciliation of Net Income (Loss) to Core Earnings (Loss) and Adjusted Core Earnings							
Net income (loss)	$ 11.7	$ (12.8)	$ 6.6	$ (16.7)	$ 20.4	$ 5.5	$ 36.5
Less: Net investment losses	(6.6)	(13.7)	(3.1)	(10.0)	(10.1)	(23.4)	(34.5)
Other expense - goodwill and intangible asset impairments	—	—	—	(3.8)	—	—	—
Core earnings (loss)*	$ 18.3	$ 0.9	$ 9.7	$ (2.9)	$ 30.5	$ 28.9	$ 71.0
Less: Intangible asset amortization	3.0	2.9	2.9	3.4	3.3	8.8	9.9
Adjusted core earnings*	$ 21.3	$ 3.8	$ 12.6	$ 0.5	$ 33.8	$ 37.7	$ 80.9
Pretax net income (loss)	$ 13.6	$ (15.6)	$ 8.1	$ (25.9)	$ 23.4	$ 6.1	$ 42.4
Less: Pretax net investment losses	(8.4)	(17.4)	(3.9)	(12.7)	(12.8)	(29.7)	(43.8)
Other expense - goodwill and intangible asset impairments, pretax	—	—	—	(4.8)	—	—	—
Pretax core earnings (loss)*	$ 22.0	$ 1.8	$ 12.0	$ (8.4)	$ 36.2	$ 35.8	$ 86.2
Less: Pretax Intangible asset amortization	3.7	3.7	3.7	4.2	4.2	11.1	12.6
Adjusted pretax core earnings (loss)*	$ 25.7	$ 5.5	$ 15.7	$ (4.2)	$ 40.4	$ 46.9	$ 98.8
Reconciliation of Net Income (Loss) per Share to Core Earnings (Loss) per Share and Adjusted Core Earnings (Loss) per Share on a Basic and Diluted Basis							
Net income (loss) per share (basic)	$ 0.28	$ (0.31)	$ 0.16	$ (0.40)	$ 0.49	$ 0.13	$ 0.87
Less: Net investment losses	(0.16)	(0.34)	(0.07)	(0.25)	(0.25)	(0.57)	(0.83)
Other expense - goodwill and intangible asset impairments	—	—	—	(0.09)	—	—	—
Core earnings (loss) per share (basic)*	$ 0.44	$ 0.03	$ 0.23	$ (0.06)	$ 0.74	$ 0.70	$ 1.70
Less: Intangible asset amortization	0.07	0.07	0.07	0.08	0.08	0.21	0.24
Adjusted core earnings per share (basic)*	$ 0.51	$ 0.10	$ 0.30	$ 0.02	$ 0.82	$ 0.91	$ 1.94
Net income (loss) per share (diluted)	$ 0.28	N/A	$ 0.16	N/A	$ 0.49	$ 0.13	$ 0.87
Less: Net investment losses	(0.16)	N/A	(0.07)	N/A	(0.24)	(0.57)	(0.82)
Other expense - goodwill and intangible asset impairments	—	N/A	—	N/A	—	—	—
Core earnings (loss) per share (diluted)*	$ 0.44	N/A	$ 0.23	N/A	$ 0.73	$ 0.70	$ 1.69
Less: Intangible asset amortization	0.07	N/A	0.07	N/A	0.08	0.21	0.24
Adjusted core earnings (loss) per share (diluted)*	$ 0.51	N/A	$ 0.30	N/A	$ 0.81	$ 0.91	$ 1.93

Reconciliations of GAAP Measures to Non-GAAP Measures

($ in millions after tax)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Reconciliation of Life & Retirement Net Income to Core Earnings and Adjusted Core Earnings							
Net income	$ 20.9	$ 17.4	$ 14.0	$ 6.8	$ 17.7	$ 52.3	$ 57.1
Less: Net investment gains (losses)	—	—	—	—	—	—	—
Other expense - goodwill and intangible asset impairments	—	—	—	(3.8)	—	—	—
Core earnings*	$ 20.9	$ 17.4	$ 14.0	$ 10.6	$ 17.7	$ 52.3	$ 57.1
Less: Intangible asset amortization	0.1	0.1	—	0.3	0.2	0.2	0.6
Adjusted core earnings*	$ 21.0	$ 17.5	$ 14.0	$ 10.9	$ 17.9	$ 52.5	$ 57.7
Reconciliation of Supplemental & Group Benefits Net Income to Core Earnings and Adjusted Core Earnings							
Net income	$ 15.8	$ 11.8	$ 14.0	$ 17.0	$ 20.7	$ 41.6	$ 48.9
Less: Net investment gains (losses)	—	—	—	—	—	—	—
Core earnings*	$ 15.8	$ 11.8	$ 14.0	$ 17.0	$ 20.7	$ 41.6	$ 48.9
Less: Intangible asset amortization	2.8	2.9	2.9	3.1	3.1	8.6	9.3
Adjusted core earnings*	$ 18.7	$ 14.7	$ 16.9	$ 20.1	$ 23.8	$ 50.2	$ 58.2

Reconciliations of GAAP Measures to Non-GAAP Measures

($ in millions)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Reconciliation of Return on Equity							
Average Shareholders' Equity							
Shareholders' equity	$ 1,051.3	$ 1,101.9	$ 1,139.2	$ 1,098.3	$ 1,092.3	$ 1,051.3	$ 1,092.3
Net unrealized investment gains (losses) on fixed maturity securities	(534.7)	(393.7)	(356.4)	(449.6)	(496.8)	(534.7)	(496.8)
Net reserve remeasurements attributable to discount rates	133.6	42.9	17.8	59.0	73.8	42.9	(36.9)
Five quarter average shareholders' equity	1,096.6	1,125.8	1,175.7	1,247.7	1,324.3	1,096.6	1,324.3
Two quarter average shareholders' equity	1,076.6	1,120.6	1,118.8	1,095.3	1,144.8	1,074.8	1,295.7
Five quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,477.4	1,490.1	1,508.4	1,520.6	1,523.8	1,477.4	1,523.8
Two quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,452.6	1,465.3	1,483.4	1,502.1	1,515.6	1,470.7	1,527.1
Net Income Return on Equity - LTM							
Numerator: LTM net income	$ (11.2)	$ (2.5)	$ 6.1	$ 19.8	$ 83.4	$ (11.2)	$ 83.4
Denominator: Five quarter average shareholders' equity	1,096.6	1,125.8	1,175.7	1,247.7	1,324.3	1,096.6	1,324.3
Net income ROE - LTM	(1.0)%	(0.2)%	0.5 %	1.6 %	6.3 %	(1.0)%	6.3 %
Net Income Return on Equity - Annualized							
Numerator: Annualized net income	$ 46.8	$ (51.2)	$ 26.4	$ (66.8)	$ 81.6	$ 7.3	$ 48.7
Denominator: Two quarter average shareholders' equity	1,076.6	1,120.6	1,118.8	1,095.3	1,144.8	1,074.8	1,295.7
Net income ROE - Annualized	4.3 %	(4.6)%	2.4 %	(6.1)%	7.1 %	0.7 %	3.8 %
Core Return on Equity - LTM							
Numerator: LTM core earnings	$ 26.0	$ 38.2	$ 45.3	$ 68.1	$ 118.2	$ 26.0	$ 118.2
Denominator: Five quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,477.4	1,490.1	1,508.4	1,520.6	1,523.8	1,477.4	1,523.8
Core ROE - LTM	1.8 %	2.6 %	3.0 %	4.5 %	7.8 %	1.8 %	7.8 %
Core Return on Equity - Annualized							
Numerator: Annualized core earnings	$ 73.2	$ 3.6	$ 38.8	$ (11.6)	$ 122.0	$ 38.5	$ 94.7
Denominator: Two quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,452.6	1,465.3	1,483.4	1,502.1	1,515.6	1,470.7	1,527.1
Core ROE - Annualized	5.0 %	0.2 %	2.6 %	(0.8)%	8.1 %	2.6 %	6.2 %
Adjusted Core Return on Equity - LTM							
Numerator: LTM adjusted core earnings	$ 38.2	$ 50.7	$ 58.2	$ 81.4	$ 130.7	$ 38.2	$ 130.7
Denominator: Five quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,477.4	1,490.1	1,508.4	1,520.6	1,523.8	1,477.4	1,523.8
Adjusted core ROE - LTM	2.6 %	3.4 %	3.9 %	5.4 %	8.6 %	2.6 %	8.6 %
Adjusted Core Return on Equity - Annualized							
Numerator: Annualized adjusted core earnings	$ 85.2	$ 15.2	$ 50.4	$ 2.0	$ 135.2	$ 50.3	$ 107.9
Denominator: Two quarter average shareholders' equity excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,452.6	1,465.3	1,483.4	1,502.1	1,515.6	1,470.7	1,527.1
Adjusted core ROE - Annualized	5.9 %	1.0 %	3.4 %	0.1 %	8.9 %	3.4 %	7.1 %

Reconciliations of GAAP Measures to Non-GAAP Measures

($ in millions)	Twelve Months Ended				
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022
Reconciliation of Book Value per Common Share to Adjusted Book Value per Common Share and Tangible Book Value per Common Share					
Shareholders' equity	$ 1,051.3	$ 1,101.9	$ 1,139.2	$ 1,098.3	$ 1,092.3
Less: Net unrealized investment gains (losses) on fixed maturity securities	(534.7)	(393.7)	(356.4)	(449.6)	(496.8)
Less: Net reserve remeasurements attributable to discount rates	133.6	42.9	17.8	59.0	73.8
Adjusted common shareholders' equity	1,452.4	1,452.7	1,477.8	1,488.9	1,515.3
Less: Goodwill	54.3	54.3	54.3	54.3	56.3
Other intangible assets	174.0	177.7	181.5	185.2	192.2
Impact of deferred taxes	(0.8)	(1.1)	(1.4)	(1.6)	(0.6)
Tangible shareholders' equity	$ 1,224.9	$ 1,221.8	$ 1,243.4	$ 1,251.0	$ 1,267.4
Common shares outstanding	40.8	40.9	40.9	40.9	40.9
Book value per share	$ 25.74	$ 26.96	$ 27.87	$ 26.85	$ 26.71
Adjusted book value per share*	35.57	35.55	36.16	36.40	37.05
Tangible book value per share*	29.99	29.87	30.43	30.58	30.99
Reconciliation of Debt to Total Capitalization Ratio to Debt to Total Capitalization Ratio, Excluding Net Unrealized Investment Gains (Losses) on Fixed Maturity Securities and Net Reserve Remeasurements Attributable to Discount Rates					
Debt to total capitalization					
Numerator: Total debt	$ 546.1	$ 498.1	$ 498.0	$ 498.0	$ 497.9
Denominator:					
Total debt	546.1	498.1	498.0	498.0	497.9
Common shareholders' equity	1,051.3	1,101.9	1,139.2	1,098.3	1,092.3
Total capital	1,597.4	1,600.0	1,637.2	1,596.3	1,590.2
Debt to total capitalization	34.2 %	31.1 %	30.4 %	31.2 %	31.3 %
Debt to total capitalization excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributes to discount rates					
Numerator: Total debt	$ 546.1	$ 498.1	$ 498.0	$ 498.0	$ 497.9
Denominator:					
Total debt	546.1	498.1	498.0	498.0	497.9
Common shareholders' equity	1,051.3	1,101.9	1,139.2	1,098.3	1,092.3
Less: Net unrealized investment gains (losses) on fixed maturity securities	(534.7)	(393.7)	(356.4)	(449.6)	(496.8)
Net reserve remeasurements attributable to discount rates	133.6	42.9	17.8	59.0	73.8
Total capital excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates	1,998.5	1,950.8	1,975.8	1,986.9	2,013.2
Debt to total capitalization excluding net unrealized investment gains (losses) on fixed maturity securities and net reserve remeasurements attributable to discount rates*	27.3 %	25.5 %	25.2 %	25.1 %	24.7 %

Reconciliations of GAAP Measures to Non-GAAP Measures

($ in millions after tax)	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Reconciliation of Investment Yield, Excluding Limited Partnership Interests							
Numerator:							
Total net investment income, pretax	$ 118.9	$ 108.5	$ 100.4	$ 100.2	$ 97.6	$ 327.8	$ 300.7
Less: Investment income on deposit asset on reinsurance	27.1	26.0	25.7	26.1	26.7	78.8	77.4
Investment income on limited partnership interests(1)	11.5	6.1	(3.7)	7.8	2.9	13.9	21.9
FHLB interest credited	10.5	9.7	8.0	6.1	3.6	28.2	6.0
Adjusted net investment income, pretax	69.8	66.7	70.4	60.2	64.4	206.9	195.4
Denominator:							
Adjusted investment portfolio, beginning of period(2)	$ 5,849.8	$ 5,947.5	$ 5,976.9	$ 6,031.5	$ 6,046.4	$ 5,976.9	$ 5,859.4
Adjusted investment portfolio, end of period(2)	5,823.8	5,849.8	5,947.5	5,976.9	6,031.5	5,849.8	6,031.5
Average adjusted investment portfolio for the period	5,836.8	5,898.7	5,962.2	6,004.2	6,039.0	5,913.4	5,945.5
Investment yield, excluding limited partnership interests, pretax - annualized(3)	4.78 %	4.52 %	4.72 %	4.01 %	4.26 %	4.68 %	4.32 %
Investment yield, excluding limited partnership interests, after tax - annualized(3)(4)	3.80 %	3.60 %	3.75 %	3.19 %	3.40 %	3.71 %	3.44 %

(1) Excludes investment income on commercial mortgage loan funds.

(2) Represents the carrying amount of the total investment portfolio as presented in the Consolidated Balance Sheets adjusted to exclude the carrying amount of FHLB funding agreements, the carrying amount of limited partnership interests (excluding the carrying amount of commercial mortgage loan funds) and gross unrealized investment gains (losses) on fixed maturity securities.

(3) For each of the three month periods presented, investment yields are calculated by annualizing the result of year-to-date net investment income divided by the average quarter-end and beginning of quarter carrying amount of invested assets. For the periods ended September 30, 2023 and 2022 presented, investment yields are calculated by (i) summing the investment yields for each respective three month period applicable to the period and (ii) dividing that sum per the calculation in (i) by three.

(4) Investment yield, excluding limited partnership interests, after tax - annualized is calculated using the effective tax rate in effect for each applicable period.

Reconciliations of GAAP Measures to Non-GAAP Measures

	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Operating Ratios - Property & Casualty							
Property & Casualty							
Claims and claims expense ("loss") ratio	90.8	96.6	84.5	98.6	80.2	90.7	84.1
Expense ratio	25.8	27.4	28.2	29.4	27.3	27.1	26.8
Combined ratio	116.6	124.0	112.7	128.0	107.5	117.8	110.9
Loss ratio	90.8	96.6	84.5	98.6	80.2	90.7	84.1
Less: Effect of catastrophe losses	17.5	26.3	14.7	8.0	9.6	19.5	15.0
Effect of prior years' reserve development(1)	—	—	—	9.0	1.3	—	1.8
Underlying loss ratio*	73.3	70.3	69.8	81.6	69.3	71.2	67.3
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	116.6	124.0	112.7	128.0	107.5	117.8	110.9
Effect of catastrophe losses	17.5	26.3	14.7	8.0	9.6	19.5	15.0
Effect of prior years' reserve development(1)	—	—	—	9.0	1.3	—	1.8
Underlying combined ratio*	99.1	97.7	98.0	111.0	96.6	98.3	94.1
Auto							
Claims and claims expense ("loss") ratio	82.6	87.0	82.5	114.5	83.1	84.0	84.1
Expense ratio	26.1	27.6	28.4	29.1	27.7	27.4	26.5
Combined ratio	108.7	114.6	110.9	143.6	110.8	111.4	110.6
Loss ratio	82.6	87.0	82.5	114.5	83.1	84.0	84.1
Less: Effect of catastrophe losses	2.9	5.4	1.8	0.5	2.7	3.4	2.3
Effect of prior years' reserve development(1)	—	—	—	14.2	2.0	—	4.8
Underlying loss ratio*	79.7	81.6	80.7	99.8	78.4	80.6	77.0
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	108.7	114.6	110.9	143.6	110.8	111.4	110.6
Effect of catastrophe losses	2.9	5.4	1.8	0.5	2.7	3.4	2.3
Effect of prior years' reserve development(1)	—	—	—	14.2	2.0	—	4.8
Underlying combined ratio*	105.8	109.2	109.1	128.9	106.1	108.0	103.5

(1) (Favorable) unfavorable.

Reconciliations of GAAP Measures to Non-GAAP Measures

	Three Months Ended					Nine Months Ended	
	Sept. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Sept. 30, 2023	Sept. 30, 2022
Operating Ratios - Property & Casualty (Cont.)							
Property							
Claims and claims expense ("loss") ratio	105.5	114.0	88.1	70.9	75.1	102.7	84.2
Expense ratio	25.5	27.0	27.7	30.1	26.8	26.7	27.4
Combined ratio	131.0	141.0	115.8	101.0	101.9	129.4	111.6
Loss ratio	105.5	114.0	88.1	70.9	75.1	102.7	84.2
Less: Effect of catastrophe losses	43.7	64.2	37.9	21.0	21.8	48.6	37.8
Effect of prior years' reserve development[(1)]	—	—	—	—	—	—	(3.7)
Underlying loss ratio*	61.8	49.8	50.2	49.9	53.3	54.1	50.1
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	131.0	141.0	115.8	101.0	101.9	129.4	111.6
Effect of catastrophe losses	43.7	64.2	37.9	21.0	21.8	48.6	37.8
Effect of prior years' reserve development[(1)]	—	—	—	—	—	—	(3.7)
Underlying combined ratio*	87.3	76.8	77.9	80.0	80.1	80.8	77.5

[(1)] (Favorable) unfavorable.

Ratings and Contact Information

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October 31, 2023	Insurance Financial Strength Ratings (Outlook)		Debt Ratings (Outlook)		Affirmed/ Reviewed
A.M. Best					
HMEC (parent company)	N.A.		bbb	(stable)	8/10/2023
HMEC's Life & Retirement subsidiaries	A	(stable)	N.A.		8/10/2023
HMEC's Property & Casualty subsidiaries	A	(stable)	N.A.		8/10/2023
HMEC's Supplemental & Group Benefits subsidiaries					
Madison National Life Insurance Company	A	(stable)	N.A.		8/10/2023
National Teachers Associates Life Insurance Company	A	(stable)	N.A.		8/10/2023
Fitch					
HMEC (parent company)			BBB	(stable)	8/17/2023
HMEC's Life Group	A	(stable)			8/17/2023
HMEC's P&C Group	A	(negative)			8/17/2023
Moody's					
HMEC (parent company)			Baa2	(negative)	7/28/2023
HMEC's Life Group	A2	(negative)			5/31/2023
HMEC's P&C Group	A2	(negative)			7/28/2023
S&P	A	(stable)	BBB	(stable)	2/7/2023

Transfer Agent

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Corporate Website: https://us.astfinancial.com/ShareHolder/GeneralAccountInformation

COMMON STOCK
Common stock of Horace Mann Educators Corporation is traded on the New York Stock Exchange under the symbol "HMN".

This report is for information purposes only. It should be read in conjunction with documents filed by Horace Mann Educators Corporation with the U.S. Securities and Exchange Commission, including the most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K.