



**Fourth Quarter and Full Year 2025**

**Investor Presentation**

February 3, 2025

# Safe Harbor Statement and Non-GAAP Measures



Certain statements included in this presentation, including those regarding our earnings outlook, expected catastrophe losses, our investment strategies, our plans to implement additional rate actions, our plans relating to share repurchases and dividends, our efforts to enhance customer experience and expand our products and solutions to more educators, our strategies to create sustainable long-term growth and double-digit ROEs, our strategy to achieve a larger share of the education market, and other business strategies, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Horace Mann and its subsidiaries. Horace Mann cautions investors that such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond Horace Mann’s control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking statements included in this document. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” and “Forward-Looking Information” sections included in Horace Mann’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission (SEC). The forward-looking statements herein are subject to the risk, among others, that we will be unable to execute our strategy because of market or competitive conditions or other factors. Horace Mann does not undertake to update any particular forward-looking statement included in this document if we later become aware that such statement is not likely to be achieved.

The historical and forward-looking financial information contained in this presentation includes measures marked with an asterisk (\*) the first time they are presented within this document that are not based on accounting principles generally accepted in the United States of America (non-GAAP) such as core earnings, core earnings per share, and adjusted book value per share. An explanation of these measures is contained in the Glossary of Selected Terms included as Exhibit 99.1 in our most recent Form 8-K filed with the SEC and are reconciled to the most directly comparable measures prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) in the Appendix of the most current Investor Supplement available on our website at [investors.horacemann.com](https://investors.horacemann.com).



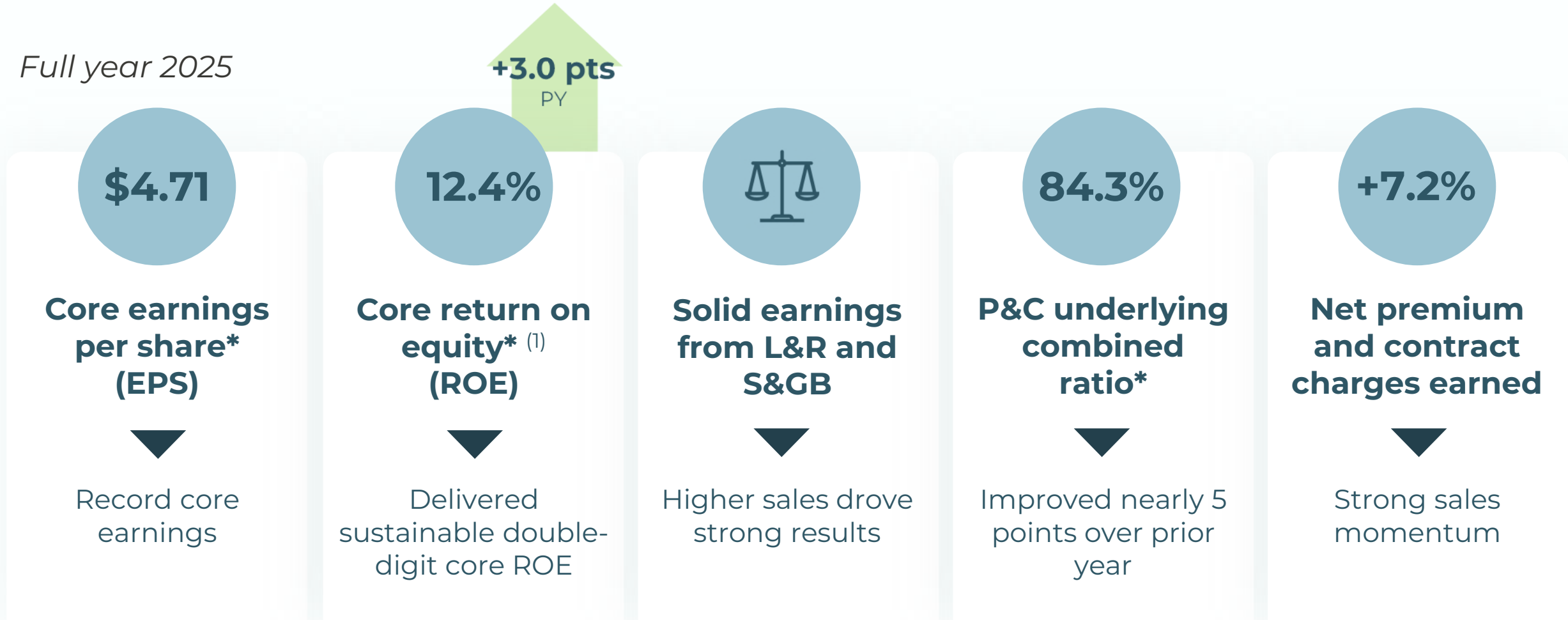
# Fourth Quarter and Full Year 2025 Business Results

# Diversified business delivered highest core earnings in company history



Driving strong shareholder value; positioned for sustained, profitable growth

Full year 2025



1) Last twelve months

# Full-year 2025 highlights



## Profitability

Record core earnings of \$196 million

P&C underlying combined ratio of 84.3 improved nearly 5 pts over prior year

S&GB blended benefits ratio of 36.8%

## Growth

Record sales in S&GB and strong momentum across the business:

- Individual Supplemental up nearly 40%
- Group up 33%

Total revenues of \$1.7 billion increased 7% over prior year; net premiums and contract charges earned up over 7%

## Capital management

Repurchased nearly 500,000 shares at a total cost of \$21 million and an average purchase multiple of 1.04x adjusted book value\* in 2025 – highest annual level since 2022

Tangible book value per share\* increased more than 9% over prior year

## Strong returns on equity

12.4% core ROE<sup>(1)</sup> improved 3 pts over prior year

## High-quality investment portfolio



Total net investment income on the managed portfolio increased more than 6% over prior year

16<sup>th</sup> consecutive quarter core portfolio new money yields exceeded book yield

1) Last twelve months



# Property and Casualty: Core earnings significantly improved over prior year; solid growth momentum, lighter severe weather activity



2025	 <b>Auto</b>		 <b>Property</b> (Home, Condo, Rental, Dwelling Fire)	
	Q4	FY 2025	Q4	FY 2025
<b>Revenue</b> (Earned Premium)	<b>\$125.6M</b>	<b>\$494.6M</b> +5% PY	<b>\$82.3M</b>	<b>\$308.0M</b> +16% PY
<b>New Business Sales*</b> (Annualized Premium)	<b>\$17.8M</b>	<b>\$79.1M</b> +6% PY	<b>\$6.8M</b>	<b>\$28.0M</b> +8% PY
<b>Profit</b> (Combined Ratio)	<b>97.0%</b>	<b>96.5%</b> -1.9pts PY	<b>65.2%</b>	<b>78.3%</b> -18.1pts PY
<b>Key Takeaways</b>	<ul style="list-style-type: none"> <li>Sales up 6% over prior year</li> <li>Combined ratio in line with long-term target</li> <li>Retention stabilizing near 84%</li> </ul>		<ul style="list-style-type: none"> <li>Sales up 8% over prior year</li> <li>Combined ratio below long-term target reflecting lighter severe weather activity</li> <li>Retention remains strong at 88%</li> </ul>	
<b>P&amp;C Core Earnings</b>	Q4		FY 2025	
	<b>\$37.3M</b>		<b>\$112.4M</b> >2x PY	

# Life & Retirement: Steady earnings ballast; continued sales momentum





2025	 <b>Life</b> (Term, Whole Life, IUL)		 <b>Retirement</b> (Fixed & Variable Annuities, Mutual Funds, Managed Accounts and Brokerage)	
	Q4	FY 2025	Q4	FY 2025
<b>Revenue</b> (Premium written & contract deposits*)	<b>\$36.6M</b>	<b>\$129.3M</b> +6% PY	<b>\$123.2M</b>	<b>\$482.8M</b> +7% PY
<b>Life New Business Sales*</b> (Annualized Premium)	<b>\$3.4M</b> +21% PY	<b>\$11.2M</b> +8% PY	<b>\$5.9B</b> +8% PY AUM growth	
<b>Retirement AUM</b>				
<b>Profit Metrics</b>	<b>35.1%</b> Return on Premium <sup>1</sup> +4.8pts PY		Fixed Annuity Spread: <b>173 bps</b> Variable Annuity Margin: <b>143 bps</b>	Fixed Annuity Spread: <b>184 bps</b> Variable Annuity Margin: <b>139 bps</b>
<b>Key Takeaways</b>	<ul style="list-style-type: none"> <li>Strong fourth-quarter sales up 21% over prior year</li> <li>Persistency steady near 96%</li> </ul>		<ul style="list-style-type: none"> <li>Strong sales with deposits up 7% over prior year</li> <li>Persistency steady near 92%</li> </ul>	
<b>L&amp;R Core Earnings</b>	<b>Q4</b>		<b>FY 2025</b>	
	<b>\$13.4M</b>		<b>\$61.0M</b> +13% PY	

1) Pre-tax Income/ Earned Premium

# Individual Supplemental and Group Benefits: Record sales; contributed 24% of full-year core earnings

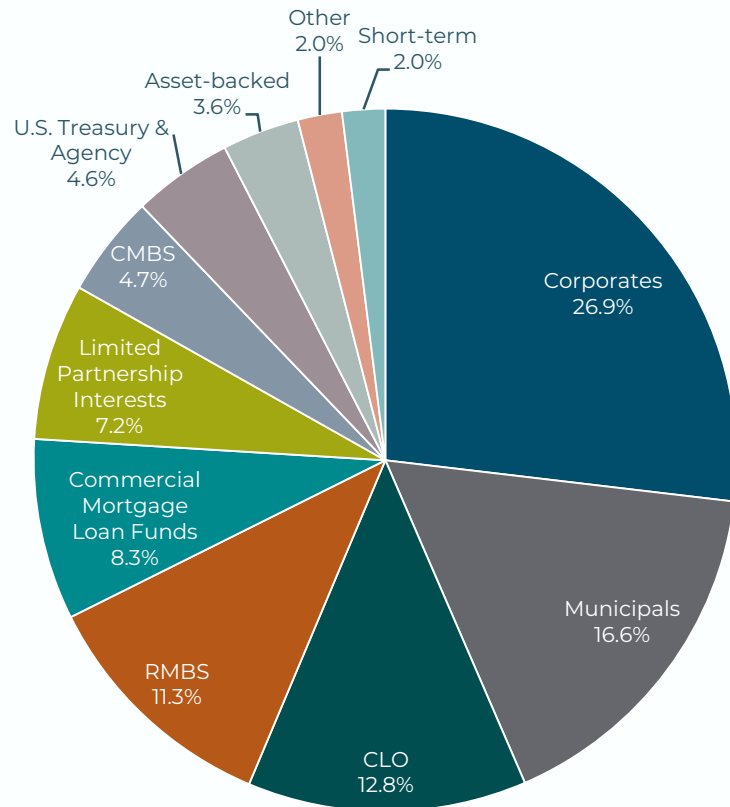


2025	 <b>Individual Supplemental</b> (Accident, Cancer, Critical Illness, Hospital, Short-term Disability)		 <b>Group Benefits</b> (Group Disability, Group Life, Group Supplemental Health)	
	Q4	FY 2025	Q4	FY 2025
<b>Revenue</b> (Earned Premium)	<b>\$32.5M</b>	<b>\$125.8M</b> +4% PY	<b>\$35.5M</b>	<b>\$141.4M</b> +6% PY
<b>New Business Sales*</b> (Annualized Premium)	<b>\$6.7M</b>	<b>\$23.6M</b> +nearly 40% PY	<b>\$2.2M</b>	<b>\$11.6M</b> +33% PY
<b>Benefits Ratio*</b>	<b>26.0%</b>	<b>26.8%</b> -0.4pts PY	<b>48.8%</b>	<b>45.8%</b> +8.0pts PY
<b>Key Takeaways</b>	<ul style="list-style-type: none"> <li>Record sales up nearly 40% over prior year</li> <li>Persistency remains steady near 90%</li> </ul>		<ul style="list-style-type: none"> <li>Record sales up 33% over prior year</li> </ul>	
<b>IS&amp;GB Core Earnings</b>	Q4		FY 2025	
	<b>\$13.6M</b>		<b>\$58.7M</b>	

# High quality, well-diversified investment portfolio constructed to support insurance liabilities through various market cycles



## Portfolio Composition<sup>(1)</sup> \$7.1 billion fair value



### \$5.7 billion fixed-maturity portfolio

- 75% A-rated or higher
- A+ weighted-average credit quality
- <3% below-investment grade exposure<sup>(2)</sup>
- 6.8 average duration<sup>(3)</sup>
- 4.52% full-year 2025 core pre-tax yield<sup>(4)</sup>
- 5.51% full-year 2025 core new money yield<sup>(4)</sup>

### \$591 million commercial mortgage loan fund portfolio

- 10% target portfolio allocation
- 4.8% full-year 2025 return
- Majority of exposure is to open-ended funds comprised of senior loans

### \$510 million limited partnership portfolio

- 5% target portfolio allocation
- 9.3% full-year 2025 return
- Lower-volatility, fixed income-like strategies comprise approximately half of alternative investment portfolio

(1) As of December 31, 2025; excludes \$138.1 million in policy loans and \$21.6 million in derivatives used to hedge fixed indexed annuity and life insurance products

(2) Securities denoted as not-rated by an NRSRO were classified as investment or non-investment grade according to the securities' respective NAIC designations

(3) Core fixed-maturity portfolios only

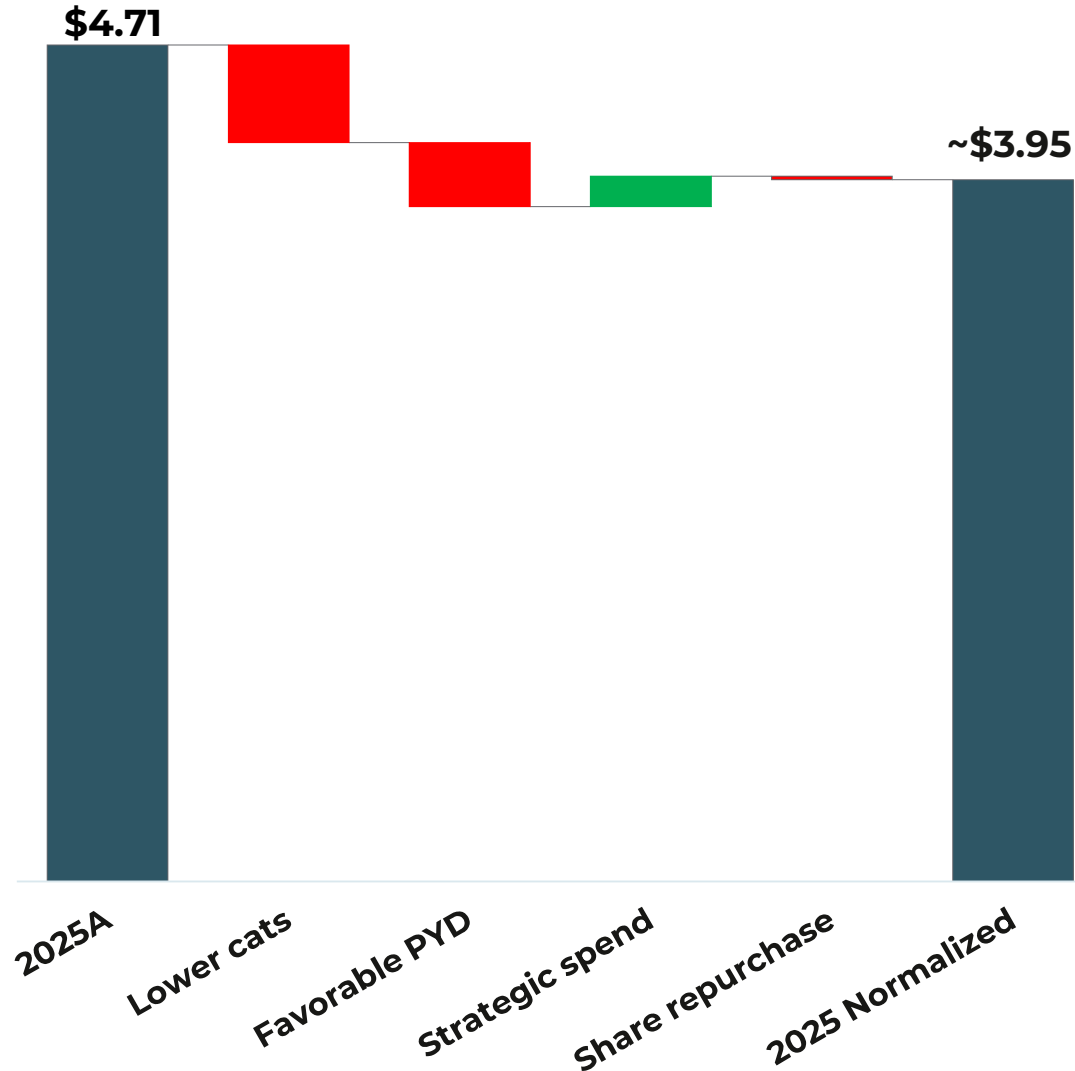
(4) Prospective investment yield

# 2025 normalized EPS in line with original guidance range

2026 guidance reflects ~10% increase, consistent with three-year financial goals



■ Increase ■ Decrease ■ Total



## Favorable items not reflected in original guidance:

- Very favorable catastrophe performance in 2025
  - \$62M cats vs. ~\$90M guidance
  - 2025 cats were more than 1 standard deviation lower than historic averages
- Favorable prior year development
- Accelerated strategic investments supporting future growth initiatives
- Opportunistic share repurchase
  - \$21 million repurchased at 1.04x adjusted book value

# Full-year 2026 core EPS guidance of \$4.20 to \$4.50

Core earnings of \$175 million to \$187 million<sup>(1)</sup>



## Long-term profitability targets

### P&C target profitability

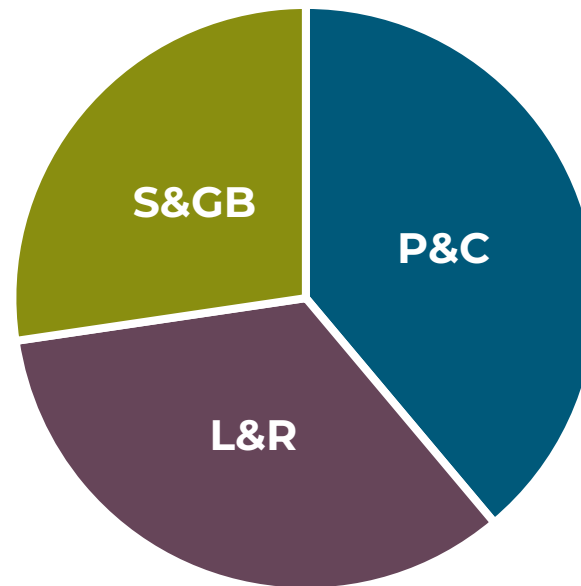
- Total P&C combined ratio low-mid 90s

### S&GB target profitability

- Blended benefit ratio of 39%

### L&R target profitability

- Long-term target for net interest spread between 220 and 230 bps
- Mortality in line with actuarial assumptions



## 2026 core EPS guidance assumptions

~\$90M of catastrophe losses

Total net investment income of \$485-\$495M<sup>(2)</sup>, \$385-\$395M<sup>(2)</sup> on the managed portfolio

Segment earnings offset by interest expense and other corporate items of \$35-\$40M

(1) After-tax

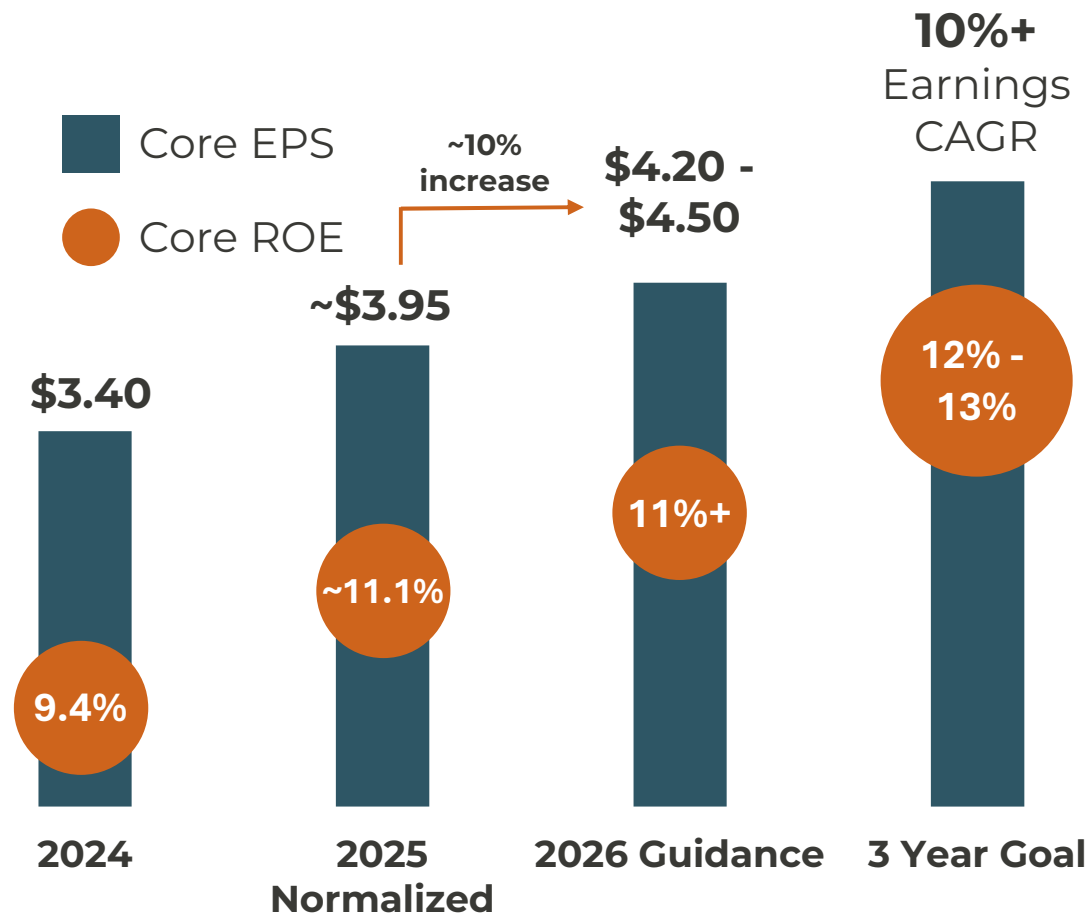
(2) Pre-tax

# Future growth accelerates shareholder value creation

Three-year targets balance near-term execution with longer-term vision



## Strong top line premium and deposit growth drives 10%+ increase in EPS



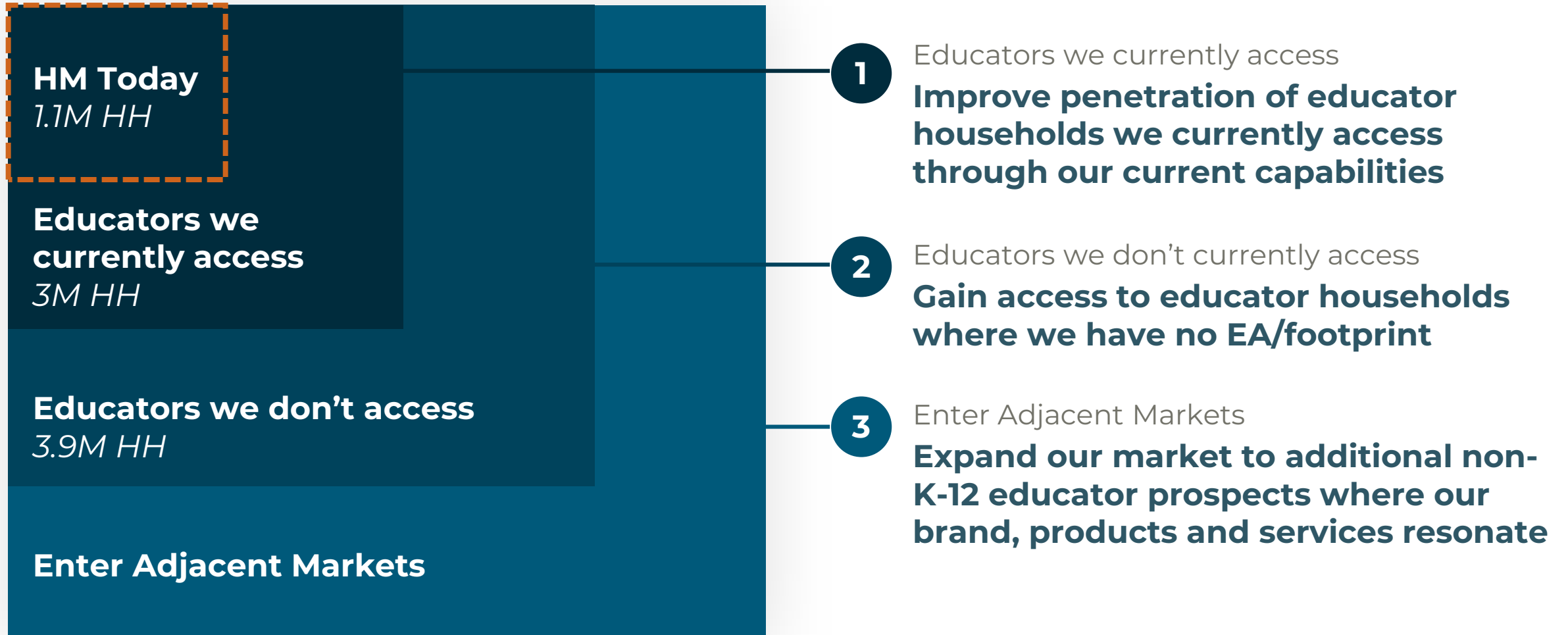
## Three levers to achieving our ROE and EPS growth goals



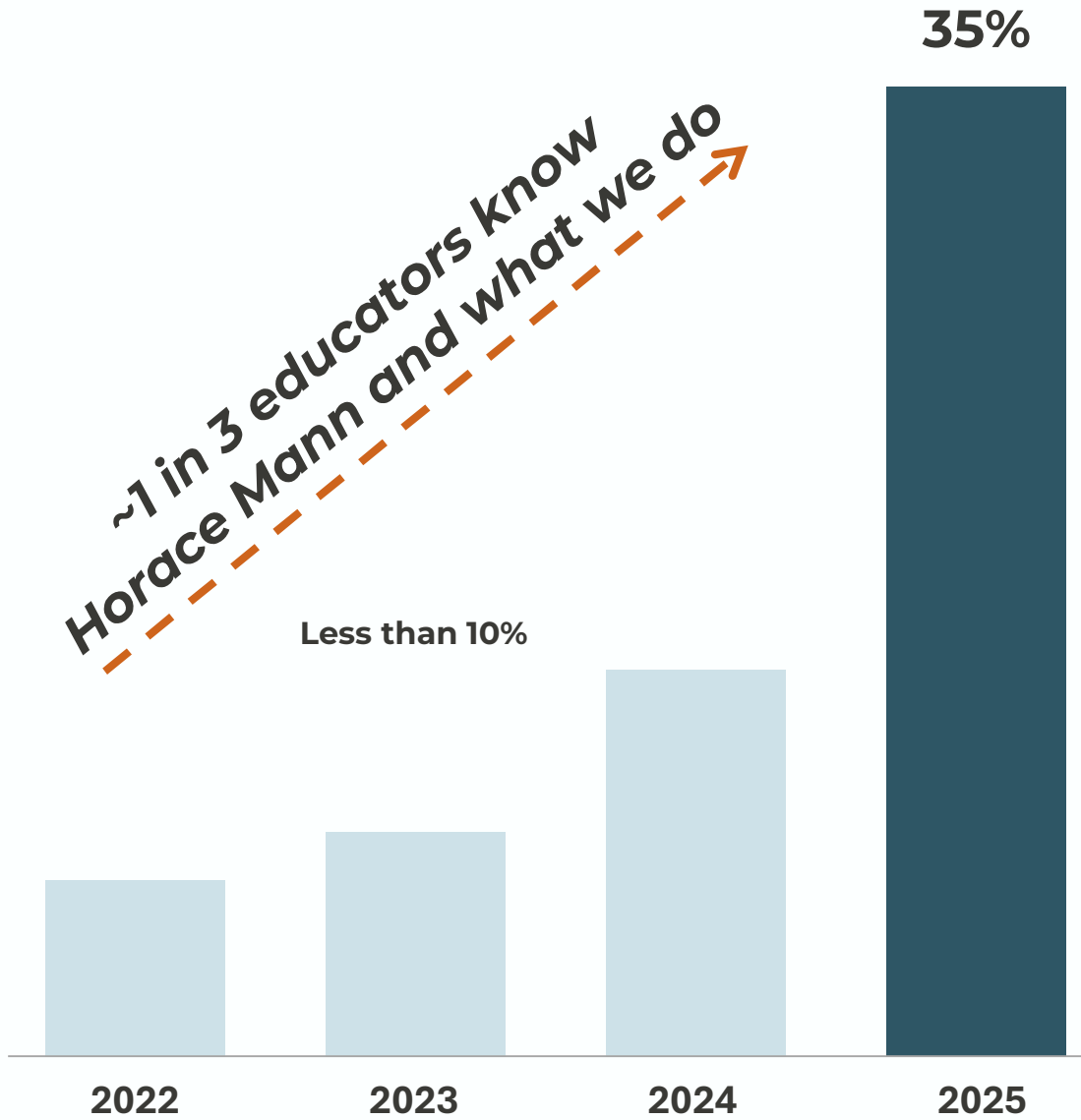
# Clear strategy to capture growth opportunity



## Total Accessible Market

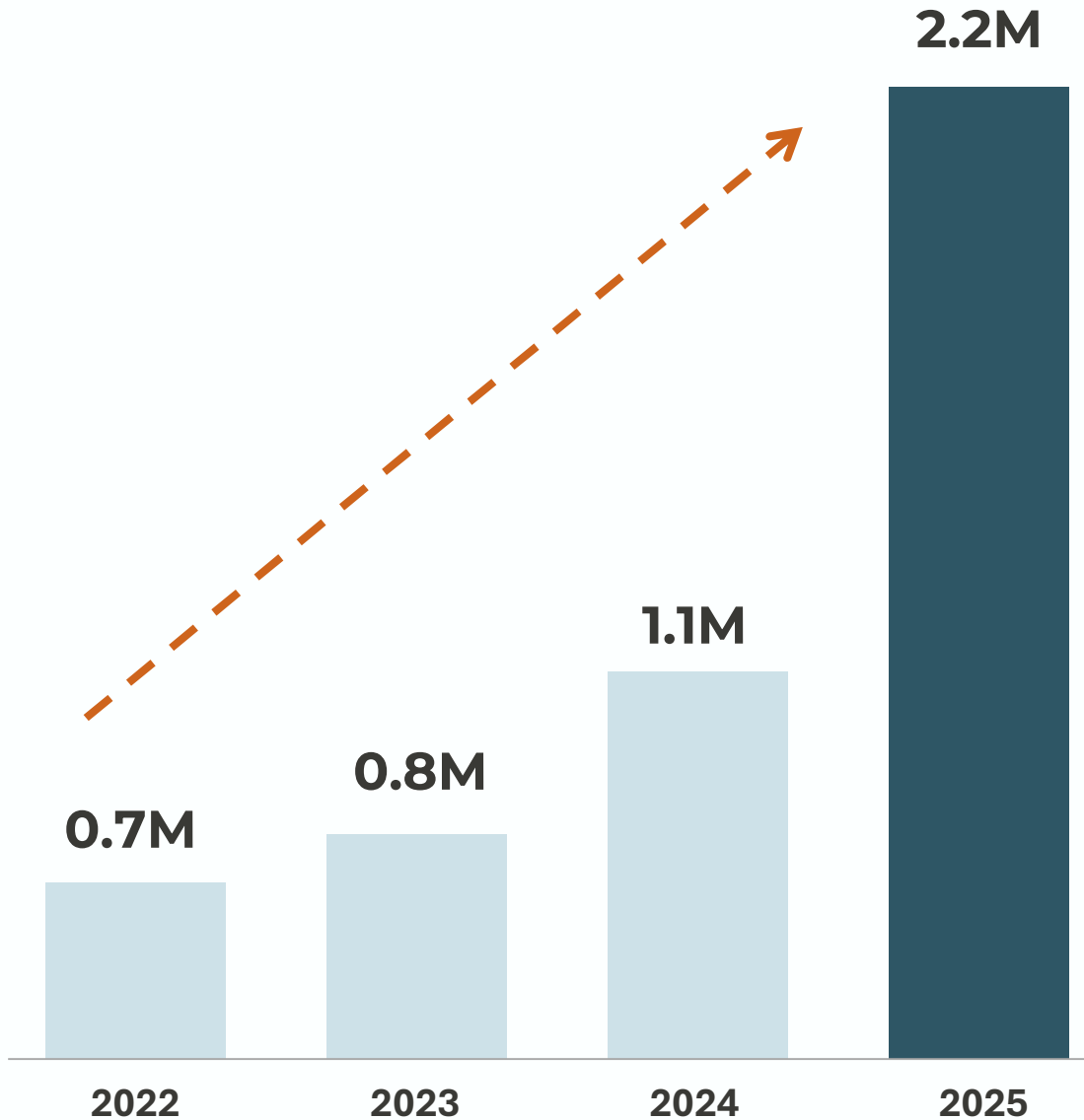


# Brand Awareness



- Increased and optimized marketing spend to higher impact items
  - Partnered with well-known, trusted, and nostalgic brands like Crayola
  - Utilized social media influencers with strong following in the education space
- Brand Awareness Drivers**

# Online Web Traffic



Growth Initiatives



Expense Optimization



Operating Leverage



- Substantial increase in web traffic driven by an increase and optimization of marketing spend
- Extension of marketing calls to action (CTA) to include local agent, call center, and website
- Online originated quotes have nearly doubled

***Website investments have created a better omnichannel experience***

# Affinity and Strategic Partnerships

Growth Initiatives

Expense Optimization

Operating Leverage



## Horace Mann Strategic Partnerships

Over 150 local and state education associations



Numerous education focused partnerships



Emerging partnerships with colleges and universities



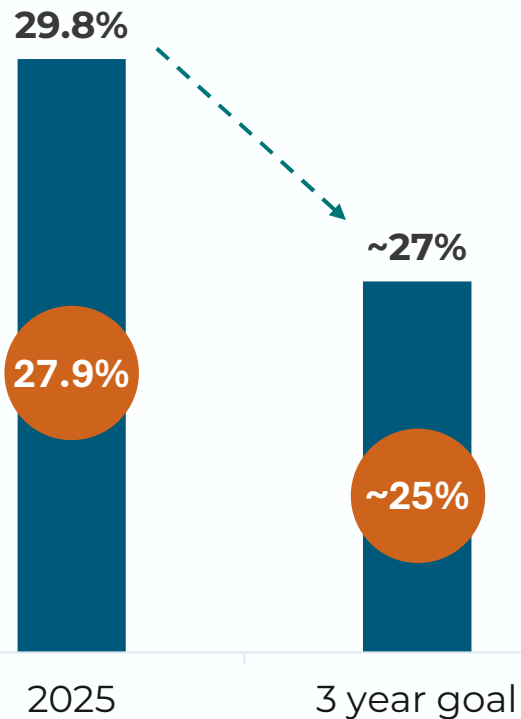
Horace Mann continues to build relationships with strategic partnerships that enable broader reach and access to our target market

# Operational and administrative expense optimization & growth approach



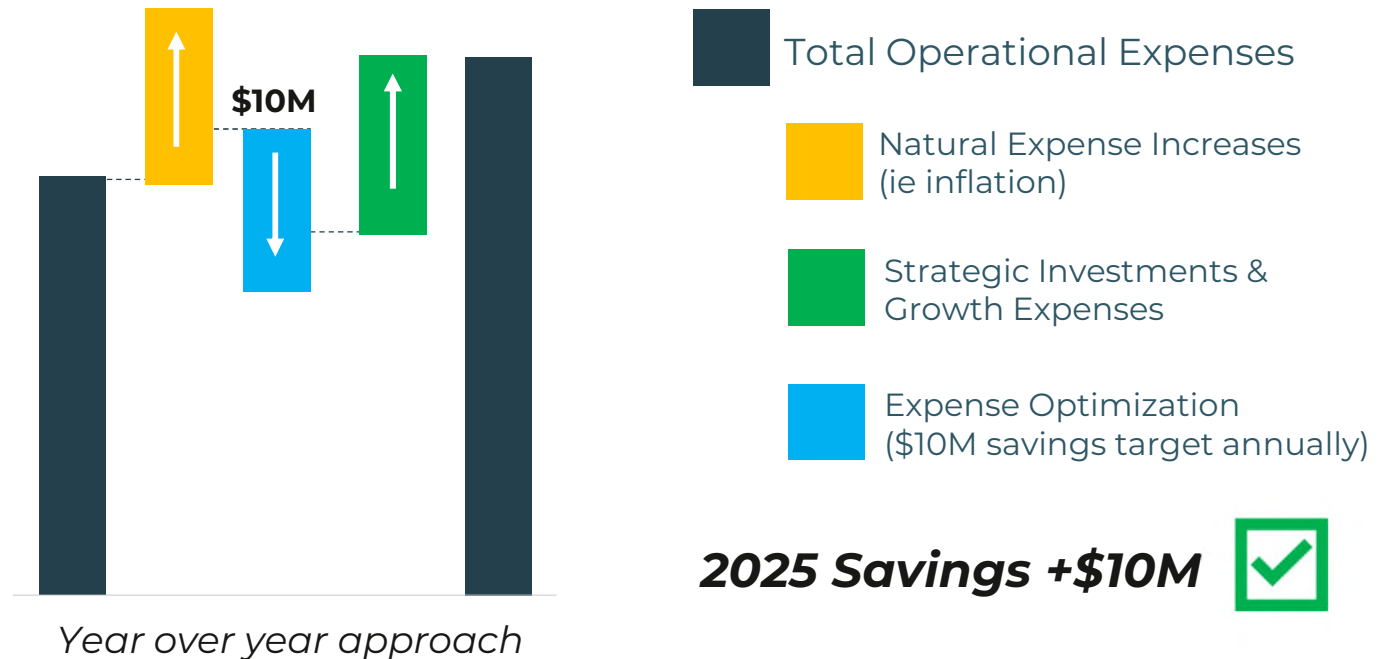
## Expense Ratio Target

- Core Expense Ratio
- P&C Expense Ratio



Expense savings used to reduce expenses while investing in more growth to ultimately reduce the expense ratio

### Operational Expenses



# As a result, Horace Mann's financial position continues to strengthen



**17** consecutive years of dividend increases with current yield of 3.1%<sup>(1)</sup>

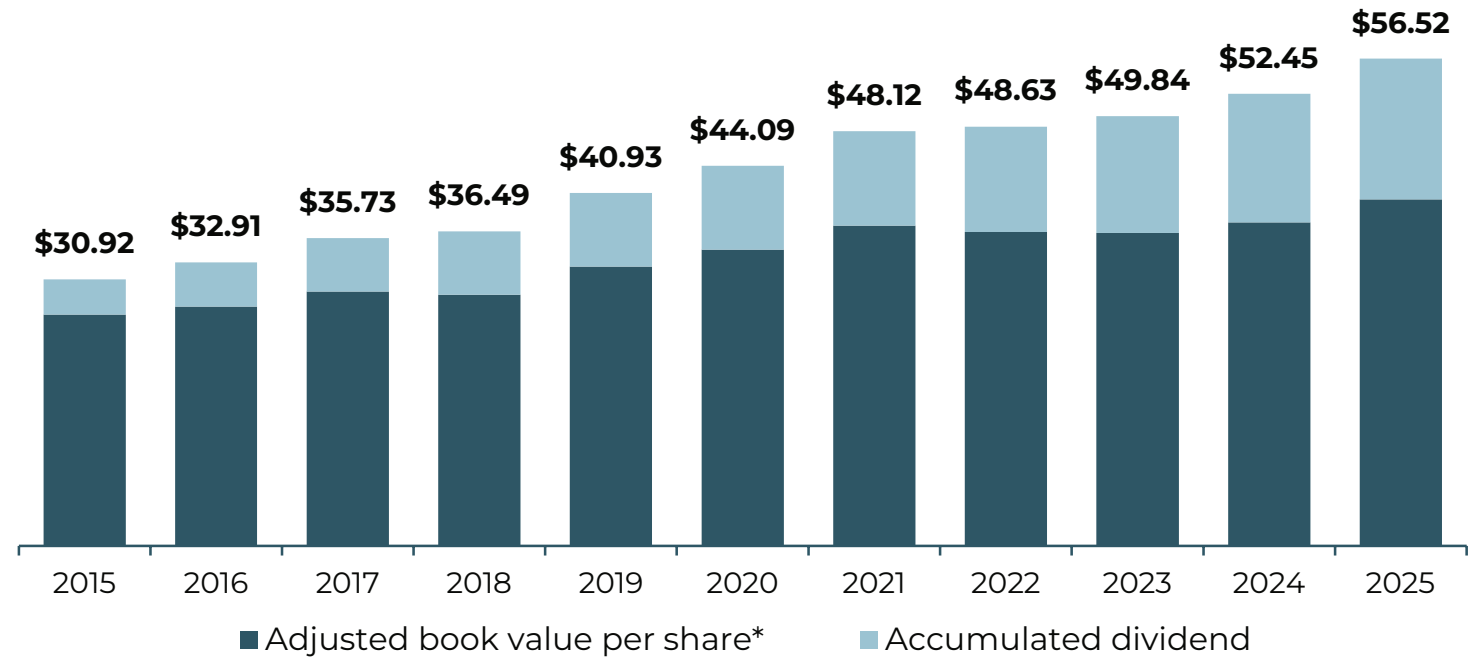
**\$21** million of share repurchases in 2025, highest annual level since 2022

Shares reached a **record high** in 2025

**\$6** million of share repurchases year-to-date 2026<sup>(1)</sup>

**\$151** million returned through share repurchases since 2011<sup>(1)</sup>

## 7.1% compound annual growth in adjusted book value Plus accumulated dividends since 2010



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Core EPS<sup>2</sup></b>	\$2.00	\$1.97	\$1.74	\$0.68	\$2.20	\$3.40	\$4.48	\$1.94	\$1.74	\$3.40	\$4.71
<b>Core ROE<sup>2</sup></b>	7.9%	7.4%	6.4%	2.3%	7.3%	10.5%	12.6%	5.4%	4.9%	9.4%	12.4%

(1) Through January 30, 2026

(2) 2021 and 2022 data adjusted for impact of LDTI ; 2021 – 2024 data adjusted for revised core earnings definition to exclude certain non-core items including intangible asset amortization and changes in market risk benefits



# About Horace Mann

# Today, an 80-yr old highly rated, multiline educator focused company



1945-2025

## Excellent financial strength

- “A” AM Best
- “A” S&P
- “A” Fitch
- “A2” Moody’s

## Longevity

- 1945: Founded by Educators for Educators to sell auto insurance
- 1961: Began offering 403(b) tax-qualified annuities
- 1991: Listed on NYSE (HMN)
- 2019: Acquired educator-centric NTA Life with 50-year history serving educators
- 2022: Acquired educator-centric Madison National Life with 60 years of experience

## Financial Strength

- \$15.3B in assets<sup>(1)</sup>
- \$1.7B in net written premium and contract deposits for 2025
- \$1.8B market capitalization<sup>(2)</sup>
- Highly rated by all four major rating agencies

## Niche Market

- Educators have preferred risk profile
- Homogeneous customer set
- Currently serving almost half of K-12 school locations in the United States

## Multiline Model

- Business mix balanced between segments
- Ability to provide total household solutions
- Provides earnings diversification

**Proud to be the largest multiline financial services company focused on America’s educators**

1) As of December 31, 2025

2) As of January 30, 2026

## Mission

**Helping educators succeed  
in and out of the classroom**

## Long-term goal

**Be the leading financial  
services provider for  
educators in the US**

## How we are doing it

**Accessing schools with  
customer centric  
marketing, distribution and  
products**

## How we win

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Distinctive service to  
great customers

Robust product offering

Diversified earnings

Strong & evolving distribution

# Distinctive service to great customers



**Our customers...**

**...are loyal**

**84%**

Auto Retention

**88%**

Property Retention



**...are given choice**



**...prefer an Agent**

**70% of Educators**

Prefer an Agent



**...are recognized**



Figures excludes our Group Benefit customers

# Robust product offering



## We provide a full suite of financial protection offerings to serve educators

- Auto
- Home
- Condo
- Rental
- Dwelling Fire
- Term Life
- Whole Life
- Indexed Universal Life
- Fixed & Variable Annuities
- Mutual Funds
- Managed Accounts & Brokerage
- Accident
- Cancer
- Critical Illness
- Hospital
- Short-term Disability
- Group Disability
- Group Life
- Group Supplemental Health



We understand issues facing educators and **we solve them!**

## **Credit Monitoring**

HMScore™ credit monitoring, reporting and improvement solutions for educators

## **Student Loan Solutions**

*Student Loan Debt burdens 50% of Teachers*

## **Donors Choose**

The average teacher spends \$1,000 a year of their own money to support student learning

## **Teacher Appreciation**

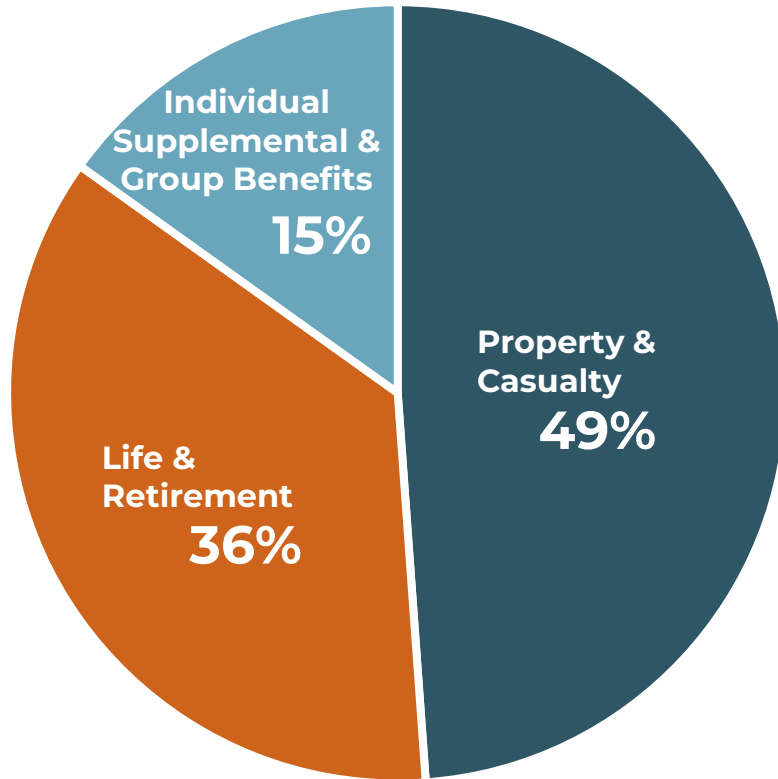
86% of educators believe their career is meaningful & worthwhile

# Diversified product portfolio



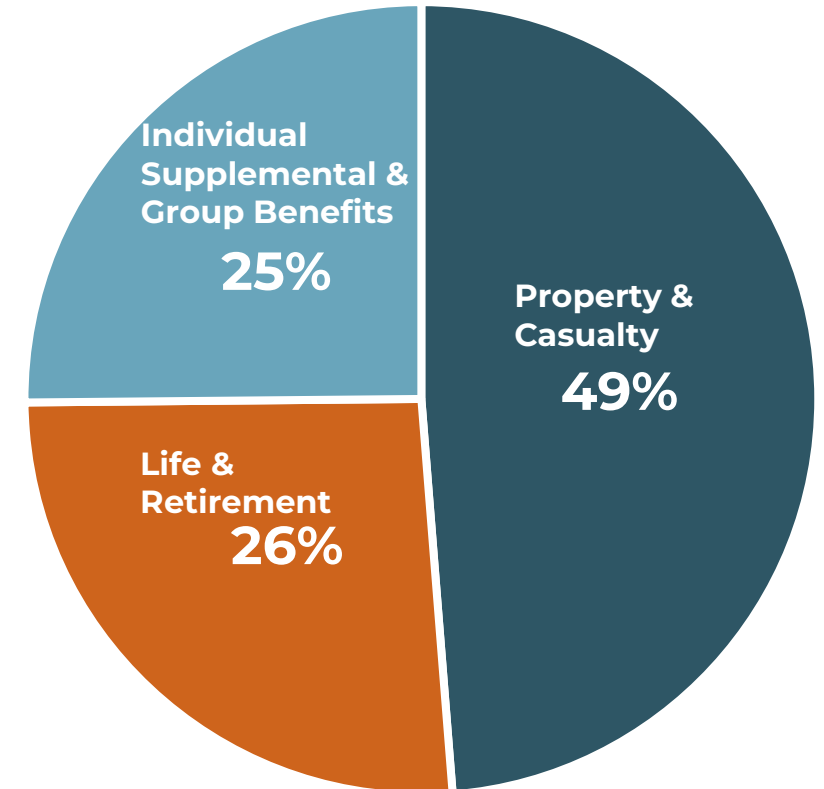
## Net Premiums Written and Contract Deposits\* 2025

by Product Portfolio



## Core Earnings<sup>(1)</sup> 2025

by Product Portfolio



1) Percentages reflect share of positive core earnings, excludes \$36 million core earnings loss in Corporate & Other segment

# Our distribution model



We are available **when, where, and how** our prospects want to engage while providing custom & complete products and services to meet their needs

## Where we engage



**Work**

**30%**  
of Time



Home



Community

**70%**  
of Time

**At school access is a competitive advantage for Horace Mann**

## How we engage



Local Agent



Call Center



Digital

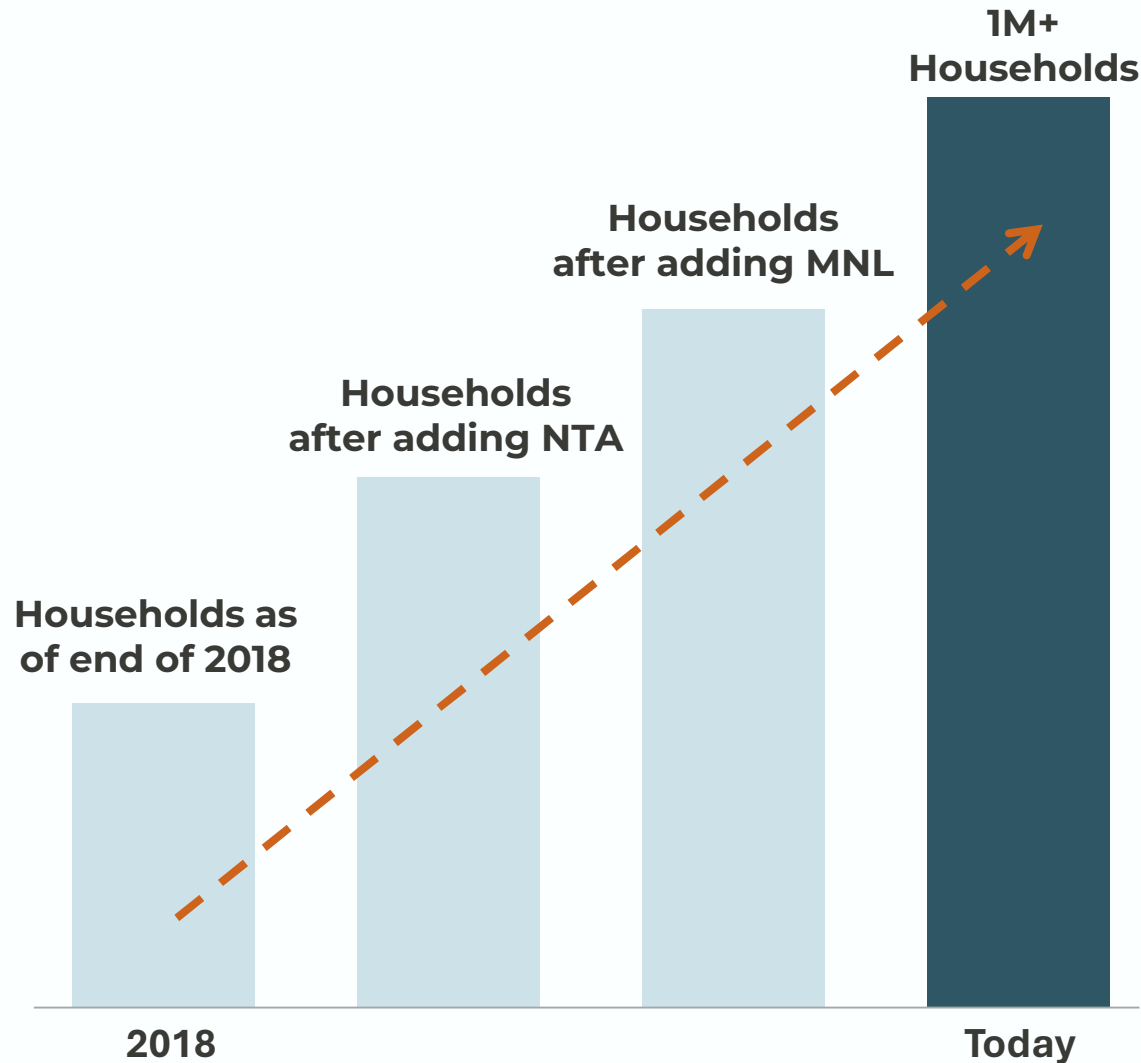


Partnerships

**Integrated Omni-Channel**

**Clients choose how they want to engage and can cross channels with ease**

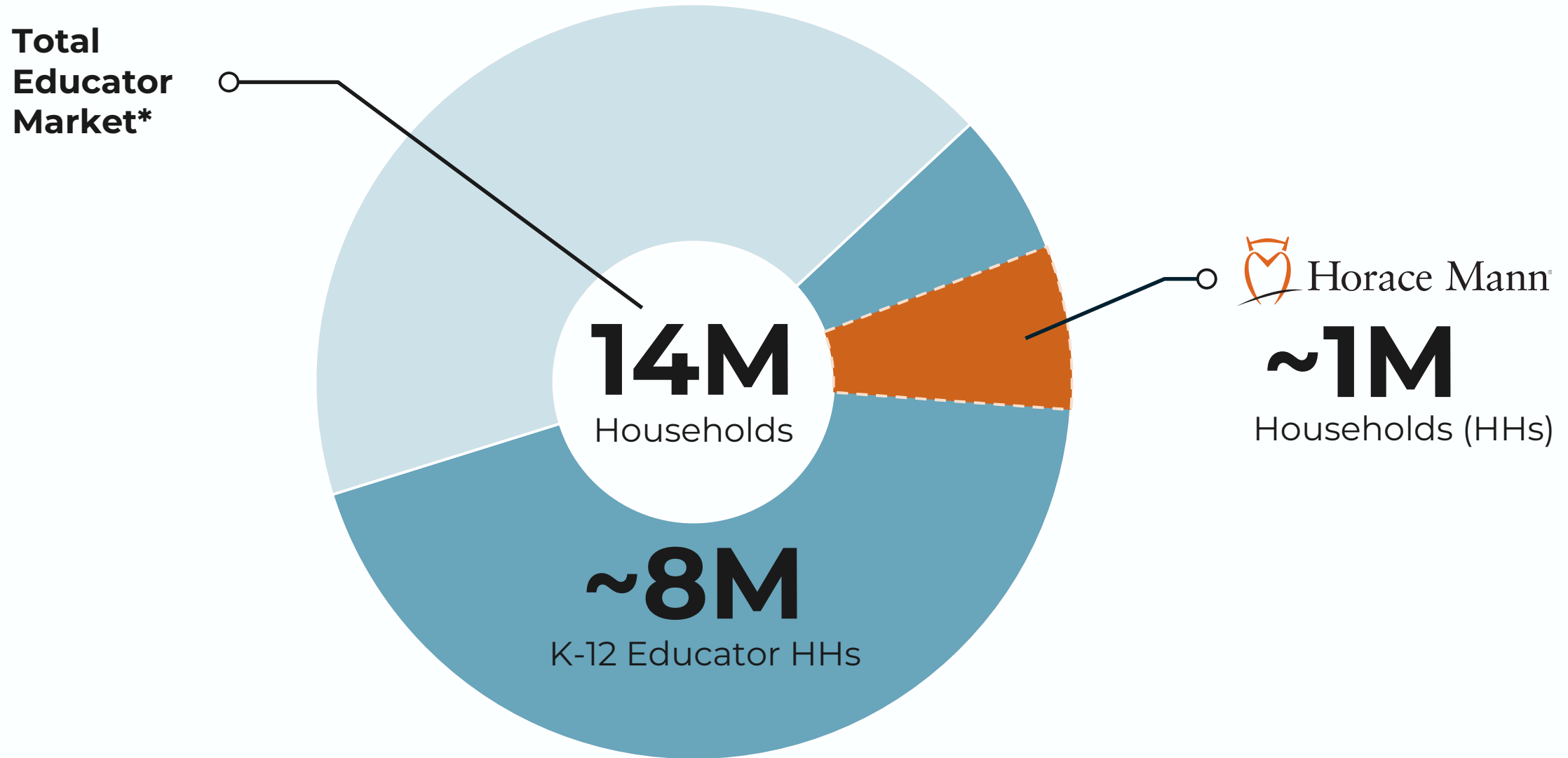
# Significant transformation & growth over the past decade



- Business diversification expands customer reach with integrated omni-channel approach
- Positive growth trend with more than one million total households across market footprint
- Homogeneous customer set with preferred risk profile and strong policyholder retention

***Poised for sustained profitable growth***

# Significant opportunity ahead



\*Total educator market includes K-12 (public/private), higher education, childcare and homeschool



# We are on track to deliver our ambition...

**High  
Single Digit**  
top line revenue  
growth

**10%+  
Bottom Line**  
earnings per  
share growth

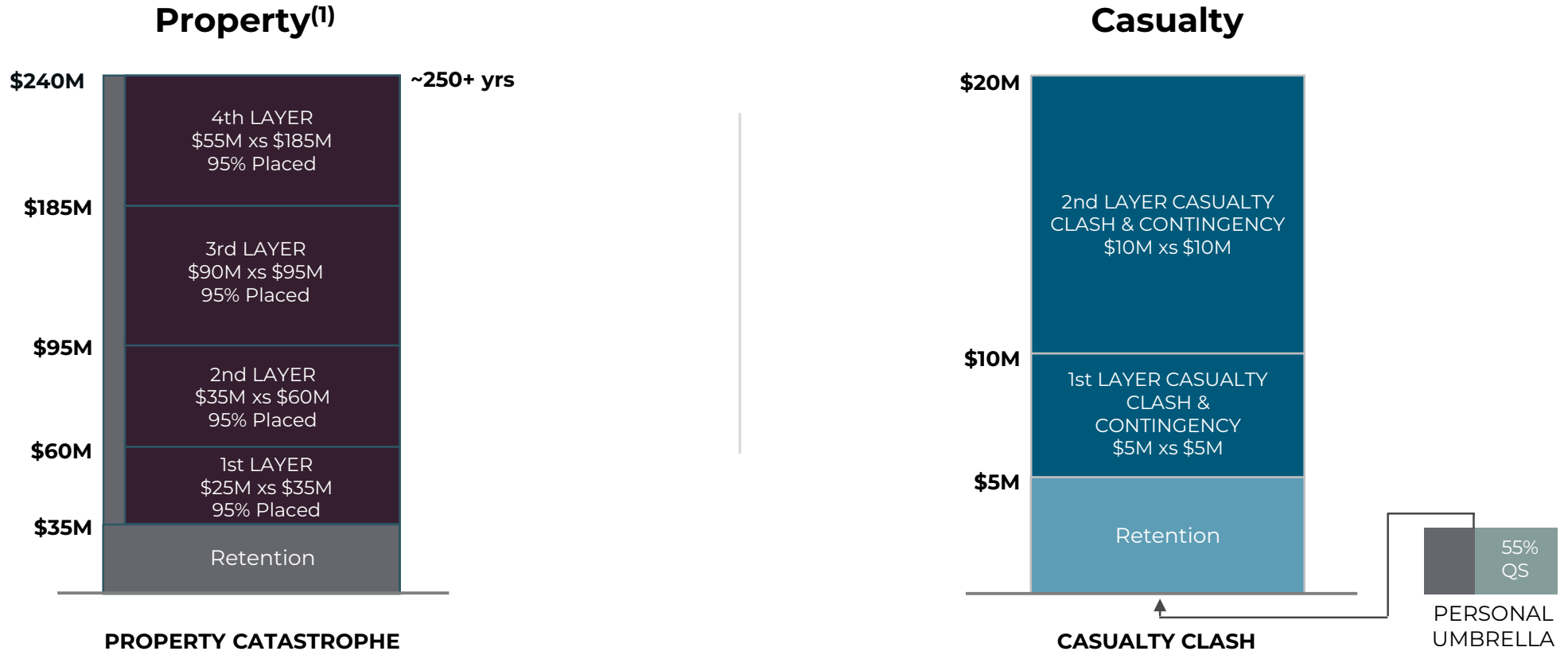
**Sustained  
12-13%**  
shareholder return  
on equity

**Strong free cash flow conversion supports compelling dividend payout ratio and active share repurchase program**



# Reinsurance coverage

2026 single-event catastrophe reinsurance provides PML coverage of approximately 250+ years



(1) 2026 Reinsurance Program, based on current AIR model.

# Horace Mann at-a-glance



Exchange ticker symbol	NYSE: HMN
Share Price	\$44.81 <sup>(1)</sup>
Weighted Average Diluted Shares (for 4Q25)	41.6 million
Market Capitalization	\$1.8 billion <sup>(1)</sup>
Annualized Dividend Per Share	\$1.40
Dividend Yield Per Share	3.1% <sup>(1)</sup>
Adjusted Book Value Per Share (at December 31, 2025)	\$40.21
Analyst Coverage	BMO Capital Markets: Michael Zaremski Dowling & Partners: Julia Ferguson JMP Securities: Matt Carletti Piper Sandler: John Barnidge Raymond James: Wilma Burdis
Contact	Rachael Luber, Vice President, Investor Relations 217-788-5163 <a href="mailto:investorrelations@horacemann.com">investorrelations@horacemann.com</a> <a href="http://investors.horacemann.com">investors.horacemann.com</a>

1) Based on stock price as of January 30, 2026