

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 001-39711

HIPPO HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware

(State of incorporation)

32-0662604

(I.R.S. Employer Identification No.)

**One Almaden Blvd., Suite 400
San Jose, California**

(Address of Principal Executive Offices)

95113

(Zip Code)

(650) 294-8463

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, \$0.0001 par value per share	HIPO	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the Registrant's Common Stock, \$0.0001 par value (the "Common Stock"), held by non-affiliates of the Registrant as of June 30, 2025 was approximately \$598 million based upon the closing price reported for such date on The New York Stock Exchange ("NYSE"). For purposes of this disclosure, shares of Common Stock held by officers and directors of the Registrant and persons that may be deemed to be affiliates under the Act have been excluded. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of outstanding shares of the Registrant's Common Stock was 25,970,978 as of February 24, 2026.

Documents Incorporated by Reference

Portions of the registrant's Proxy Statement for the 2026 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2025.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K of Hippo Holdings Inc. (“Hippo,” the “Company,” “we,” “us,” and “our”) contains statements that are forward-looking and as such are not historical facts. This includes, without limitation, statements regarding the financial position, business strategy and the plans and objectives of management for our future operations. These statements constitute projections, forecasts and forward-looking statements, and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Annual Report on Form 10-K, words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “strive,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Annual Report on Form 10-K may include, for example, statements about:

- our future results of operations and financial condition and our ability to attain profitability;
- our ability to grow our business and, if such growth occurs, to effectively manage such growth;
- customer satisfaction and our ability to attract, retain, and expand our customer base;
- our ability to maintain and enhance our brand and reputation;
- our business strategy, including our diversified distribution strategy and our plans to expand into new markets and new products;
- the effects of seasonal trends on our results of operations;
- our expectations about our book of business, including our ability to cross-sell and to attain greater value from each customer;
- our ability to compete effectively in our industry;
- our ability to maintain reinsurance contracts and our near- and long-term strategies and expectations with respect to cession of insurance risk;
- our ability to utilize our proprietary technology;
- our ability to underwrite risks accurately and charge profitable rates;
- our ability to leverage our data, technology and geographic diversity to help manage risk;
- our ability to protect our intellectual property;
- our ability to expand our product offerings or improve existing ones;
- our ability to attract and retain personnel, including our officers and key employees;
- potential harm caused by misappropriation of our data and compromises in cybersecurity;
- potential harm caused by changes in internet search engines’ methodologies;
- our expected use of cash on our balance sheet, our future capital needs and our ability to raise additional capital;
- fluctuations in our results of operations and operating metrics;
- our ability to receive, process, store, use and share data, and compliance with laws and regulations related to data privacy and data security;

- our ability to stay in compliance with laws and regulations that currently apply, or become applicable, to our business both in the United States and internationally;
- our public securities' liquidity and trading; and
- other factors detailed in the section titled "Risk Factors" in this Annual Report on Form 10-K.

These forward-looking statements are based on information available as of the date of this Annual Report on Form 10-K, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements.

SUMMARY OF RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described below. You should carefully consider these risks and uncertainties, together with all of the other information contained in this Annual Report, when investing in our common stock. The principal risks and uncertainties affecting our business include the following:

- We have a history of net losses and we may not maintain profitability in the future.
- Our success and ability to grow our business depend on retaining and expanding our customer base. If we fail to add new customers or retain current customers, our business, revenue, operating results, and financial condition could be harmed.
- The "Hippo" brand may not become as widely known as incumbents' or other competitors' brands or the brand may become tarnished.
- Denial of claims or our failure to accurately and timely pay claims could materially and adversely affect our business, financial condition, results of operations, and our reputation.
- Intense competition in the segments of the insurance industry in which we operate could negatively affect current financials and our ability to attain or increase profitability.
- Reinsurance may be unavailable, including at current coverage, limits, or pricing, which may limit our ability to write new or renew existing business. Furthermore, reinsurance subjects our insurance company subsidiaries to counterparty credit and performance risk and may not be adequate to protect us against all losses, each of which could have a material effect on our results of operations and financial condition.
- Failure to maintain our risk-based capital at the required levels could adversely affect the ability of our insurance company subsidiaries to maintain regulatory authority to conduct our business.
- Failure to maintain our financial strength ratings could adversely affect the ability of our insurance company subsidiaries to conduct our business as currently conducted.
- If we are unable to underwrite risks accurately and charge competitive yet profitable rates to our customers, our business, results of operations, and financial condition will be adversely affected.
- Our proprietary technology platform, which relies on third-party data, may not operate properly or as we expect it to operate, or may be claimed to infringe, misappropriate or violate a third-party's intellectual property rights.

- Our future success depends on our ability to continue to develop and implement our proprietary technology and to maintain the confidentiality of our trade secret rights under this technology.
- If we fail to properly develop, invest in, deploy, and manage artificial intelligence technologies used in our products and services, our business, financial condition, and results of operations could be materially adversely affected.
- We rely on external data and our digital platform to collect and evaluate information that we utilize in producing, pricing, and underwriting our insurance policies (in accordance with the rates, rules, and forms filed with our regulators, where required), managing claims and customer support, and improving business processes. Any legal or regulatory requirements that might restrict our ability to collect or utilize this data or our digital platform, or an outage by a data vendor, could thus materially and adversely affect our business, financial condition, results of operations, and prospects.
- We may require additional capital to grow our business, which may not be available on terms acceptable to us or at all.
- Security incidents or real or perceived errors, failures, or bugs in our systems or website could impair our operations, result in loss of customers' personal information, damage our reputation and brand, and harm our business and operating results.
- We are subject to laws and regulations concerning our collection, processing, storage, sharing, disclosure, and use of customer information and other sensitive data, and our actual or perceived (or alleged) failure to comply with data privacy and security laws and regulations could damage our reputation and brand and harm our business and operating results.
- We rely on the experience and expertise of our CEO, other key executives, highly-specialized insurance experts, key technical employees, and other highly skilled personnel.
- Our product development cycles are complex and subject to regulatory approval, and we may incur significant expenses before we generate revenues, if any, from new or expansion of or changes to existing products.
- We are exposed to risk through our captive reinsurer RH Solutions Insurance Ltd. ("RHS"), which takes a share of the risk underwritten of affiliated and non-affiliated insurance carriers for business written through our program administrators and managing general agencies (collectively referred to as "MGAs").
- We are exposed to risk through our admitted and non-admitted insurance carriers, which underwrite insurance on behalf of our MGA and other non-affiliated general agents and managing general agents.
- Severe weather events and other catastrophes, including the effects of climate change, global pandemics, and terrorism, are inherently unpredictable and may have a material adverse effect on our financial results and financial condition.
- We are subject to extensive insurance industry regulations.
- We expect our results of operations to fluctuate on a quarterly and annual basis. In addition, our operating results and operating metrics are subject to seasonality and volatility, which could result in fluctuations in our quarterly revenues and operating results or in perceptions of our business prospects.
- The market price of our common stock may be highly volatile, which could cause the value of your investment to decline.

PART I

ITEM 1. BUSINESS

Our Company

In August 2021, Hippo Enterprises Inc., a Delaware corporation (“Old Hippo”) completed a business combination resulting in Old Hippo becoming a wholly owned subsidiary of, Reinvent Technology Partners Z, a Cayman Islands exempted company and special purpose acquisition company which at that time changed its name to Hippo Holdings Inc.

Hippo Holdings Inc. (“Hippo”) is a technology-native insurance holding company that, through its subsidiaries, delivers a broad range of insurance products to customers via its owned and partner MGAs which generated \$1.1 billion of gross written premium in 2025. By combining disciplined underwriting, advanced data analytics, and a customer-first approach, Hippo is building a diversified risk portfolio aimed at delivering sustainable long-term returns on stockholders’ equity. The Company offers its services primarily in the United States as of December 31, 2025.

Our goal is to create long-term value for our stockholders by generating attractive risk adjusted underwriting results while growing our business. We strive to accomplish this by growing our diversified portfolio of risk through disciplined underwriting, continuous portfolio optimization, and risk management—striving to deliver consistent, sustainable returns across market cycles.

Hippo had \$436.1 million of stockholders’ equity at year-end 2025, operates as a multi-carrier platform and strives to be the carrier of choice for leading MGAs. The platform serves as a licensed insurance carrier for MGAs, offering admitted and non-admitted (E&S) paper together with access to capital, regulatory licenses, and reinsurance across multiple lines of business spanning homeowners, renters, commercial multi-peril, casualty, and other lines—empowering partner growth and protecting policyholders.

Hippo focuses on balanced, diversified growth by combining stable fee income from its carrier platform with selective risk retention across personal and commercial lines—participating in the underwriting results of high-performing MGA programs. This approach creates a resilient premium base and positions Hippo to capture opportunities in both established and emerging insurance segments.

Hippo approaches risk thoughtfully, through disciplined underwriting and advanced financial and catastrophe modeling. The company evaluates and manages the risk associated with every program it supports. Continuous portfolio optimization keeps exposure aligned with Hippo’s risk appetite, ensuring the company remains resilient across market cycles.

Lines of Business

Hippo operates and reports its underwriting business on a gross written, net written, and net earned premium basis across five main lines of business: Homeowners’, Renters, Casualty, Commercial Multi-Peril (“CMP”), and Other. These lines of business may change as the business grows and evolves.

Homeowners

Our reported Homeowners line of business is a combination of policies written by our owned program and policies written by third-party program partners. We manage our homeowners’ business and exposure on an aggregate basis to most efficiently deploy capital and utilize reinsurance capacity. We believe the homeowners market is poised for rapid transformation with trends in emerging technology that will allow better assessment of home insurance risk resulting in more accurate pricing, proliferation of application programming interfaces (“APIs”), and meeting the rising customer expectations for personalized and real-time products. The sector remains characterized by legacy inefficiencies, including outdated risk assessment models, fragmented distribution, and reactive service models.

Our owned program is the Company’s Hippo-branded homeowners insurance business. Our mission is to protect what matters most in a rapidly evolving world.

Hippo harnesses technology and data to refocus the home insurance experience around the customer's needs at every stage of the relationship. We seek to facilitate an active partnership with our customers to help prevent losses, which in turn creates better results for Hippo. The result creates an opportunity for a win-win.

Renters

The Renters line is a short-tail personal lines coverage typically providing protection for personal property and contents of rented residences. This line of business is underwritten by a third-party program administrator and is Hippo's longest active program.

Casualty

Casualty consists of liability insurance products with short to medium tail loss characteristics. Coverage responds to claims for bodily injury, property damage, and related defense costs. Business is written through delegated authority arrangements with program administrators and MGAs. Loss development extends over multiple periods, requiring structured limits, defined attachment points, and reinsurance support to manage capital exposure.

Primary sub-lines include: General liability, Commercial auto liability, and Excess and umbrella liability

Commercial Multi-Peril ("CMP")

Commercial Multi-Peril includes commercial property and packaged property and liability coverage for small to mid-sized commercial insureds under a single policy. Programs are class specific and distributed through third-party program administrators. Property losses are generally short tail. Liability losses develop over a longer period and are managed through underwriting guidelines and reinsurance arrangements.

Primary sub-lines include: Small business owners policies, Habitational commercial packages, and Retail and service industry packages

Other

Other includes insurance products and programs that are not material on an individual basis. These programs are evaluated independently based on underwriting results, loss development, scalability, and capital impact. Premiums from discontinued programs continue to be reported through policy expiration.

Primary sub-lines include: Specialty property programs, Niche personal or commercial products, and Runoff and discontinued programs

Strategic Pillars for Profitable Growth

Hippo's roadmap for value creation is defined by three strategic pillars designed to enhance resilience and profitability:

1. Strategic Diversification: The company is actively diversifying its premium base beyond personal lines into commercial multi-peril and casualty lines. This diversification reduces dependency on catastrophe exposed property risks and leverages Spinnaker's capabilities to access broader segments of the insurance value chain.

2. Unlocking Market Growth: Hippo capitalizes on secular growth trends in the U.S. property and casualty ("P&C") market by deploying a differentiated, technology-forward customer experience. A key component of this pillar is strategic partnerships which expands our reach into attractive markets, as evidenced with The Baldwin Group ("BWIN"), a partnership which both triples Hippo's access in the desirable New Homes channel and other niche commercial markets.

3. Optimized Risk Management: We are leveraging our diversified portfolio and deep risk management capabilities to continuously optimize performance across market cycles. This includes utilizing our multi-line portfolio to intelligently modulate risk participation. By adjusting pricing, coverage, and retention levels in response to market conditions, Hippo seeks to maximize ROE while minimizing volatility.

Competition

We face competition from both established national brand names that offer competing products and specialists within our core verticals. These more established competitors have advantages such as brand recognition, greater access to capital, breadth of product offering, and scale of resources. We also face competition from select

and new insurtechs that offer digital platforms. However, the P&C market is fragmented, with just one carrier having over 10% market share according to S&P Capital IQ. This allows for multiple large and growing players to coexist with differentiated products and approaches.

Competitive Strengths

Hippo's competitive position is fortified by a combination of proprietary technology, deep industry expertise, and a unique go-to-market approach.

Proprietary Technology and Data Advantage: Hippo's full-stack technology infrastructure and proprietary underwriting engine enable real-time risk assessment and pricing precision that legacy systems cannot match. The platform's ability to integrate third-party data via APIs allows for granular risk selection, supporting the company's "Science of Risk" philosophy. This technological edge facilitates an "active partnership" with customers, focusing on proactive loss prevention rather than solely reactive claims payment.

Deep Industry Expertise: The company has assembled a leadership team with extensive experience from top tier incumbent carriers. This depth of talent combines traditional insurance discipline with modern technological capabilities, creating a "right to win" in complex underwriting environments.

Differentiated Go-to-Market Strategy: Hippo employs an omni-channel distribution strategy that meets customers where they are, whether through direct-to-consumer channels, independent agents, or embedded partnerships. The acquisition of the Spinnaker platform has further differentiated Hippo by enabling it to serve as a capacity provider for other high-performing MGAs, creating a network effect of data and distribution reach. As illustrated in the company's growth drivers, this strategy supports organic growth from existing programs while layering in new hybrid fronting programs and scaling the New Homes channel.

- *We protect what matters most in a rapidly changing world through deep home expertise, and a promise to put customers first.*
- *Disciplined underwriting standards guide program selection.*
- *Advanced financial and catastrophe modeling provides a data-driven view of exposure and informs precise risk participation decisions.*
- *Continuous portfolio optimization measures performance and keeps exposure within Hippo's well-defined risk appetite.*
- *Active adjustment of pricing and coverage helps maintain resilience as market conditions and risk factors evolve.*

Barriers to Entry

New entrants who work to rebuild the customer experience, with technology, new data and nimble changes, will be better positioned to serve today's homeowners. For the right company, the opportunity is enormous. However, new entrants must overcome high barriers to entry:

- *Significant initial capital requirements to support insurance risk, challenges finding cost-effective reinsurance without an underwriting track record, expensive off-the-shelf policy and claims management systems, or resource-intensive investment in developing a proprietary tech stack*
- *Complicated and fragmented regulatory landscape with a unique set of rules from each state*
- *Significant resource investment in tech, including artificial intelligence, and infrastructure to access, collect and validate insurance-related data, in addition to the development of multiple customized APIs*
- *Difficulty accessing distribution networks, built upon a legacy, agent-based distribution, or resource-intensive process of creating and scaling new, alternative customer acquisition channels*

We believe incumbents face multiple challenges in responding to the ongoing transformation and meeting customer needs, including channel conflict, data stability and veracity (stemming from unverified customer-supplied data), and too much reliance on aging and siloed technology. And with the agent population shrinking (according to

McKinsey & Company research), incumbents may find it harder to access new customers who increasingly choose digital and embedded channels.

Our Values and People

As of December 31, 2025, our workforce consists of a total of 540 employees, of which 371 were located in the United States and 169 located internationally. We engage temporary workers and independent contractors when necessary in connection with a particular project, to meet increases in demand or to fill vacancies while recruiting a permanent employee. None of our employees are currently represented by a labor union or are covered by a collective bargaining agreement with respect to his or her employment. To date we have not experienced any work stoppages, and we consider our relationship with our employees to be good. Our people team is focused on identifying and retaining top talent and building a world class organization. We use recognition and rewards including compensation and equity to attract and retain our talent.

Seasonality

Seasonal patterns can impact our incurrence of claims losses, as seasonal weather patterns impact the level and amount of claims we receive. These patterns include hurricanes, wildfires, and coastal storms in the fall, cold weather patterns and changing home heating needs in the winter, and tornados and hailstorms in the spring and summer. The mix of geographic exposure and products within our customer base impacts our exposure to these weather patterns, and as we diversify our base of premium such that our exposure more closely resembles the industry exposure, we should see the impact of these events on our business more closely resemble the impact on the broader industry.

Data Privacy and Protection Laws

In the course of our business, we collect and maintain confidential and personal information. As a result, we are subject to U.S. federal and state privacy laws and regulations that, among other things, require that we institute and maintain certain policies and procedures to safeguard this information from improper use or disclosure. In the U.S., insurance companies are subject to the privacy provisions of the federal Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners (“NAIC”) Insurance Information and Privacy Protection Model Act, to the extent adopted and implemented by various state legislatures and insurance regulators. The regulations implementing these laws require insurance companies to, among other things, disclose their privacy practices to consumers, explain data-sharing practices, allow customers to opt-out of the sharing of certain personal information with unaffiliated third parties, and maintain certain security controls to protect their information. Additionally, we are subject to the Telephone Consumer Protection Act which restricts the making of telemarketing calls and the use of automatic telephone dialing systems. Violators of these laws face regulatory enforcement action, substantial civil penalties, injunctions, and in some states, private lawsuits for damages.

Privacy regulation in the U.S. is rapidly evolving. For example, in California the California Consumer Privacy Act (the “CCPA”), which came into force in 2020, gives California residents expanded rights to access and request deletion of their personal information, the right to opt out of certain personal information sharing, and receive detailed information about how their personal information is used and shared. The CCPA allows the regulator to impose civil penalties for violations and provides a private right of action for certain data breaches. The California Privacy Rights Act (“CPRA”) amended the CCPA and took effect on January 1, 2023. The CPRA significantly modifies the CCPA, including by imposing additional obligations on covered companies and expanding California consumers’ rights with respect to certain personal information, including their ability to limit the use of precise geolocation information and other categories of information classified as “sensitive.” In addition to increasing our compliance costs and potential liability, the CCPA’s restrictions on “sales” of personal information may restrict our use of cookies and similar technologies for advertising purposes.

The CCPA/CPRA marked the beginning of a trend toward more stringent privacy legislation in the U.S., with multiple states subsequently enacting their own privacy laws, creating a patchwork of laws that has resulted in increased compliance obligations for companies. State attorneys general and privacy agencies are setting new legal precedents through significant settlements and investigations. This has created a complex mix of enforcement priorities and legal interpretations that companies must navigate. Congress, state legislatures, and regulatory authorities continue to consider additional privacy regulations.

Various regulators are interpreting existing state consumer protection laws to impose evolving standards for the online collection, use, dissemination and security of other personal data. Courts may also adopt the standards for fair information practices which concern consumer notice, choice, security and access. Consumer protection laws require us to publish statements that describe how we handle personal information and choices individuals may have about the way we handle their personal data. If such information that we publish is considered untrue, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences. Furthermore, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal data secure may constitute unfair acts or practices in or affecting commerce. For additional information, see *“Risk Factors — Risks Related to Our Business — We are subject to laws and regulations concerning our collection, processing, storage, sharing, disclosure, and use of customer information and other sensitive data, and our actual or perceived (or alleged) failure to comply with data privacy and security laws and regulations could damage our reputation and brand and harm our business and operating results.”*

Data Security and Cybersecurity Laws

In addition to data privacy laws, a growing number of both federal and state regulatory bodies have enacted data security and cybersecurity laws requiring companies to take proactive data security measures to protect personal information from cybersecurity threats. In 2017, the New York Department of Financial Services (“NYDFS”) adopted a broad cybersecurity regulation that requires financial services institutions to, among other things, implement and maintain a cybersecurity program and a cybersecurity policy that will be monitored and tested periodically, develop controls and technology standards for data protection, meet minimum standards in response to any cybersecurity breach and annually certify their compliance with the regulation. On November 1, 2023, the NYDFS issued a significant amendment to the cybersecurity requirements, mandating covered entities to adopt specific standards and controls to secure sensitive data. The recent amendment significantly expands obligations on entities regulated by NYDFS to report cybersecurity incidents and enhance their consumer data protection and cybersecurity infrastructure. Regulated entities were generally required to comply with the new requirements imposed by the amendment in phases throughout 2024 and 2025.

At the federal level, in July 2023 the Securities and Exchange Commission (“SEC”) issued a final rule requiring registrants to disclose material cybersecurity incidents they experience and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy, and governance.

In addition, a majority of states require that companies employ reasonable data security measures, and several have prescriptive laws that require companies to develop, implement, and maintain specific data security measures and, in some cases, a comprehensive information security program. States have also enacted industry-specific data security and cybersecurity laws, including the NAIC Insurance Data Security Model Law, which established standards for data security and for the investigation and notification of insurance commissioners of cybersecurity events involving unauthorized access to, or the misuse of, certain nonpublic information.

For additional information, see “Risk Factors — Risks Related to Our Industry —The increasing adoption by states of cybersecurity regulations has imposed, and could impose additional, compliance burdens on us and expose us to additional liability” and Item 1C. Cybersecurity.

Artificial Intelligence Regulation

Additionally, the NAIC has been examining the use of artificial intelligence in the insurance industry, such as the sources of some of the data we use in marketing and underwriting our products. On December 4, 2023, the NAIC released a model bulletin entitled “Model Bulletin on the Use of Artificial Intelligence Systems by Insurers” (the “Model AI Bulletin”), which encourages insurers to develop, implement and maintain a written program for the use of Artificial Intelligence (“AI”) systems (the “AIS program”) that is designed to mitigate the risk that the use of AI systems in making or supporting decisions affecting insurers' customers will result in decisions that are arbitrary or capricious, unfairly discriminatory or that otherwise violate unfair trade practice laws. According to the Model AI Bulletin, the AIS program should: (1) address governance, risk management controls and internal audit functions, (2) be adopted by the board of directors or an appropriate board committee, (3) be tailored to and proportionate with the insurer's use and reliance on AI and AI systems, (4) be independent or part of an insurer's existing enterprise risk management framework; (5) address the use of all AI systems that make decisions impacting customers and include processes and procedures for notifying impacted consumers that AI systems are in

use; (6) address the AI systems used with respect to regulated insurance practices whether developed by an insurer or third-party vendor; and (7) address the use of AI systems across the insurance product life cycle. As of January 2026, 25 states have adopted bulletins similar to the Model AI Bulletin, and California, Colorado, Illinois, New York, Texas, and Utah have also adopted regulations specific to the use of AI.

At the federal level, on December 11 2025, President Trump signed an Executive Order titled “Ensuring A National Policy Framework For Artificial Intelligence” (the “AI EO”) aiming to replace the patchwork of state AI regulations with a unified federal approach, directing federal agencies to develop a “minimally burdensome” national standard and empowering federal agencies to counter state regulations deemed excessive or inconsistent with federal policy. The AI EO also directs the Secretary of Commerce to publish, within 90 days, an evaluation of state AI laws considered “onerous” or inconsistent with federal policy. States identified in this report may lose eligibility for remaining funding under the Broadband Equity Access and Deployment (BEAD) Program, and agencies are instructed to consider conditioning discretionary grants on states agreeing not to enforce conflicting state laws.

Insurance Regulation

Hippo is subject to extensive regulation, primarily at the state level. These laws are generally intended to protect the interests of purchasers or users of insurance (which regulators refer to as policyholders), rather than the holders of securities we issue.

The method, extent, and substance of such regulation varies by state but are generally set out in statutes, regulations and orders that establish standards and requirements for conducting the business of insurance and that delegate authority for the regulation of insurance to a state agency. These laws, regulations and orders have a substantial impact on our business and relate to a wide variety of matters including insurer solvency and statutory surplus sufficiency, reserve adequacy, insurance company licensing, examination, investigation, agent and adjuster licensing, agent and broker compensation, policy forms, rates, and rules, the nature and amount of investments, claims practices, trade practices, participation in shared markets and guaranty funds, transactions with affiliates, the payment of dividends, underwriting standards, withdrawal from business, statutory accounting methods, data privacy and data security regulation, corporate governance, internal and external risk management, moratoriums (including of lawful actions), and other matters. In addition, state legislatures and insurance regulators continue to examine the appropriate nature and scope of state insurance regulations, including adopting new laws and regulations, and reinterpreting existing ones.

As part of an effort to strengthen the regulation of the financial services market, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) was enacted in 2010. The Dodd-Frank Act created the Federal Insurance Office (“FIO”) within the U.S. Department of the Treasury (“Treasury”). The FIO monitors the insurance industry, provides advice to the Financial Stability Oversight Council (“FSOC”), represents the U.S. on international insurance matters, and studies the current regulatory system. Additional regulations or new requirements may emerge from the activities of various regulatory entities, including the Federal Reserve Board, FIO, FSOC, the NAIC, and the International Association of Insurance Supervisors (“IAIS”), that are evaluating solvency and capital standards for insurance company groups. In addition, the NAIC adopts and will continue to adopt model laws and regulations that will be adopted by various states. We cannot predict whether any specific state or federal measures will be adopted to change the nature or scope of the regulation of insurance or what effect any such measures would have on us.

Spinnaker and its subsidiaries’ ability to pay dividends without regulatory notice, or, in the case of certain dividends, regulatory approval, is restricted by Illinois and Texas law. Additionally, Spinnaker in the future may become commercially domiciled in additional jurisdictions depending on the amount of premiums written in those states. The laws of these other jurisdictions contain similar limitations on the payment of dividends by insurance companies that are domiciled in that state, and such laws may be more restrictive than Illinois and Texas.

In addition, in 2020 the NAIC adopted a group capital calculation covering all entities of the insurance company group for use in solvency monitoring activities. Any increase in the amount of capital or reserves our insurance subsidiaries are required to hold could reduce the amount of future dividends such subsidiaries are able to distribute to the holding company.

In particular, the NAIC has developed a system to test the adequacy of statutory capital and surplus of U.S.-based insurance companies, known as risk-based capital, which all states have adopted. This system establishes the minimum amount of capital and surplus necessary for an insurance company to support its overall business operations in consideration of its size and risk profile. Any reduction in the risk-based capital ratios of our insurance subsidiaries could require us to take remedial actions to increase our insurance subsidiaries' capital and could also adversely affect their financial strength ratings as determined by statistical rating agencies.

Spinnaker is now also required to complete an Own Risk and Solvency Assessment (“ORSA”), which applies to any individual U.S. insurer that writes more than \$500 million of annual direct written and assumed premium, and/or insurance groups that collectively write more than \$1 billion of annual direct written and assumed premium. During 2022, Spinnaker surpassed the \$500 million threshold and as such is now required to complete an annual ORSA, the first of which it filed with the Illinois Insurance Commissioner in early 2024. The ORSA requires Spinnaker to regularly, and no less than annually, assess the adequacy of its risk management framework and its current and estimated projected future solvency position, internally document the process and results of the assessment, and provide a confidential high-level ORSA Summary Report annually to the lead state commissioner if the insurer is a member of an insurance group and, upon request, to the domiciliary state regulator. The ORSA further requires Spinnaker to develop, maintain, and report on: the framework it uses to identify, assess, monitor, manage, and report on its relevant material risks; the assessed level of exposures from material enterprise risks; and the assessed level of capital or surplus for the upcoming year and over the next three years.

Spinnaker is, and any insurance companies that we would form in the future would be, part of an insurance holding company system and as such is subject to regulation in the jurisdictions in which these insurance subsidiaries are domiciled. These holding company laws generally provide that the acquisition or change of “control” of a domestic or commercially domiciled insurer or of any person that controls such an insurer cannot be consummated without the prior approval of the relevant insurance regulator. In general, a presumption of “control” arises from the ownership, control, possession with the power to vote, or possession of proxies with respect to ten percent or more of the voting securities of an insurer or of a person who controls an insurer. In addition, certain state insurance laws could require pre-acquisition notification and approval by a state where our insurance subsidiaries are merely licensed. For additional information, see *“Risk Factors — Risks Related to Our Industry — We are subject to extensive insurance industry regulations”* and *“— Our insurance company subsidiaries are subject to minimum capital and surplus requirements, and failure to meet these requirements could subject us to regulatory action.”*

Intellectual Property

We consider the Hippo brand and those brands of our subsidiaries to be among our most valuable assets. Our future success depends to a large degree upon our ability to defend the Hippo brand and its associated sub-brands from infringement and, to a limited extent, to protect our other intellectual property. We rely on a combination of trademark, service mark, patent, copyright, trade secret and other intellectual property laws and confidentiality procedures and contractual provisions such as non-disclosure terms to protect our intellectual property.

As of December 31, 2025, our patent portfolio consisted of five U.S. utility patents covering autonomous cancellation of insurance policies using a multi-tiered data structure, system and method for updating a policy object and real time rate monitoring. Our issued patents are expected to expire between May 23, 2038 and October 13, 2040. As of December 31, 2025, Hippo’s trademark portfolio consisted of forty registered trademarks, and Spinnaker owned one registered trademark.

The expansion of our business has required us to protect our trademarks, domain names, and patents and, to the extent that we expand our business into new geographic areas, we may be required to protect our trademarks, domain names, patents and other intellectual property rights in an increasing number of jurisdictions, a process that is expensive and sometimes requires litigation. If we are unable to protect or enforce our trademarks, domain names, patents and other intellectual property rights, or prevent third parties from infringing upon them, our business may be adversely affected, perhaps materially. For additional information, see *“Risk Factors — Risks Related to Our Business — Failure to protect or enforce our intellectual property rights could harm our business, results of operations, and financial condition”* and *“— Claims by third parties that we infringed their proprietary technology*

or other intellectual property rights could result in litigation which is expensive to support, and if resolved adversely, could harm our business.”

Available Information

Our internet website address is www.hippo.com. In addition to the information about us and our subsidiaries contained in this Annual Report on Form 10-K, information about us can be found on our website. Our website and information included in or linked to our website are not part of this Annual Report on Form 10-K.

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), are available free of charge through our website as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission, or SEC. Additionally the SEC maintains an internet site that contains reports, proxy and information statements and other information. The address of the SEC’s website is www.sec.gov.

ITEM 1A. RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below before making an investment decision. Our business, prospects, financial condition, or operating results could be harmed by any of these risks, as well as other risks not currently known to us or that we currently consider immaterial. The trading price of our securities could decline due to any of these risks, and, as a result, you may lose all or part of your investment. Certain statements in “Risk Factors” are forward-looking statements. See “Cautionary Note Regarding Forward-Looking Statements.”

Risks Related to Our Business

We have a history of net losses and we may not maintain profitability in the future.

Prior to 2025, we incurred significant net losses on an annual basis since our incorporation in 2015, and we may experience net losses in the future. Several factors contributed to our historical losses, including volatility in our earnings due to severe weather events. For example, significant catastrophe losses resulting from severe weather in the second quarter of 2023 prompted us to institute a nationwide pause on underwriting new premiums for our HO3 business. This pause was intended to reduce volatility, but it also had the effect of reducing premium and revenue. Also, over the long term, we expect to expend substantial financial and other resources on marketing and advertising as part of our strategy to increase our customer base. The marketing and advertising expenses that we incur are typically expensed immediately, while most revenues that the expenses generate are recognized ratably over the 12-month term of each insurance policy that we write. This timing difference can, therefore, result in expenses that exceed the related revenue generated in any given year and create a net loss. In addition, although we have reduced headcount in the past in an effort to reduce expenses, over time we intend to grow our employee base. Also, as a public company, we incur significant legal, accounting, and other expenses that we did not incur as a private company. If our revenue declines in the future, we may not be able to reduce costs in a timely manner because many of our costs are fixed, at least in the short term. Accordingly, we may not be able to maintain profitability and we may incur significant losses in the future.

Our success and ability to grow our business depend on retaining and expanding our customer base. If we fail to add new customers or retain current customers, our business, revenue, operating results, and financial condition could be harmed.

We believe that growth of our business and revenue depends upon our ability to strategically grow our business in the geographic markets that we currently serve by retaining our existing customers, adding new customers in certain geographies, and adding new insurance and non-insurance home-related products. Expanding into new geographic markets, reducing our footprint in some geographic markets, and introducing new products takes time, requires us to navigate and comply with extensive regulations, and may occur more slowly than we expect or than it has occurred in the past. If we lose customers, our value will diminish. In particular, while we expect our loss performance to improve over time as more customers renew their policies and remain customers for longer, our nationwide pause in writing new HO3 business and other actions to combat volatility resulted in a loss of customers, and any future loss of customers could lead to higher loss ratios, loss ratios that cease to decline, or declining revenue, any of which would adversely impact our profitability. If we fail to remain competitive on

customer experience, pricing, or insurance coverage options, our ability to grow and retain our business may also be adversely affected. In addition, we may fail to accurately predict or execute risk segmentation of new and renewal customers or potential customers, which could also reduce our profitability.

While a key part of our business strategy is to retain and add customers in our existing markets, we also intend to expand our operations into new markets and new products. In doing so, we may incur losses or otherwise fail to enter new markets or introduce new products successfully. Our expansion into new markets and new products may place us in unfamiliar competitive environments and involve various risks, including competition, government regulation, the need to invest significant resources, and the possibility that returns on such investments will not be achieved for several years or at all.

There are many factors that could negatively affect our ability to grow our customer base, including if:

- we fail to effectively use search engines, social media platforms, content-based online advertising, and other online sources for generating traffic to our website;
- potential customers in a particular marketplace or more generally do not meet our underwriting guidelines;
- our products are not competitive in terms of customer experience, pricing, or insurance coverage options;
- our competitors mimic our digital platform or develop other innovative services, causing current and potential customers to purchase their insurance products instead of our products;
- we lose customers to new market entrants and/or existing competitors;
- we do not obtain regulatory approvals necessary for expansion into new markets or in relation to our products (such as line, form, underwriting, and rating approvals) or such approvals contain conditions that impose restrictions on our operations (such as limitations on growth);
- our digital platform experiences disruptions;
- we suffer reputational harm to our brand resulting from negative publicity, whether accurate or inaccurate;
- we fail to expand geographically;
- we fail to offer new and competitive products, to provide effective updates to our existing products or to keep pace with technological improvements in our industry;
- we are unable to maintain traditional retail agent relationships;
- customers have difficulty installing, updating or otherwise accessing our website or software application on mobile devices or web browsers as a result of actions by us or third parties;
- customers are unable or unwilling to adopt or embrace new technology;
- technical or other problems frustrate the customer experience, particularly if those problems prevent us from generating quotes or paying claims in a fast and reliable manner; or
- we are unable to address customer concerns regarding content, data privacy, and security generally or for our digital platform specifically.

Our inability to overcome these challenges could impair our ability to attract new customers and retain existing customers and could have a material adverse effect on our business, revenue, operating results, and financial condition.

The “Hippo” brand may not become as widely known as incumbents’ or other competitors’ brands or the brand may become tarnished.

Many of our competitors have brands that are well recognized. We have spent and over time expect to spend considerable money and other resources to create brand awareness and build our reputation. We may not be able to build brand awareness, and our efforts at building, maintaining, and enhancing our reputation could fail.

Complaints or negative publicity about our business practices, our marketing and advertising campaigns, our compliance with applicable laws and regulations, the integrity of the data that we provide to consumers or business partners, data privacy and security issues, and other aspects of our business, whether valid or not, could diminish confidence in our brand, which could adversely affect our reputation and business. As we expand our product offerings and enter new markets, we need to establish our reputation with new customers, and to the extent we are not successful in creating positive impressions, our business in these newer markets could be adversely affected. There can be no assurance that we will be able to maintain or enhance our reputation, and failure to do so could materially adversely affect our business, results of operations, and financial condition. If we are unable to maintain or enhance consumer awareness of our brand cost-effectively, our business, results of operations, and financial condition could be materially adversely affected.

Denial of claims or our failure to accurately and timely pay claims could materially and adversely affect our business, financial condition, results of operations, and our reputation.

We must accurately and timely evaluate and pay claims that are made under our policies. Many factors affect our ability to pay claims accurately and timely, including the efficiency of our claims processing, the training and experience of our claims adjusters (including our third-party claims administrators and adjusters), and our ability to develop or select and implement appropriate procedures and systems to support our claims functions.

The speed by which our technology allows us to process and pay claims is a differentiating factor for our business and an increase in the average time to process claims could undermine our reputation and position in the insurance marketplace. Any failure to pay claims accurately or timely could also lead to regulatory and administrative actions or material litigation, lead to loss or reduction in reinsurance recoveries, or result in damage to our reputation, any one of which could materially and adversely affect our business, financial condition, results of operations, and prospects.

If our claims adjusters or third-party claims administrators are unable to effectively process our volume of claims, our ability to grow our business while maintaining high levels of customer satisfaction could be compromised, which, in turn, could adversely affect our reputation and operating margins.

Our limited operating history makes it difficult to evaluate our current business performance, implementation of our business model, and our future prospects.

We launched our business to sell homeowners insurance in 2015, began selling policies as an insurance producer in 2017, and began underwriting and retaining risks under insurance policies as an insurance company in 2020. Due to this limited operating history and the rapid growth that we experienced since we began operations, our operating results are hard to predict, and our historical results may not be indicative of, or comparable to, our future results. We also cannot provide any assurance that the data that we collect will provide useful measures for evaluating our business model. Our inability to adequately assess and predict our performance and growth could have a material adverse effect on our brand, business, financial condition, and results of operations.

We may not be able to manage our growth effectively.

Our revenue grew in the year ended December 31, 2025 compared to the year ended December 31, 2024, although our total average number of employees decreased during the same period. This revenue growth, coupled with reduced headcount, has placed and may continue to place significant demands on our management and our operational and financial resources. Our corporate and organizational structure will become more complex if we make acquisitions, add additional insurance and non-insurance products, expand our operations, add and integrate employees, and invest in joint venture and other strategic investments. To accommodate our growth, we will need to enhance our operational, legal and compliance, financial, and management controls, as well as our reporting systems and procedures. We will require significant capital expenditures and the allocation of valuable management resources to grow and change in these areas, without undermining our corporate culture of rapid innovation, teamwork, and attention to the insurance-buying experience for the customer. If we cannot manage our growth effectively to maintain the accuracy, quality, and efficiency of our customers' insurance-buying experience, as well as their experience as ongoing customers, our business could be harmed as a result, and our results of operations and financial condition could be materially and adversely affected.

Intense competition in the segments of the insurance industry in which we operate could negatively affect current financials and our ability to maintain or increase profitability.

The homeowners' insurance market is highly competitive with carriers competing through product coverage, reputation, financial strength, advertising, price, customer service, and distribution.

We face significant competition from traditional insurance companies for homeowners. Competitors include companies such as Allstate, Farmers, Liberty Mutual, State Farm, and Travelers. These companies are larger than us and have significant competitive advantages over us, including greater name recognition, higher financial strength ratings, greater resources, additional access to capital, and more types of insurance coverage to offer—such as auto, umbrella and life—than we currently do (or expect to offer in the future). Our future growth will depend in large part on our ability to grow our homeowners' insurance business in which traditional insurance companies retain certain advantages. In particular, unlike us, many of these competitors offer consumers the ability to purchase homeowners' insurance and multiple other types of insurance coverage and “bundle” them together into one policy and—in certain circumstances—include an umbrella liability policy for additional coverage at competitive prices. Although we expect to continue to grow vertically and offer additional home-related products (including non-insurance products), we do not currently expect to expand into other types of insurance. New insurance and non-insurance products could take months or years to be approved by regulatory authorities or may not be approved at all.

Moreover, as we expand into new lines of business and potentially offer additional non-insurance home-related products beyond homeowners' insurance, we could face intense competition from companies that are already established in such markets. In non-insurance products, we may face competition from large technology companies, such as Alphabet and Amazon, that have significant resources and long-standing relationships with customers across a variety of products.

Further, various large technology companies and other companies with a large consumer base that have recently started operating in adjacent categories, including insurance, may offer homeowners insurance products in the future. Technology companies may in the future begin operating and offering products with better and more competitive customer experience, pricing, and insurance coverage options than us, which could cause our results of operations and financial condition to be materially and adversely affected. In addition, traditional insurance companies may seek to adapt their businesses to sell insurance by offering modernized coverage or non-insurance products like we do, including offering home care and maintenance products. Given their size, resources, customer penetration, and other competitive advantages, they may be able to erode any market advantage that we may currently have over them.

We also face competition from existing and new “insurtech” insurance companies, and “insurtech” insurance agencies and managing general agents and underwriters whose use of digital platforms (including for sales, underwriting, and claims) are similar to ours. These competitors may be able to introduce new sales, underwriting, and claims systems that are viewed more attractively than ours by insurance consumers. These models require significantly less infrastructure and capital expenditures than traditional insurance businesses and can be operated without the need to be licensed as an insurance company (as we did prior to our acquisition of Spinnaker). Accordingly, the barriers of entry for new insurtech companies may be low and competitors may be able to begin operating and build scale quickly.

Reinsurance may be unavailable, including at current coverage, limits, or pricing, which may limit our ability to write new or renew existing business. Furthermore, reinsurance subjects our insurance company subsidiaries to counterparty credit and performance risk and may not be adequate to protect us against all losses, each of which could have a material effect on our results of operations and financial condition.

Reinsurance is a contract by which an insurer, which may be referred to as the ceding insurer, agrees with a second insurer, called a reinsurer, that the reinsurer will cover a portion of the losses incurred by the ceding insurer in the event a claim is made under a policy issued by the ceding insurer, in exchange for a premium. The insurance companies that underwrite our insurance products including, but not limited to, our insurance company subsidiaries, purchase reinsurance to help manage their exposure to property and casualty insurance risks associated with policies underwritten by such insurance companies, including attritional and catastrophic risks. Although our reinsurance counterparties are liable to us according to the terms of the reinsurance contracts, we remain primarily liable to our

customers as the direct insurer on all risks reinsured. As a result, reinsurance does not eliminate or limit in any way the obligation of insurance companies that underwrite our insurance products, including our insurance company subsidiaries, to pay losses under those insurance policies or associated obligations, and we are subject to the risk that one or more reinsurers will be unable or unwilling to honor its obligations, or that the reinsurers will not pay in a timely fashion. Reinsurers may become financially unsound by the time they are called upon to pay amounts due, which may not occur for many years, in which case we may have no legal ability to recover what is due to us under our agreement with such reinsurers. Any disputes with reinsurers regarding coverage under reinsurance contracts could be time consuming, costly, and uncertain of success.

Our primary proportional reinsurance contracts generally have a fixed term, per occurrence limits, and are subject to variable commission adjustments and loss participation features, including loss corridors and loss ratio caps. Each reinsurer's share in the interest and liabilities related to the reinsurance contract varies, and the reinsurers are severally—but not jointly—liable under the applicable reinsurance contract. Further, these reinsurance agreements may not be required to cover renewals of policies that the insurance carrier is required by law to renew or write, and we may not be able to lawfully cancel or non-renew insurance policies in a manner that assures ongoing reinsurance protection under our reinsurance contracts.

We have in the past and may in the future change the structure of our reinsurance arrangements, which may impact our overall risk profile and financial and capital condition. We may be unable to negotiate new reinsurance contracts to provide continuous coverage or negotiate reinsurance on the same coverage, limits, pricing, or other terms as are currently available, as such availability depends in part on factors outside of our control. The existing or new contracts may not provide sufficient reinsurance protection. Market forces and external factors (such as significant losses from hurricanes, wildfires, severe weather, or terrorist attacks) or an increase in capital requirements, impact the availability of coverage, limits, and pricing of the reinsurance we purchase. If we are unable to maintain our current level of reinsurance coverage, extend our expiring reinsurance contracts, or purchase new reinsurance protection with the coverage, limits, and pricing and in the amounts that we consider sufficient, we would have to either accept an increase in our retained risk exposure, reduce our insurance writings, or develop or seek other alternatives.

The unavailability of acceptable and sufficient reinsurance protection would have an adverse impact on our business model, which depends on reinsurance companies absorbing a significant portion of the losses incurred by our insurance carriers. If our affiliated and unaffiliated insurance carriers are unable to obtain adequate reinsurance at reasonable rates, we would have to increase our retained risk exposure or reduce the level of our underwriting commitments, each of which could have a material adverse effect upon our business volume and profitability. Alternately, if available, we could elect to pay higher than desired rates for reinsurance coverage, which could have a material adverse effect upon our profitability until policy premium rates could be raised, in most cases subject to prior approval by state insurance regulators, to offset this additional cost.

For our Hippo primary homeowners' reinsurance program commencing in 2025, we elected not to purchase proportional reinsurance, and instead decided to retain more of the exposure and associated premium. Also, effective January 1, 2024, we elected to cut off 25% of the reinsurer's participation on our 2023 proportional reinsurance treaty and retain the remaining exposure and related premiums. For business produced through our builder channel in 2025, we purchased proportional reinsurance from one third-party reinsurer and expect to retain approximately 85% of the premium and associated risk before purchasing catastrophe protection. Because we have substantially reduced our proportional reinsurance coverage and retained more exposure, we may experience increased losses, and the level of capital required to be held at Spinnaker may increase, each of which could have a material adverse effect on our results of operations.

Failure to maintain our risk-based capital at the required levels could adversely affect the ability of our insurance company subsidiaries to maintain regulatory authority to conduct our business.

Our insurance company subsidiaries must maintain sufficient capital to comply with insurance regulatory requirements and maintain authority to conduct our business. The NAIC has developed a system to test the adequacy of statutory capital of U.S.-based insurers, known as risk-based capital that all states have adopted. This system establishes the minimum amount of capital necessary for an insurance company to support its overall business operations. It identifies insurance companies, including property-casualty insurers, that may be inadequately capitalized by looking at certain inherent risks of each insurer's assets and liabilities and its mix of net written

premiums. Insurers falling below a calculated threshold may be subject to varying degrees of regulatory action, including supervision, rehabilitation, or liquidation. Failure to maintain adequate risk-based capital at the required levels could adversely affect the ability of our insurance company subsidiaries to maintain regulatory authority to conduct their business.

Failure to maintain our financial strength ratings could adversely affect the ability of our insurance company subsidiaries to conduct our business as currently conducted.

Financial strength ratings are an important factor in evaluating and establishing the competitive position of insurance companies. These ratings represent the independent opinion of an insurer's financial strength, operating performance, and ability to meet policyholder obligations. Rating agencies could downgrade or change the outlook on ratings due to:

- changes in the financial profile of one of our insurance companies;
- changes in a rating agency's determination of the amount of capital required to maintain a particular rating;
- increases in the perceived risk of our investment portfolio, a reduced confidence in management or our business strategy, or other considerations that may or may not be under our control; or
- AM Best evaluation of the financial health of the holding company and its impact on the balance sheet strength of our rated insurance companies.

A downgrade in our insurance company subsidiaries' financial strength ratings could have a material effect on our sales, competitiveness, customer retention, the marketability of our product offerings, liquidity, access to and cost of borrowing, results of operations, and financial condition.

If we are unable to underwrite risks accurately and charge competitive yet profitable rates to our customers, our business, results of operations, and financial condition will be adversely affected.

In general, the premiums for our insurance policies are established at the time a policy is issued and, therefore, before all of our underlying costs are known. The accuracy of our pricing is subject to our ability to adequately assess risks, estimate losses, and comply with state insurance regulations. Like other insurance companies, we rely on estimates and assumptions in setting our premium rates. We receive data from external data sources and also utilize the data that we gather through our interactions with our customers, as evaluated and curated by our proprietary technology.

Establishing adequate premium rates is necessary, together with investment income, if any, to generate sufficient revenue to offset losses and loss adjustment expenses ("LAE"), acquisition expenses, and other costs. If we do not accurately assess the risks that we underwrite, we may not charge adequate premiums to cover our losses and expenses, which would adversely affect our results of operations and our profitability. Moreover, if we determine that our prices are too low, insurance regulations may preclude us from being able to non-renew insurance contracts, non-renew customers, or raise prices. Alternatively, we could set our premiums too high, which could reduce our competitiveness and lead to lower revenues, which could have a material adverse effect on our business, results of operations, and financial condition.

Pricing involves the acquisition and analysis of historical loss data and the projection of future trends, loss costs and expenses, and inflation trends, among other factors, for each of our products in multiple risk tiers and many different markets. In order to accurately price our policies, we must, among other factors:

- collect and properly and accurately analyze a substantial volume of data from our customers;
- develop, test, and apply appropriate actuarial projections and rating formulas;
- review and evaluate competitive product offerings and pricing dynamics;
- closely monitor and timely recognize changes in trends; and
- project both frequency and severity of our customers' losses with reasonable accuracy.

There are no assurances that we will have success in implementing our pricing methodology accurately in accordance with our assumptions. Our ability to accurately price our policies is subject to a number of risks and uncertainties, including, but not limited to:

- insufficient, inaccurate, or unreliable data;
- incorrect or incomplete analysis of available data;
- uncertainties generally inherent in estimates and assumptions;
- our failure to establish or implement appropriate actuarial projections and rating formulas or other pricing methodologies;
- incorrect or incomplete analysis of the competitive environment;
- regulatory constraints on rate increases or coverage limitations;
- our failure to accurately estimate investment yields and the duration of our liability for loss and loss adjustment expenses; and
- unanticipated litigation, court decisions, legislative or regulatory actions, or changes to the existing regulatory landscape.

To address the potential errors or desired or required changes in our current premium rates, we may be compelled to increase the amount allocated to cover policy claims, increased expenses, or to address other economic factors resulting in an increase in future premium rates or to additionally or alternatively adopt different underwriting standards. Any of these changes may result in a decline in new business and renewals and, as a result, have a material adverse effect on our business, results of operations, and financial condition.

Our proprietary technology platform, which relies on third-party data, may not operate properly or as we expect it to operate.

We utilize our technology platform to gather customer and other third-party data in order to determine whether or not to write and how to price our insurance products. Additionally, our claims operation utilizes our technology platform to manage claims and we intend to expand our technology platform to further support the processing of some or all of our claims. The continuous development, maintenance, and operation of our technology platform is complex and expensive to maintain and improve; its continuous development, maintenance, and operation may entail unforeseen difficulties, including material performance problems, undetected defects, or errors for example, with new capabilities incorporating artificial intelligence. We may encounter technical obstacles, and it is possible that we may discover additional problems that prevent our technology from operating properly. If our platform does not function reliably, we may incorrectly select or renew our customers, price insurance and non-insurance products for our customers, or incorrectly pay or deny claims made by our customers. These errors could result in (i) selecting an uneconomic mix of customers; (ii) customer dissatisfaction with us, which could cause customers to cancel or fail to renew their insurance policies or non-insurance products with us, or make it less likely that prospective customers obtain new insurance policies; (iii) causing us to underprice policies or overpay claims; or (iv) causing us to incorrectly deny policyholder claims and become subject to liability. If our data analytics do not function reliably, we may incorrectly price insurance products for our customers or incorrectly pay or deny claims made by our customers. Either of these situations could result in customer dissatisfaction with us, which could cause customers to cancel their insurance policies with us and prevent prospective customers from obtaining new insurance policies. Additionally, technology platform errors could result in failure to comply with applicable laws and regulations including, but not limited to, unintentional noncompliance with our rate and form filings, cancellation and non-renewal requirements, unfair trade and claims practices, and non-discrimination, which could subject us to legal or regulatory liability and harm our brand and reputation. Any of these eventualities could result in a material adverse effect on our business, reputation, results of operations, and financial condition.

While we believe our by-peril pricing model to be more fair to consumers than multi-peril pricing models, it may yield results that customers find unfair. For instance, we may quote certain homeowners higher premiums than our competitors if our pricing model determines that the customer is higher risk even though their higher-risk classification has not resulted in a claim on an individual basis. Such perception of unfairness could negatively impact our brand and reputation.

If we fail to properly develop, invest in, deploy, and manage AI Technologies used in our products and services, our business, financial condition, and results of operations could be materially adversely affected.

We have incorporated, and expect in the future we will continue to incorporate, machine learning and generative artificial intelligence technologies (collectively, “AI Technologies”) throughout our business. We expect that increased investment will be required in the future to continuously improve our use of AI Technologies. As with many technological innovations, there are significant risks involved in maintaining and deploying AI Technologies and there can be no assurance that the usage of, or our investments in, such AI Technologies will always be beneficial to our products or services, or business, including our efficiency or profitability.

In particular, if the models underlying the AI Technologies we utilize are incorrectly designed or implemented; trained or reliant on incomplete, inadequate, inaccurate, biased or otherwise poor quality data, or on data to which we do not have sufficient rights or in relation to which we and/or the providers of such data have not implemented sufficient compliance measures, the performance of our products, services and business, as well as our reputation, could suffer or we could incur liability resulting from violations of laws or contracts to which we are a party or civil claims brought against us.

Our competitors or other third parties may incorporate AI Technologies into their products more quickly or more successfully than us, which could impair our ability to compete effectively. Additionally, any output data created using AI Technologies may not be subject to copyright protection which may adversely affect our intellectual property rights in, or ability to commercialize or use, the output data. In the United States, a number of civil lawsuits have been initiated related to the foregoing and other concerns, the outcome of any one of which may, among other things, require us to limit the ways in which we use AI Technologies in our business. While AI-related lawsuits to date have generally focused on the AI service providers themselves, our use of any output produced by AI Technologies may expose us to claims, increasing our risks of liability. For example, the output data produced by certain AI Technologies may include information subject to certain privacy laws or constitute an unauthorized derivative work of the copyrighted material used in training the underlying AI Technology, any of which could also create a risk of liability for us, or adversely affect our customers and our business or operations.

We use AI Technologies licensed from third parties in our business and our ability to continue to use such technologies at the scale we need may be dependent on access to specific third-party technology. We cannot control the availability or pricing of such third-party AI Technologies, especially in a highly competitive environment, and we may be unable to negotiate favorable economic terms with the applicable providers. If any such third-party AI Technologies become incompatible with our solutions or unavailable for use, or if the providers of such models unfavorably change the terms on which their AI Technologies are offered or terminate their relationship with us, our business could be harmed. In addition, to the extent any third-party AI Technologies are used as a hosted service, any disruption, outage, or loss of information through such hosted services could disrupt our operations or solutions, damage our reputation, cause a loss of confidence in our solutions, or result in legal claims or proceedings, for which we may be unable to recover damages from the affected provider.

Our future success depends on our ability to continue to develop and implement our proprietary technology and to maintain the confidentiality of our trade secrets under this technology.

Existing regulations and changes to existing regulations, their interpretation or implementation, or new regulations could impede our use of our technology or require that we disclose our proprietary technology to our competitors, which could impair our competitive position and result in a material adverse effect on our business, results of operations, and financial condition.

New legislation or legal requirements may affect how we communicate with our customers, which could have a material adverse effect on our business model, financial condition, and results of operations.

We have begun to incorporate artificial intelligence and machine learning technologies in various areas of our business. State and federal lawmakers and insurance regulators are focusing upon the use of artificial intelligence broadly, including concerns about transparency, deception, and fairness in particular. New laws or regulations, changes in existing laws or regulations, or changes in the interpretation of laws or regulations by a regulatory authority, specific to the use of artificial intelligence, may decrease our revenues and earnings and may require us to change the manner in which we conduct some aspects of our business. For example, in December 2023 the NAIC adopted the Model Bulletin on Use of Artificial Intelligence Systems (“AI Systems”) by Insurers (the

“Model AI Bulletin”) and as of January 2026, 25 states have adopted bulletins substantially similar to the Model AI Bulletin. California, Colorado, Illinois, New York, Texas, and Utah have also adopted regulations specific to the use of artificial intelligence and other states have proposed similar legislation.

The regulatory framework for AI Systems is rapidly evolving as many federal, state and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation of our AI Systems, or could be rescinded or amended as new administrations take differing approaches to evolving AI Systems. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet completely determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations.

In December 2025, President Trump issued a new Executive Order aiming to replace the patchwork of state AI regulations and authorizing the federal government to take action to counter state regulations it deems excessive or inconsistent with federal policy. Any changes at the federal level pertaining to the regulation of AI could require us to expend significant resources to modify our products, services, or operations to ensure compliance or remain competitive.

U.S. legislation related to the use of AI Systems generally has also been introduced at the federal level and is advancing at the state level. For example, in September 2025 the California Office of Administrative Law approved a major update to the CCPA regulations under the oversight authority of the California Privacy Protection Agency (CPPA) introducing new requirements related to Automated Decision-Making Technology (ADMT), including AI and algorithmic systems, that significantly expand how businesses must govern AI and automated tools when they process personal information. California has enacted new laws and amendments to such laws that further regulate use of AI Systems and provide consumers with additional protections around companies’ use of AI Systems, such as requiring companies to disclose certain uses of generative AI. Other states have also passed AI-focused legislation, such as Colorado’s Artificial Intelligence Act, which will require developers and deployers of “high-risk” AI Systems to implement certain safeguards against algorithmic discrimination, and Utah’s Artificial Intelligence Policy Act, as amended establishes disclosure requirements and accountability measures for the use of generative AI in “high-risk” consumer interactions. Such additional regulations may impact our ability to develop, use, procure and commercialize AI Systems in the future.

In addition, our business and operations are subject to various U.S. federal, state, and local consumer protection laws, including laws which place restrictions on the use of automated tools and technologies to communicate with wireless telephone subscribers or consumers generally. Additionally, our artificial intelligence technologies may lead to unintentional bias and discrimination in the underwriting process, which could subject us to legal or regulatory liability. Any of these eventualities could result in a material and adverse effect on our business, financial condition and results of operations. Although we have taken steps to comply with these laws, no assurance can be given that we will not be exposed to civil litigation or regulatory enforcement. Further, to the extent that any changes in law or regulation further restrict the ways in which we solicit, underwrite, or communicate with prospective or current customers before or during onboarding, customer care, or claims management, these restrictions could result in a material reduction in our customer acquisition and retention, reducing the growth prospects of our business, and adversely affecting our financial condition and future cash flows.

We rely on external data and our digital platform to collect and evaluate information that we utilize in producing, pricing, and underwriting our insurance policies (in accordance with the rates, rules, and forms filed with our regulators, where required), managing claims and customer support, and improving business processes. Any legal or regulatory requirements that might restrict our ability to collect or utilize this data or our digital platform, or an outage by a data vendor, could thus materially and adversely affect our business, financial condition, results of operations, and prospects.

We use external data and our digital platform to collect and evaluate data points that we utilize in marketing, producing, pricing, and underwriting certain of our insurance policies, managing claims and customer support, and improving business processes. To the extent such data points are utilized in the underwriting or rating of our insurance products, these may be subject to prior regulatory filing, review, and approval. If federal or state regulators, or courts were to determine that the type or source of data we collect, the process we use for collecting this data, or how we or others use it results in failure to comply with applicable laws and regulations including, but not limited to, unfair trade and claims practices or non-discrimination laws, or otherwise violates existing laws and regulations, these could limit, prohibit, or restrict our collection or use of this data and could further result in potential administrative actions or material litigation.

In the U.S., the federal Gramm-Leach-Bliley Act and certain federal and state laws and regulations specifically aimed at insurance companies require providers of insurance products to consumers to implement certain measures, including requirements to disclose their privacy practices to consumers, allow consumers to opt-in or opt-out, depending on the state, of the sharing of certain personal information with unaffiliated third parties, and maintain certain security controls to protect their information. State legislatures and regulators have and continue to issue regulations or pass legislation imposing requirements on insurance activities regarding the use of external data sources based on concerns about the potential for unfair discrimination, data privacy, and lack of consumer transparency associated with the use of external consumer data. If such laws or regulations were enacted federally or in a large number of states in which we operate, it could impact the integrity of our pricing and underwriting processes, as well as our customer service and claims management practices. A determination by federal or state regulators that the data points we utilize or the process we use for collecting this data unfairly discriminates against or violates the data privacy of some groups of people could also subject us to fines and other sanctions, including, but not limited to, disciplinary action, revocation and suspension of licenses, and withdrawal of product forms. Any such event could, in turn, materially and adversely affect our business, financial condition, results of operations and prospects, and make it harder for us to be profitable over time. Although we have implemented policies and procedures into our business operations that we feel are appropriately calibrated to our automation-driven operations, these policies and procedures may prove inadequate, resulting in a greater likelihood of inadvertent legal or compliance failures.

Further, an outage, termination, or discontinuation of the data provided from one of our data vendors could have a material adverse effect on our business, revenue, operating results, and financial condition, especially if the outage frustrates the customer experience or prevents us from generating quotes, selling policies, or paying claims.

Additionally, existing laws, future laws, and evolving attitudes about data privacy protection may impair our ability to collect, use, and maintain data points of sufficient type or quantity to continue to develop our technology in accordance with the current plans. For more information, see the below risk factor — *“We are subject to laws and regulations concerning our collection, processing, storage, sharing, disclosure, and use of customer information and other sensitive data, and our actual or perceived failure to comply with data privacy and security laws and regulations could damage our reputation and brand and harm our business and operating results.”*

We depend on search engines, content based online advertising, and other online sources to attract consumers to our website, which may be affected by third-party interference beyond our control. In addition, our producer and partner distribution channels are significant sources of new customers and could be impacted by third-party interference or other factors. As we grow, our customer acquisition costs may increase.

Our success depends on our ability to attract potential consumers to our website and convert them into customers in a cost-effective manner. We depend, in large part, on search engines, content-based online advertising, and other online sources for traffic to our website, including, to a lesser extent, our social media platforms.

With respect to search engines, we are included in search results as a result of both paid search listings, where we purchase specific search terms that result in the inclusion of our advertisement, and free search listings, which depend on algorithms used by search engines. For paid search listings, if one or more of the search engines or other online sources on which we rely for purchased listings modifies or terminates its relationship with us, our expenses could rise, we could lose consumers, and traffic to our website could decrease, any of which could have a material adverse effect on our business, results of operations, and financial condition. For free search listings, if search engines on which we rely for algorithmic listings modify their algorithms, our websites may appear less prominently or not at all in search results, which could result in reduced traffic to our websites.

Our ability to maintain and increase the number of consumers directed to our products from digital platforms is not entirely within our control. Search engines, social media platforms, and other online sources often revise their algorithms and introduce new advertising products. If one or more of the search engines or other online sources on which we rely for traffic to our website were to modify its general methodology for how it displays our advertisements or keyword search results, resulting in fewer consumers clicking through to our website, our business and operating results are likely to suffer. In addition, if our online display advertisements are no longer effective or are not able to reach certain consumers due to consumers' use of ad-blocking software, or if our competitors bid more aggressively on online advertisements, our business and operating results could suffer.

Additionally, changes in regulations could limit the ability of search engines and social media platforms, including, but not limited to, Google and Facebook, to collect data from customers and engage in targeted advertising, making them less effective in disseminating our advertisements to our target customers. For example, the proposed Designing Accounting Safeguards to Help Broaden Oversight and Regulations on Data (“DASHBOARD”) Act would mandate annual disclosure to the SEC of the type and “aggregate value” of user data used by harvesting companies, such as, but not limited to, Facebook, Google and Amazon, including how revenue is generated by user data and what measures are taken to protect the data. If the costs of advertising on search engines and social media platforms increase, we may incur additional marketing expenses or be required to allocate a larger portion of our marketing spend to other channels and our business and operating results could be adversely affected. Similarly, insurance brokerage and distribution regulation may limit our ability to rely on third-party digital technology platforms to provide a link to our insurance platform through an API if the third-party distribution platforms are unable to continue to link to our insurance products pursuant to insurance law and regulations.

Besides online direct-to-consumer channels, we also leverage other channels to secure customers, which benefits our growth and long-term vision of meeting customers where and when they want to buy. We utilize multiple indirect channels, including agency channels and partner channels, among others, which could be disrupted for a variety of reasons.

The insurance producers we work with also have a direct relationship with their customers and could be incentivized to move them to a competitor. While we have gained significant traction within this channel, due to our innovation, relationships, and technology, we could lose market share through our competitors' innovation or new products. Competitors may also increase their commissions to increase their ability to attract specific risk-groups or geographic areas, which could slow our ability to grow and increase profitability.

Our partners may attempt to recreate our capabilities independently or move their business to a new insurance partner or add additional insurance partners. Competitors could also develop innovative approaches or significant incentives that could impact our ability to grow, optimize channel economics, or build new relationships.

We may require additional capital to grow our business, which may not be available on terms acceptable to us or at all.

To the extent that our present capital is insufficient to meet future operating requirements (including regulatory capital requirements) or to cover losses, we may need to raise additional funds through financings or curtail our projected growth. Many factors will affect our capital needs, as well as their amount and timing (including our growth and profitability, risk retained, the availability of reinsurance, market disruptions, and other developments).

Historically, we funded our operations, marketing expenditures, and capital expenditures primarily through equity issuances, including through convertible note financings. Going forward, we intend to evaluate financing opportunities from time to time, and our ability to obtain financing will depend, among other things, on our

development efforts, business plans, operating performance, and the condition of the capital markets at the time we seek financing. In addition, regulatory bodies may be required to approve additional equity, equity-linked securities, debt securities, or other forms of financing that we may wish to pursue, and we cannot be certain that these approvals can be obtained. We cannot be certain that additional financing will be available to us on favorable terms or at all.

If we raise additional funds through the issuance of equity, equity-linked securities, or debt securities, those securities may have rights, preferences, or privileges senior to those of our common stock, and our existing stockholders may experience dilution. Any debt financing secured by us in the future could require that a substantial portion of our operating cash flow be devoted to the payment of interest and principal on such indebtedness, which may decrease available funds for other business activities and could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and pursue business opportunities.

If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth, maintain minimum amounts of risk-based capital, and respond to business challenges could be significantly limited, and our business, results of operations, and financial condition could be adversely affected.

Interruptions or delays in the services provided by third-party technology platforms and/or our internet service providers could impair the operability of our website and may cause our business to suffer.

We currently rely on multiple providers of cloud infrastructure services, including Google Cloud Platform, Amazon Web Services, Salesforce, and others (collectively, “Cloud Platforms”). We rely on the internet and, accordingly, depend on the continuous, reliable, and secure operation of internet servers, related hardware and software, and network infrastructure. Our operations depend on protecting the virtual cloud infrastructure hosted in Cloud Platforms by maintaining its configuration, architecture, and interconnection specifications, as well as the information stored in these virtual data centers and which third-party internet service providers transmit. Furthermore, we have no physical access to or control over the services provided by our Cloud Platforms. Although we have disaster recovery plans that utilize multiple Cloud Platforms’ locations, the data centers that we use are vulnerable to damage or interruption from human error, intentional bad acts, earthquakes, floods, fires, severe storms, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, many of which are beyond our control, and any of which could disrupt our services, prevent customers from accessing our products, destroy customer data, or prevent us from being able to continuously back up and record data. In the event of significant physical damage to one of these data centers, it may take a significant period of time to achieve full resumption of our services, and our disaster recovery planning may not account for all eventualities. Further, a prolonged Cloud Platform service disruption affecting our website for any of the foregoing reasons could damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, or otherwise harm our business. In addition, any changes to our Cloud Platforms’ service levels may adversely affect our ability to meet the requirements of our customers. As our platform’s continuing and uninterrupted performance is critical to our success, sustained or repeated system failures would reduce the attractiveness of our offerings. We may also incur significant costs for using alternative platforms or taking other actions in preparation for, or in reaction to, events that damage the Cloud Platform services we use. Damage or interruptions to these data centers could harm our business. Moreover, negative publicity arising from these types of disruptions could damage our reputation and may adversely impact use of our website. Insurance coverage may not be sufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business, that may result from interruptions in our services or products.

Our usage of Cloud Platforms enables us to order and reserve server capacity in varying amounts and sizes distributed across multiple regions. Our Cloud Platform approach provides us with computing and storage capacity pursuant to an agreement that continues until terminated by either party. Our Cloud Platform providers may terminate the agreement for multiple reasons (including, but not limited to, a requirement to comply with a government request, security risk to others, breach of payment obligations, or breach of contract). Termination of a Cloud Platform agreement may harm our ability to access data centers we need to host our website or to do so on terms as favorable as those we have today.

As we continue to expand the number of customers to whom we provide our products and services, we may not be able to scale our technology to accommodate the increased capacity requirements, which may result in interruptions or delays in service. In addition, the failure of Cloud Platforms' data centers or third-party internet service providers to meet our capacity requirements could result in interruptions or delays in access to our website or impede our ability to scale our operations. In the event that one or more of our Cloud Platform service agreements are terminated or there is a lapse of service, interruption of internet service provider connectivity, or damage to such facilities, we could experience interruptions in access to our website as well as delays and additional expense in arranging new facilities and services, which could harm our business, results of operations, and financial condition.

Security incidents or real or perceived errors, failures, or bugs in our systems or website could impair our operations, result in loss of customers' personal information, damage our reputation and brand, and harm our business and operating results.

Our continued success is dependent on our systems, applications, and software continuing to operate and to meet the changing needs of our customers and users. We rely on our technology and engineering staff and vendors to successfully implement changes to and maintain our systems and services in an efficient and secure manner. Like all information systems and technology, our website may contain material errors, failures, vulnerabilities, or bugs, particularly when new features or capabilities are released, and it may be subject to computer viruses or malicious code, break-ins, phishing impersonation attacks, attempts to overload our servers with denial-of-service or other attacks, ransomware and similar incidents, or disruptions from unauthorized use of our computer systems, as well as unintentional incidents causing data leakage, any of which could lead to interruptions, delays, or website shutdowns, or could cause loss of critical data, or the unauthorized disclosure, access, acquisition, alteration, or use of personal or other confidential information, and malicious code embedded in open-source software, or misconfigurations, "bugs" or other vulnerabilities in commercial software that is integrated into our (or our suppliers' or service providers') IT systems, products or services.

In the ordinary course of business, we collect, store, and transmit information, including personal information, in relation to our current, past, or potential customers, business partners, agents, staff, and contractors. We could be subject to a cyber-incident or other adverse event that threatens the security, confidentiality, integrity, or availability of our information resources, including intentional attacks or unintentional events where parties gain unauthorized access to systems to disrupt operations, corrupt data, or steal confidential information about subscribers, vendors, and employees. For example, unauthorized parties could steal or access our customers' names, email addresses, physical addresses, phone numbers, and other information that we collect when providing insurance quotes. Outside parties may also attempt to fraudulently induce employees or customers to disclose sensitive information in order to gain access to our information or customers' information. Further, our vendors are also susceptible to data breaches, including our payment processing vendors who handle customer credit card numbers or other payment information and successful cyberattacks that disrupt or result in unauthorized access to third-party information systems can materially impact our operations and financial results. While we use encryption and authentication technology licensed from third parties designed to effect secure transmission of such information, we cannot guarantee the security of the transfer and storage of personal information. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, often they are not recognized until launched against a target and may originate from less regulated and remote areas around the world. Accordingly, we may be unable to proactively address these techniques or to implement adequate preventative measures. Despite our efforts and processes to prevent breaches, our products and services, as well as our servers, computer systems, and those of third parties that we use in our operations are vulnerable to cybersecurity risks, including cyber-attacks such as viruses and worms, phishing attacks, denial-of-service attacks, physical or electronic break-ins, third-party or employee theft or misuse, and similar disruptions from unauthorized tampering with our servers and computer systems or those of third parties that we use in our operations, which could threaten the confidentiality, integrity and availability of our information resources and confidential information and lead to interruptions, delays, loss of critical data, unauthorized access to customer data, and loss of consumer confidence. In addition, we may be the target of email scams that attempt to acquire personal information or company assets.

Security breaches, including by hackers or insiders, or any other types of data security or privacy-related incidents could expose confidential or personal information, which could result in mandatory public disclosures, potential regulatory investigations, fines, penalties, compliance orders, liability, litigation, and remediation costs, as well as reputational harm, any of which could materially adversely affect our business and financial results. It could

also trigger claims by affected third parties. Further, even if we do not ourselves experience a cyber-incident, hacking against our competitors or other companies could create the perception among our customers or potential customers that our digital platform is not safe to use.

If we experience compromises to our security that result in technology performance, integrity, or availability problems, the complete shutdown of our website or the loss or unauthorized disclosure, access, acquisition, alteration, or use of confidential information, customers may lose trust and confidence in us, and customers may decrease the use of our website or stop using our services entirely. Further, outside parties may attempt to fraudulently induce employees or customers to disclose sensitive information in order to gain access to our information or customers' information. A significant impact on the performance, reliability, security, and availability of our systems, software, or services may harm our reputation, impair our ability to operate, impair our ability to retain existing customers or attract new customers, and expose us to legal claims (such as class actions) and government action, and/or result in significant incident response, system restoration or remediation and future compliance costs, each of which could have a material adverse impact on our financial condition, results of operations, and growth prospects. We cannot guarantee that any costs and liabilities incurred in relation to an attack or incident will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all.

Cyber-incidents are expected to accelerate on a global basis in both frequency and magnitude, and threat actors are increasingly sophisticated in using techniques, including artificial intelligence, that circumvent controls, evade detection, and remove forensic evidence, which means that we and our third-party providers may be unable to anticipate, contain or recover from future attacks or incidents in a timely or effective manner. The COVID-19 pandemic increased cybersecurity risk as a result of global remote working arrangements that are likely to continue and which present opportunities for threat actors to engage in social engineering (for example, phishing) and to exploit vulnerabilities in non-corporate networks. In addition, according to U.S. Government sources and others, the conflict involving Russia and Ukraine has resulted in a heightened risk of cyber-incidents against companies, supply chain vendors and others based in the U.S. or in U.S.-allied regions.

Misconduct or fraudulent acts by employees, agents, claims vendors, or third parties may expose us to financial loss, disruption of business, regulatory assessments, and reputational harm.

We and the insurance industry are inherently susceptible to past and future misconduct or fraudulent activities by employees, representative agents, claims vendors, customers, or other third parties. These activities could include fraud against the Company, its employees, and its customers through illegal or prohibited activities, unauthorized acts or representations, or the unauthorized use or disclosure of personal or proprietary information.

Our success depends, in part, on our ability to establish and maintain relationships with quality and trustworthy service professionals.

We must continue to attract, retain, and grow the number of skilled and reliable service professionals who can provide services across our products. In addition to skill and reliability, our customers want to work with service professionals and claims adjusters whom they trust to work in their homes and with whom they feel safe.

While we maintain screening processes to try to prevent unsuitable service professionals from entering our organization, these processes have limitations and, even with these safety measures, no assurances can be provided regarding the future behavior of any service provider. Inappropriate and/or unlawful behavior of service professionals generally, particularly any such behavior that compromises the trustworthiness of service providers and/or of the safety of our customers, could result in bad publicity and related damage to our reputation, detriment to our brands and brand-building efforts, and/or actions by governmental and regulatory authorities, criminal proceedings and/or litigation. The occurrence of any of these events could, in turn, adversely affect our business, reputation, financial condition, and results of operations.

We may be unable to prevent, monitor, or detect fraudulent activity, including policy acquisitions or payments of claims that are fraudulent in nature.

If we fail to maintain adequate systems and processes to prevent, monitor, and detect fraud, including employee fraud, agent fraud, fraudulent policy acquisitions, claim vendor fraud, third-party or fraudulent claims activity, or if inadvertent errors occur with such prevention, monitoring, and detection systems due to human or

computer error, our business could be materially adversely impacted. In the ordinary course of business in the insurance industry, we have experienced relatively isolated incidents of fraudulent activity that have not had a material impact on our business. However, we cannot be certain that our systems and processes will always be adequate in the face of increasingly sophisticated and ever-changing fraud schemes. We use a variety of tools to protect against fraud, but these tools may not always be successful at preventing such fraud.

We are periodically subject to examinations by our primary state insurance regulators, which could result in adverse examination findings and necessitate remedial actions.

Our primary insurance regulators are responsible for our supervision and examination of our insurance subsidiaries. Spinnaker is currently domiciled in Illinois and Spinnaker Specialty Insurance Company (“Spinnaker Specialty”) is an authorized/non-admitted insurer in Texas, and in the first quarter of 2024, we added Wingsail Insurance Company as an admitted insurer in Arizona. RHS is a Cayman-domiciled insurance captive and is subject to regulations and supervision imposed by the Cayman Islands.

Periodically, other non-domestic insurance regulators perform examinations of insurance companies under their jurisdiction to assess compliance with applicable laws and regulations, financial condition, and the conduct of regulated activities or may conduct targeted investigations. These examinations provide insurance regulators with a significant opportunity to review and scrutinize our business. If—as a result of an examination—an insurance regulator determines that our financial condition, capital resources, or other aspects of any of our operations are less than satisfactory, or that we are in violation of applicable laws or regulations, an insurance regulator could require us to take one or more remedial actions or otherwise subject us to regulatory scrutiny, impose fines and penalties, or take further actions including suspension or revocation of our licenses. We cannot predict with precision the likelihood, nature, or extent of any necessary remedial actions or financial impact (if any) resulting from such an examination or the associated costs of such remedial actions or regulatory scrutiny. Any regulatory or enforcement action or any regulatory order imposing remedial, injunctive, or other corrective action against us resulting from these examinations could have a material adverse effect on our business, reputation, financial condition, or results of operations.

We are subject to laws and regulations concerning our collection, processing, storage, sharing, disclosure, and use of customer information and other sensitive data, and our actual or perceived (or alleged) failure to comply with data privacy and security laws and regulations could damage our reputation and brand and harm our business and operating results.

In the ordinary course of business, we collect, store, and transmit information, including personal information, in relation to our current, past, or potential customers, business partners, agents, staff, and contractors. In the U.S., there are numerous federal and state data privacy and protection laws and regulations governing the collection, use, disclosure, protection, and other processing of personal information, including federal and state data privacy laws, data breach notification laws, and consumer protection laws. For example, the CCPA, which became effective in January 2020, created new privacy rights for consumers residing in the state of California and imposes obligations on companies that process their personal information, including an obligation to provide certain new disclosures to such residents. Specifically, among other things, the CCPA creates new consumer rights and imposes corresponding obligations on covered businesses relating to the access to, deletion of, and sharing of personal information collected by covered businesses, including California residents’ right to access and delete their personal information, opt out of certain sharing and sales of their personal information, and receive detailed information about how their personal information is used. The law exempts from certain requirements of the CCPA certain information that is collected, processed, sold, or disclosed pursuant to the California Financial Information Privacy Act, the federal Gramm-Leach-Bliley Act, or the federal Driver’s Privacy Protection Act. The definition of “personal information” in the CCPA is broad and may encompass other information that we maintain beyond that excluded under the Gramm-Leach-Bliley Act, the Driver’s Privacy Protection Act, or the California Financial Information Privacy Act exemption. Further, the CCPA allows the regulator to impose civil penalties for violations and provides a private right of action for certain data breaches that result in the loss of personal information. This private right of action has increased the likelihood of, and risks associated with, data breach litigation. In 2020, California voters also passed the CPRA, which took effect on January 1, 2023. The CPRA significantly modifies the CCPA, including by imposing additional obligations on covered companies and expanding California consumers’ rights with respect to certain sensitive personal information, and requiring us to incur additional costs and expenses

in an effort to comply. The CCPA marked the beginning of a trend toward more stringent privacy legislation in the U.S., and multiple states have subsequently enacted or proposed similar laws. For example, since the CCPA went into effect, comprehensive privacy statutes that share similarities with the CCPA are now in effect and enforceable in over a dozen states, and amendments to such laws are regularly proposed. Like the CCPA, many of these laws contain exclusions for entities subject to the Gramm-Leach-Bliley Act or for information covered by the Gramm-Leach-Bliley Act, the Driver's Privacy Protection Act, and the Fair Credit Reporting Act. Many other states are currently reviewing or proposing the need for greater regulation of the collection, sharing, use and other processing of information related to individuals for marketing purposes or otherwise. There is also discussion in Congress of a new comprehensive federal data protection and privacy law to which we likely would be subject if it is enacted. Additionally, we are subject to the federal Telephone Consumer Protection Act, which restricts the making of telemarketing calls and the use of automatic telephone dialing systems. New laws and proposed legislation, if passed, could have conflicting requirements that could make compliance challenging, require us to expend significant resources to come into compliance, and restrict our ability to process certain personal information. The effects of the CCPA and other similar state laws subsequently enacted, as well as possible future state or federal laws, are potentially significant and may require us to modify our data collection and processing practices and policies and to incur substantial costs and potential liability in an effort to comply with such legislation.

In the event of a data breach, we are also subject to breach notification laws in the jurisdictions in which we operate, including all 50 U.S. state laws, and the risk of litigation and regulatory enforcement actions. In 2023, the SEC's cybersecurity regulations came into effect, which require us to publicly disclose material cybersecurity incidents shortly after we deem them to be material. In addition, a number of federal and state laws and regulations relating to privacy affect and apply to the insurance industry specifically.

We may also face particular privacy, data security, and data protection risks in connection with requirements of the European Union's ("E.U.") General Data Protection Regulation 2016/679 ("GDPR"), the United Kingdom ("UK") GDPR and UK Data Protection Act 2018 (which retains the GDPR in UK national law) and other data protection regulations in the E.U. and UK. Among other stringent requirements, the GDPR restricts transfers of data outside of the E.U. to third countries deemed to lack adequate privacy protections (such as the U.S.), unless an appropriate safeguard specified by the GDPR is implemented. In 2020, a decision of the Court of Justice of the European Union invalidated a key mechanism for lawful data transfer to the U.S. and called into question the viability of its primary alternative. As such, the ability of companies to lawfully transfer personal data from the E.U. to the U.S. is presently uncertain. Other countries have enacted or are considering enacting similar cross-border data transfer rules or data localization requirements. These developments could limit our future ability to deliver our products in the E.U. and other foreign markets. In addition, any failure or perceived failure to comply with these rules may result in regulatory fines or penalties, including orders that require us to change the way we process data. In 2025, the National Security Division of the U.S. Department of Justice (DOJ) issued a new rule that went into effect, referred to as the "Data Security Program" (DSP), to implement Executive Order 14117 aimed at preventing access to "bulk U.S. sensitive personal data" and "government-related data" by "countries of concern" (including China, Russia, Iran, North Korea, Cuba, and Venezuela) and "covered persons" (as all such terms are defined in the DSP). The DSP imposes stringent obligations on companies within its scope and prohibits or restricts "covered data transactions" that grant countries of concern or covered persons access to bulk U.S. sensitive personal data or any amount of government-related data. The DSP is new, complex and has yet to be enforced, and as such, there is a risk that our interpretation of its applicability, scope, and requirements is incorrect, incomplete, or misapplied.

Additionally, we are subject to the terms of our privacy policies and data privacy-related obligations to third parties. Any failure or perceived failure by us to comply with our privacy policies, our data privacy-related obligations to customers or other third parties, or our other data privacy-related legal obligations, may result in governmental or regulatory investigations, enforcement actions, regulatory fines, civil or criminal penalties, compliance orders, litigation (including class actions), or public statements against us by consumer advocacy groups or others and could cause customers to lose trust in us, all of which could be costly and have an adverse effect on our business. In addition, new and changed rules and regulations regarding data privacy, data protection (in particular those that impact the use of artificial intelligence), and cross-border transfers of customer information could cause us to delay planned uses and disclosures of data to comply with applicable data privacy and data protection requirements. Moreover, if third parties that we work with violate applicable laws or our policies, such violations

also may put personal information at risk, which may result in increased regulatory scrutiny and have a material adverse effect on our reputation, business, and operating results.

We employ third-party licensed data, software, technologies, and intellectual property for use in our business, and the inability to maintain or use these licenses, or errors or defects in the data, software, technologies, and intellectual property we license could result in increased costs or reduced service levels, which would adversely affect our business, financial condition, and results of operations.

Our business relies on certain third-party data, software, technology, and associated intellectual property rights (“Third-Party Technology”) that we license from other companies, which includes insurance industry proprietary information that we license from Insurance Services Office, Inc. (“ISO”). We anticipate that we will continue to rely on such Third-Party Technology and we may license additional Third-Party Technology in the future. We cannot assure that these third-party licenses, or support for such licensed software and technologies, will continue to be available to us on commercially reasonable terms, if at all. Although we believe that there are commercially reasonable alternatives to the Third-Party Technology we currently license, other than proprietary information provided by ISO, this may not always be the case, or it may be difficult or costly to replace. In addition, integration of new third-party products may require significant work and require substantial investment of our time and resources. Also, should ISO refuse to license its proprietary information to us on the same terms that it offers to our competitors and we are unable to find a comparable replacement, we could be placed at a significant competitive disadvantage. In the event that we cannot renew and/or expand existing licenses, we may be required to discontinue or limit our use of the products that include or incorporate the licensed Third-Party Technology. Any of these results could harm our business, results of operations, and financial condition.

Any errors or defects in Third-Party Technology that we license could result in errors that could harm our brand and business. We also cannot be certain that our licensors are not infringing the intellectual property rights of others or that our licensors have sufficient rights to the licensed software and technology in all jurisdictions in which we may operate. If we are unable to obtain or maintain rights to any of this software or technology because of intellectual property infringement claims brought by third parties against our licensors or against us, our ability to develop our services containing such software or technology could be severely limited and our business could be harmed. Many of the risks associated with the use of Third-Party Technology cannot be eliminated, and these risks could negatively affect our business.

Failure to protect or enforce our intellectual property rights could harm our business, results of operations, and financial condition.

Our success is dependent in part on protecting our intellectual property rights and technology, including any source code, proprietary information, data, processes and other forms of information, know how, and technology. We rely on a combination of patents, trademarks, service marks, and trade secret laws to establish and protect our intellectual property. We also seek to control access to our proprietary information by entering into a combination of invention assignment agreements and nondisclosure agreements with our employees, consultants, and with our third-party providers and strategic partners. While these agreements may provide us with contractual remedies upon any unauthorized use or disclosure of our proprietary business information or intellectual property, we cannot assure you that these agreements will be effective in controlling access to, and use and distribution of, our platform and proprietary information, and we may not always be able to effectively monitor or prevent such unauthorized use or disclosure.

We also seek to protect our proprietary information and intellectual property through contractual restrictions in our commercial agreements with third-party licensees, partners, and other third parties. However, some license provisions that protect against unauthorized use, copying, transfer, and disclosure of our technology may be unenforceable under the laws of certain jurisdictions and foreign countries. Certain arrangements with joint development partners may limit our ability to protect, maintain, enforce, or commercialize such intellectual property rights, including requiring agreement with or payment to our joint development partners before protecting, maintaining, licensing, or initiating enforcement of such intellectual property rights, and may allow such joint development partners to register, maintain, enforce, or license such intellectual property rights in a manner that may affect the value of the jointly-owned intellectual property or our ability to compete in the market.

We have filed, and may continue in the future to file, trademark and patent applications to protect certain of our inventions and intellectual property. However, we cannot guarantee that patents will issue on our pending patent applications or that we will be successful in effective registration of our trademarks. Our existing intellectual property, and any intellectual property granted to us or that we otherwise acquire in the future, may be contested, circumvented, invalidated or held unenforceable, and we may not be able to prevent third parties from infringing our rights to our intellectual property. Therefore, the exact effect of the protection of this intellectual property cannot be predicted with certainty. In addition, given the costs, effort, risks, and downside of obtaining patent protection, including the requirement to ultimately disclose the invention to the public, we may choose not to seek patent protection for certain inventions. Any failure to adequately obtain such patent protection, or other intellectual property protection, could later prove to adversely impact our business.

While software and other of our proprietary works are protected by copyright on creation, we have chosen not to seek copyright registration in these works, and instead, have primarily relied on protecting our software as a trade secret. Though we may seek copyright registration of our software and other proprietary works in the future, until then, the remedies and damages available to us for unauthorized use of our software may be limited since registration is required in order to bring a copyright infringement lawsuit under federal law in the United States.

We currently hold various domain names relating to our brand, including hippo.com and hippoinsurance.com, among others. Failure to protect our domain names could adversely affect our reputation and brand and make it more difficult for users to find our website. We may be unable, without significant cost or at all, to prevent third parties from acquiring domain names that are similar to, infringe upon, or otherwise decrease the value of our trademarks, brand and other proprietary rights.

Additionally, a number of aspects of intellectual property protection in the field of AI and machine learning are currently under development, and there is uncertainty and ongoing litigation in different jurisdictions as to the degree and extent of protection warranted for AI and machine learning systems and relevant system input and outputs. Courts and regulatory agencies continue to evaluate the patentability and copyrightability of AI-generated innovations and works, and we cannot predict how these legal developments will affect our ability to protect intellectual property created through or in connection with our AI Technologies. The law is also uncertain across jurisdictions regarding the copyright ownership of content that is produced in whole or in part by generative AI tools. As we incorporate generative AI Technologies into certain of our business processes, including customer communications and document generation, we may face increased risk that outputs produced using such tools may not be protectable under intellectual property laws or may inadvertently incorporate third-party copyrighted material, potentially exposing us to infringement claims.

While we take precautions designed to protect our intellectual property, there are steps that we have not yet taken to protect our intellectual property on a global basis. Additionally, the steps that we have already taken to protect our intellectual property may not be sufficient or effective. Third parties may knowingly or unknowingly infringe our proprietary rights and third parties may challenge proprietary rights held by us and we may not be able to prevent infringement or misappropriation of our proprietary rights without incurring substantial expense. If third parties copy our technology and use our proprietary brand, content, and information to create or enhance competing solutions and services, the value of our brand and other intangible assets may be diminished, competitors may be able to more effectively mimic our service and methods of operations, the perception of our business and service to customers and potential customers may become confused, and our ability to attract customers may be adversely affected. We may need to engage in litigation to enforce our rights. Litigation to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management and could result in the impairment or loss of portions of our intellectual property, and the outcome of litigation could be unpredictable. Our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could impair the functionality of our platform, delay introductions of enhancements to our platform, result in our substituting inferior or more costly technologies into our platform, or harm our reputation or brand.

Our services utilize third-party open source software components, which may pose particular risks to our proprietary software, technologies, products, and services in a manner that could negatively affect our business.

The software powering our technology systems incorporates open source software and will continue to use open source software in the future. Use and distribution of open source software may entail greater risks than the use of third-party commercial software, as open source licensors generally do not provide support, warranties, indemnification, or other contractual protections regarding infringement claims or the quality of the code. To the extent that our services depend upon the successful operation of open source software, any undetected errors or defects in this open source software could prevent the deployment or impair the functionality of our platform, delay new solutions introductions, result in a failure of our platform, and injure our reputation. For example, undetected errors or defects in open source software could render it vulnerable to breaches or security attacks, and, in turn, make our systems more vulnerable to data breaches. In addition, the public availability of such software may make it easier for others to compromise our platform.

Furthermore, some open source licenses contain requirements that we make available source code for modifications or derivative works that we create based upon the type of open source software we use or grant other licenses to our intellectual property. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release or license the source code of our proprietary software to the public. In the event that portions of our proprietary software are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code or re-engineer all or a portion of our technology systems, each of which could reduce or eliminate the value of our technology systems. This risk could be difficult or impossible to eliminate and could adversely affect our business, financial condition, and results of operations.

We may be unable to prevent or address the misappropriation of our data.

From time to time, third parties may misappropriate our data through website scraping, bots, or other means and aggregate this data on their websites with data from other companies. In addition, copycat websites may have attempted to and may in the future attempt to misappropriate data and imitate our brand or the functionality of our website. If we become aware of such websites, we intend to employ technological or legal measures in an attempt to halt their operations. However, we may be unable to detect all such websites in a timely manner and, even if we could, technological and legal measures may be insufficient to halt their operations. In some cases, particularly in the case of websites operating outside of the United States, our available remedies may not be adequate to protect us against the effect of the operation of such websites. Regardless of whether we can successfully enforce our rights against the operators of these websites, any measures that we may take could require us to expend significant financial or other resources, which could harm our business, results of operations, or financial condition. In addition, to the extent that such activity creates confusion among consumers or advertisers, our brand and business could be harmed.

We rely on the experience and expertise of our CEO, other key executives, highly-specialized insurance experts, key technical employees, and other highly skilled personnel.

Our success depends upon the continued service of our CEO, other key executives, our highly-specialized insurance experts and key technical employees; and our ability to continue to attract and retain additional highly qualified personnel. Our future success depends on our continuing ability to identify, hire, develop, motivate, retain, and integrate highly skilled personnel for all areas of our organization. If we are unable to attract the requisite personnel, our business and prospects may be adversely affected. Each of our CEO, key executive officers, specialized insurance experts, key technical personnel, and other employees could terminate his or her relationship with us at any time. The loss of our CEO, any other key executive, specialized insurance experts, or key personnel might significantly delay or prevent the achievement of our strategic business objectives and could harm our business. We rely on a small number of highly-specialized insurance experts, the loss of any one of whom could have a disproportionate impact on our business. Competition in our industry for qualified employees is intense. Our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating our existing employees. Moreover, if and when the stock options or other equity awards are substantially vested, employees under such equity arrangements may be more likely to leave,

particularly when the underlying shares have seen a value appreciation or if the value of the shares underlying such awards has significantly declined.

Furthermore, several members of our management team were hired relatively recently. If we are not able to integrate these new team members or if they do not perform adequately, our business may be harmed.

We face significant competition for personnel, particularly in California and Texas, the states where the majority of our employees are located. To attract top talent, we have to offer, and believe we will need to continue to offer, competitive compensation and benefits packages. We may also need to increase our employee compensation levels in response to competitor actions. If we are unable to hire new employees quickly enough to meet our needs or otherwise fail to effectively manage our hiring needs or successfully integrate new hires, including our newer management team members, our efficiency, ability to meet forecasts, and our employee morale, productivity and retention could suffer, which in turn could have an adverse effect on our business, results of operations, and financial condition.

If our customers were to claim that the policies they purchased failed to provide adequate or appropriate coverage, we could face claims that could harm our business, results of operations, and financial condition.

Although we aim to provide adequate and appropriate coverage under each of our policies, customers could purchase policies that prove to be inadequate or inappropriate. If such customers were to bring a claim or claims alleging that we failed in our responsibilities to provide them with the type or amount of coverage that they sought to purchase, we could be found liable, resulting in an adverse effect on our business, results of operations, and financial condition. While we maintain errors and omissions insurance coverage to protect us against such liability, such coverage may be insufficient or inadequate.

Our company culture has contributed to our success and if we cannot maintain this culture as we grow, our business could be harmed.

We believe that our company culture has been critical to our success. We not only seek to engender a trusting relationship between our brand and our customers, but also among our employees. Our ability to continue to cultivate and maintain this culture is essential to our growth and continued success. We face a number of challenges that may affect our ability to sustain our corporate culture, including:

- failure to identify, attract, reward and retain people in leadership positions in our organization who share and further our culture, values, and mission;
- the size and geographic diversity of our workforce and our ability to promote a uniform and consistent culture across all our offices and employees;
- competitive pressures to move in directions that may divert us from our mission, vision, and values;
- the continued challenges of a rapidly evolving industry; and
- the increasing need to develop expertise in new areas of business that affect us.

Our unique culture is one of our core characteristics that helps us to attract and retain key personnel. If we are not able to maintain our culture, we would have to incur additional costs and find alternative methods to recruit key employees, which in turn could cause our business, results of operations, and financial condition to be adversely affected.

Our exposure to loss activity and regulation may be greater in states where we currently have more of our customers or where we are domiciled.

A large portion of our business originates from customers in California and Texas. As a result of this concentration, if a significant catastrophe event or series of catastrophe events occur, such as a natural disaster or severe weather event (such as the Southern California wildfires in 2025, Texas hail storms in 2019 and 2023, or the Texas winter storm in February 2021), and cause material losses in California and Texas, our business, financial condition, and results of operations could be materially adversely affected. Further, as compared to our competitors who operate on a wider geographic scale, any adverse changes in the regulatory or legal environment affecting property and casualty insurance in California and Texas may expose us to more significant risks. In addition, as

Spinnaker is domiciled in Illinois, any adverse changes in the regulatory environment affecting property and casualty insurance in Illinois may also expose us to more significant risks.

Our product development cycles are complex and subject to regulatory approval, and we may incur significant expenses before we generate revenues, if any, from new or expansion of or changes to existing products.

Because our insurance products require regulatory approvals, development cycles can take time. Moreover, development projects can be technically challenging and expensive and may be delayed or defeated by the inability to obtain licensing or other regulatory approvals. The nature of these development cycles may cause us to experience delays between the time we incur expenses associated with research and development and the time we generate revenues, if any, from such expenses. If we expend a significant amount of resources on research and development and our efforts do not lead to the successful introduction or improvement of products that are competitive in the marketplace, this could materially and adversely affect our business and results of operations. Additionally, anticipated customer demand for a product we are developing could decrease after the development cycle has commenced. Such decreased customer demand may cause us to fall short of our sales targets, and we may nonetheless be unable to avoid substantial costs associated with the product's development. If we are unable to complete product development cycles successfully and in a timely fashion and generate revenues from such future products, the growth of our business may be harmed.

Our success depends upon the continued growth in the use of the internet for purchasing of insurance products.

We provide homeowners' insurance products through our website that competes with traditional offline counterparts. While we also offer insurance through traditional, offline producers, the continued growth and acceptance of our products and services will depend, to a large extent, on the continued growth in commercial use of the internet and our ability to innovate and distinguish our products and services from traditional markets.

Purchasers of insurance may develop the perception that purchasing insurance products online is not as effective as purchasing such products through a producer or other traditional offline methods, and the homeowners' insurance markets may not migrate online as quickly as (or at the levels that) we expect. Moreover, if, for any reason, an unfavorable perception develops that data automation is less efficacious than traditional offline methods of purchasing insurance, underwriting, claims processing, and other functions that use data automation, our business, results of operations, and financial condition could be adversely affected.

New lines of business or new products and services may subject us to additional risks.

From time to time, we may implement or acquire new lines of business, including those outside of the insurance industry, or offer new products and services within existing lines of business. There are risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed or are evolving. In developing and marketing new lines of business and new products and services, we may invest significant time and resources. In addition, new business ventures may require different strategic management competencies and risk considerations compared to those of a traditional insurance company or compared to those of our existing management team. External factors, such as regulatory compliance obligations, competitive alternatives, and shifting market preferences, may also impact the successful implementation of a new line of business or a new product or service. Failure to successfully manage these risks in the development and implementation of new lines of business or new products or services could have an adverse effect on our business, results of operations, and financial condition.

Litigation and legal proceedings filed by or against us and our subsidiaries, key vendors, joint ventures, or investments could have a material adverse effect on our business, results of operations, and financial condition.

Litigation and other proceedings may include, but are not limited to, complaints from or litigation by vendors, employees, customers, our insurance companies, or reinsurers, related to alleged breaches of contract or otherwise. If our market share increases, competitors may pursue litigation to require us to change our business practices or offerings and limit our ability to compete effectively. As is typical in the insurance industry, we continually face risks associated with litigation of various types arising in the normal course of our business

operations, including disputes relating to insurance claims under our policies, as well as other general commercial and corporate litigation. Although we are not currently involved in any material litigation with our customers, members of the insurance industry are the target of class action lawsuits and other types of litigation, some of which involve claims for substantial or indeterminate amounts, and the outcomes of which are unpredictable. This litigation is based on a variety of issues, including the sale of insurance and unfair trade or claim settlement practices. In addition, because we utilize our own and third-party data, it is possible that customers or consumer groups could bring individual or class action claims, and regulators could bring actions alleging that our methods of collecting data and pricing risk are impermissible or discriminatory. We cannot predict with any certainty whether we will be involved in such litigation in the future or what impact such litigation would have on our business. If we were to be involved in litigation and it was determined adversely, it could require us to pay significant damages or to change aspects of our operations, either of which could have a material adverse effect on our financial results. Even claims without merit can be time-consuming and costly to defend and may divert management's attention and resources away from our business and adversely affect our business, results of operations, and financial condition. Additionally, lawsuits over claims that are not individually material could in the future become material if aggregated with a substantial number of similar lawsuits. In addition to increasing costs, a significant volume of customer complaints or litigation could adversely affect our brand and reputation, regardless of whether such allegations are valid or whether we are liable. We cannot predict with certainty the costs of defense, the costs of prosecution, applicability or adequacy of insurance coverage, or the ultimate outcome of litigation or other proceedings filed by or against us, including remedies or damage awards, and adverse results in such litigation and other proceedings may harm our business and financial condition. Refer to Note 13, Commitments and Contingencies, Legal Proceedings.

Claims by third parties that we infringed their proprietary technology or other intellectual property rights could result in litigation which is expensive to support, and if resolved adversely, could harm our business.

Companies in the internet and technology industries are frequently subject to litigation based on allegations of infringement or other violations of trademarks, copyrights, patents, and other intellectual property rights. As we gain an increasingly high public profile, the possibility of intellectual property rights claims against us grows and, from time to time, third parties may assert claims of infringement of intellectual property rights against us. There can be no assurance that we will be successful in defending against these allegations or reaching a business resolution that is satisfactory to us. In addition, future litigation may involve patent holding companies or other adverse patent owners who have no relevant product or service revenue and against whom our own patents may therefore provide little or no deterrence or protection. Many potential litigants, including some of our competitors and patent-holding companies, may now and in the future have significantly larger and more mature patent portfolios than us and have the ability to dedicate substantial resources to assert their intellectual property rights. Any claim of infringement by a third-party, even those without merit, could cause us to incur substantial costs defending against the claim, could distract our management from our business, and could require us to cease use of such intellectual property. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, we risk compromising our confidential information during this type of litigation. We may be required to settle such litigation on terms that are unfavorable to us. Similarly, we may be subject to an unfavorable judgment which may not be reversible or is not reversed upon appeal. The terms of such settlement or judgment may require us to pay substantial damages, royalties, or other fees, or subject us to an injunction or other restrictions that prevent us from using or distributing our intellectual property, or from operating under our brand, each of which could adversely affect our business, results of operations, and financial condition. Even if third-party allegations of infringement do not result in litigation or are resolved in our favor or without significant expenses, the time and resources necessary to resolve them could harm our business, results of operations, financial condition, and reputation.

With respect to any intellectual property rights claim, we may have to seek out a license to continue operations found to violate such rights, which may not be available on favorable or commercially reasonable terms and may significantly increase our operating expenses. Some licenses may be non-exclusive, and therefore our competitors may have access to the same technology licensed to us. If a third-party does not offer us a license to its intellectual property on reasonable terms, or at all, we may be required to develop alternative, non-infringing technology, which could require significant time (during which we would be unable to continue to offer our affected

offerings), effort, and expense and may ultimately not be successful. Any of these events could adversely affect our business, results of operations, and financial condition.

If we are unable to make acquisitions and investments, or if we are unable to successfully integrate them into our business, our business, results of operations, and financial condition could be adversely affected.

As part of our business strategy, we will continue to consider a wide array of potential strategic transactions, including acquisitions of, investments in, and organizations of new businesses, new technologies, services, and other assets and strategic investments that complement our business. We may evaluate target companies and make acquisitions in the future. There is no assurance that such businesses will be successfully integrated into our existing business or generate substantial revenue.

Acquisitions and investments involve numerous risks, any of which could harm our business and negatively affect our financial condition and results of operations, including:

- intense competition for suitable acquisition targets, which could increase prices and adversely affect our ability to consummate deals on favorable or acceptable terms;
- failure or material delay in closing a transaction, including as a result of regulatory review and approvals;
- inadequacy of reserves for losses and loss expenses;
- quality of their data and underwriting processes;
- conditions imposed by regulatory agencies that make the realization of cost-savings through integration of operations more difficult;
- difficulties in obtaining regulatory approvals on our ability to be an acquirer;
- a need for additional capital that was not anticipated at the time of the acquisition;
- transaction-related lawsuits or claims;
- difficulties in integrating the technologies, operations, existing contracts, and personnel of an acquired company;
- difficulties in retaining key employees or business partners of an acquired company;
- diversion of financial and management resources from existing operations or alternative acquisition opportunities;
- failure to realize the anticipated benefits or synergies of a transaction;
- failure to identify the problems, liabilities, or other shortcomings or challenges of an acquired company or technology, including issues related to intellectual property, regulatory compliance practices, litigation, accounting practices, or employee or user issues;
- risks that regulatory bodies may enact new laws or promulgate new regulations that are adverse to an acquired company or business;
- theft misappropriation, or unauthorized public dissemination or disclosure of our trade secrets or confidential information that we share with potential acquisition candidates;
- risk that an acquired company or investment in new offerings cannibalizes a portion of our existing business;
- adverse market reaction to an acquisition;
- significant attention from management and disruption to our business; and
- potential dilution in value to our stockholders.

If we fail to address the foregoing risks or other problems encountered in connection with past or future acquisitions of businesses, new technologies, services, and other assets and strategic investments, or if we fail to

successfully integrate such acquisitions or investments, our business, results of operations, and financial condition could be adversely affected.

Our results could be adversely affected by an increase in our effective tax rate as a result of U.S. and foreign tax law changes or by material differences between our forecasted and actual effective tax rates.

We are subject to income and non-income taxes in the United States and internationally. Tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating these taxes. Our effective tax rates could be affected by numerous factors, such as entry into new businesses and geographies, changes to our existing business and operations, acquisitions and investments and how they are financed, changes in our stock price, changes in our deferred tax assets and liabilities and their valuation, and changes in the relevant tax, accounting, and other laws, regulations, administrative practices, principles and interpretations. We are required to take positions regarding the interpretation of complex statutory and regulatory tax rules and on valuation matters that are subject to uncertainty, and the IRS or other tax authorities may challenge the positions that we take.

We may not be able to utilize a portion of our net operating loss carryforwards (“NOLs”) to offset future taxable income, which could adversely affect our net income and cash flows.

It is possible that we will not generate sufficient future taxable income to fully use our U.S. federal and state NOL carryforwards, if at all. In addition, under Section 382 of the Code, if a corporation undergoes an “ownership change” (generally defined as a greater than 50 percentage point change, by value, in the corporation’s equity ownership by certain shareholders or groups of shareholders over a rolling three-year period), the corporation’s ability to use its pre-ownership change NOLs to offset its post-ownership change income may be limited. We have experienced two historical ownership changes (in 2016 and 2018) and we may experience ownership changes in the future as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. If we undergo a future ownership change, we may be prevented from fully utilizing our NOL carryforwards existing at the time of the ownership change prior to their expiration. Future regulatory changes could also limit our ability to utilize our NOL carryforwards. To the extent we are not able to offset future taxable income with our NOL carryforwards, our net income and cash flows may be adversely affected.

Our expansion strategy will subject us to additional costs and risks and our plans may not be successful.

Our success depends in significant part on our ability to grow our business, including by strategically expanding in certain markets and potentially expanding into additional markets. Currently, Spinnaker is licensed to write limited lines of business in 50 states and the District of Columbia, and Hippo Analytics Inc. is licensed as an insurance agency in 50 states and the District of Columbia. Moreover, one or more states could revoke our license to operate or implement additional regulatory hurdles that could inhibit or limit our ability to obtain or maintain our license or grow our business in such states.

As we seek to expand, we may incur significant operating expenses, although our expansion may not be successful for a variety of reasons, including because of, among other things:

- barriers to obtaining the required government approvals, licenses, or other authorizations, including seasoning or other limitations imposed by a state;
- failures in identifying and entering into joint ventures with strategic partners or entering into joint ventures that do not produce the desired results;
- challenges in, and the cost of, complying with various laws and regulatory standards, including with respect to the insurance business and insurance distribution, capital and outsourcing requirements, data privacy, tax and regulatory restrictions;
- competition from incumbents that already own market share, better understand the market, may market and operate more effectively, and may enjoy greater affinity or awareness; and
- differing demand dynamics, which may make our product offerings less successful.

Expansion into new markets would require additional investments by us in both securing regulatory approvals and marketing. These incremental costs may include hiring additional personnel, as well as engaging third-party service providers and other research and development costs. If we grow or offer products at a slower rate than expected, our business, results of operations, and financial condition could be materially and adversely affected.

We are subject to payment processing risk.

We currently rely on a limited number of payment processing services, including the processing of payments from credit cards and debit cards, and our business would be disrupted if any of these vendors becomes unwilling or unable to provide these services to us and we are unable to find a suitable replacement on a timely basis. If we or our processing vendors fail to maintain adequate systems for the authorization and processing of credit card transactions, it could cause one or more of the major credit card companies to disallow our continued use of their payment products. In addition, if these systems fail to work properly and, as a result, we do not charge our customers' credit cards on a timely basis or at all, our business, revenue, results of operations, and financial condition could be harmed.

The payment methods that we offer also subject us to potential fraud and theft by criminals, who are becoming increasingly more sophisticated, seeking to obtain unauthorized access to or exploit weaknesses that may exist in the payment systems. If we fail to comply with applicable rules or requirements for the payment methods we accept, or if payment-related data are compromised due to a breach of data, we may be liable for significant costs incurred by payment card issuing banks and other third parties or subject to fines and higher transaction fees, or our ability to accept or facilitate certain types of payments may be impaired. In addition, our customers could lose confidence in certain payment types, which may result in a shift to other payment types or potential changes to our payment systems that may result in higher costs. If we fail to adequately control fraudulent credit card transactions, we may face civil liability, diminished public perception of our security measures, and significantly higher credit card-related costs, each of which could harm our business, results of operations, and financial condition.

We are exposed to risk through our captive reinsurer, RHS, which takes a share of the risk underwritten of affiliated and non-affiliated insurance carriers for business written through our MGA.

The Company assumes insurance risk of policies underwritten by Hippo through a wholly-owned Cayman domiciled insurance captive, RHS. For 2025, we elected not to purchase proportional reinsurance, and as such will retain premium and exposure relating to such policies through Spinnaker or RHS.

Because RHS is a Cayman domiciled insurance captive, it is subject to regulations and supervision imposed by the Cayman Islands. Noncompliance with applicable Cayman regulations may subject us to regulatory action or private litigation. Further, applicable laws, regulations, and administrative practices in the Cayman Islands may be subject to significant change, with or without notice, due to economic, political, and other conditions.

We are exposed to risk through our admitted and non-admitted insurance carriers, which underwrite insurance on behalf of our MGA and other non-affiliated general agents and managing general agents.

In September of 2020, the Company acquired Spinnaker Insurance Company. The Company has since formed a domestic surplus lines carrier that underwrites policies on surplus lines business. Carriers that are subsidiaries of the Company only write business on a program basis through our MGA and through other non-affiliated general agents and managing general agents. The Company could, in the future, form or acquire additional carriers. All unaffiliated programs written through our carriers are reinsured and, as a result, the Company's carriers retain a limited amount of risk. For most of our unaffiliated programs, we currently cede a significant portion of the risk. However, because reinsurance includes limits, caps, and exclusions, may be subject to termination (including cutoff of certain liabilities at termination), and further may be subject to collection risk, the Company is subject to the risk that it will retain more risk than it anticipates.

Additionally, because insurance companies are highly regulated by their states of domicile and by each state in which they are authorized to do business, we are subject to regulatory action and private litigation. Further, applicable laws, regulations, and administrative practices in the one or more states in the United States in which we do business may be subject to significant change, with or without notice, due to economic, political, and other conditions.

The failures of our quota-share reinsurance treaties to pass risk transfer for accounting purposes could reduce the existing statutory surplus of the impacted carrier, potentially triggering the need for additional capital infusions.

To qualify as reinsurance for accounting purposes, a contract must embody substantive risk transfer, which is defined as the reasonable possibility that the reinsurer could experience a significant loss on the treaty. Contractual provisions in a treaty that excessively limit the extent or timing of the net loss that a reinsurer can experience can conceivably preclude the treaty from meeting the criteria for risk transfer, thereby disqualifying it from reinsurance accounting treatment. An assessment of risk transfer must be performed upon entry into a new treaty, as well as each time the treaty is renewed. Each of our in-force quota-share reinsurance treaties qualified for reinsurance accounting at the time of its most recent inception. Each of these treaties has a term of one-year or less. Although we elected to substantially reduce our participation in quota share reinsurance treaties in 2025 on the Hippo program, if we determine it would be beneficial to enter into similar treaties in the future, we expect that we would be able to secure treaties on terms that qualify for continued reinsurance accounting; however, there can be no assurance that the available market terms of these treaties (including pricing, coverage and exclusions) would also pass risk transfer for accounting purposes. If a treaty that we desire to enter into or renew fails to qualify for reinsurance accounting based on its then-current renewal terms, it could adversely impact that carrier's statutory surplus, triggering the need for additional capital infusions within a short period of time.

Risks Related to Our Industry

The insurance business, including the market for homeowners' insurance, is historically cyclical in nature, and we may experience periods with excess underwriting capacity and unfavorable premium rates, which could adversely affect our business.

Historically, insurance carriers writing homeowners insurance have experienced significant fluctuations in operating results due to competition, frequency and severity of catastrophic events, levels of capacity, adverse litigation trends, regulatory constraints, general economic conditions, and other factors. The supply of insurance is related to prevailing prices, the level of insured losses, and the level of capital available to the industry that, in turn, may fluctuate in response to changes in rates of return on investments being earned in the insurance industry. As a result, the homeowners insurance business historically has been a cyclical industry characterized by periods of intense price competition due to excessive underwriting capacity, as well as periods when shortages of capacity increased premium levels. Demand for insurance depends on numerous factors, including the frequency and severity of catastrophic events, levels of capacity, the introduction of new capital providers, and general economic conditions, including rising inflation. All of these factors fluctuate and may contribute to price declines generally in the insurance industry.

We cannot predict with certainty whether market conditions affecting the homeowners' insurance market and the insurance market in general will improve, remain constant, or deteriorate. Negative market conditions may impair our ability to underwrite insurance at rates we consider appropriate and commensurate relative to the risk assumed. Additionally, negative market conditions could result in a decline in policies sold, an increase in the frequency or severity of claims and premium defaults, and an uptick in the frequency of fraud, including the falsification of claims. If we cannot underwrite insurance at appropriate rates, our ability to transact business will be materially and adversely affected. Any of these factors could lead to an adverse effect on our business, results of operations and financial condition.

Our actual incurred losses may be greater than our loss and loss adjustment expense reserves, which could have a material adverse effect on our financial condition and results of operations.

Our financial condition and results of operations depend on our ability to accurately assess potential loss and loss adjustment expenses under the terms of the policies we underwrite for homeowners. Reserves do not represent an exact calculation of liability. Rather, reserves represent an estimate of what the expected ultimate settlement and administration of claims will cost, and the ultimate liability may be greater or less than the current estimate. In our industry, there is always the risk that reserves may prove inadequate, as it is possible for us to underestimate the cost of claims and claims administration.

We base our estimates on our assessment of known facts and circumstances, as well as estimates of future trends in claim severity, claim frequency, judicial theories of liability, and other factors. These variables are affected

by both internal and external events that could increase our exposure to losses, including changes in the mix of customers and jurisdictions, changes in actuarial projections, claims handling procedures, inflation, severe weather, climate change, economic and judicial trends, and legislative changes. Increases in claims severity can be impacted by increased costs including construction costs, availability of supplies, and other economic factors, and by litigation trends and precedent. We regularly monitor reserves using new information on reported claims and a variety of statistical techniques to update our current estimate. Our estimates could prove to be inadequate, and this underestimation could have a material adverse effect on our financial condition.

Recorded claim reserves, including case reserves and incurred but not reported (“IBNR”) claims reserves, are based on our estimates of losses after considering known facts and interpretations of the circumstances, including settlement agreements. Additionally, models that rely on the assumption that past loss development patterns will persist into the future are used. Internal factors are considered, including our experience with similar cases, actual claims paid, historical trends involving claim payment patterns, pending levels of unpaid claims, loss management programs, product mix, contractual terms and changes in claim reporting, and settlement practices. External factors are also considered, such as court decisions, changes in law, and litigation imposing unintended coverage. We also consider benefits, such as disallowing the use of benefit payment schedules, requiring coverage designed to cover losses that occur in a single policy period to losses that develop continuously over multiple policy periods, or requiring the availability of multiple limits. Regulatory requirements and economic conditions are also considered.

Since reserves are estimates of the unpaid portion of losses that have occurred, including IBNR losses, the establishment of appropriate reserves, including reserves for catastrophes, is an inherently uncertain and complex process that is regularly refined to reflect current estimation processes and practices. The ultimate cost of losses may vary materially from recorded reserves, and such variance may adversely affect our results of operations and financial condition as the reserves and reinsurance recoverables are reestimated.

If any of our insurance reserves should prove to be inadequate for the reasons discussed above, or for any other reason, we will be required to increase reserves, resulting in a reduction in our net income and stockholders’ equity in the period in which the deficiency is identified. Future loss experience substantially in excess of established reserves could also have a material adverse effect on future earnings and liquidity and financial strength rating, which would affect our ability to attract new business or to retain existing customers.

Severe weather events and other catastrophes, including the effects of climate change, global pandemics, and terrorism, are inherently unpredictable and may have a material adverse effect on our financial results and financial condition.

Our homeowners’ insurance business is exposed to the risk of severe weather conditions and other catastrophes. Severe weather events include, but are not limited to, winter storms, tornadoes, hurricanes, rain, hail, and high winds. The incidence and severity of weather conditions are largely unpredictable. Catastrophes can be caused by various events, such as wildfires, tornadoes, tsunamis, hurricanes, tropical storms, earthquakes, windstorms, hailstorms, severe thunderstorms, fires, and other non-natural events such as explosions, civil unrest, terrorism or war. Additionally, seasonal weather patterns impact the level and amount of claims we receive. These patterns include hurricanes, wildfires and coastal storms in the fall, cold weather patterns and changing home heating needs in the winter, and tornados and hailstorms in the spring and summer. The mix of geographic exposure and products within our customer base impacts our exposure to these weather patterns and as we diversify our base of premium such that our exposure more closely resembles the industry exposure, we should see the impact of these events on our business more closely resemble the impact on the broader industry.

The incidence and severity of severe weather conditions and catastrophes are inherently unpredictable and the occurrence of one catastrophe does not render the possibility of another catastrophe greater or lower. The extent of losses from a catastrophe is a function of both the total amount of insured exposure in the area affected by the event and the severity of the event. In particular, severe weather and other catastrophes could significantly increase our costs due to a surge in claims following such events and/or legal and regulatory changes in response to catastrophes that may impair our ability to limit our liability under our policies. Severe weather conditions and catastrophes can cause greater losses for us, which can cause our liquidity and financial condition to deteriorate. Resulting reductions in our capital could materially adversely affect our ability to underwrite new or renew existing insurance policies. In addition, we may not be able to obtain reinsurance coverage at reasonable rates and in amounts

or with coverages adequate to mitigate the risks associated with severe weather conditions and other catastrophes. While we only work with reinsurers whom we believe have acceptable credit, if our reinsurers are unable to pay for the claims for which they are responsible, we could be exposed to additional liability, which could have a material adverse effect on our business and results of operations. Catastrophic losses, such as the 2021 storms in Texas and 2023 storms in Texas and Colorado, may result in our insurance companies incurring losses greater than those experienced in prior years, the expected level of losses including modeled losses, and current reinsurance limits.

Climate change may affect the occurrence of certain natural events, such as an increase in the frequency or severity of snow, wind and thunderstorm events, and tornado or hailstorm events due to increased convection in the atmosphere; more frequent wildfires in certain geographies; higher incidence of deluge flooding and the potential for an increase in severity of hurricane events due to higher sea surface temperatures. Additionally, climate change may cause an impact on the demand, price and availability of homeowners insurance and reinsurance coverages, as well as the value of our investment portfolio. Due to significant variability associated with future changing climate conditions, we are unable to predict the impact climate change will have on our business.

We are subject to extensive insurance industry regulations.

Currently, Spinnaker is licensed to write limited lines of business in 50 states and the District of Columbia, and Hippo Analytics Inc. is licensed as an insurance agency in 50 states and the District of Columbia.

Each U.S. state regulator retains the authority to license insurance producers and insurance companies in their states, and a producer or company generally may not operate in a state in which it is not licensed. Accordingly, we are not permitted to sell or underwrite insurance to residents of the remaining states and territories of the United States for lines or products for which we are not authorized, which is likely to put us at a disadvantage among many of our competitors that have been in business much longer than us and are licensed to sell their insurance products in most, if not all, U.S. jurisdictions.

Additionally, RHS is domiciled in the Cayman Islands, and as such noncompliance with applicable Cayman regulations may subject us to regulatory action or private litigation. Further, applicable laws, regulations, and administrative practices in the Cayman Islands may be subject to significant change, with or without notice, due to economic, political, and other conditions.

We are subject to extensive regulation and supervision in the states in which we transact business by the individual state insurance departments. This regulation is generally designed to protect the interests of consumers, and not necessarily the interests of insurers or producers, their shareholders, or other investors. Numerous aspects of our insurance business are subject to regulation, including, but not limited to, premium rates, mandatory covered risks, limitations on the ability to non-renew or to cancel or elect not to renew business, prohibited exclusions, licensing and appointment of agents, restrictions on the size of risks that may be insured under a single policy, reserves and provisions for unearned premiums, losses and other obligations, deposits of securities for the benefit of customers, investments and capital, policy forms and coverages, advertising and other conduct, including restrictions on the use of credit information and other factors in underwriting, as well as other production, underwriting and claims practices. To the extent we decide to expand our current product offerings to include other insurance products, this would subject us to additional regulatory requirements and scrutiny in each state in which we elect to offer such products. States have also adopted legislation defining and prohibiting unfair methods of competition and unfair or deceptive acts and practices in the business of insurance. Prohibited practices include, but are not limited to, misrepresentations, false advertising, coercion, disparaging other insurers, unfair claims settlement procedures, discrimination in the business of insurance, and offering illegal inducements in connection with insurance sales. Noncompliance with any of such state statutes may subject us to regulatory action by the relevant state insurance regulator, and, in certain states, private litigation. States also regulate various aspects of the contractual relationships between insurers and licensed agents and brokers.

Such laws, rules, and regulations are usually overseen and enforced by the various state insurance departments, as well as through private rights of action and by state attorneys general. Such regulations or enforcement actions are often responsive to current consumer and political sensitivities, such as homeowners' insurance rates and coverage forms, which may arise after a major event. Such rules and regulations may result in rate suppression, limit our ability to manage our exposure to unprofitable or volatile risks, limit our ability to non-renew business, or lead to fines, premium refunds, or other adverse consequences. The federal government also may

regulate aspects of our businesses, such as the protection of consumer confidential information or the use of consumer insurance (credit) scores to underwrite and assess the risk of customers under the Fair Credit Reporting Act (“FCRA”). Among other things, the FCRA requires insurance companies to have a permissible purpose before obtaining and using a consumer report for underwriting purposes, as well as comply with related notice and recordkeeping requirements. Failure to comply with federal requirements under the FCRA or any other applicable federal laws would subject us to regulatory fines and other sanctions. In addition, given our short operating history to date and rapid speed of growth, we are particularly vulnerable to regulators identifying errors in the policy forms we use, the rates we charge, and our customer communications, including but not limited to cancellations, non-renewals, and reinstatements. For example, in March 2024 we received inquiries from the California Department of Insurance (“CDI”) related to the complaints they received from consumers specifically as regards to the compliance with California law of the non-renewal of those homeowners’ policies. Although Hippo was able to resolve the California complaints and corresponding concerns of the CDI, if additional or future compliance issues arise, the CDI could impose fines as well as require remediation, refunds, or other penalties, which could be substantial. Regulatory actions or related civil actions by consumers could have a material financial impact on Hippo or its subsidiaries. Regulators also have the ability to issue cease-and-desist orders and take other civil actions to address compliance.

Our ability to retain state licenses depends on our ability to meet licensing requirements enacted or promulgated in each state (sometimes based on model laws and regulations developed by the NAIC), subject to significant variations across states. If we are unable to satisfy the applicable licensing requirements of any particular state, we could lose our license to do business in such state, which would result in the temporary or permanent cessation of our operations in that state. Alternatively, if we are unable to satisfy applicable state licensing requirements, we may be subject to additional regulatory oversight, have our license suspended, face monetary penalties, or be subject to seizure of assets. Any such events could adversely affect our business, results of operations or financial condition.

In addition, as a condition to writing business in certain states, insurance companies are often subject to assessment, required to participate in various pools or risk sharing mechanisms or to accept certain classes of risk, regardless of whether such risks meet their underwriting requirements for voluntary business. The performance of this business may negatively impact us. Some states also limit or impose restrictions on the ability of an insurer to withdraw from certain classes of business. Certain states impose significant restrictions on a company’s ability to materially reduce its exposures, non-renew, or to withdraw from certain lines of business. State insurance departments can impose significant charges on an insurer in connection with a market withdrawal or refuse to approve withdrawal plans including on the grounds that they could lead to market disruption. Laws and regulations that limit cancellation and non-renewal of policies or that subject withdrawal plans to prior approval requirements may significantly restrict our ability to terminate unprofitable policies or to exit unprofitable markets. Such actions and related regulatory restrictions may limit our ability to reduce our potential exposure including, but not limited to, catastrophe events such as hurricane-related losses.

A regulatory environment that requires rate increases and product forms to be approved and that can dictate underwriting practices and mandate participation in loss sharing arrangements may adversely affect our results of operations and financial condition.

From time to time, political events and positions affect the insurance market, including efforts to reduce rates to a level that may prevent us from being profitable or may not allow us to reach targeted levels of profitability. For example, if our loss ratio compares favorably to that of the industry, state or provincial regulatory authorities may impose rate rollbacks, require us to pay premium refunds to policyholders, or challenge or otherwise delay our efforts to raise rates even if the property and casualty industry generally is not experiencing regulatory challenges to rate increases. Such challenges affect our ability to obtain approval for rate changes that may be required to achieve targeted levels of profitability and returns on equity. In particular and by way of example, during the COVID-19 pandemic, state regulators and legislators were under increased political pressure to provide financial relief to policyholders through premium rebates or requiring insurers to pay claims arising from COVID-19 related losses, regardless of the applicable policy’s exclusions.

In addition, certain states have enacted laws that require an insurer conducting business in that state to participate in assigned risk plans, reinsurance facilities and joint underwriting associations. Certain states also

require insurers to offer coverage to all consumers, often restricting an insurer’s ability to charge the price it might otherwise charge. In these markets, we may be compelled to underwrite significant amounts of business at lower-than-desired rates, possibly leading to an unacceptable return on equity. Laws and regulations of many states also limit an insurer’s ability to withdraw from one or more lines of insurance there, except pursuant to a plan that is approved by the state insurance department. Additionally, as addressed above, certain states require insurers to participate in guaranty funds for impaired or insolvent insurance companies. These funds periodically assess losses against all insurance companies doing business in the state. Our business, results of operations or financial condition could be adversely affected by any of these factors.

State insurance regulators impose additional reporting requirements regarding enterprise risk on insurance holding company systems, with which we must comply as an insurance holding company.

In the past decade, various state insurance regulators have increased their focus on risks within an insurer’s holding company system that may pose enterprise risk to the insurer. During the last approximately ten years, the NAIC adopted significant changes to the insurance holding company act and regulations (the “NAIC Amendments”). The NAIC Amendments are designed to respond to perceived gaps in the regulation of insurance holding company systems in the United States. One of the major changes is a requirement that an insurance holding company system’s ultimate controlling person submit annually to its lead state insurance regulator an “enterprise risk report” that identifies activities, circumstances or events involving one or more affiliates of an insurer that, if not remedied properly, are likely to have a material adverse effect upon the financial condition or liquidity of the insurer or its insurance holding company system as a whole. Other changes include requiring a controlling person to submit prior notice to its domiciliary insurance regulator of a divestiture of control, having detailed minimum requirements for cost sharing and management agreements between an insurer and its affiliates and expanding of the agreements between an insurer and its affiliates to be filed with its domiciliary insurance regulator.

The increasing adoption by states of cybersecurity regulations has imposed, and could impose additional, compliance burdens on us and expose us to additional liability.

In response to the growing threat of cyber-attacks in the insurance industry, certain jurisdictions have adopted, and others are considering new cybersecurity measures, including the adoption of cybersecurity regulations. In 2017, the NAIC adopted its Insurance Data Security Model Law, intended to serve as model legislation for states to enact in order to govern cybersecurity and data protection practices of insurers, insurance agents, and other licensed entities registered under state insurance laws. As of early 2025, 23 states and the District of Columbia have adopted versions of the NAIC Insurance Data Security Model Law, each with a different effective date, and other states may adopt versions of the NAIC Insurance Data Security Model Law in the future.

We are also subject to the New York Department of Financial Services’ (the “NYDFS”) Cybersecurity Regulation (the “NYDFS Cybersecurity Regulation”) which mandates detailed cybersecurity standards for all institutions, including insurance entities, operating in New York pursuant to authorization by the NYDFS. The NYDFS Cybersecurity Regulation has increased our compliance burden and could increase the risk of noncompliance and subject us to regulatory enforcement actions and penalties in the future, as well as reputational risk. On November 1, 2023, the NYDFS adopted amendments to the NYDFS Cybersecurity Regulation which require enhanced governance, updated cybersecurity incident reporting, enhanced access controls, expanded asset inventory requirements, updated training obligations, and updated risk and vulnerability assessments.

At the federal level, in July 2023 the SEC issued a final rule requiring registrants to disclose material cybersecurity incidents they experience and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy, and governance.

Although we invest considerable resources to comply with financial industry cybersecurity regulations and believe we are materially compliant with their requirements, our failure to comply with new or existing cybersecurity regulations could result in regulatory actions and other penalties. In addition, our efforts to comply with new or existing cybersecurity regulations could impose significant costs on our business, which could materially and adversely affect our business, financial condition or results of operations.

Our businesses, results of operations and financial condition could be adversely affected by ongoing international conflicts and related disruptions in the global economy.

Over the past few years the global economy has been negatively impacted by the military conflict between Russia and Ukraine, and the ongoing conflicts in the Middle East have caused political, economic, and military instability in the Middle East and surrounding regions. Our business may be indirectly adversely affected by the effects of conflicts such as these and we are unable to predict the impact of international conflicts on our business or the global economy. The potential impacts of escalation of geopolitical tensions, including trade barriers or restrictions on global trade, are unknown and could result in, among other things, heightened cybersecurity threats, protracted or further increased inflation, lower consumer demand, fluctuations in interest and foreign exchange rates and increased volatility in financial markets, any of which could adversely affect our businesses, results of operations and financial condition.

We expect our results of operations to fluctuate on a quarterly and annual basis. In addition, our operating results and operating metrics are subject to seasonality and volatility, which could result in fluctuations in our quarterly revenues and operating results or in perceptions of our business prospects.

Our revenue and results of operations could vary significantly from period to period and may fail to match expectations as a result of a variety of factors, some of which are outside of our control. Our results may vary as a result of fluctuations in the number of customers purchasing our insurance products and fluctuations in the timing and amount of our expenses. In addition, the insurance industry, and particularly homeowners' insurance, are subject to their own cyclical trends and uncertainties, including extreme weather which is often seasonal and may result in volatility in claims reporting and payment patterns. Fluctuations and variability across the industry may affect our revenue. As a result of the potential variations in our revenue and results of operations, period-to-period comparisons may not be meaningful and the results of any one period should not be relied on as an indication of future performance. In addition, our results of operations may not meet the expectations of investors or public market analysts who follow us, which may adversely affect our stock price.

We have experienced in the past, and expect to continue to experience, seasonal fluctuations in our revenues and resulting fluctuations in our rate of growth as a result of insurance spending patterns. Specifically, our revenues may be proportionately higher in our third fiscal quarter due to the seasonality of when homeowners purchase and move into new homes, which historically occurs at higher rates in the months of July, August, and September. Accordingly, the amount of growth we experience may also be greater in the third quarter. As our business expands and matures, other seasonal trends may develop and the existing seasonality and customer behavior that we experience may change. Volatility in our key operating metrics or their rates of growth could have a negative impact on our financial results and investor perceptions of our business prospects, and a failure to achieve our quarterly forecasts or to meet or exceed the expectations of research analysts or investors will cause our stock price to decline.

Adverse economic factors, including recession, inflation, tariffs and trade wars, periods of high unemployment or lower economic activity could result in the sale of fewer policies than expected or an increase in the frequency of claims and premium defaults, and even the falsification of claims, or a combination of these effects, which, in turn, could affect our growth and ability to maintain profitability.

The demand for property and casualty insurance generally rises as the overall level of household income increases and generally falls as household income decreases, affecting premiums, commissions and fees generated by our business. Some new accounts are sourced by referral sources tied to home closing transactions, and major slowdowns in the various housing markets we serve could impact our ability to generate new business. The economic activity that impacts property and casualty insurance is most closely correlated with employment levels, corporate revenue, and asset values.

Additionally, factors, such as general economic conditions, the volatility and strength of the capital markets and inflation can affect the business and economic environment. These same factors affect our ability to generate revenue and profits. In an economic downturn that is characterized by higher unemployment, declining spending, and reduced corporate revenue, the demand for insurance products is generally adversely affected, which directly affects our premium levels and underwriting profitability. Negative economic factors may also affect our ability to receive the appropriate rate for the risk we insure with our policyholders and may adversely affect the number of

policies we can write and our opportunities to underwrite profitable business. In an economic downturn, our customers may have less need for insurance coverage, cancel or cease payment on existing insurance policies, modify their coverage, or not renew the policies they hold with us. Existing policyholders may exaggerate or even falsify claims to obtain higher claims payments. These outcomes would reduce our underwriting profit to the extent these factors are not reflected in the rates we charge.

Our results of operations and financial condition may be adversely impacted by environmental, social and governance (“ESG”) requirements.

Our financial and operational results could be impacted by emerging risk and changes to the regulatory landscape in areas like ESG requirements. While we closely monitor and respond to topics like social, environmental, and demographic changes that include longer lifespans, income and wealth inequalities, environmental challenges and opportunities to expand global access to the financial system across all segments of the population, updated and changing regulatory and societal environment requirements could impact financial and operational results.

Changes and uncertainty in U.S. and non-U.S. legislation, policy or regulation regarding climate risk management or other ESG practices may result in higher regulatory costs, compliance costs and increased capital expenditures, and changes in regulations may impact security asset prices, resulting in realized or unrealized losses on our investments. Physical risks and transitional risks could increase the Company’s cost of doing business and actual or perceived failure to adequately address ESG expectations of our various stakeholders could lead to a tarnished reputation and loss of customers and clients.

Our results of operations and financial condition may be adversely affected due to limitations in the analytical models used to assess and predict our exposure to catastrophe losses.

Along with others in the insurance industry, models developed internally and by third-party vendors are used along with our own historical data in assessing property insurance exposure to catastrophe losses. These models assume various conditions and probability scenarios; however, they do not necessarily accurately predict future losses or measure losses currently incurred. Further, the accuracy of such models may be negatively impacted by changing climate conditions, including increased weather severity patterns. Catastrophe models use historical information and scientific research about natural events, such as hurricanes and earthquakes, as well as detailed information about our in-force business. This information is used in connection with pricing and risk management activities. However, since actual catastrophic events vary considerably, there are limitations with respect to its usefulness in predicting losses in any reporting period. Other limitations are evident in significant variations in estimates between models, material increases and decreases in results due to model changes and refinements of the underlying data elements and actual conditions that are not yet well understood or may not be properly incorporated into the models.

Our insurance company subsidiaries are subject to minimum capital and surplus requirements, and failure to meet these requirements could subject us to regulatory action.

Our insurance company subsidiaries are subject to risk-based capital standards and other minimum capital and surplus requirements. The risk-based capital standards, based upon the Risk-based Capital Model Act developed by the NAIC and adopted in all states, including our insurance subsidiaries’ states of domicile, require our insurance company subsidiaries to report results of risk-based capital calculations to their domestic regulator. These risk-based capital standards provide for different levels of regulatory attention depending upon the ratio of an insurance company’s total adjusted capital, as calculated in accordance with the NAIC’s RBC formula, to its authorized control level risk-based capital. Authorized control level risk-based capital is determined using the NAIC’s risk-based capital formula, which measures the minimum amount of capital that an insurance company needs to support its overall business operations.

An insurance company with total adjusted capital that is less than 200% of its authorized control level risk-based capital is at a company action level, which would require the insurance company to file a risk-based capital plan that, among other things, contains proposals of corrective actions the company intends to take that are reasonably expected to result in the elimination of the company action level event. Additional action level events occur when the insurer’s total adjusted capital falls below 150%, 100%, and 70% of its authorized control level risk-based capital. The lower the percentage, the more severe the regulatory response, including, in the event of a

mandatory control level event (total adjusted capital falls below 70% of the insurer's authorized control level risk-based capital), placing the insurance company into receivership. As of December 31, 2025, Spinnaker Insurance Company's risk-based capital ratio was well in excess of minimum statutory requirements.

In addition, our insurance company subsidiaries are required to maintain certain minimum capital and surplus and generally must keep their net written premiums within specified multiples of its surplus that regulators customarily view as prudent. The insurance company subsidiaries could exceed these ratios if their volume increases faster than anticipated or if their surplus declines due to catastrophe or non-catastrophe losses or excessive underwriting and operational expenses.

Any failure by our insurance company subsidiaries to meet the applicable risk-based capital or minimum statutory capital requirements or the writings ratio limitations regulators customarily use where we currently or may in the future conduct business could subject us to further examination or corrective action imposed by state regulators, including limitations on our writing of additional business, state supervision or liquidation.

Any changes in existing risk-based capital requirements, minimum statutory capital requirements, or customary writings ratios may require us to increase our statutory capital levels, which we may be unable to do.

Our insurance company subsidiaries are subject to assessments and other surcharges from state guaranty funds and mandatory state insurance facilities, which may affect our ability to maintain profitability.

The insurance laws of many states subject property and casualty insurers doing business in those states to statutory property and casualty guaranty fund assessments. The purpose of a guaranty fund is to protect customers by requiring that solvent property and casualty insurers pay the insurance claims of insolvent insurers. These guaranty associations generally pay these claims by assessing solvent insurers proportionately based on each insurer's share of voluntary premiums written in the state. While most guaranty associations provide for recovery of assessments through subsequent rate increases, surcharges or premium tax credits, there is no assurance that insurers will ultimately recover these assessments, which could be material, particularly following a large catastrophe or in markets which become disrupted.

Maximum contributions required by law in any one year vary by state. We cannot predict with certainty the amount of future assessments because they depend on factors outside our control, such as insolvencies of other insurance companies. Significant assessments could have a material adverse effect on our financial condition and results of operations.

Performance of our investment portfolio is subject to a variety of investment risks that may adversely affect our financial results.

Our results of operations depend, in part, on the performance of our investment portfolio. We seek to hold a diversified portfolio of investments in accordance with our investment policy, and our investment portfolio is routinely reviewed by our investment committee. However, our investments are subject to general economic and market risks as well as risks inherent to particular securities.

Our primary market risk exposures are to changes in interest rates and overall debt markets given that a majority of our portfolio is invested in debt securities, treasury bills, municipal bonds and mortgage- and asset-backed securities. We have limited exposure to equities but may in the future increase our portfolio's allocation to equities. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosures About Market Risk." For several years prior to 2022, interest rates were at or near historic lows. A protracted low interest rate environment would continue to place pressure on our net investment income, particularly as it relates to fixed income securities and short-term investments, which, in turn, may adversely affect our operating results. Interest rates increased significantly in 2022 and 2023 before being cut between late 2024 and late 2025. Any future increases in interest rates could cause the values of our fixed income securities portfolios to decline, with the magnitude of the decline depending on the duration of securities included in our portfolio and the amount by which interest rates increase. Some fixed income securities have call or prepayment options, which create possible reinvestment risk in declining rate environments. Other fixed income securities, such as mortgage-backed and asset-backed securities, carry prepayment risk or, in a rising interest rate environment, may not prepay as quickly as expected.

The value of our investment portfolio is subject to the risk that certain investments may default or become impaired due to deterioration in the financial condition of one or more issuers of the securities we hold, or due to deterioration in the financial condition of an insurer that guarantees an issuer's payments on such investments. Downgrades in the credit ratings of fixed maturities also have a significant negative effect on the market valuation of such securities.

Such factors could reduce our net investment income and result in realized investment losses. Our investment portfolio is subject to increased valuation uncertainties when investment markets are illiquid. The valuation of investments is more subjective when markets are illiquid, thereby increasing the risk that the estimated fair value (i.e., the carrying amount) of the securities we hold in our portfolio does not reflect prices at which actual transactions would occur.

We may also invest in marketable equity securities. These securities are carried on the balance sheet at fair market value and are subject to potential losses and declines in market value.

Risks for all types of securities are managed through the application of our investment policy, which establishes investment parameters that include, but are not limited to, maximum percentages of investment in certain types of securities and minimum levels of credit quality, which we believe are within applicable guidelines established by the NAIC.

Although we seek to preserve our capital, we cannot be certain that our investment objectives will be achieved, and results may vary substantially over time. In addition, although we seek to employ investment strategies that are not correlated with our insurance and reinsurance exposures, losses in our investment portfolio may occur at the same time as underwriting losses and, therefore, exacerbate the adverse effect of the losses on us.

Unexpected changes in the interpretation of our coverage or provisions, including loss limitations and exclusions in our policies, could have a material adverse effect on our financial condition and results of operations.

There can be no assurances that specifically negotiated loss limitations or exclusions in our policies will be enforceable in the manner we intend. As industry practices and legal, judicial, social, and other conditions change, unexpected and unintended issues related to claims and coverage may emerge. While these limitations and exclusions help us assess and mitigate our loss exposure, it is possible that a court or regulatory authority could nullify or void a limitation or exclusion, or legislation could be enacted modifying or barring the use of such limitations or exclusions. These types of governmental actions could result in higher than anticipated loss and loss adjustment expenses, which could have a material adverse effect on our financial condition or results of operations. In addition, court decisions can have a similar effect, such as the 1995 *Montrose* decision in which the California Supreme Court eliminated long standing coverage limitations by a narrow reading of policy exclusions. In these cases, insurers are required to create and write new exclusions to establish the intended coverage. These types of cases and the issues they raise may adversely affect our business by either broadening coverage beyond our underwriting intent or by increasing the frequency or severity of claims. In some instances, these changes may not become apparent until sometime after we have issued insurance contracts that are affected by the changes. As a result, the full extent of liability under our insurance contracts may not be known for many years after a contract is issued.

Risks Related to Ownership of Our Common Stock

There may not be an active trading market for our common stock, and there can be no assurance that the Company will be able to comply with the continued listing standards of the NYSE or another reputable stock exchange, which may make it more difficult for our stockholders to sell our securities.

Our common stock is listed on the NYSE under the symbol "HIPO". However, it is possible that an active trading market will not develop or, if developed, that any market will not be sustained. This would make it difficult for you to sell shares of our common stock at an attractive price or at all.

The NYSE requires listing issuers to comply with certain standards in order to remain listed on its exchange. If, for any reason, the NYSE should delist our securities from trading on its exchange and we are unable to obtain listing on another reputable national securities exchange, a reduction in some or all of the following may occur, each of which could materially adversely affect our stockholders:

- the liquidity of our securities;
- the market price of our securities;
- our ability to obtain financing;
- the number of institutional and other investors that will consider investing in our securities;
- the number of market makers in our securities;
- the availability of information concerning the trading prices and volume of our securities; and
- the number of broker-dealers willing to execute trades in shares of our securities.

On July 19, 2022, we received a notice from the NYSE that the Company was not in compliance with the NYSE continued listing standard set forth in Section 802.01C of the NYSE Listed Company Manual, as the average closing price of the Company's common stock was less than \$1.00 per share over a consecutive 30-trading day period. We had six months following receipt of the notification to regain compliance with the minimum share price requirement, and if we failed to regain compliance during this period, our securities could have been delisted.

On September 29, 2022, the Company filed a Certificate of Amendment to its Certificate of Incorporation with the Secretary of State of the State of Delaware to effect a 1-for-25 reverse stock split of the Company's common stock and a corresponding adjustment to its authorized capital stock. The reverse stock split and corresponding capital stock adjustment became effective as of 11:59 p.m. Eastern Daylight Time on September 29, 2022.

The market price of our common stock may be highly volatile, which could cause the value of your investment to decline.

The trading price of our common stock could be volatile, and you could lose all or part of your investment. The following factors, in addition to other factors described in this "Risk Factors" section, may have a significant impact on the market price of our common stock:

- the occurrence of severe weather conditions and other catastrophes;
- our operating and financial performance and quarterly or annual earnings relative to similar companies;
- publication of research reports or news stories about us, our competitors or our industry, or positive or negative recommendations, or withdrawal of research coverage by securities analysts;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- announcements by us or our competitors of acquisitions, business plans or commercial relationships;
- any major change in our board of directors or senior management, including the departure of our CEO;
- sales of our common stock by us, our directors, executive officers, or our principal shareholders;
- adverse market reaction to any indebtedness we may incur or securities we may issue in the future;
- short sales, hedging and other derivative transactions in our common stock;
- exposure to capital market risks related to changes in interest rates, realized investment losses, credit spreads, equity prices, foreign exchange rates and performance of insurance-linked investments;
- our creditworthiness, financial condition, performance, and prospects;
- changes in the fair values of our financial instruments;
- our dividend policy and whether dividends on our common stock have been, and are likely to be, declared and paid from time to time;
- perceptions of the investment opportunity associated with our common stock relative to other investment alternatives;

- regulatory or legal developments;
- changes in general market, economic, and political conditions;
- conditions or trends in our industry, geographies, or customers;
- changes in accounting standards, policies, guidance, interpretations or principles; and
- threatened or actual litigation or government investigations.

In addition, broad market and industry factors, such as recessions, loss of investor confidence or interest rate increases may negatively affect the market price of our common stock, regardless of our actual operating performance, and factors beyond our control may cause our stock price to decline rapidly and unexpectedly. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Litigation of this type could result in substantial costs and diversion of management's attention and resources, which could have a material adverse effect on our business, financial condition, results of operations or prospects. Any adverse determination in litigation could also subject us to significant liabilities.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our markets, or if they adversely change their recommendations or publish negative reports regarding our business or our stock, our stock price and trading volume could materially decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our markets, or our competitors. We cannot provide any assurance that analysts will cover us or provide favorable coverage. If any of the analysts who may cover us adversely change their recommendation regarding our stock, or provide more favorable relative recommendations about our competitors, our stock price could materially decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to materially decline.

Some provisions of our Certificate of Incorporation and Bylaws and Delaware law may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our stockholders, and they may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our Certificate of Incorporation and Bylaws, as well as provisions of the Delaware General Corporation Law ("DGCL"), could make it more difficult for a third-party to acquire us or increase the cost of acquiring us, even if doing so would benefit our stockholders, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions include:

- our board of directors is classified into three classes of directors with staggered three-year terms, and directors are only able to be removed from office for cause;
- nothing in our Certificate of Incorporation precludes future issuances without stockholder approval of the authorized but unissued shares of our common stock;
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders;
- our stockholders are only able to take action at a meeting of stockholders and not by written consent;
- only our chairman of the board of directors, our chief executive officer, our president, or a majority of the board of directors are authorized to call a special meeting of stockholders;
- no provision in our Certificate of Incorporation or Bylaws provides for cumulative voting, which limits the ability of minority stockholders to elect director candidates;
- certain amendments to our Certificate of Incorporation require the approval of two-thirds of the then outstanding voting power of our capital stock;

- our Bylaws provide that the affirmative vote of two-thirds of the then-outstanding voting power of our capital stock, voting as a single class, is required for stockholders to amend or adopt any provision of our Bylaws;
- our Certificate of Incorporation authorizes undesignated preferred stock, the terms of which may be established and shares of which may be issued, without the approval of the holders of our capital stock; and
- certain litigation against us can only be brought in Delaware.

Our Certificate of Incorporation states that we shall not engage in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- the business combination or transaction which resulted in the stockholder becoming an interested stockholder was approved by the board of directors prior to the time that the stockholder became an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by directors who are also officers of the corporation and shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- at or subsequent to the time the stockholder became an interested stockholder, the business combination was approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

These anti-takeover defenses could discourage, delay, or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take corporate actions other than those you desire.

Applicable insurance laws may make it difficult to effect a change of control.

Under applicable state insurance laws and regulations, no person may acquire control of a domestic insurance company until written approval is obtained from the state insurance commissioner on the proposed acquisition. Such approval would be contingent upon the state insurance commissioner’s consideration of a number of factors including, among others, the financial strength of the proposed acquirer, the acquirer’s plans for the future operations of the domestic insurer and any anti-competitive results that may arise from the consummation of the acquisition of control. For example, pursuant to both the Illinois Holding Company Act and the Texas Holding Company Act, a person must either (a) seek regulatory approval from the Director or Commissioner of each state’s insurance regulatory authority prior to acquiring direct or indirect “control” of a domestic insurer by filing a “Form A” application, or (b) obtain an exemption from such requirement from the relevant Director or Commissioner if the transaction does not result in the actual change of “control” as defined in the state’s Holding Company Act. We cannot predict with certainty whether a state will approve applications for exemptions or the timing of such decisions by the states, or whether regulators may impose conditions on or in connection with these applications that might be considered burdensome in nature. If a state insurance regulatory authority were to deny an application for an exemption, we would be required to seek the prior approval of the regulatory authority of the transaction pursuant to a Form A filing. These requirements may discourage potential acquisition proposals and may delay, deter, or prevent a change of control of our insurance company subsidiary, including through transactions that some or all of the stockholders might consider to be desirable.

Our Certificate of Incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Our Certificate of Incorporation provides that, to the fullest extent permitted by law, and unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed to us or our stockholders by any of our directors, officers, employees or agents, (iii) any action asserting a claim against us arising under the DGCL, (iv) any action, suit or proceeding as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (v) any action asserting a claim against us that is governed by the internal affairs doctrine. Notwithstanding the foregoing, the Certificate of Incorporation provides that the exclusive forum provision will not apply to suits brought to enforce a duty or liability created by the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Similarly, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder.

These provisions may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in the Certificate of Incorporation to be inapplicable or unenforceable in such action.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our Certificate of Incorporation and Bylaws provide that we will indemnify our directors and officers, in each case, to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our Bylaws provide that we are required to indemnify our directors and officers to the fullest extent permitted by Delaware law and may indemnify our other employees and agents. Our Bylaws also provide that, on satisfaction of certain conditions, we will advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. With certain exceptions, these agreements provide for indemnification for related expenses, including attorneys' fees, judgments, fines, and settlement amounts incurred by any of these individuals in connection with any action, proceeding or investigation. We believe that these certificate of incorporation and Bylaws provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

While we maintain directors' and officers' liability insurance, such insurance may not be adequate to cover all liabilities that we may incur, which may reduce our available funds to satisfy third-party claims and may adversely impact our cash position.

Failure to establish and maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

We are required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which requires management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. As of December 31, 2025, we are no longer considered an "emerging growth company," thus our independent registered public accounting firm will be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 beginning in 2026. Our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed, or operating.

To comply with the requirements of being a public company, we have undertaken various actions, and will need to take additional actions, such as implementing numerous internal controls and procedures and hiring additional accounting or internal audit staff or consultants. Testing and maintaining internal control can divert our management's attention from other matters that are important to the operation of our business. Additionally, when evaluating our internal control over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404. If we identify any material weaknesses in our internal control over financial reporting or are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting going forward, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. We could also become subject to investigations by the SEC, the stock exchange on which our securities are listed or other regulatory authorities, which could require additional financial and management resources. In addition, if we fail to remedy any material weakness, our financial statements could be inaccurate, and we could face restricted access to capital markets.

We depend on the ability of our subsidiaries to transfer funds to us to meet our obligations, and our insurance company subsidiaries' ability to transfer funds to us is restricted by law.

We are a holding company that transacts a majority of our business through operating subsidiaries. Our ability to meet our operating and financing cash needs could depend on the surplus and earnings of our subsidiaries, and upon the ability of our insurance subsidiaries to transfer funds to us.

Payments of dividends by our insurance company subsidiaries are restricted by state insurance laws, including laws establishing minimum solvency and liquidity thresholds. The limitations are based on income and surplus determined in accordance with statutory accounting principles, not GAAP. The jurisdictions in which our current insurance company subsidiaries are domiciled impose certain restrictions on the ability of our insurance company subsidiaries to pay dividends to its parent. These restrictions are based, in part, on the prior year's statutory income and surplus. In general, dividends up to specified levels are considered ordinary and may be paid by giving prior notice to regulators. Dividends in larger amounts, or extraordinary dividends, are subject to a thirty-day prior notice period unless the insurance commissioner of the relevant state of domicile approves the dividend during that prior notice period. Under the insurance laws of Illinois and Texas, an extraordinary dividend or distribution is defined as a dividend or distribution that, together with other dividends and distributions made within the preceding 12 months, exceeds the greater of (1) 10% of the insurer's surplus as regards policyholders as of the preceding December 31 and (2) net income for the 12-month period ending the preceding December 31. In addition, dividends may be paid only from earned surplus of the insurance company.

In addition, our insurance company subsidiaries could be subject to contractual restrictions in the future, including those imposed by indebtedness we may incur in the future. Our insurance company subsidiaries may also face competitive pressures in the future to maintain insurance financial stability or strength ratings. These restrictions and other regulatory requirements would affect the ability of our insurance company subsidiaries to make dividend payments, and we may not receive dividends in the amounts necessary to meet our obligations.

We do not currently expect to pay any cash dividends.

We do not currently expect to pay any cash dividends on our common stock for the foreseeable future. Instead, we intend to retain future earnings for the future operation and expansion of our business. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend on our results of operations (including our ability to generate cash flow in excess of expenses and our expected or actual net income), liquidity, cash requirements, financial condition, retained earnings and collateral and capital requirements, general business conditions, contractual restrictions, legal, tax and regulatory limitations, the effect of a dividend or dividends upon our financial strength ratings, and other factors that our board of directors deems relevant.

Because we are a holding company and all of our business is conducted through our subsidiaries, dividends, distributions and other payments from, and cash generated by, our subsidiaries will be our principal sources of cash to fund operations and pay dividends. Accordingly, our ability to pay dividends to our stockholders is dependent on the earnings and distributions of funds from our subsidiaries. Our ability to pay dividends may also be restricted by the terms of any future credit agreement or any of our future debt or preferred equity securities or our subsidiaries. Accordingly, if you purchase shares of our common stock, realization of a gain on your investment will depend on the appreciation of the price of shares of our common stock, which may never occur. Investors seeking cash dividends in the foreseeable future should not purchase our common stock.

The requirements of being a public company, including compliance with the reporting requirements of the Exchange Act, the requirements of the Sarbanes-Oxley Act and the Dodd-Frank Act, and the listing standards of NYSE, may strain our resources, increase our costs, and divert management's attention, and we may be unable to comply with these requirements in a timely or cost-effective manner. In addition, key members of our management team have limited experience managing a public company.

As a public company, we are subject to the reporting requirements of the Exchange Act, the requirements of the Sarbanes-Oxley Act, the Dodd-Frank Act and the listing standards of the NYSE. These requirements place a strain on our management, systems and resources, and we have incurred and will continue to incur significant legal, accounting, insurance, and other expenses that we did not incur as a private company. The Exchange Act requires us to file annual, quarterly, and current reports with respect to our business and financial condition within specified time periods and to prepare a proxy statement with respect to our annual meeting of stockholders. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures, and internal controls over financial reporting. The NYSE requires that we comply with various corporate governance requirements. To maintain and improve the effectiveness of our disclosure controls and procedures and internal controls over financial reporting, and comply with the Exchange Act and NYSE requirements, significant resources and management oversight is required. This may divert management's attention from other business concerns and lead to significant costs associated with compliance, which could have a material adverse effect on us and the price of our common stock.

We expect these reporting and corporate governance rules and regulations to continue to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with certainty. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or its committees or as our executive officers. Advocacy efforts by stockholders and third parties may also prompt even more changes in governance and reporting requirements. We cannot predict or estimate the amount of additional costs we may incur or the timing of these costs. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action, and potentially civil litigation.

Many members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. The obligations associated with being a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors require significant attention from our senior management and could divert their attention away from the

day-to-day management of our business, which could adversely affect our business, results of operations and financial condition.

Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market, including sales by our directors, officers, or significant shareholders, or the perception that these sales might occur, could significantly reduce the market price of our common stock and impair our ability to raise adequate capital through the sale of additional equity securities. We are unable to predict the timing of or the effect that such sales may have on the prevailing market price of our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

Cybersecurity risk management is a key component of our overarching risk management strategy. Given the susceptibility of our industry to cyber threats and attacks, we regularly encounter attempted attacks of varying types. Both the financial and personal data in our systems, coupled with the dynamic nature of our products and services, make us a potential target. We operate internationally with employees, contractors, vendors, developers, partners, and third parties, which complicates our risk exposures.

Our information security program encompasses policies and controls aimed at mitigating cybersecurity risks, including an incident response plan that includes procedures for assessing and responding to cybersecurity incidents. However, we acknowledge the presence of both known and unknown risks, alongside vulnerabilities within our security program. Continuous improvement efforts are integral to enhancing our information security program and overall risk management endeavors.

We employ a risk management framework aligned with relevant laws, regulations, and industry standards to manage cybersecurity risks across our products and services, infrastructure, and organization. Our internal risk assessment processes incorporate various factors, including tracking threat intelligence and identified first- and third-party vulnerabilities, evaluating evolving regulatory requirements, and analyzing internally observed cybersecurity threats and incidents. We regularly conduct an internal risk assessment to evaluate the effectiveness of the security of our systems and our processes, identify areas for remediation, and explore opportunities for enhancement, such as cloud and endpoint security enhancements, application programming interface (“API”) security, and contractor access management. We periodically utilize third-party security experts and consultants to assess and improve our cybersecurity risk management tools and processes and to benchmark them against industry standards.

Additionally, we maintain a privacy risk management program to evaluate risks associated with the collection, usage, sharing, and storage of customer data. An independent third-party assesses our privacy risk management program, to evaluate efficacy and to benchmark against industry standards.

On an annual basis, we engage an independent third-party to perform a SOC 2 Type II examination of certain systems and controls within a defined scope. This examination assesses the design and operating effectiveness of specified controls over a defined review period. The results of this assessment are one of several inputs used to inform our risk management processes and ongoing enhancement of our cybersecurity controls. Our risk mitigation efforts include a range of technical and operational safeguards, supplemented by annual cybersecurity and privacy training for employees.

Additionally, we have specific policies and practices governing third-party security risks, including our third-party risk management (“TPRM”) program. Under this program, we gather information from relevant third parties to assess potential risks associated with their security controls.

Cybersecurity Governance

Our board of directors oversees our strategic and business risk management, with cybersecurity risk management oversight delegated to the Audit, Risk, and Compliance Committee (the “Committee”). The Committee also oversees risks related to privacy and data use and monitors our compliance with our privacy program. Management is responsible for the ongoing identification, assessment, and management of material cybersecurity risks, along with the implementation of processes for monitoring potential cybersecurity risk exposures, deploying appropriate mitigation measures, maintaining cybersecurity policies and procedures, and providing regular reports to the Committee and to the board of directors.

Our Chief Information Security Officer (“CISO”) has 15 years of experience in technology, engineering and building cybersecurity programs and leads our cybersecurity program, overseeing teams supporting security functions across the company. Our cybersecurity team includes individuals with cybersecurity-related certifications such as CISSP, CISM and MS Cybersecurity Architect and monitors prevention, detection, mitigation, and remediation of cybersecurity incidents through technical and operational measures, regularly reporting to the CISO. As a key member of the senior management team, the CISO provides updates to the Committee on the company’s cybersecurity program, including risks, incidents, and mitigation strategies.

Our cybersecurity team monitors prevention, detection, mitigation, and remediation of cybersecurity incidents through technical and operational measures, regularly reporting to the CISO. As a key member of the senior management team, the CISO provides updates to the Committee on the company’s cybersecurity program, including risks, incidents, and mitigation strategies.

Impact of cybersecurity risks on business strategy, results of operations or financial condition

As of the date of this Annual Report, we have not identified any cybersecurity threats materially affecting, or reasonably likely to materially affect, our business strategy, results of operations, or financial situation. However, despite our efforts, we recognize the impossibility of eliminating all cybersecurity risks or guaranteeing the absence of undetected cybersecurity incidents that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. For additional information about these risks, refer to Part I, Item 1A, “Risk Factors,” in this Annual Report on Form 10-K.

ITEM 2. PROPERTIES

We lease our corporate headquarters located in San Jose, California. We own and occupy an office building in Austin, Texas and also lease facilities under operating leases with various expiration dates in Austin, Texas; San Jose, California; Dallas, Texas; Bedminster, New Jersey; and Warsaw, Poland. We believe that our facilities are adequate to meet our current needs.

ITEM 3. LEGAL PROCEEDINGS

See Note 13 to the Consolidated Financial Statements under “Legal Proceedings” for description of legal proceedings affecting the Company.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

The Company’s common stock trades on the New York Stock Exchange under the symbol “HIPO”.

Holders

As of February 24, 2026, there were approximately 37 holders of record of the Company’s common stock, although there is a significantly larger number of beneficial owners of our common stock.

Dividends

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions, and other factors that our board of directors may deem relevant.

Recent Sales of Unregistered Securities

There were no unregistered sales of equity securities in fiscal year 2025.

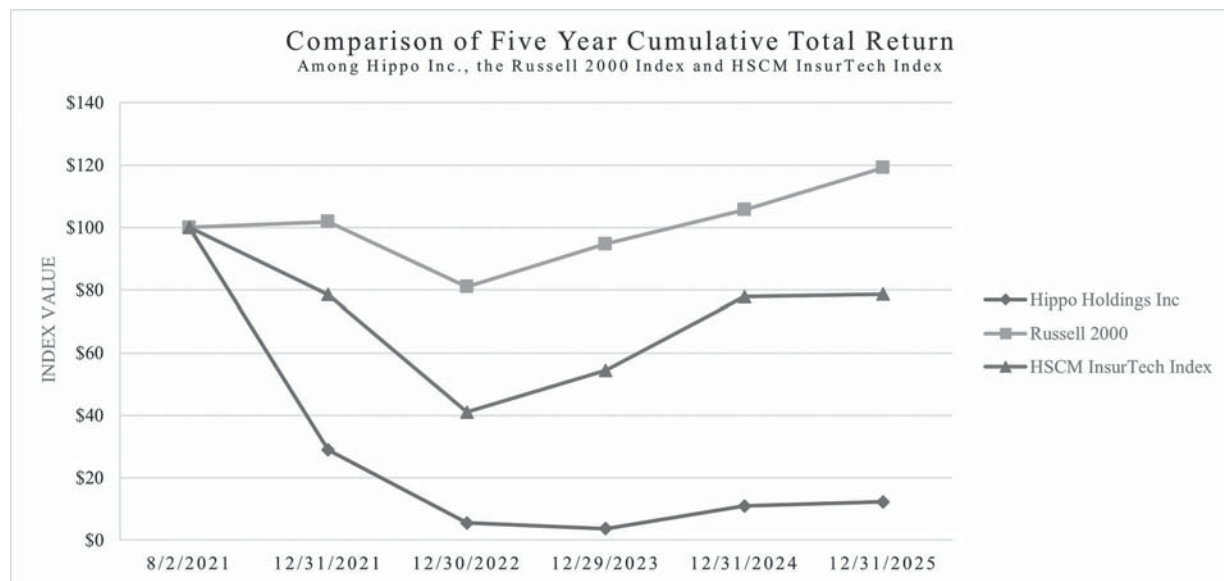
Issuer Purchases of Equity Securities

There were no purchases of our common stock by the Company or any “affiliated purchaser” as defined in Rule 10b-18(a)(3) under the Exchange Act, during the three months ended December 31, 2025.

Performance Graph

The following graph shows a comparison of cumulative total return for our common stock, the Russell 2000 Stock Index (the “Russell 2000 Index”) and the Hudson Structured Capital Management Ltd Public InsurTech Index (the “HSCM Public InsurTech Index”) for the five fiscal years ended December 31, 2025. The total return graph and table assume that \$100 was invested on August 2, 2021, the date of our merger with RTPZ, in each of Hippo Holdings Inc. common stock, the Russell 2000 Index and the HSCM Public InsurTech Index and assume that all dividends are reinvested.

The comparisons in the graph below are based on historical data and are not indicative of, or intended to forecast, the possible future performance of our common stock.



ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K.

Certain statements included in this section constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management’s current expectations and beliefs concerning future developments and their potential effects on Hippo Holdings Inc. and its subsidiaries. Actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially are described in the “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” sections included elsewhere in this Annual Report on Form 10-K.

Unless the context otherwise requires, references in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to “we,” “our,” “Hippo” and “the Company” refer to Hippo Holdings Inc. and its consolidated subsidiaries.

Overview

Hippo is an insurance holding company with subsidiaries that provide property and casualty insurance products to both individuals and business customers primarily in the United States. We conduct insurance underwriting through our regulated carrier subsidiaries and generate revenue from a combination of insurance underwriting activities and fee- and commission-based services. Our operations include providing insurance capacity and related services for our owned MGA and in partnership with third-party MGAs and fee-based and commission-based services that support the placement and servicing of insurance policies.

We continue to execute actions to support balanced diversified growth, leveraging both third-party MGAs and our owned MGA to source and underwrite a diversified portfolio of risk across personal and commercial lines. We participate in MGA programs when they align with our risk appetite, and assess performance through disciplined underwriting, selective risk retention, reinsurance, and ongoing portfolio management. Over time, the mix of our written premium base has evolved, and we expect it may continue to evolve, with a lower proportion attributable to homeowners insurance as we further diversify our portfolio across less catastrophe exposed lines of business. Our 2025 financial results reflect the business mix and portfolio composition during the period, as well as broader market conditions affecting the property and casualty insurance industry.

Segment structure

Beginning in the third quarter of 2025, we changed our reportable segment structure from three segments to one reportable segment to reflect the manner in which our chief operating decision maker evaluates financial performance and allocates resources. Prior-period segment information has been recast and is presented on a consistent basis in the notes to our consolidated financial statements.

This change affects how segment information is presented but does not impact our consolidated results of operations, financial condition, or cash flows. Accordingly, the discussion below focuses on our consolidated results. See Note 19 to the consolidated financial statements for additional information on Segments.

Line of business disclosure

During 2025, we expanded our presentation of operating information by line of business to provide additional transparency into the composition and diversification of our premium base. These lines of business reflect the primary categories of insurance products offered by our insurance subsidiaries, including Homeowners, Renters, Commercial Multi-Peril, Casualty, and other programs.

Line-of-business information represents supplemental premium-related information and is not presented as separate reportable segments. For comparability, certain line-of-business information is presented for all periods shown, including periods prior to the initial introduction of this presentation in our disclosures.

The lines-of-business information presented in this section reflects how the Company presents gross written, net written and net earned premium by product category. Reserve development disclosures in Note 9 to the consolidated financial statements are disaggregated based on claim duration characteristics for financial reporting purposes.

Emerging Growth Company Status

We previously qualified as an emerging growth company (“EGC”) under the Jumpstart Our Business Startups Act of 2012. During fiscal year 2025, we ceased to qualify as an emerging growth company and are no longer eligible for the reduced reporting and disclosure requirements available to emerging growth companies. As a result, beginning with this Annual Report on Form 10-K, we are subject to additional reporting and compliance requirements applicable to accelerated filers that are not emerging growth companies, including the requirement that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act. The change did not have a material impact on our results of operations, liquidity, or capital resources for the period presented.

Reinsurance

We maintain a comprehensive reinsurance program to manage risk exposure, reduce earnings volatility, and safeguard capital. By ceding a portion of our underwriting risk to highly rated reinsurers and alternative capital providers, we limit the financial impact of catastrophe events and large loss activity. Nevertheless, we remain ultimately responsible for policyholder claims should a reinsurer fail to perform.

Our reinsurance strategy includes a mix of quota share and excess of loss (“XOL”) structures, alongside collateralized protection through catastrophe bonds. We work with reinsurers rated “A-” (Excellent) or better by A.M. Best, or require appropriate collateral. Contracts often include provisions allowing for replacement of reinsurers whose financial condition deteriorates.

Our catastrophe reinsurance program supports property risks underwritten by us on behalf of our MGA and third-party MGAs. These risks are protected by program-specific XOL treaties, and in some cases, quota share reinsurance. In addition to the program-specific covers, we are also protected by a corporate catastrophe cover, and participation in the Florida Hurricane Catastrophe Fund (FHCF). This structure is designed to provide protection against severe loss events across the portfolio, covering up to at least a 1-in-250-year return period threshold.

For business written by our MGA, we have strategically retained more risk in recent periods by scaling back proportional reinsurance, reflecting our confidence in the portfolio’s underwriting performance. Our MGA remains covered by standalone catastrophe XOL protection.

Additionally, we utilize collateralized reinsurance through Mountain Re Ltd., a Bermuda-based special purpose insurer. The catastrophe bonds issued through Mountain Re Ltd. provide multi-year per occurrence coverage for a range of perils for business written through our MGA.

Results of Operations of the Year Ended December 31, 2025, 2024, and 2023

The following table sets forth our consolidated results of operations data for the periods presented:

	Years Ended December 31,			Change	% Change
	2025	2024	2023	2025 vs. 2024	
(in millions)					
Revenue:					
Net earned premium	\$ 380.1	\$ 272.5	\$ 107.5	\$ 107.6	39 %
Commission income, net	51.3	63.6	63.4	(12.3)	(19)%
Service and fee income	11.8	11.6	15.7	0.2	2 %
Net investment income	25.4	24.4	23.1	1.0	4 %
Total revenue	\$ 468.6	\$ 372.1	\$ 209.7	\$ 96.5	26 %
Expenses:					
Losses and loss adjustment expenses	229.9	209.0	181.7	20.9	10 %
Insurance related expenses	131.3	88.8	79.1	42.5	48 %
Technology and development expenses	32.5	30.7	47.0	1.8	6 %
Sales and marketing expenses	33.5	51.2	80.1	(17.7)	(35)%
General and administrative expenses	67.1	70.7	79.6	(3.6)	(5)%
Impairment and restructuring charges	5.0	3.6	5.5	1.4	39 %
Gain on sale of business	(95.0)	(54.4)	—	(40.6)	75 %
Interest and other expense (income), net	1.0	(0.1)	(0.8)	1.1	1100 %
Total expenses	405.3	399.5	472.2	5.8	1 %
Income (loss) before income taxes	63.3	(27.4)	(262.5)	90.7	331 %
Income tax expense	0.7	1.2	0.5	(0.5)	(42)%
Net income (loss)	62.6	(28.6)	(263.0)	91.2	319 %
Net income attributable to noncontrolling interests, net of tax	4.9	11.9	10.1	(7.0)	(59)%
Net income (loss) attributable to Hippo	\$ 57.7	\$ (40.5)	\$ (273.1)	\$ 98.2	242 %

The following discussion describes the material drivers of these changes for the year ended December 31, 2025 compared to 2024 and should be read together with the key operating and financial metrics discussed below. For a discussion of year-over-year changes between 2024 and 2023, except for Net Earned Premium by Line of Business, refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Net Earned Premium

The following table summarizes our net earned premiums by line of business for each period:

	Years Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	2024 vs. 2023
	(in millions)				
Line of Business					
Homeowners	\$ 251.1	\$ 220.8	\$ 69.3	\$ 30.3	\$ 151.5
Renters	72.4	22.4	17.1	50.0	5.3
Commercial Multi-Peril	47.9	19.0	10.9	28.9	8.1
Casualty	6.1	2.0	3.4	4.1	(1.4)
Other	2.6	8.3	6.8	(5.7)	1.5
Total	\$ 380.1	\$ 272.5	\$ 107.5	\$ 107.6	\$ 165.0

For the year ended December 31, 2025, net earned premium was \$380.1 million, an increase of \$107.6 million, or 39% compared to \$272.5 million for the year ended December 31, 2024. The increase was due primarily to the earning of increased gross written premiums and increased retention in our Renters and Commercial Multi-Peril lines of business as well as an increase in retention in our Homeowners line.

For the year ended December 31, 2024, net earned premium was \$272.5 million, an increase of \$165.0 million, or 153% compared to \$107.5 million for the year ended December 31, 2023. The increase was due primarily to increased retention in our Homeowners line of business.

Commission Income, Net

For the year ended December 31, 2025, commission income was \$51.3 million, a decrease of \$12.3 million, or 19%, compared to \$63.6 million for the year ended December 31, 2024. The decrease was due primarily to lower agency commission income of \$11.7 million due to the sale of our homebuilder distribution network in the third quarter of 2025 and the sale of First Connect in the fourth quarter of 2024.

Service and Fee Income

For the year ended December 31, 2025, service and fee income was \$11.8 million, an increase of \$0.2 million, or 2%, compared to \$11.6 million for the year ended December 31, 2024. Service and fee income is primarily comprised of policy fees sourced through our owned MGA.

Net Investment Income

For the year ended December 31, 2025, net investment income was \$25.4 million, an increase of \$1.0 million, or 4%, compared to \$24.4 million for the year ended December 31, 2024. The increase was primarily driven by higher average balance of assets under management in the investment portfolio during the period. The Company's investment portfolio is primarily comprised of securities issued by the U.S. government and agencies, money market accounts, high-grade corporate securities, residential and commercial mortgage-backed securities, and other governmental related securities.

Loss and Loss Adjustment Expenses

For the year ended December 31, 2025, loss and loss adjustment expenses were \$229.9 million, an increase of \$20.9 million, or 10%, compared to \$209.0 million for the year ended December 31, 2024. Losses and loss adjustment expenses consisted of the following elements during the respective periods:

	Years Ended December 31,	
	2025	2024
	(in millions)	
Catastrophe losses	\$ 61.5	\$ 58.0
Non-catastrophe losses	168.4	151.0
Total losses and loss adjustment expenses	<u>\$ 229.9</u>	<u>\$ 209.0</u>
Catastrophe loss ratio	15 %	21 %
Non-catastrophe loss ratio	45 %	56 %
Net loss ratio	<u>60 %</u>	<u>77 %</u>

Catastrophe loss ratio decreased for the year ended December 31, 2025 compared to the year ended December 31, 2024 due primarily to higher retention in lines with a lower exposure to catastrophe events, as well as lower number of catastrophe events. Catastrophe losses in 2025 were due primarily to a series of destructive wildfires affecting Los Angeles, California (the “LA Wildfires”), which occurred in the first quarter of 2025, whereas catastrophe losses in 2024 reflected a number of events including a series of wind, hail, and thunderstorm events affecting Southern and Midwest states during the first quarter of 2024, as well as Hurricane Milton and Hurricane Beryl, which occurred during the third and fourth quarters of 2024.

Included in our catastrophe loss ratio for the years ended December 31, 2025 and 2024 is a benefit of 1 percentage point related to prior year favorable developments in both years.

Non-catastrophe loss ratio decreased for the year ended December 31, 2025 compared to the year ended December 31, 2024 due primarily to higher retention in lines with lower attritional loss ratio as well as the benefits of underwriting pricing actions taken during the period.

Included in our non-catastrophe loss ratio for the years ended December 31, 2025 and 2024 is a benefit of 2 percentage points and 1 percentage point related to prior year favorable developments, respectively.

Insurance Related Expenses

For the year ended December 31, 2025, insurance related expenses were \$131.3 million, an increase of \$42.5 million, or 48%, compared to \$88.8 million for the year ended December 31, 2024. The increase was due primarily to an increase in net acquisition expenses of \$41.3 million due to increased premium retention and higher volume.

Technology and Development Expenses

For the year ended December 31, 2025, technology and development expenses were \$32.5 million, an increase of \$1.8 million, or 6%, compared to \$30.7 million for the year ended December 31, 2024. The increase was due primarily to higher employee-related costs of \$1.2 million, reflecting an increase in headcount during the period.

Sales and Marketing Expenses

For the year ended December 31, 2025, sales and marketing expenses were \$33.5 million, a decrease of \$17.7 million, or 35%, compared to \$51.2 million for the year ended December 31, 2024. The decrease was primarily driven by lower employee-related costs of \$10.2 million, including a decrease in stock-based compensation of \$4.4 million, reflecting a decrease in headcount due primarily to the sale of our homebuilder distribution network in the third quarter of 2025 and the sale of First Connect in the fourth quarter of 2024. The decrease was also attributable to lower amortization of acquired intangible assets of \$2.9 million and a decrease in contingent consideration of \$2.1 million primarily related to the sale of our homebuilder distribution network in the third quarter of 2025.

General and Administrative Expenses

For the year ended December 31, 2025, general and administrative expenses were \$67.1 million, a decrease of \$3.6 million, or 5%, compared to \$70.7 million for the year ended December 31, 2024. The decrease was due

primarily to lower legal costs of \$4.9 million, partially offset by higher consultant costs of \$1.2 million and increased employee related costs of \$0.8 million.

Impairment and Restructuring Charges

For the year ended December 31, 2025, impairment and restructuring charges were \$5.0 million, compared to \$3.6 million for the year ended December 31, 2024. The charges in 2025 primarily consisted of the impairment of capitalized software determined to have no future useful life following the sale of our homebuilder distribution network, as well as the impairment of a lease right-of-use asset related to the termination of leased office space. The charges in 2024 primarily related to the impairment of a lease right-of-use asset from the abandonment of leased office space.

Gain on Sale of Business

For the year ended December 31, 2025, we recognized a gain on sale of \$95.0 million related to the sale of our homebuilder distribution network. For the year ended December 31, 2024, we recognized gains on sale of \$46.1 million related to our sale of First Connect, and \$8.2 million related to the sale of our subsidiary, Mainsail.

Interest and Other (Income) Expense, net

For the year ended December 31, 2025, we recognized interest and other expense of \$1.0 million, compared to other income of \$0.1 million for the year ended December 31, 2024. The change was due primarily to interest expense on our surplus note entered into during the fiscal year 2025.

Income Taxes

For the year ended December 31, 2025, income tax expense was \$0.7 million, a decrease of \$0.5 million compared to an expense of \$1.2 million for the year ended December 31, 2024. The decrease was due primarily to a reduction in current expense for state income taxes.

Net Income Attributable to Noncontrolling Interest, net of tax

For the year ended December 31, 2025, net income attributable to noncontrolling interest, net of tax was \$4.9 million, a decrease of \$7.0 million compared to \$11.9 million for the year ended December 31, 2024. The decrease was due primarily to the elimination of the remaining noncontrolling interests related to the sale of our homebuilder distribution network.

Net Income (Loss) Attributable to Hippo

For the year ended December 31, 2025, net income attributable to Hippo was \$57.7 million, an increase of \$98.2 million compared to \$40.5 million loss for the year ended December 31, 2024 due to the factors described above.

Key Operating and Financial Metrics and Non-GAAP Measures

We regularly review the following operating and financial metrics to evaluate our business, measure our performance, identify trends in our business, prepare forecasts, and make capital allocation and strategic decisions. Certain metrics discussed below are non-GAAP financial measures. Management uses non-GAAP measures to evaluate operating performance and trends that may not be apparent from GAAP results alone. Non-GAAP measures should be considered supplemental to, and not a substitute for, the most directly comparable GAAP measures, and may not be comparable to similarly titled measures used by other companies. Reconciliations of the non-GAAP measures to the most directly comparable GAAP measures are provided below. For certain non-GAAP financial measures that are expressed as ratios or per-share amounts, the reconciliation to the most directly comparable GAAP financial measure is provided through the calculation of the measure using GAAP components, as presented below.

2025 Metric Framework Updates

During 2025, we refined the way we describe performance to align our disclosures with (i) our current operating strategy, (ii) changes in our business mix, including the sale of our home distribution network and our independent agent platform First Connect, and (iii) internal performance measurement. Specifically, we have shifted our focus toward metrics that more closely correlate with financial performance under our current operating strategy

and capital allocation approach. Additionally, as our business has matured, we believe that other metrics such as gross written premium, net written premium, net earned premium, and commission income more effectively reflect the core operating drivers and provide investors with a clearer view of our performance and growth. Accordingly:

- We no longer report Total Generated Premium (“TGP”) beginning in the first quarter of 2025.
- We began reporting adjusted net income (loss) as a performance measure in the second quarter of 2025.
- We discontinued reporting adjusted EBITDA and gross loss ratio beginning in the third quarter of 2025 and now emphasize expense ratio, combined ratio, and diluted adjusted earnings (loss) per share, which we believe improve comparability and more closely align with industry practice among publicly traded property and casualty insurers.

For periods prior to these changes, we continue to present prior-period amounts where helpful for comparability; however, discontinued metrics are not updated in our periodic filings.

How we evaluate performance

We evaluate performance on both a GAAP basis and, given the nature of our business, through insurance-specific non-GAAP operating metrics, which include a combination of (i) growth and mix metrics, (ii) underwriting performance metrics, and (iii) profitability, return and capital efficiency metrics.

The table below summarizes selected operating, growth and mix, underwriting, and profitability metrics that management uses to evaluate performance across periods.

	Years Ended December 31,		
	2025	2024	2023
	(in millions, except per share data)		
Gross written premium	\$ 1,108.6	\$ 892.4	\$ 847.3
Ceded written premium	(686.3)	(519.8)	(687.7)
Net written premium	422.3	372.6	159.6
Total revenue	468.6	372.1	209.7
Net income (loss)	57.7	(40.5)	(273.1)
Adjusted net income (loss) ⁽¹⁾	17.8	(20.3)	(178.0)
Net income (loss) per share attributable to Hippo, basic	2.28	(1.64)	(11.58)
Net income (loss) per share attributable to Hippo, diluted	2.22	(1.64)	(11.58)
Diluted adjusted earnings (loss) per share ⁽¹⁾	0.68	(0.82)	(7.55)
Annualized adjusted return on equity ⁽¹⁾	4 %	(5)%	(37)%
Net loss ratio	60 %	77 %	169 %
Catastrophe loss ratio	15 %	21 %	83 %
Non-catastrophe loss ratio	45 %	56 %	86 %
Expense ratio	53 %	61 %	192 %
Combined ratio	113 %	138 %	361 %
Book value per share	\$ 16.97	\$ 14.56	\$ 15.65
Tangible book value per share ⁽¹⁾	\$ 14.76	\$ 13.88	\$ 14.52

⁽¹⁾Indicates a non-GAAP financial measure.

Growth and mix metrics

Gross Written Premium

Gross written premium (“GWP”) is the amount received or to be received for insurance policies written or assumed by us and our affiliates as a carrier or captive reinsurer, without reduction for policy acquisition costs, reinsurance costs, or other deductions. The volume of our gross written premium in any given period is generally influenced by:

- New business submissions;
- Binding of new business submissions into policies;
- Bound policies going effective;
- Renewals of existing policies; and
- Average size and premium rate of bound policies.

Ceded Written Premium

Ceded written premium (“CWP”) is the amount of gross written premium written or assumed by us and our affiliates as a carrier that we cede to reinsurers. We enter into reinsurance contracts to limit our exposure to losses, as well as to provide additional capacity for growth. Ceded written premium is treated as a reduction from gross written premium. The volume of our ceded written premium is impacted by the level of our gross written premium and decisions we make to increase or decrease retention levels.

Net Written Premium

Net written premium (“NWP”) is calculated as the amount of gross written premium written less ceded written premium.

Management uses growth and mix metrics to assess growth trends, changes in business mix, retention, and the scale of underwriting activities.

The following table summarizes our gross written premiums and net written premiums by line of business:

Line of Business	Years Ended December 31,					
	2025		2024		2023	
	GWP	NWP	GWP	NWP	GWP	NWP
	(in millions)					
Homeowners	\$ 379.2	\$ 255.0	\$ 423.1	\$ 307.2	429.1	\$112.6
Renters	174.9	101.0	146.9	24.6	118.9	18.3
Commercial Multi-Peril	264.6	66.1	151.5	29.1	125.8	14.1
Casualty	263.8	8.6	137.6	1.9	141.1	3.5
Other	26.1	(8.4)	33.3	9.8	32.4	11.1
Total	\$1,108.6	\$ 422.3	\$ 892.4	\$ 372.6	\$ 847.3	\$ 159.6

2025 compared to 2024

For the year ended December 31, 2025, gross written premium was \$1,108.6 million, an increase of \$216.2 million, or 24%, compared to \$892.4 million for the year ended December 31, 2024. The increase was primarily driven by growth in our Commercial Multi-Peril, Casualty, and Renters lines of business, partially offset by a decline in the Homeowners line reflecting continued diversification of the Company’s premium base. This growth was supported by increased volumes from existing MGA programs and expansion into new program relationships

For the year ended December 31, 2025, net written premium was \$422.3 million, an increase of \$49.7 million, or 13%, compared to \$372.6 million for the year ended December 31, 2024. The increase was primarily driven by higher gross written premiums while changes in net written premium relative to gross written premium were influenced by retention levels and reinsurance arrangements.

2024 compared to 2023

For the year ended December 31, 2024, gross written premium was \$892.4 million, an increase of \$45.1 million, or 5%, compared to \$847.3 million for the year ended December 31, 2023. The increase was due primarily to the growth in our Renters and Commercial Multi-Peril lines of business, partially offset by a decline in the Homeowners line, reflecting continued diversification of the Company’s premium base.

For the year ended December 31, 2024, net written premium was \$372.6 million, an increase of \$213.0 million, or 133%, compared to \$159.6 million for the year ended December 31, 2023. The increase was due primarily an increase in premium retention on our Homeowners line of business due reflecting our confidence in the portfolio's underwriting performance.

Net retention, calculated as net written premium divided by gross written premium, was 38%, 42%, and 19%, for the years ended December 31, 2025, 2024, and 2023 respectively.

Underwriting performance metrics

Net Loss and Loss Adjustment Expense ratios

Catastrophe loss ratio, expressed as a percentage, is the ratio of catastrophe losses and LAE to the net earned premium.

Non-catastrophe loss ratio, expressed as a percentage, is the ratio of the net non-catastrophe losses and LAE to the net earned premium.

Net loss ratio, expressed as a percentage, is the ratio of the net losses and LAE to the net earned premium.

Management uses these metrics to assess underwriting performance, evaluate pricing adequacy, risk selection, portfolio quality and trends in loss experience.

Losses and loss adjustment expenses consisted of the following components during the respective periods:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Catastrophe losses	\$ 61.5	\$ 58.0	\$ 89.2
Non-catastrophe losses	168.4	151.0	92.5
Total losses and loss adjustment expenses	<u>\$ 229.9</u>	<u>\$ 209.0</u>	<u>\$ 181.7</u>
Net earned premium	380.1	272.5	107.5
Net loss ratio	60 %	77 %	169 %
Catastrophe loss ratio	15 %	21 %	83 %
Non-catastrophe loss ratio	45 %	56 %	86 %

Expense Ratio

Expense ratio, expressed as a percentage, is the ratio of insurance related expenses, technology and development expenses, sales and marketing expenses, and general and administrative expenses, net of commission income, net service and fee income, to net earned premiums. Management uses this metric to evaluate operating leverage, cost efficiency, effectiveness of pricing, and expense management actions. Other companies may define expense ratio differently

Expense ratio is calculated as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Net earned premium	\$ 380.1	\$ 272.5	\$ 107.5
Net expenses:			
Insurance related expenses	\$ 131.3	\$ 88.8	\$ 79.1
Technology and development expenses	32.5	30.7	47.0
Sales and marketing expenses	33.5	51.2	80.1
General and administrative expenses	67.1	70.7	79.6
Less: commission income, net and service and fee income	(63.1)	(75.2)	(79.1)
Total net expenses	<u>\$ 201.3</u>	<u>\$ 166.2</u>	<u>\$ 206.7</u>
Expense ratio	53 %	61 %	192 %

Combined Ratio

Combined ratio is defined as the sum of the net loss ratio and the expense ratio. Management uses the combined ratio as a comprehensive measure of underwriting profitability. A combined ratio under 100% generally indicates an underwriting profit. A combined ratio over 100% generally indicates an underwriting loss. Management uses this metric to evaluate our operating performance.

	Years Ended December 31,		
	2025	2024	2023
Expense ratio	53 %	61 %	192 %
Net loss ratio	60 %	77 %	169 %
Combined ratio	<u>113 %</u>	<u>138 %</u>	<u>361 %</u>

Profitability, return and capital efficiency metrics

Adjusted Net Income (Loss)

Adjusted Net Income (Loss) is a non-GAAP financial measure, defined as net income (loss) excluding the impact of certain items that may not be indicative of underlying business trends, operating results, or future outlook, net of tax impact. We calculate the tax impact only on adjustments which would be included in calculating our income tax expense using the estimated tax rate at which the Company received a deduction for these adjustments.

We define Adjusted Net Income (Loss) as net income (loss) adjusted for, as applicable, (i) depreciation and amortization, (ii) stock-based compensation expense, (iii) the impact of other non-cash fair market value adjustments, (iv) impairment and restructuring related expenses, (v) gain or loss on the sale of a business, and (vi) other one-off transactions, which primarily include certain legal fees and settlement costs, that we consider to be unique in nature, net of tax impact. We calculate the tax impact only on adjustments which would be included in calculating our income tax expense using the estimated tax rate at which the company received a deduction for these adjustments. We exclude the impact of depreciation and amortization, stock-based compensation expense, and non-cash fair market value adjustments, because these are non-cash expenses or non-cash fair value adjustments and we believe that excluding these items provides meaningful information regarding performance and ongoing cash-generation potential. We exclude impairment and restructuring related expenses, gain or loss on sale of business, and other one-off transactions because such expenses are periodic in nature and have no direct correlation to the cost of operating our business on an ongoing basis that we consider to be unique in nature.

Management uses this measure evaluate our underlying business performance. Adjusted net income (loss) does not reflect the overall profitability of our business.

Shown below is the adjusted net income (loss) for the following periods and a reconciliation of this measure of performance to net income (loss) as presented in the consolidated statements of operations and comprehensive income (loss):

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Net income (loss) attributable to Hippo	\$ 57.7	\$ (40.5)	\$ (273.1)
Adjustments:			
Depreciation and amortization	20.4	23.2	\$ 19.8
Stock-based compensation	29.3	38.2	57.5
Fair value adjustments	(0.6)	1.7	4.5
Other one-off transactions	1.0	7.9	7.8
Impairment and restructuring charges	5.0	3.6	5.5
Gain on sale of a business	(95.0)	(54.4)	—
Adjusted net income (loss)	<u>\$ 17.8</u>	<u>\$ (20.3)</u>	<u>\$ (178.0)</u>

Diluted Adjusted Earnings (Loss) per Share

Diluted Adjusted Earnings (Loss) per Share is a non-GAAP financial measure defined as adjusted net income (loss) divided by the weighted average common shares outstanding for the period, reflecting the dilution which could occur if equity-based awards are converted into common share equivalents as calculated using the treasury stock method. Management uses this measure to assess performance on a per-share basis across periods. Diluted adjusted earnings (loss) per share should not be viewed as a substitute for diluted earnings (loss) per share calculated in accordance with GAAP, and other companies may define diluted adjusted earnings (loss) per share differently.

Diluted adjusted earnings (loss) per share is calculated as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions, except share and per share data)		
Adjusted net income (loss)	\$ 17.8	\$ (20.3)	\$ (178.0)
Weighted average common shares outstanding, diluted ⁽¹⁾	26,011,391	24,699,913	23,578,922
Diluted adjusted earnings (loss) per share	<u>\$ 0.68</u>	<u>\$ (0.82)</u>	<u>\$ (7.55)</u>

⁽¹⁾For additional information refer to Note 17, Net Income (Loss) Per Share Attributable to Common Stockholders, of the audited consolidated financial statements.

Annualized Adjusted Return on Equity

Annualized adjusted return on equity is a non-GAAP financial measure defined as adjusted net income (loss) expressed on an annualized basis as a percentage of average beginning and ending stockholders' equity during the period. Management uses this measure to evaluate capital efficiency and returns generated on deployed capital. Annualized adjusted return on equity should not be viewed as a substitute for return on equity calculated using unadjusted GAAP numbers, and other companies may define adjusted return on equity differently.

Annualized adjusted return on equity is calculated as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Annualized adjusted net income (loss)	\$ 17.8	\$ (20.3)	\$ (178.0)
Average Hippo stockholders' equity	399.1	370.0	483.9
Annualized adjusted return on equity	4 %	(5)%	(37)%

Tangible Book Value Per Share

Tangible Book Value Per Share is a non-GAAP financial measure defined as total stockholders' equity, less intangible assets and capitalized internal use software, divided by the outstanding number of shares of our common stock at the end of the relevant period. Management uses this measure to evaluate changes from period to period in book value per share exclusive of changes in intangible assets in order to assess capital position and balance sheet strength. Tangible book value per share should not be viewed as a substitute for book value per share calculated in accordance with GAAP, and other companies may define tangible book value per share differently.

Shown below are the tangible book value per share for the following periods and a reconciliation of this measure of performance to Hippo stockholders' equity as presented in the consolidated balance sheet.

	December 31,	
	2025	2024
	(in millions, except share and per share data)	
Hippo stockholders' equity	\$ 436.1	\$ 362.1
Less: Intangible assets	13.8	17.0
Less: Capitalized internal use software	43.0	48.1
Tangible stockholders' equity	\$ 379.3	\$ 297.0
Shares outstanding	25,699,704	24,866,803
Tangible book value per share	\$ 14.76	\$ 11.94

Liquidity and Capital Resources

Sources of Liquidity

Our existing sources of liquidity include cash and cash equivalents and marketable securities. As of December 31, 2025, we had \$218.3 million of cash, \$31.8 million of restricted cash, and \$445.9 million of available-for-sale fixed income securities and short-term investments.

In addition, we are a member of the Federal Home Loan Bank (FHLB) of New York, which provides secured borrowing capacity. Our borrowing capacity as of December 31, 2025, is \$37.7 million, and there were no outstanding amounts under this agreement.

The Company issued a surplus note on June 2, 2025 in the amount of \$50.0 million. The surplus note issuance provides additional statutory capital and further supports our operational and growth initiatives.

To date, we have funded operations primarily with issuances of convertible preferred stock, convertible promissory notes, common stock and a surplus note, as well as from asset and business dispositions and revenue. Until we can generate sufficient revenue and other income to cover operating expenses, working capital and capital expenditures, we expect the funds raised as discussed above to fund our cash needs. Our capital requirements depend on many factors, including the volume of issuances of insurance policies, the timing and extent of spending to support research and development efforts, investments in information technology systems, and the expansion of sales and marketing activities. In the future, we may raise additional funds through the issuance of debt or equity securities or through borrowing. We cannot assure that such funds will be on favorable terms, or available at all.

Dividend Restrictions

The maximum amount of dividends that can be paid by all property and casualty insurance companies within the group without prior approval of their respective insurance commissioner in a 12 month period, measured retrospectively from the date of payment, is \$29.9 million, \$34.5 million and \$26.3 million as of years ended December 31, 2025, 2024, and 2023, respectively.

The Company's insurance subsidiary in the Cayman Islands, RHS, is regulated by the Cayman Islands Monetary Authority ("CIMA"). CIMA must be given advance notice of any dividend payments. At December 31, 2025, 2024, and 2023, approximately \$33.5 million, \$32.3 million, and \$18.4 million respectively, of excess capital were available for the payment of dividends contingent on receiving the prior approval of CIMA. Dividend distributions to RH Solutions' stakeholders are recognized in the period in which the dividends are declared. In accordance with the terms of the Insurance (Capital and Solvency) (Class B, C, and D Insurers) Regulations, 2012, as a Class B(iii) insurer under the Law, RHS is required to maintain the Prescribed Capital Requirement ("PCR") of \$11.5 million, which is based on net earned premium during the fiscal year.

Cash Flows

The following table summarizes our cash flows for the periods presented (in millions):

	Years Ended December 31,			Change
	2025	2024	2023	
	(in millions)			
Net cash provided by (used in):				
Operating activities	\$ 9.2	\$ 47.5	\$ (92.4)	\$ (38.3)
Investing activities	\$ (11.2)	\$ 30.3	\$ 57.6	\$ (41.5)
Financing activities	\$ 19.3	\$ (40.1)	\$ (14.6)	\$ 59.4

Operating Activities

Cash provided by operating activities was \$9.2 million for the year ended December 31, 2025, a decrease of \$38.3 million, from cash provided by operating activities of \$47.5 million for the year ended December 31, 2024. The decrease was due primarily to a decrease in cash provided by working capital, partially offset by an increase in net income.

Variations in operating cash flows between periods are primarily driven by variations in our gross and ceded written premiums and the volume and timing of premium receipts, claim payments, reinsurance payments, and reinsurance recoveries on paid losses. In addition, fluctuations in losses and loss adjustment expenses and other insurance operating expenses impact operating cash flows.

Investing Activities

Cash used in investing activities was \$11.2 million for the year ended December 31, 2025, due primarily to purchases of investment securities, partially offset by maturities of investment securities and the proceeds from the sale of business, net of cash disposed.

Cash provided by investing activities was \$30.3 million for the year ended December 31, 2024, due primarily to the maturities of investment securities and proceeds from the sale of a business, partially offset by purchases of investment securities.

Financing Activities

Cash provided by financing activities was \$19.3 million for the year ended December 31, 2025, primarily driven by proceeds from the surplus note partially offset by share repurchases under our program, taxes paid related to net share settlement of RSUs, distributions to noncontrolling interests, and changes in fiduciary liabilities.

Cash used in financing activities was \$40.1 million for the year ended December 31, 2024, primarily driven by cash paid for share repurchases, distributions to noncontrolling interests, changes in fiduciary liabilities, and taxes paid related to net share settlement of RSUs. This was partially offset by proceeds from common stock issuances.

Contractual Obligations and Commitments

Our material cash requirements from known contractual and other obligations primarily relate to purchase commitments, lease payments, our surplus note, and unpaid loss and loss adjustment expense. The estimation of the unpaid losses and loss adjustment expenses is based on various complex and subjective judgments. Actual losses paid may differ, perhaps significantly, from the reserve estimates reflected in our consolidated financial statements. Similarly, the timing of payment of our estimated losses is not fixed and there may be significant changes in actual payment activity. The assumptions used in estimating the likely payments due by period are based on our historical claims payment experience and industry payment patterns, but due to the inherent uncertainty in the process of estimating the timing of such payments, there is a risk that the amounts paid can be significantly different from the amounts disclosed.

	Payment due by period				
	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030 and thereafter</u>
	(in millions)				
Operating activities					
Estimated gross payments for losses and loss adjustment expenses ⁽¹⁾	\$ 209.2	\$ 78.8	\$ 42.9	\$ 23.3	\$ 16.5
Lease obligations	3.1	1.4	0.1	—	—
Financing activities					
Surplus note	—	—	—	—	50.0
Interest from surplus note	4.8	4.8	4.8	4.8	49.9
Total contractual obligations and commitments	\$ 217.1	\$ 85.0	\$ 47.8	\$ 28.1	\$ 116.4

⁽¹⁾ The estimated expected contractual commitments related to the reserves for losses and loss adjustment expenses are presented on a gross basis (i.e., not reflecting any corresponding reinsurance recoverable amounts that would be due to us). It should be noted that until a claim has been presented to us, determined to be valid, quantified and settled, there is no known obligation on an individual transaction basis, and while estimable in the aggregate, the timing and amount contain significant uncertainty

Financial Condition

Balance sheet considerations

Material changes in our balance sheet during 2025 were driven by underwriting activity, changes in premiums and risk retention, movements in loss and loss adjustment expense reserves, and changes in invested assets. These changes are discussed in the consolidated financial statements and related notes.

Total stockholders' equity as of December 31, 2025, was \$436.1 million, compared to \$362.1 million as of December 31, 2024. Stockholders' equity increased due primarily to net income we earned for the period and activity related to stock-based compensation. Stock-based compensation expense is treated as an additional paid-in-capital and increases stockholders' equity. These amounts were partially offset by share repurchases and shares withheld related to net share settlements.

Investment Portfolio

The aggregate value of investments experienced an increase, principally attributable to the growth in fixed maturities classified as available for sale and measured at fair value. The expansion in fixed maturities, available for sale, at fair value was predominantly driven by an augmentation in holdings of U.S. government and corporate securities. The principal objective of the investment portfolio is to provide sufficient resources to satisfy anticipated

future claim obligations. This strategic allocation reflects a prudent approach to asset management, ensuring the portfolio is positioned to meet the financial requirements associated with claim settlements.

Off-Balance sheet arrangements

We do not have any off-balance-sheet arrangements that have or are reasonably likely to have a material effect on our financial condition, results of operations, liquidity, or capital resources.

Critical Accounting Policies and Estimates

We prepared our consolidated financial statements in accordance with GAAP, which requires the use of estimates and assumptions. Our consolidated financial statements include amounts that, either by their nature or due to requirements of GAAP, are determined using best estimates and assumptions. Management has discussed and reviewed the development, selection, and disclosure of critical accounting estimates with the Audit Committee of our board of directors. While we believe that the amounts included in our consolidated financial statements reflect our best judgment, actual amounts could ultimately materially differ from those currently presented.

For further information, see Note 1 — Description of Business and Summary of Significant Accounting Policies in the Notes to the audited consolidated financial statements.

Loss and Loss Adjustment Expense Reserve

Loss and Loss Adjustment Expense Reserves

Recorded loss and loss adjustment expense reserves represents management's best estimate of the amounts yet to be paid for all loss and loss adjustment expenses that will be paid on claims that occurred during the period and prior, whether those claims are currently known or unknown. We hold a provision for loss and loss adjustment expense reserve as of a given date based on actuarial analysis.

Loss and loss adjustment expense reserves are the amount of ultimate loss and loss adjustment expense less the paid amounts as of the balance sheet date.

Ultimate loss and loss adjustment expense is the sum of the following items:

1. Loss and loss adjustment expense paid through a given evaluation date
2. Case reserves for loss and loss adjustment expense for losses that have been reported but not yet paid as of a given evaluation date
3. IBNR for loss and loss adjustment expense include an estimate for future loss payments on incurred claims not yet reported and for expected development on reported claims

Case reserves are established within the claims adjustment process based on all known circumstances of a claim at the time. In addition, IBNR reserves are established by the Company based on reported loss and loss adjustment expenses and estimates of ultimate loss and loss adjustment expenses based on generally accepted actuarial reserving techniques that consider quantitative loss experience data and qualitative factors as appropriate.

Inherent in the estimates of ultimate loss and loss adjustment expenses are expected trends in claims severity and frequency among other factors that could vary significantly as claims are settled. The Company's loss and loss adjustment expense reserves are continually reviewed, and adjustments, if any, are reflected in current operations in the consolidated statements of operations and comprehensive income (loss) in the period in which they become known. The establishment of new loss and loss adjustment expense reserves or the adjustment of previously recorded loss and loss adjustment expense reserves could result in significant positive or negative changes to our financial condition for any particular period. While the Company believes that it has made a reasonable estimate of loss and loss adjustment expense reserves, the ultimate loss experience may not be as reliably predicted as may be the case with other insurance expenses, and it is possible that actual loss and loss adjustment expenses will be higher or lower than the loss and loss adjustment reserve amount recorded by the Company.

Information Used in the Determination of the Loss and Loss Adjustment Expense Reserve

In order to estimate the provision for the recorded loss and loss adjustment expense reserves, we use information developed from both internal and independent external sources. This includes internal and external loss

and claim count emergence patterns, pricing change information, internal and external loss and exposure trend information, as well as underwriting process changes. In addition, we use commercially available risk analysis models, and overall market share assumptions to estimate our loss and loss adjustment expense reserves related to specific loss events.

Actuarial Methods Used in the Determination of the Loss and Loss Adjustment Expense Reserve

When the applicable information has been obtained, we use several actuarial methods to create estimates of the ultimate incurred losses in connection with the underwritten business. Our actuarial analysis uses inputs from our underwriting and claims departments, including pricing assumptions. The actuarial methods used to estimate loss and loss adjustment expense reserves are reported and/or paid loss and claim count development methods as well as reported and/or paid Bornhuetter-Ferguson methods.

As appropriate, unallocated loss adjustment expenses are estimated using a Paid-to-Paid Method, whereby, historical paid unallocated loss adjustment expense is compared as a ratio to the paid loss and allocated loss adjustment expense amounts for the same calendar period. Based on this information, selected ratios are applied to the case reserve and estimated IBNR for loss and allocated loss adjustment expenses to estimate the provision for the unpaid unallocated loss adjustment expense.

Based on the methods used for each accident period, estimates of ultimate loss and allocated loss adjustment expenses are selected. The Chief Executive Officer and Chief Financial Officer meet on a quarterly basis to review the recommendations made by the actuarial department, and determine the best estimate to be recorded for the reserve for loss and loss adjustment expense reserves on the balance sheet.

Significant Assumptions Employed in the Recording of the Loss and Loss Adjustment Expense Reserve

The most significant assumptions used in the determination of the recorded reserve for loss and loss adjustment expenses as of December 31, 2025 are historical aggregate claim reporting and payment patterns, which are assumed to be indicative of future loss development and trends. Additionally, claim counts are used for analyses relating to natural disasters, such as hurricanes, earthquakes, wind and hail events, and wildfires as losses from these events are inherently more difficult to estimate due to the potential exposure of the catastrophic events. Other assumptions considered include information developed from internal and independent external sources such as premium, rate and cost trends, litigation and regulatory trends, legislative activity, climate change, and social and economic patterns.

The above assumptions most significantly influence our determination of initial expected loss ratios and expected loss reporting and payment patterns which are the key inputs that impact variability in the estimate of the reserve for loss and loss adjustment expenses. While there can be no assurance that any of the above assumptions as utilized will prove to be correct, we believe that these assumptions represent a realistic and appropriate basis for estimating the reserve for loss and loss adjustment expense reserves.

The following table summarizes gross and net reserves for unpaid losses and LAE as of December 31, 2025 and 2024:

	December 31,			
	2025		2024	
	Gross	Net	Gross	Net
	(in millions)			
Losses and loss adjustment reserves				
IBNR	\$ 255.9	\$ 76.1	\$ 227.3	\$ 75.2
Case reserves	164.5	55.3	122.7	44.9
Total reserves	\$ 420.4	\$ 131.4	\$ 350.0	\$ 120.1

Sensitivity Analysis

The table below shows the impact on the loss and loss adjustment expense reserve based on reasonably likely changes to our held unpaid amounts after consideration of our proportional and non-proportional reinsurance as of December 31, 2025 (in millions).

	10% increase in ultimate loss and loss adjustment expenses	10% decrease in ultimate loss and loss adjustment expenses
Impact on:		
Loss and loss adjustment expense reserves, net	\$ 14.2	\$ (14.4)

For additional information refer to Note 9, Losses and Loss Adjustment Expense Reserves of the audited consolidated financial statements.

Reinsurance Recoverable

We also estimated the amount of reinsurance recoverable from reinsurance contracts. Reinsurance assets include reinsurance recoverable on unpaid loss and loss adjustment expense reserves that are estimated as part of our loss reserving process and, consequently, are subject to similar judgments and uncertainties. This estimate requires significant judgment for which key considerations include:

- paid and unpaid amounts recoverable;
- any balances in dispute or subject to legal collection;
- the financial wellbeing of a reinsurer (i.e. insolvent, liquidated, in receivership or otherwise subject to formal or informal regulatory restriction);
- the likelihood of collection of the reinsurance recovery considering factors such as, amounts outstanding, length of collection periods, disputes, any collateral or letters of credit held and other relevant factors.

For ceded reinsurance, risk transfer requirements must be met for reinsurance accounting to apply. If risk transfer requirements are not met, the contract is accounted for as a deposit, resulting in the recognition of cash flows under the contract through a deposit asset or liability and not as revenue or expense. To meet risk transfer requirements, a reinsurance contract must include both insurance risk, consisting of both underwriting and timing risk, and a reasonable possibility of a significant loss for the assuming entity. Similar risk transfer criteria are used to determine whether directly written insurance contracts should be accounted for as insurance or as a deposit.

For additional information refer to Note 10, Reinsurance, to the audited consolidated financial statements.

Recoverability of Our Net Deferred Tax Asset

The evaluation of the recoverability of our deferred tax asset and the need for a valuation allowance requires us to weigh all positive and negative evidence to reach a conclusion, that it is more likely than not, that all or some portion of the deferred tax asset will be realized. The weight given to the evidence is commensurate with the extent to which it can be objectively verified. The more negative evidence that exists, the more positive evidence is necessary and the more difficult it is to support a conclusion that a valuation allowance is not needed.

We consider a number of factors to reliably estimate future taxable income so we can determine the extent of our ability to realize net operating loss (“NOL”), R&D tax credits, realized capital loss and other carryforwards. These factors include forecasts of future income for each of our businesses and actual and planned business and operational changes, both of which include assumptions about future macroeconomic and company-specific conditions and events. We subject the forecasts to stresses of key assumptions and evaluate the effect on tax attribute utilization.

As of December 31, 2025, we have U.S. federal and state NOL carryforwards of \$718.9 million and \$488.8 million, respectively. We have \$166.0 million of dual consolidated losses in a 953(d) company, RH Solutions Insurance (Cayman) Ltd. The provisions of the Tax Cuts and Jobs Act of 2017 eliminated the 20-year carryforward period so that federal NOLs generated in tax years after December 31, 2017 do not expire. For such

amounts generated prior to 2018, the 20-year carryforward periods continue to apply. For additional information refer to Note 16, Income Taxes, to the audited consolidated financial statements.

For additional information refer to Note 16, Income Taxes, to the audited consolidated financial statements.

Recent Accounting Pronouncements

The information set forth under Note 1 to the consolidated financial statements under the caption “Description of Business and Summary of Significant Accounting Policies” is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates. We are primarily exposed to market risk through our fixed maturities, short-term investments, and cash and cash equivalents. We invest our excess cash primarily in money market accounts, corporate and foreign securities, residential and commercial mortgage-backed securities, and other governmental related securities. Our current investment strategy seeks first to preserve principal, second to provide liquidity for our operating and capital needs, and third to maximize yield without putting principal at risk. We do not enter into investments for trading or speculative purposes. Our investments are exposed to market risk due to the fluctuation of prevailing interest rates that may reduce the yield on our investments or their fair value. Management does not expect our results of operations or cash flows to be materially affected by a sudden change in market interest rates. The Company does not have material exposure to equity price risk and commodity price risk. There were no invested assets denominated in foreign currencies.

We are also exposed to credit risk on our investment portfolio and reinsurance recoverable. Credit risk results from uncertainty in a counterparty’s ability to meet its obligations. We monitor our investment portfolio to ensure that credit risk does not exceed prudent levels.

We manage the exposure to credit risk in our U.S. Treasury securities, municipal securities, corporate debt securities, and asset-backed securities portfolio by investing in high credit quality, investment grade securities and diversifying our holdings. As of December 31, 2025 and 2024, none of our fixed maturity securities were unrated or rated below investment grade.

We manage the exposure to credit risk in our reinsurance contracts by obtaining reinsurance from a diverse group of reinsurers and monitoring concentration as well as financial strength ratings of the reinsurers to minimize counterparty credit risk. To further reduce credit exposure, we obtain letters of credit from certain reinsurers that are not authorized as reinsurers under U.S. state insurance regulations. The Company also has reinsurance recoverable balances from reinsurers with a majority of the reinsurers having an A.M. Best rating of A (Excellent) or better. For certain reinsurance partners who are not rated, we require adequate levels of collateral or letters of credit to be available to us in the event of downside scenarios.

Interest Rate Risk

Interest rate risk is the risk that the Company will incur a loss due to adverse changes in interest rates relative to the interest rate characteristics of interest bearing assets and liabilities. Our fixed maturities portfolio, including cash and cash equivalents, is exposed to interest rate risk. Changes in interest rates have a direct impact on the market valuation of these securities.

As of December 31, 2025 and 2024, the estimated fair value of our fixed maturities and short-term investments was \$445.9 million and \$373.3 million, respectively. We estimate that a 10% increase in interest rates would cause a decline in the estimated fair value of our fixed maturities portfolio by 15.8% at December 31, 2025 and 14.0% at December 31, 2024, while a 10% decrease in interest rates would cause an increase in the estimated fair value of that portfolio by 15.8% at December 31, 2025 and 13.9% at December 31, 2024. The selected scenarios are not predictions of future events, but rather illustrate the effect that such events may have on the fair value of our fixed maturities portfolio.

Inflation

We attempt to anticipate the potential impact of inflation in our pricing and our establishing of reserves for losses and loss adjustment expenses. Inflation in excess of the levels we have assumed could cause losses and loss

adjustment expenses to be higher than we anticipated and impact our reinsurance costs and the amount of reinsurance we must purchase to meet certain thresholds and higher inflation assumptions cause our reinsurance costs to increase.

Substantial future increases in inflation could also result in future increases in interest rates, which in turn are likely to result in a decline in the market value of the investment portfolio and cause unrealized losses or reductions in total stockholders' equity.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

HIPPO HOLDINGS INC.

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Hippo Holdings Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Hippo Holdings Inc. (the “Company”) as of December 31, 2025 and December 31, 2024, the related consolidated statements of operations and comprehensive income (loss), stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes and the financial statement schedules listed in the Index at Item 15 (collectively referred to as the “financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A. Controls and Procedures. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Loss and Loss Adjustment Expense Reserves – Refer to Notes 1 and 9 to the Financial Statements

Critical Audit Matter Description

Loss and loss adjustment expense reserves include the Company's estimated ultimate cost to settle insured losses, consisting of the liability for claims that have been incurred, but not yet paid, and claims that have been incurred but not yet reported. The reserves are based on the application of actuarial techniques and methodologies. The Company's estimation of the liability for loss and loss adjustment expense reserves is complex and includes subjective considerations and management's judgment.

Loss and loss adjustment expense reserves are inherently uncertain. Because actual experience can differ from significant assumptions used in establishing reserves, there is potential for significant variation in the development of loss reserves. Given the subjectivity in estimating the ultimate loss and loss adjustment expense reserves, due to future trends in claim severity, claim frequency, changes in actuarial projections, inflation, severe weather, economic and legal trends, among other factors, auditing loss and loss adjustment expense reserves involved an especially high degree of auditor judgment, including the need to involve our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to loss and loss adjustment expense reserves included the following, among others:

- We tested the effectiveness of controls related to the loss and loss adjustment expense reserves, including those over the Company's estimates, and those over the underlying data that serve as the basis for actuarial analysis.
- We tested the completeness and accuracy of the underlying key data inputs that served as the basis for the actuarial estimate.
- With the assistance of our actuarial specialists, we used the Company's loss data to develop a range of independent estimates for the loss and loss adjustment expense reserves. We used these independent estimates to assess the reasonableness of the Company's reserves by comparing our estimates to the Company's recorded loss and loss adjustment expense reserves.
- We compared the Company's prior year estimates of expected loss and loss adjustment expense reserves to actual experience during the current year to identify potential bias in the determination of loss and loss adjustment expense reserves.

/s/ Deloitte & Touche LLP

Costa Mesa, California

March 5, 2026

We have served as the Company's auditor since 2023.

HIPPO HOLDINGS INC.
Consolidated Balance Sheets

	December 31,	
	2025	2024
	(in millions, except share data)	
Assets		
Investments:		
Fixed maturities available-for-sale, at fair value (amortized cost: \$291.7 and \$208.3)	\$ 293.4	\$ 205.7
Short-term investments, at fair value (amortized cost: \$152.5 and \$167.6)	152.5	167.6
Total investments	445.9	373.3
Cash and cash equivalents	218.3	197.6
Restricted cash	31.8	35.2
Accounts receivable, net of allowance of \$0.2 and \$0.6	250.1	167.0
Reinsurance recoverable on paid and unpaid losses and loss adjustment expenses	346.6	285.3
Prepaid reinsurance premiums	353.7	274.2
Ceding commissions receivable	98.7	79.5
Capitalized internal use software	43.0	48.1
Intangible assets	13.8	17.0
Other assets	103.6	66.2
Total assets	\$ 1,905.5	\$ 1,543.4
Liabilities and stockholders' equity		
Liabilities:		
Losses and loss adjustment expense reserve	\$ 420.4	\$ 350.0
Unearned premiums	579.7	457.9
Reinsurance premiums payable	304.4	248.6
Provision for commission	36.3	34.3
Surplus note	47.9	—
Accrued expenses and other liabilities	80.7	87.4
Total liabilities	1,469.4	1,178.2
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Common stock, \$0.0001 par value; 80,000,000 shares authorized as of both December 31, 2025 and 2024; 25,699,704 and 24,866,803 shares issued and outstanding as of December 31, 2025 and 2024, respectively	—	—
Additional paid-in capital	1,651.5	1,639.7
Accumulated other comprehensive income (loss)	1.8	(2.7)
Accumulated deficit	(1,217.2)	(1,274.9)
Total Hippo stockholders' equity	436.1	362.1
Noncontrolling interest	—	3.1
Total stockholders' equity	436.1	365.2
Total liabilities and stockholders' equity	\$ 1,905.5	\$ 1,543.4

See Notes to the Consolidated Financial Statements

HIPPO HOLDINGS INC.
Consolidated Statements of Operations and Comprehensive Income (Loss)

	Years Ended December 31,		
	2025	2024	2023
	(in millions, except share and per share data)		
Revenue:			
Net earned premium	\$ 380.1	\$ 272.5	\$ 107.5
Commission income, net	51.3	63.6	63.4
Service and fee income	11.8	11.6	15.7
Net investment income	25.4	24.4	23.1
Total revenue	468.6	372.1	209.7
Expenses:			
Losses and loss adjustment expenses	229.9	209.0	181.7
Insurance related expenses	131.3	88.8	79.1
Technology and development expenses	32.5	30.7	47.0
Sales and marketing expenses	33.5	51.2	80.1
General and administrative expenses	67.1	70.7	79.6
Impairment and restructuring charges	5.0	3.6	5.5
Gain on sale of business	(95.0)	(54.4)	—
Interest and other (income) expense, net	1.0	(0.1)	(0.8)
Total expenses	405.3	399.5	472.2
Income (loss) before income taxes	63.3	(27.4)	(262.5)
Income tax expense	0.7	1.2	0.5
Net income (loss)	\$ 62.6	\$ (28.6)	\$ (263.0)
Net income attributable to noncontrolling interests, net of tax	4.9	11.9	10.1
Net income (loss) attributable to Hippo	\$ 57.7	\$ (40.5)	\$ (273.1)
Other comprehensive income (loss):			
Change in net unrealized gain on investments, net of tax	4.5	0.2	4.1
Comprehensive income (loss) attributable to Hippo	\$ 62.2	\$ (40.3)	\$ (269.0)
Per share data:			
Net income (loss) per share attributable to Hippo			
Basic	\$ 2.28	\$ (1.64)	\$ (11.58)
Diluted	\$ 2.22	\$ (1.64)	\$ (11.58)
Weighted average common shares outstanding			
Basic	25,253,520	24,699,913	23,578,922
Diluted	26,011,391	24,699,913	23,578,922

See Notes to the Consolidated Financial Statements

HIPPO HOLDINGS INC.
Consolidated Statements of Stockholders' Equity

	Common Stock		Addition al Paid- in Capital	Accumulate d Other Comprehens ive Income (Loss)	Accumula ted Deficit	Total Hippo Stockhold ers' Equity	Non controlli ng Interest s	Total Stockholde rs' Equity
	Shares	Amount						
	(in millions)							
Balance at January 1, 2023	23,201,434	—	\$ 1,558.0	\$ (7.0)	\$ (961.1)	\$ 589.9	\$ 3.6	\$ 593.5
Net loss	—	—	—	—	(273.1)	(273.1)	10.1	(263.0)
Other comprehensive income (loss)	—	—	—	4.1	—	4.1	—	4.1
Issuance of common stock from stock plans and contingently issuable shares	1,047,668	—	3.3	—	—	3.3	—	3.3
Repurchases of common stock	(100,794)	—	(1.8)	—	—	(1.8)	—	(1.8)
Shares withheld related to net share settlement	—	—	(4.7)	—	—	(4.7)	—	(4.7)
Stock-based compensation expense	—	—	63.1	—	—	63.1	—	63.1
Acquisitions of noncontrolling interests	—	—	(2.7)	—	—	(2.7)	(0.5)	(3.2)
Distributions to noncontrolling interests and other	—	—	—	—	(0.2)	(0.2)	(6.4)	(6.6)
Balance at December 31, 2023	24,148,308	\$ —	\$ 1,615.2	\$ (2.9)	\$ (1,234.4)	\$ 377.9	\$ 6.8	\$ 384.7
Net loss	—	—	—	—	(40.5)	(40.5)	11.9	(28.6)
Other comprehensive income (loss)	—	—	—	0.2	—	0.2	—	0.2
Issuance of common stock from stock plans and contingently issuable shares	1,675,737	—	7.4	—	—	7.4	—	7.4
Repurchases of common stock	(957,242)	—	(15.6)	—	—	(15.6)	—	(15.6)
Shares withheld related to net share settlement	—	—	(9.9)	—	—	(9.9)	—	(9.9)
Stock-based compensation expense	—	—	42.8	—	—	42.8	—	42.8
Acquisitions of noncontrolling interests	—	—	(0.2)	—	—	(0.2)	(0.1)	(0.3)
Distributions to noncontrolling interests	—	—	—	—	—	—	(15.5)	(15.5)
Balance at December 31, 2024	24,866,803	\$ —	\$ 1,639.7	\$ (2.7)	\$ (1,274.9)	\$ 362.1	\$ 3.1	\$ 365.2
Net income	—	—	—	—	57.7	57.7	4.9	62.6
Other comprehensive income (loss)	—	—	—	4.5	—	4.5	—	4.5
Issuance of common stock from stock plans and contingently issuable shares	1,347,210	—	3.7	—	—	3.7	—	3.7
Repurchases of common stock	(514,309)	—	(14.5)	—	—	(14.5)	—	(14.5)
Shares withheld related to net share settlement	—	—	(9.4)	—	—	(9.4)	—	(9.4)
Stock-based compensation expense	—	—	32.0	—	—	32.0	—	32.0
Distributions to noncontrolling interests	—	—	—	—	—	—	(6.4)	(6.4)
Eliminations of noncontrolling interests	—	—	—	—	—	—	(1.6)	(1.6)
Balance at December 31, 2025	25,699,704	\$ —	\$ 1,651.5	\$ 1.8	\$ (1,217.2)	\$ 436.1	\$ —	\$ 436.1

See Notes to the Consolidated Financial Statements

HIPPO HOLDINGS INC.
Consolidated Statements of Cash Flows

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Cash flows from operating activities:			
Net income (loss)	\$ 62.6	\$ (28.6)	\$ (263.0)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	20.4	23.2	19.8
Stock-based compensation expense	29.3	38.2	57.5
Fair value adjustments	(0.6)	1.7	4.5
Impairment and restructuring charges	5.0	3.3	2.9
Gain on sale of business	(95.0)	(54.4)	—
Other non-cash items	(8.3)	(6.2)	(7.4)
Changes in assets and liabilities			
Accounts receivable, net	(85.4)	(21.9)	(38.0)
Reinsurance recoverables	(61.3)	(4.0)	5.0
Ceding commissions receivable	(19.2)	(5.7)	(28.0)
Prepaid reinsurance premiums	(79.5)	61.4	(25.7)
Other assets	(16.2)	(6.4)	6.2
Provision for commission	2.0	9.7	19.7
Accrued expenses and other liabilities	7.4	(17.5)	(5.5)
Losses and loss adjustment expense reserves	70.4	27.5	28.7
Unearned premiums	121.8	38.7	77.9
Reinsurance premiums payable	55.8	(11.5)	53.0
Net cash provided by (used in) operating activities	\$ 9.2	\$ 47.5	\$ (92.4)
Cash flows from investing activities:			
Capitalized internal use software costs	(13.2)	(11.7)	(17.1)
Purchases of property and equipment	(0.1)	(0.3)	(29.6)
Purchases of fixed maturities	(138.4)	(97.7)	(55.3)
Maturities of fixed maturities	51.6	49.1	15.6
Sales of fixed maturities	2.9	1.4	3.2
Purchases of short-term investments	(287.6)	(270.1)	(354.3)
Maturities of short-term investments	299.4	286.2	471.6
Sales of short-term investments	8.4	0.2	26.7
Proceeds from sale of business, net	65.8	67.2	—
Other	—	6.0	(3.2)
Net cash (used in) provided by investing activities	\$ (11.2)	\$ 30.3	\$ 57.6
Cash flows from financing activities:			
Proceeds from surplus note, net	47.9	—	—
Taxes paid related to net share settlement of equity awards	(9.4)	(9.9)	(4.7)
Proceeds from issuance of common stock	3.8	6.7	2.8
Share repurchases under program	(14.5)	(15.6)	(1.8)
Payments of contingent consideration	(0.4)	(0.9)	(1.3)
Acquisitions of noncontrolling interests	—	(0.2)	(3.2)
Distributions to noncontrolling interests and other	(8.1)	(20.2)	(6.4)
Net cash provided by (used in) financing activities	\$ 19.3	\$ (40.1)	\$ (14.6)
Net increase (decrease) in cash, cash equivalents, and restricted cash			
	17.3	37.7	(49.4)
Cash, cash equivalents, and restricted cash at the beginning of the period			
	232.8	195.1	244.5
Cash, cash equivalents, and restricted cash at the end of the period			
	\$ 250.1	\$ 232.8	\$ 195.1

See Notes to the Consolidated Financial Statements

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

1. Description of Business and Summary of Significant Accounting Policies

Description of Business

Hippo Holdings Inc., referred to herein as “Hippo” or the “Company” is an insurance holding company incorporated in Delaware. Hippo has subsidiaries that provide property and casualty insurance products to both individuals and business customers. The Company’s headquarters are located in San Jose, California.

Basis of Presentation and Consolidation

The consolidated financial statements and accompanying notes of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries where it has controlling financial interests, and any variable interest entities for which the Company is deemed to be the primary beneficiary. All intercompany transactions and balances have been eliminated in consolidation.

Certain prior period amounts have been reclassified in the consolidated financial statements to conform with current year presentation.

Use of Estimates

The preparation of the Company’s consolidated financial statements in conformity with GAAP requires management to make estimates that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include, but are not limited to, losses and loss adjustment expense (“LAE”) reserves, provision for commission slide and cancellations, reinsurance recoverable on paid and unpaid losses and LAE, the fair values of investments, stock-based awards, contingent consideration liabilities, acquired intangible assets, deferred tax assets, and uncertain tax positions. The Company evaluates these estimates on an ongoing basis. These estimates are informed by experience and other assumptions that the Company believes are reasonable under the circumstances. Actual results may differ significantly from these estimates.

Business Combinations

The Company accounts for acquisitions of entities or asset groups that qualify as businesses using the acquisition method. Purchase consideration is allocated to the tangible and intangible assets acquired and liabilities assumed based on the estimated fair values as of the acquisition date. The determination of fair value requires management to make estimates about discount rates, future expected cash flows, market conditions and other future events that are highly subjective in nature. The excess of the total purchase consideration over the fair value of the identified net assets acquired is recognized as goodwill. The results of the acquired businesses are included in the results of operations beginning from the date of acquisition. Acquisition-related costs are expensed as incurred.

During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the allocation of purchase consideration and to the fair values of assets acquired and liabilities assumed to the extent that additional information becomes available. After this period, any subsequent adjustments are recorded in the consolidated statements of operations and comprehensive income (loss).

Cash, Cash Equivalents, and Restricted Cash

Cash consists of cash on deposit. The Company considers all highly liquid securities readily convertible to cash, that mature within three months or less from the original date of purchase to be cash equivalents. This includes money market funds, commercial paper, U.S. government and agency securities, and other securities. The Company’s restricted cash relates to cash restricted to support collateral to insurers and fiduciary assets. Restricted cash includes fiduciary assets of \$28.7 million and \$25.0 million as of December 31, 2025 and December 31, 2024, respectively.

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

Fiduciary Assets and Liabilities

In its capacity as an insurance agent and broker, the Company collects premiums from insureds and, after deducting its commission, remits the premiums to the respective insurers. The Company also processes claims on behalf of insurers and collects claims from insurers on behalf of insureds. Premiums collected from insureds but not yet remitted to insurance companies and claims collected from insurance companies but not yet remitted to insureds are fiduciary assets. Fiduciary assets are recorded within restricted cash in the Company's consolidated balance sheets. Unremitted insurance premiums and claims held in a fiduciary capacity and the obligation to remit these funds is recorded as fiduciary liabilities within accrued expenses and other liabilities in the consolidated balance sheets.

Surplus Note

The surplus note is presented at its carrying value, which is its remaining par or face amount net of any related unamortized issuance costs. Issuance costs are amortized using the effective rate interest method. Amortization is recognized as a component of current interest expense.

Segment Reporting

Due to organizational changes and how the chief operating decision maker ("CODM") views the business, makes operating decisions, assesses financial performance and allocates resources, beginning in the third quarter of 2025, the Company has determined that it currently operates as a single operating and reportable segment at the consolidated level. Prior period segment results and related disclosures have been recast to conform to the current period segment presentation. See Note 19, Segments for further details.

Investments

The Company has categorized its investment portfolio as available-for-sale and has reported the portfolio at fair value, adjusted for allowance for expected credit losses, with unrealized gains and losses, net of tax, reported as an amount in other comprehensive loss. Fair values are based on quoted market prices or dealer quotes, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities. Amortization of premium and accretion of discount are computed using the scientific method (constant yield to worst). Realized gains and losses are determined using specific identification method and included in the determination of income. Net investment income includes interest and dividend income, amortization and accretion of investment premiums and discounts, respectively, realized gains and losses on sales of securities, and changes in the allowance for expected credit losses in the fair value of securities, if any.

The Company reviews all securities with unrealized losses on a quarterly basis to assess whether the decline in the securities fair value necessitates the recognition of an allowance for credit losses. Factors considered in the review include the extent to which the fair value has been less than amortized cost, and current market interest rates and whether the unrealized loss is credit-driven or a result of changes in market interest rates. The Company also considers factors specific to the issuer including the general financial condition of the issuer, the issuers industry and future business prospects, any past failure of issuer to make scheduled interest or principal payments, and the payment structure of the investment and the issuers ability to make contractual payments on the investment.

The Company also considers whether it intends to sell the security or if it is more likely than not that it will be required to sell the security before recovery of its amortized cost. When assessing whether it intends to sell a fixed-maturity security or if it is likely to be required to sell a fixed-maturity security before recovery of its amortized cost, the Company evaluates facts and circumstances including, but not limited to, decisions to reposition the investment portfolio, potential sales of investments to meet cash flow needs, and potential sales of investments to capitalize on favorable pricing.

For fixed-maturity securities where a decline in fair value is below the amortized cost basis and the Company intends to sell the security, or it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost, a credit-loss charge is recognized in net income based on the fair value of the security at the time of assessment. For fixed-maturity securities that the Company has the intent and ability to hold, the Company compares the estimated present value of the cash flows expected to be collected to the

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

amortized cost of the security. The extent to which the estimated present value of the cash flows expected to be collected is less than the amortized cost of the security represents the credit-related portion of the impairment, which is recognized in net income through an allowance for credit losses. Any remaining decline in fair value represents the noncredit portion of the impairment, which is recognized in other comprehensive income.

The Company did not identify any available-for-sale securities as of December 31, 2025 which presented a risk of loss due to credit deterioration of the security.

Fair Value of Financial Instruments

The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions, and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

- Level 1 — Quoted prices in active markets for identical assets or liabilities that are publicly accessible at the measurement date.
- Level 2 — Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 — Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company's financial instruments include cash equivalents, restricted cash, fixed maturities, short-term investments, accounts receivable, accounts payable, assumed and ceded reinsurance contracts. Cash equivalents and restricted cash are principally stated at amortized cost, which approximates their fair value. Fixed maturities and short-term investments are reported at fair value, and are primarily valued using prices obtained from independent third-party pricing services. The recorded carrying amount of accounts receivable, assumed and ceded reinsurance contracts, and accounts payable approximates their fair value due to their short-term nature.

Concentration of Credit Risks

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily comprised of cash and cash equivalents, short-term investments, fixed maturities available-for-sale, and reinsurance recoverables. Cash deposits may, at times, exceed amounts insured by the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation. However, its exposure to credit risk in the event of default by the financial institutions is limited to the extent of amounts recorded on the consolidated balance sheet. The Company performs evaluations of the relative credit standing of these financial institutions to limit the amount of credit exposure. The Company has not experienced any losses on its deposits of cash and cash equivalents to date. The Company limits its exposure to credit losses by investing in money market funds, U.S. government securities, or securities with average credit quality of AA- or better. Premium receivables are a mix of receivables due from policyholders, agents, and program administrators. The Company has no significant off-balance-sheet concentration of credit risks such as foreign exchange contracts, option contracts, or other foreign hedging arrangements.

The Company enters into quota share and excess of loss contracts which may be susceptible to catastrophe exposure. The ceding of insurance does not legally discharge the Company from its primary liability for the full amount of the policy coverage, and therefore the Company will be required to pay the loss and bear collection risk if

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

the reinsurer fails to meet its obligations under the reinsurance agreement. To minimize exposure to significant losses from reinsurance insolvencies, the Company evaluates the financial condition of its reinsurers, monitors concentrations of credit risk and, in certain circumstances, holds substantial collateral (in the form of funds withheld and letters of credit) as security under the reinsurance agreements.

Accounts Receivable

Accounts receivable consists of premium receivables and commission receivables and is reported net of an allowance for premium amounts or estimated uncollectible commission. Generally premiums and commissions are collected prior to providing coverage, minimizing the Company's exposure to credit risk. Premiums and commissions receivable are short-term in nature and due within a year. The Company has established an allowance for uncollectible premiums and commissions related to credit risk, which it reviews on a quarterly basis. In its review, the Company considers length of collection periods, the creditworthiness of the insured, economic environment, specific regulatory developments and other relevant factors. Amounts deemed to be uncollectible are written off against the allowance.

Write-offs of receivables have not been material to the Company during the years ended December 31, 2025, 2024 and 2023.

Reinsurance

Reinsurance recoverable, including amounts related to incurred but not reported claims ("IBNR"), represent paid losses and LAE and reserves for unpaid losses and LAE ceded to reinsurers that are subject to reimbursement under reinsurance treaties. To minimize exposure to losses related to a reinsurer's inability to pay, the financial condition of such reinsurer is evaluated initially upon placement of the reinsurance and periodically thereafter. In addition to considering the financial condition of a reinsurer, the collectability of the reinsurance recoverable is evaluated based upon a number of other factors. Such factors include the amounts outstanding, length of collection periods, disputes, any collateral or letters of credit held and other relevant factors. Historically, the Company has not experienced any credit losses from reinsurance recoverables as of December 31, 2025 and 2024, respectively. The Company evaluates its reinsurance recoverables on a quarterly basis for risk of loss due to credit deterioration, including evaluating historical collection trends, reinsurer credit ratings, and other economic factors that may affect collectability of its reinsurance receivables due to credit deterioration. To the extent that an allowance for uncollectible reinsurance recoverable is established, amounts deemed to be uncollectible would be written off against the allowance for estimated uncollectible reinsurance recoverable. The Company currently has no material allowance for uncollectible reinsurance recoverable.

Ceded premium written is recorded in accordance with the applicable terms of the reinsurance contracts and ceded premium earned is charged against revenue over the period of the reinsurance contracts. Ceded losses incurred reduce net losses and LAE incurred over the applicable periods of the reinsurance contracts with third-party reinsurers.

Loss participation features in the reinsurance agreements are estimated at each reporting period and recorded as an adjustment to losses and LAE.

Commission slide features in the reinsurance agreements are estimated at each reporting period and recorded as an adjustment to commission income, net.

For ceded reinsurance, risk transfer requirements must be met for reinsurance accounting to apply. If risk transfer requirements are not met, the contract is accounted for as a deposit, resulting in the recognition of cash flows under the contract through a deposit asset or liability and not as revenue or expense. To meet risk transfer requirements, a reinsurance contract must include both insurance risk, consisting of both underwriting and timing risk, and a reasonable possibility of a significant loss for the assuming entity. Similar risk transfer criteria are used to determine whether directly written insurance contracts should be accounted for as insurance or as a deposit.

Prepaid reinsurance premiums represents the unearned portion of premiums ceded to reinsurers.

Amounts recoverable from reinsurers are estimated in a manner consistent with the liability associated with the reinsured business and consistent with the terms of the underlying contract.

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

Deferred Policy Acquisition Costs, net of Ceding Commissions

Incremental direct costs of acquiring insurance contracts and certain costs related directly to the acquisition process are deferred and amortized over the term of the policies or reinsurance treaties to which they relate. Those costs include commissions, premium taxes, and board and bureau fees. Ceding commissions relating to reinsurance agreements are recorded as a reimbursement for both deferrable and non-deferrable acquisition costs. The portion of the ceding commission that is equal to the pro-rata share of acquisition costs based on quota share percentage is recorded as an offset to the direct deferred acquisition costs. Any portion of the ceding commission that exceeds the deferrable acquisition costs of the business ceded is recorded as a deferred liability and amortized over the same period in which the related premiums are earned. The amortization of deferred policy acquisition costs is included in insurance related expenses on the consolidated statements of operations and comprehensive income (loss).

Premium Deficiency

A premium deficiency is recognized if the sum of expected losses and LAE, unamortized acquisition costs, and policy maintenance costs exceeds the remaining unearned premiums. A premium deficiency would first be recognized by charging any unamortized acquisition costs to expense to the extent required to eliminate the deficiency. If the premium deficiency was greater than unamortized acquisition costs, a liability would be accrued for the excess deficiency. The Company considers anticipated investment income when determining if a premium deficiency exists. The Company did not recognize a premium deficiency as of December 31, 2025, 2024 and 2023.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and is reflected within other assets on the consolidated balance sheets. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful life of thirty-nine years for buildings, five years for furniture, fixtures, and equipment, and three years for computer equipment. Leasehold improvements are also depreciated using the straight-line method and are amortized over the shorter of the remaining term of the lease or the useful life of the improvement. Depreciation expense totaled \$1.5 million, \$2.0 million and \$2.3 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Expenditures for improvements are capitalized, and expenditures for maintenance and repairs are expensed as incurred. Upon sale or retirement, the cost and related accumulated depreciation is removed from the related accounts, and the resulting gain or loss, if any, is reflected in other (income) expense in the consolidated statements of operations and comprehensive income (loss).

Leases

Leases arise from contractual obligations that convey the right to control the use of an identified property, plant or equipment for a stated time period in exchange for consideration. The Company determines if an arrangement is, or contains a lease at contract inception. Lease classification is determined at the lease commencement date, on which the leased assets are available for the Company's use. The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability at commencement date for operating leases. ROU assets are presented under other assets, and lease liabilities are presented under accrued expenses and other liabilities in the consolidated balance sheets. The Company did not have any material finance leases in the periods presented.

ROU assets represent the Company's right to use an underlying asset during the lease term and lease liabilities represent the Company's obligation to make payments during the lease term. ROU assets are recognized at the lease commencement date for the lease liability amount, adjusted for initial direct costs incurred and lease incentives received. Lease liabilities are recognized at commencement based on the present value of the future lease payments over the lease term. Lease terms may include options to extend or terminate the lease when the Company believes it is reasonably certain that the Company will exercise such options. Since the implicit discount rate for operating leases is not readily determinable, the Company uses an estimate of its incremental borrowing rate ("IBR") on the lease commencement date in determining the present value of lease payments. IBR is determined based on information available at lease commencement including interest rates, credit ratings, credit spreads, and lease term. Operating lease expense is recognized on a straight-line basis over the lease term.

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

The Company accounts for lease and non-lease components as a single lease component. Accordingly, the Company includes fixed non-lease components with lease payments for the purpose of calculating lease right-of-use assets and liabilities. Non-lease components that are not fixed are expensed as incurred as variable lease payments. The Company does not record leases on the balance sheet that have a term of 12 months or less at the lease commencement date.

Capitalized Internal Use Software

The Company capitalizes the costs to develop its internal use software when preliminary development efforts are successfully completed, management has authorized and committed project funding, it is probable that the project will be completed, and the software will be used as intended. Such costs are amortized on a straight-line basis over the estimated useful life of five years. Costs incurred prior to meeting these criteria, in addition to costs incurred for training and maintenance, are expensed as incurred. The amortization expense is recognized within insurance related expenses in the Company's statement of operations and comprehensive income (loss).

Acquired Intangible Assets

The Company accounts for business combinations using the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recorded at their fair values as of the acquisition date on the consolidated balance sheets. Any excess of purchase price over the fair value of net assets acquired is recorded as goodwill. The determination of estimated fair value requires the Company to make significant estimates and assumptions. Transaction costs associated with business combinations are expensed as they are incurred.

Included in the purchase price of an acquisition may be an estimation of the fair value of liabilities associated with contingent consideration. The fair value of contingent consideration is based upon the present value of the expected future payments to be made to the sellers of an acquired business in accordance with the provisions contained in the respective purchase agreements. Subsequent changes in the fair value of contingent consideration are recorded in the consolidated statements of operations and comprehensive income (loss).

When the Company determines that net assets acquired does not meet the definition of a business combination under the acquisition method of accounting, the transaction is accounted for as an acquisition of assets and, therefore, no goodwill is recorded.

Amortization and Impairment

Intangible assets with finite useful lives are amortized over their estimated useful lives in the consolidated statements of operations and comprehensive income (loss). The amortization expense is included in technology and development expenses for developed technology and sales and marketing expenses for customer relationships, agency relationships, carrier relationships, and other.

Indefinite-lived intangible assets are not amortized but are tested for impairment annually, or more frequently if necessary. Indefinite-lived intangible assets are tested for impairment by comparing the estimated fair value of the asset to the asset's carrying value. If the carrying value of the asset exceeds its estimated fair value, an impairment loss is recognized, and the asset is written down to its estimated fair value. There were no material impairment losses recognized on indefinite-lived intangible assets during the years ended December 31, 2025 and 2024.

The Company evaluates the recoverability of long-lived assets, excluding goodwill and indefinite-lived intangible assets, whenever events or changes in circumstances indicate the carrying value of such assets may not be recoverable. Should there be an indication of impairment, the Company tests for recoverability by comparing the estimated undiscounted future cash flows expected to result from the use of the asset to the carrying amount of the asset or asset group. If the asset or asset group is determined to be impaired, any excess of the carrying value of the asset or asset group over its estimated fair value is recognized as an impairment loss. There were no material impairment losses recognized on long-lived assets during the years ended December 31, 2025 and 2024.

HIPPO HOLDINGS INC.

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Losses and Loss Adjustment Expense Reserve

The reserve for unpaid losses and loss adjustment expenses include estimates for unpaid claims, claims adjustment expenses on reported losses and estimates of losses incurred but not reported, net of salvage and subrogation recoveries. The liability is based on the Company's best estimate of the amounts yet to be paid for all loss and loss adjustment expenses that will be paid on claims that occurred during the period and prior, whether those claims are currently known or unknown.

Losses and loss adjustment reserves are the amount of ultimate loss and loss adjustment expense less the paid amounts as of the balance sheet date.

Ultimate losses and loss adjustment expense is the sum of the following items:

1. Losses and loss adjustment expense paid through a given evaluation date
2. Case reserves for loss and loss adjustment expense for losses that have been reported but not yet paid as of a given evaluation date
3. IBNR for losses and loss adjustment expense include an estimate for future loss payments on incurred claims not yet reported and for expected development on reported claims

Case reserves are established within the claims adjustment process based on all known circumstances of a claim at the time. In addition, IBNR reserves are established by the Company based on reported loss and loss adjustment expenses and estimates of ultimate loss and loss adjustment expenses based on generally accepted actuarial reserving techniques that consider quantitative loss experience data and qualitative factors as appropriate.

The most significant assumptions used in the determination of the recorded reserve for loss and loss adjustment expenses are historical aggregate claim reporting and payment patterns, which is assumed to be indicative of future loss development and trends. Additionally, claim counts are used for analyses relating to natural disasters, such as hurricanes, earthquakes, and wildfires as losses from these events are inherently more difficult to estimate due to the potential exposure of the catastrophic events. Other assumptions considered include information developed from internal and independent external sources such as premium, rate and cost trends, litigation and regulatory trends, legislative activity, climate change, social and economic patterns.

Inherent in the estimates of ultimate loss and loss adjustment expenses are expected trends in claims severity and frequency among other factors that could vary significantly as claims are settled. The Company's loss and loss adjustment expense reserves are continually reviewed, and adjustments, if any, are reflected in current operations in the consolidated statements of operations and comprehensive income (loss) in the period in which they become known. The establishment of new losses and loss adjustment expense reserves or the adjustment of previously recorded loss and loss adjustment expense reserves could result in significant positive or negative changes to the Company's financial condition for any particular period. While the Company believes that it has made a reasonable estimate of losses and loss adjustment expense reserves, the ultimate loss experience may not be as reliably predicted as may be the case with other insurance expenses, and it is possible that actual loss and loss adjustment expenses will be higher or lower than the loss and loss adjustment reserve amount recorded by the Company.

Provision for Commission

Provision for commission includes return commission payable to insurers, or commission slide, based on the actual performance of insurance policies placed by the Company against a contractual range of performance targets. The Company's reserve estimation is based on current and historical performance of the portfolio of insurance policies placed with the insurance carriers.

Provision for commission also includes cancellation reserves which represent the Company's estimate of return commission payable to insureds based on policy cancellations after the effective date. The Company's estimation for the reserve uses historical policy cancellation.

The return commission payable to insurers and cancellation reserves are based on assumptions and estimates, and while management believes the amount recorded is the Company's best estimate, the ultimate liability

HIPPO HOLDINGS INC.

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may differ from the amount recorded. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period in which they become known.

Revenue Recognition

Net Earned Premium

Net earned premium represents the earned portion of the Company's gross written premium for insurance policies written or assumed by the Company and less the earned portion of ceded written premium (any portion of the Company's gross written premium that is ceded to third-party reinsurers under the Company's reinsurance agreements). The Company earns written premiums on a pro-rata basis over the term of the policies.

Commission Income, Net

Commission income, net includes agency commission which the Company earns from the unaffiliated carriers whose policies it sells, ceding commission on the premium the Company cedes to third-party reinsurers, and fronting fees from the managing general agent ("MGA") programs it supports. Agency commission revenue is recognized when the related performance obligations are satisfied. The performance obligation from the agency contracts is the placement of the insurance policies. The Company recognizes agency commission received from insurers for the sale of insurance contracts as revenue at a point in time on the policy effective dates. The Company earns commission on ceded reinsurance premium in a manner consistent with the recognition of the earned premium on the underlying insurance policies, on a pro-rata basis over the terms of the policies reinsured. The Company earns fronting fees in a manner consistent with the recognition of the earned premium on the underlying insurance policies, on a pro-rata basis over the terms of the policies.

Service and Fee Income

Service and fee income mainly represents policy fees and other revenue. The Company directly bills policyholders for policy fees and collect and retain fees per the terms of the contracts between the Company and its insurers. Similar to the commission revenue, the Company estimates a cancellation reserve for policy fees using historical information. The performance obligation associated with these fees is satisfied at a point in time upon completion of the underwriting process, which is the policy effective date. Accordingly, the Company recognizes all fees as revenue on the policy effective date.

Net Investment Income

Net investment income represents interest earned from fixed maturity securities, short-term investments and other investments, and the gains or losses from the sale of investments. The Company's cash and invested assets primarily consist of fixed-maturity securities, and may also include cash and cash equivalents, equity securities, and short-term investments. The principal factors that influence net investment income are the size of its investment portfolio and the yield on that portfolio. As measured by amortized cost (which excludes changes in fair value, such as changes in interest rates), the size of its investment portfolio is mainly a function of its invested equity capital along with premiums the Company receives from its customers less payments on customer claims.

Net investment income also includes an insignificant amount of net realized gains (losses) on investments, which are a function of the difference between the amount received by us on the sale of a security and the security's amortized cost, as well as any allowances for credit losses recognized in earnings, if any.

Disaggregated Revenue

The following table disaggregates the Company's revenues by major source:

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	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Net earned premium	\$ 380.1	\$ 272.5	\$ 107.5
Agency commissions, net	20.9	32.6	23.8
Ceding commissions, net	30.4	30.7	38.9
Service, fee, and other revenue	11.8	11.9	16.4
Net investment income	25.4	24.4	23.1
Total revenue, net	\$ 468.6	\$ 372.1	\$ 209.7

Materially all revenues for the years ended December 31, 2025, 2024 and 2023 are from business conducted in the United States.

Insurance-Related Expenses

Insurance related expenses primarily consist of amortization of direct acquisition commission costs and premium taxes incurred on the successful acquisition of business written on a direct basis and credit card processing fees not charged to the Company's customers. Insurance related expenses also include employee compensation (including stock-based compensation and benefits) of the Company's underwriting teams, amortization of capitalized internal use software, as well as allocated occupancy costs and related overhead based on headcount. Insurance related expenses are offset by a portion of ceding commission income, which represents reimbursement of successful acquisition costs related to the underlying policies. Additionally, insurance related expenses include the costs of providing bound policies and delivering claims services to the Company's customers. These costs include underwriting technology service costs including software, data services used for performing underwriting, and third-party call center costs in addition to personnel-related costs.

Technology and Development Expenses

Technology and development expenses primarily consist of employee compensation (including stock-based compensation and benefits) for the Company's technology staff, which includes technology development, infrastructure support, actuarial, and third-party services. Technology and development expenses also includes allocated facility costs and related overhead based on headcount.

Sales and Marketing Expenses

Sales and marketing expenses primarily consist of sales commissions, advertising costs, and marketing expenditures, as well as employee compensation (including stock-based compensation and benefits) for employees engaged in sales, marketing, data analytics, and customer acquisition. The Company expenses advertising costs as incurred. Sales and marketing expenses also include allocated facility costs and related overhead based on headcount. Advertising costs were \$2.1 million, \$3.3 million and \$10.2 million for the years ended December 31, 2025, 2024 and 2023, respectively.

General and Administrative Expenses

General and administrative expenses primarily consist of employee compensation (including stock-based compensation and benefits) for the Company's finance, human resources, legal, and general management functions as well as facilities, insurance, and professional services.

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Impairment and Restructuring Charges

Impairment and restructuring charges consist of non-cash impairment charges relating to leases. It also consists of severance and other personnel costs associated with exit and disposal activities as well as reductions in workforce.

Interest and other (income) expense, net

Interest and other (income) expense, net primarily consists of interest expense on the Company's surplus note, as well as certain fair value adjustments and other non-operating income expenses.

Gain on Sale of Business

Gain on sale of business is measured as the fair value of consideration received in excess of the carrying value of the assets and liabilities sold.

Stock-Based Compensation Expense

The Company recognizes stock-based compensation expense based on the estimated fair value of equity-based payment awards on the date of grant, using the Black-Scholes-Merton option-pricing model or the Monte Carlo valuation model for market-based awards. The Company recognizes stock-based compensation expenses for the value of its awards granted, based on the straight-line method over the requisite service period of each of the awards in the Company's consolidated statements of operations and comprehensive income (loss). The Company has elected to record forfeitures as they occur.

Income Taxes

The Company accounts for income taxes using the asset and liability method, under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between consolidated financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. The effect on deferred taxes of a change in tax rate is recognized in income in the period that includes the enactment date.

The Company accounts for application of the U.S. Global Intangible Low Taxed Income rules by recognizing the tax in the period in which it is incurred.

The Company determines whether it is more likely than not that a tax position will be sustained upon examination. If it is not more likely than not that a position will be sustained, no amount of benefit attributable to the position is recognized. The tax benefit to be recognized of any tax position that meets the more-likely-than-not recognition threshold is calculated as the largest amount that is more than 50% likely of being realized upon resolution of the contingency.

Net Income (Loss) Per Share Attributable to Common Stockholders of Hippo Holdings Inc.

Basic and diluted net income (loss) per share attributable to common stockholders of Hippo Holdings Inc. is presented in conformity with the two-class method required for common stock and participating securities. Under the two-class method, net income (loss) is attributed to common stockholders and participating securities based on their participation rights. The Company considers all series of its unvested common stock to be participating securities as holders of such securities have non-forfeitable dividend rights in the event of the Company's declaration of a dividend for shares of common stock.

Under the two-class method, the net income (loss) attributable to common stockholders of Hippo Holdings Inc. is not allocated to the unvested common stock as these securities do not have a contractual obligation to share in the Company's income or losses.

Distributed and undistributed earnings allocated to participating securities are subtracted from net income (loss) in determining net income (loss) attributable to common stockholders. Under the two-class method, basic net income (loss) per share attributable to common stockholders is computed by dividing the net income (loss)

HIPPO HOLDINGS INC.

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attributable to common stockholders by the weighted-average shares used in computing net income (loss) per share attributable to common stockholders.

For periods in which the Company reports net losses, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders because potentially dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures*, which requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. This ASU is effective for public companies with annual periods beginning after December 15, 2024, with early adoption permitted. The Company is required to adopt the guidance for its Annual Report on Form 10-K for the year ended December 31, 2025. The Company has adopted the provisions of ASU 2023-09 on a prospective basis and have included the required disclosures in this Annual Report.

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Disaggregation of Income Statement Expenses*, which requires additional disclosure of the nature of expenses included in the income statement in response to longstanding requests from investors for more information about an entity's expenses. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. This ASU is effective for public companies with annual periods beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027. The requirements will be applied prospectively with the option for retrospective application. Early adoption is permitted.

In January 2025, the FASB issued ASU No. 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures: Clarifying the Effective Date*, clarifying the interim reporting date when an entity must adopt ASU No. 2024-03. According to ASU No. 2025-01, ASU No. 2024-03 is effective for interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact of this standard on its consolidated financial statements and does not expect this standard to have a material impact on its financial statements.

In July 2025, the FASB issued ASU No. 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides (1) all entities with a practical expedient and (2) entities other than public business entities with an accounting policy election when estimating credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. This ASU is effective for annual reporting periods beginning after December 15, 2025 and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. The Company is currently evaluating the impact of these amendments to its consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*, which amends guidance related to the accounting for internal-use software development costs. The amendments are intended to modernize the recognition and capitalization framework to reflect current software development practices, including iterative and agile methodologies, by removing references to "development stages." It also clarifies the criteria for capitalization, which begins when both of the following occur: (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. This ASU is effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods. Early adoption is permitted. The Company is currently evaluating the impact the new accounting standard will have on its policy for capitalization of development costs for software intended for internal use.

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In December 2025, the FASB issued ASU No. 2025-12, *Codification Improvements*, which addresses thirty-three items, representing the changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. Generally, the amendments in this Update are not intended to result in significant changes for most entities. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2026. The adoption method of this ASU may vary, on an issue-by-issue basis. Early adoption is permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements and does not expect this standard to have a material impact on its financial statements.

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Notes to Consolidated Financial Statements

2. Investments

The amortized cost and fair value of fixed maturities securities and short-term investments are as follows:

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
(in millions)				
Fixed maturities available-for-sale:				
U.S. government and agencies	\$ 75.7	\$ 0.1	\$ (0.1)	\$ 75.7
States and other territories	8.2	0.1	(0.1)	8.2
Corporate securities	144.0	2.6	(0.2)	146.4
Residential mortgage-backed securities	38.2	0.4	(0.9)	37.7
Commercial mortgage-backed securities	5.2	—	(0.2)	5.0
Asset backed securities	20.4	—	—	20.4
Total fixed maturities available-for-sale	291.7	3.2	(1.5)	293.4
Short-term investments:				
U.S. government and agencies	103.5	—	—	103.5
Corporate securities	49.0	—	—	49.0
Total short-term investments	152.5	—	—	152.5
Total	\$ 444.2	\$ 3.2	\$ (1.5)	\$ 445.9

	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
(in millions)				
Fixed maturities available-for-sale:				
U.S. government and agencies	\$ 24.8	\$ —	\$ (0.2)	\$ 24.6
States and other territories	11.2	—	(0.3)	10.9
Corporate securities	131.8	0.8	(1.1)	131.5
Residential mortgage-backed securities	21.5	—	(1.5)	20.0
Commercial mortgage-backed securities	7.2	0.1	(0.4)	6.9
Asset backed securities	11.8	—	—	11.8
Total fixed maturities available-for-sale	208.3	0.9	(3.5)	205.7
Short-term investments:				
U.S. government and agencies	118.5	—	—	118.5
Commercial paper	17.5	—	—	17.5
Corporate securities	31.6	—	—	31.6
Total short-term investments	167.6	—	—	167.6
Total	\$ 375.9	\$ 0.9	\$ (3.5)	\$ 373.3

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

The following tables present the gross unrealized losses and related fair values for the Company's investments in available-for-sale debt securities and short-term investments, grouped by duration of time in a continuous unrealized loss position as of December 31, 2025 and December 31, 2024:

	December 31, 2025					
	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions)					
Fixed maturities available-for-sale:						
U.S. government and agencies	\$ 17.1	\$ —	\$ 3.2	\$ (0.1)	\$ 20.3	\$ (0.1)
States and other territories	0.9	—	2.6	(0.1)	3.5	(0.1)
Corporate securities	7.5	—	8.6	(0.2)	16.1	(0.2)
Residential mortgage-backed securities	7.2	—	8.6	(0.9)	15.8	(0.9)
Commercial mortgage-backed securities	0.8	—	2.9	(0.2)	3.7	(0.2)
Asset backed securities	13.0	—	0.2	—	13.2	—
Short-term investments:						
Corporate securities	6.2	—	—	—	6.2	—
Total	\$ 52.7	\$ —	\$ 26.1	\$ (1.5)	\$ 78.8	\$ (1.5)

	December 31, 2024					
	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions)					
Fixed maturities available-for-sale:						
U.S. government and agencies	\$ 14.5	\$ (0.1)	\$ 1.9	\$ (0.1)	\$ 16.4	\$ (0.2)
States and other territories	5.0	(0.1)	5.5	(0.2)	10.5	(0.3)
Corporate securities	55.2	(0.5)	25.4	(0.6)	80.6	(1.1)
Residential mortgage-backed securities	7.4	(0.1)	10.1	(1.4)	17.5	(1.5)
Commercial mortgage-backed securities	0.4	—	4.1	(0.4)	4.5	(0.4)
Asset backed securities	—	—	4.1	—	4.1	—
Short-term investments:						
U.S. government and agencies	—	—	—	—	—	—
Commercial paper	6.3	—	—	—	6.3	—
Corporate securities	7.4	—	—	—	7.4	—
Total	\$ 96.2	\$ (0.8)	\$ 51.1	\$ (2.7)	\$ 147.3	\$ (3.5)

The Company has determined that unrealized losses as of December 31, 2025 and December 31, 2024 resulted from the interest rate environment, rather than a deterioration of the creditworthiness of the issuers.

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Therefore, an allowance for credit losses was not necessary as it is more likely than not that the Company will not be required to sell the investments before the recovery of the amortized cost basis or until maturity. As of December 31, 2025, none of the Company's fixed-maturity portfolio was unrated or rated below investment grade.

The amortized cost and fair value of fixed-maturities securities by contractual maturity are as follows:

	December 31, 2025	
	Amortized Cost	Fair Value
	(in millions)	
Due to mature:		
One year or less	\$ 38.0	\$ 38.1
After one year through five years	154.6	155.6
After five years through ten years	34.2	35.5
After ten years	1.1	1.1
Residential mortgage-backed securities	38.2	37.7
Commercial mortgage-backed securities	5.2	5.0
Asset backed securities	20.4	20.4
Total fixed maturities available-for-sale	\$ 291.7	\$ 293.4

Expected maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

Net realized gains and losses on fixed-maturity securities were insignificant for the years ended December 31, 2025, 2024 and 2023, respectively.

The Company's net investment income is comprised of the following:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Investment income	\$ 25.9	\$ 24.9	\$ 23.6
Investment expenses	(0.5)	(0.5)	(0.5)
Net investment income	\$ 25.4	\$ 24.4	\$ 23.1

Pursuant to certain regulatory requirements, the Company is required to hold assets on deposit with various state insurance departments for the benefit of policyholders. These special deposits are included in cash and cash equivalents, fixed maturities, or short-term investments on the consolidated balance sheets. The carrying value of securities on deposit with state regulatory authorities total \$13.3 million and \$12.2 million as of December 31, 2025 and December 31, 2024, respectively.

3. Fair Value Measurement

The following table summarizes the Company's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis:

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	December 31, 2025			
	Level 1	Level 2	Level 3	Total
	(in millions)			
Financial assets:				
Cash, cash equivalents, and restricted cash	\$ 250.1	\$ —	\$ —	\$ 250.1
Fixed maturities available-for-sale:				
U.S. government and agencies	75.7	—	—	75.7
States and other territories	—	8.2	—	8.2
Corporate securities	—	146.4	—	146.4
Residential mortgage-backed securities	—	37.7	—	37.7
Commercial mortgage-backed securities	—	5.0	—	5.0
Asset backed securities	—	20.4	—	20.4
Total fixed maturities available-for-sale	75.7	217.7	—	293.4
Short-term investments				
U.S. government and agencies	103.5	—	—	103.5
Corporate securities	—	49.0	—	49.0
Total short-term investments	103.5	49.0	—	152.5
Total financial assets	\$ 429.3	\$ 266.7	\$ —	\$ 696.0

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(in millions)			
Financial assets:				
Cash, cash equivalents, and restricted cash	\$ 232.8	\$ —	\$ —	\$ 232.8
Fixed maturities available-for-sale:				
U.S. government and agencies	24.6	—	—	24.6
States and other territories	—	10.9	—	10.9
Corporate securities	—	131.5	—	131.5
Foreign securities	—	—	—	—
Residential mortgage-backed securities	—	20.0	—	20.0
Commercial mortgage-backed securities	—	6.9	—	6.9
Asset backed securities	—	11.8	—	11.8
Total fixed maturities available-for-sale	24.6	181.1	—	205.7
Short-term investments				
U.S. government and agencies	118.5	—	—	118.5
Commercial paper	—	17.5	—	17.5
Corporate securities	—	31.6	—	31.6
Total short-term investments	118.5	49.1	—	167.6
Total financial assets	\$ 375.9	\$ 230.2	\$ —	\$ 606.1

Financial liabilities:				
Contingent consideration liability	\$ —	\$ —	\$ 11.7	\$ 11.7
Total financial liabilities	\$ —	\$ —	\$ 11.7	\$ 11.7

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The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of each reporting period. There were no other transfers between levels in the fair value hierarchy during the years ended December 31, 2025.

Contingent Consideration

The contingent consideration, relating to the Company's 2019 acquisition of North American Advantage Insurance Services, LLC is re-valued to fair value at the end of each reporting period using the present value of future payments based on an estimate of revenue and customer renewals of the acquiree. North American Advantage Insurance Services, LLC's ultimate parent company was Lennar Corporation, a related party of the Company. The contingent consideration liability was part of the net assets transferred in the sale of the Company's homebuilder distribution network. See Note 18, Acquisitions and Dispositions for further details.

Non-Recurring Fair Value Measurements

The Company has a 19.2% ownership stake in First Connect Insurance Services ("First Connect"), a non-public company. The Company estimates the fair value on a non-recurring basis using the fair value of First Connect's common stock, as applicable. Because of the nature of the unobservable inputs, the Company classifies this retained interest as Level 3 in the fair value hierarchy. The fair value of the Company's investment was \$4.5 million and \$4.1 million as of December 31, 2025 and 2024, is included in Other Assets on the consolidated balance sheets. See Note 18, Acquisitions and Dispositions for further details.

4. Intangible Assets

	Weighted - Average Useful Life Remaining (in years)	December 31,					
		2025			2024		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
(in millions)							
Agency and carrier relationships	2.7	\$ 3.4	\$ (2.2)	\$ 1.2	\$ 3.4	\$ (1.8)	\$ 1.6
State licenses and domain name	Indefinite	10.5	—	10.5	10.5	—	10.5
Customer relationships	4.9	3.0	(0.9)	2.1	18.5	(13.8)	4.7
Other	—	0.4	(0.4)	—	0.8	(0.6)	0.2
Total intangible assets, net		\$ 17.3	\$ (3.5)	\$ 13.8	\$ 33.2	\$ (16.2)	\$ 17.0

Amortization expense related to intangible assets for the years ended December 31, 2025, 2024 and 2023 was \$1.7 million, \$4.6 million, \$4.4 million, respectively. The amortization expense is primarily included in sales and marketing expenses for customer relationships, agency and carrier relationships, and other on the consolidated statements of operations and comprehensive income (loss).

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

As of December 31, 2025, the projected annual amortization expense for the Company's intangible assets for the next five years is as follows:

Years Ending December 31,	
(in millions)	
2026	\$ 0.9
2027	0.9
2028	0.7
2029	0.4
2030	0.4
Thereafter	—
Total	\$ 3.3

5. Capitalized Internal Use Software

	December 31,	
	2025	2024
	(in millions)	
Capitalized internal use software	\$ 102.6	\$ 95.0
Less: accumulated amortization	(59.6)	(46.9)
Total capitalized internal use software, net ⁽¹⁾	<u>\$ 43.0</u>	<u>\$ 48.1</u>

⁽¹⁾ This balance is net of an asset impairment charge of \$3.8 million and is recognized in the Impairment and restructuring charges in the consolidated statements of operations and comprehensive income (loss) for the year ended December 31, 2025.

Amortization expense related to capitalized internal use software for the years ended December 31, 2025, 2024 and 2023 was \$17.1 million, \$16.6 million, and \$13.1 million, respectively. The amortization expense is included in insurance related expenses on the consolidated statements of operations and comprehensive income (loss).

6. Other Assets

	December 31,	
	2025	2024
	(in millions)	
Property and equipment	\$ 31.6	\$ 33.0
Deferred policy acquisition costs	28.6	11.6
Deferred consideration	25.0	—
Prepaid expenses	5.7	6.6
Claims receivable	0.9	0.8
Lease right-of-use assets	1.6	4.7
Other	10.2	9.5
Total other assets	<u>\$ 103.6</u>	<u>\$ 66.2</u>

Policy acquisition costs deferred, net for the years ended December 31, 2025 and 2024 were \$74.0 million and \$37.4 million, respectively. The Company amortized deferred policy acquisition costs of \$57.0 million, \$45.2 million, and \$32.3 million for the years ended December 31, 2025, 2024 and 2023, respectively.

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7. Accrued Expenses and Other Liabilities

	December 31,	
	2025	2024
	(in millions)	
Claim payments outstanding	\$ 14.9	\$ 19.3
Advances from customers	10.9	8.0
Premium refund liability	11.8	11.8
Employee related accruals	9.0	5.8
Lease liability	4.5	10.0
Fiduciary liability	1.1	1.8
Contingent consideration liability	—	11.7
Other	28.5	19.0
Total accrued expenses and other liabilities	\$ 80.7	\$ 87.4

8. Surplus Note

The Company issued a surplus note on June 2, 2025 in the amount of \$50.0 million with a fixed interest rate of 9.5% for a term of 15 years. The surplus note is callable by the Company in 7 years. Interest on the outstanding principal is payable on September 1 and March 1 every year. Payment of principal and interest requires regulatory approval before such payment may be made. The Company paid \$1.2 million in interest for the year ended December 31, 2025.

	December 31,	
	2025	2024
	(in millions)	
Surplus note	\$ 50.0	\$ —
Less: unamortized debt issuance costs	(2.1)	—
Total surplus note, net	\$ 47.9	\$ —

The Company's surplus note is recorded at its carrying value. The estimated fair value of the surplus note as of December 31, 2025 approximates its carrying value. The fair value measurement is classified as Level 2 within the fair value hierarchy based on the observable transaction price.

9. Losses and Loss Adjustment Expense Reserves

The liability for unpaid losses and LAE represents the Company's estimate of its obligation for claims arising from insured events that have occurred on or before the balance sheet date. The liability includes case reserves and IBNR amounts and is recorded on an undiscounted basis.

The following table presents a reconciliation of the beginning and ending reserve balances for losses and loss adjustment expenses for the years ended December 31, 2025, 2024, and 2023:

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	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Gross losses and LAE reserves at beginning of year	\$ 350.0	\$ 322.5	\$ 293.8
Less: Reinsurance recoverables on unpaid losses and LAE	(229.9)	(221.4)	(228.8)
Net losses and LAE reserves at beginning of year	120.1	101.1	65.0
Add: Incurred losses and LAE, net of reinsurance, related to:			
Current accident year	239.4	215.1	183.7
Prior accident years	(9.5)	(6.1)	(2.0)
Total net incurred losses and LAE	229.9	209.0	181.7
Deduct: Losses and LAE payments, net of reinsurance, related to:			
Current accident year	155.3	143.2	127.5
Prior accident years	63.3	46.8	18.1
Total net paid losses and LAE	218.6	190.0	145.6
Net losses and LAE reserves at end of year	131.4	120.1	101.1
Add: Reinsurance recoverables on unpaid losses and LAE at end of year	289.0	229.9	221.4
Gross losses and LAE reserves at end of year	<u>\$ 420.4</u>	<u>\$ 350.0</u>	<u>\$ 322.5</u>

The gross losses and LAE reserve is included in Losses and loss adjustment expenses and the reinsurance recoverables are included in Reinsurance recoverable on paid and unpaid losses and LAE on the consolidated balance sheets.

Prior year loss development occurs when actual losses incurred vary from the Company's previously estimated losses, which are established through the Company's losses and LAE reserve estimate processes.

Net incurred losses and LAE experienced favorable prior years development of \$9.5 million, \$6.1 million and \$2.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The prior period development for the year ended December 31, 2025 of \$9.5 million was driven primarily by favorable net loss development relating to the 2024 and prior accident years, resulting in a net release of \$6.9 million from attritional reserves and \$2.6 million from catastrophe reserves. This development was driven by improved attritional loss experience in the 2024 and 2023 accident years, primarily within property lines, which emerged more favorably than previously estimated. The impact of this development also reflects the Company's reinsurance structure in place for those accident years, specifically the loss retention features under previous quota share agreements.

The prior period development for the year ended December 31, 2024 of \$6.1 million was driven primarily by favorable net loss development relating to the 2023 and prior accident years, resulting in a net release of \$2.9 million from attritional reserves and \$3.2 million from catastrophe reserves. These changes are primarily a result of ongoing analysis of claims emergence patterns and loss trends.

The prior period development for the year ended December 31, 2023 of \$2.0 million was driven primarily by favorable net loss development relating to the 2022 accident year, resulting in a net release of \$2.1 million from

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catastrophe reserves. These changes are primarily a result of ongoing analysis of claims emergence patterns and loss trends.

There were no material changes in actuarial methodologies during the periods presented.

Short duration contract disclosures

For purposes of the development disclosures, losses and LAE reserves are disaggregated into Property and Casualty groupings based on expected claim duration characteristics and related estimation uncertainty. Property lines are generally characterized as short-tail and include coverages with shorter reporting and settlement periods, while Casualty lines are generally characterized as mid-tail, reflecting differences in the timing and uncertainty of claim payments.

The following tables present information about incurred and paid loss development as of December 31, 2025, net of reinsurance, as well as cumulative reported claim count and total of IBNR reserves. The development tables include allocated loss adjustment expenses.

Cumulative reported claim counts represent the number of reported claims by loss occurrence and does not include claims that do not result in indemnification of loss. Claim count methodologies have been applied consistently for all periods presented.

Information about incurred and paid claims development for the years ended prior to December 31, 2025 is presented as unaudited supplementary information. In addition, the following tables show incurred losses and LAE by accident year in aggregate (in millions, except for number of claims):

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Property Lines Incurred Losses and LAE development, Net of Reinsurance

	Years ended December 31,						As of December 31, 2025	
	2020*	2021*	2022*	2023*	2024*	2025	IBNR	Cumulative Number of Reported Claims
Accident Year								
2020	28.2	27.8	29.6	29.1	29.0	28.9	—	30.1
2021	—	76.6	62.8	61.6	60.2	60.8	—	40.6
2022	—	—	93.3	93.2	94.5	96.1	4.3	45.3
2023	—	—	—	167.3	162.1	154.6	8.4	46.5
2024	—	—	—	—	199.4	193.6	12.5	40.5
2025	—	—	—	—	—	214.2	44.4	29.3
Total						<u>\$748.2</u>	<u>\$ 69.6</u>	<u>232.3</u>

* Presented as unaudited required supplementary information

Property Lines Cumulative Paid Losses and LAE development, Net of Reinsurance

	2020*	2021*	2022*	2023*	2024*	2025
Accident Year						
2020	17.0	26.6	27.8	28.5	28.6	28.8
2021	—	35.3	55.7	57.6	57.5	60.0
2022	—	—	38.2	53.7	56.2	89.5
2023	—	—	—	111.9	155.6	141.8
2024	—	—	—	—	128.4	168.2
2025	—	—	—	—	—	136.9
Total paid losses and LAE, net						\$ 625.2
Total losses and LAE reserves, net						122.9
Reinsurance recoverable on losses and LAE						130.1
Gross losses and LAE reserve						<u>\$ 253.0</u>

* Presented as unaudited required supplementary information

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Casualty Lines Losses and LAE development, Net of Reinsurance

	Years ended December 31,						As of December 31, 2025	
	2020*	2021*	2022*	2023*	2024*	2025	IBNR	Cumulative Number of Reported Claims
Accident Year								
2020	—	—	—	—	—	—	—	—
2021	—	0.1	0.1	0.1	0.1	0.1	—	0.6
2022	—	—	0.8	0.6	0.6	0.6	—	2.4
2023	—	—	—	1.2	1.4	1.6	0.1	5.8
2024	—	—	—	—	1.5	3.3	1.2	5.6
2025	—	—	—	—	—	7.5	5.2	5.4
Total						<u>\$ 13.1</u>	<u>\$ 6.5</u>	<u>19.8</u>

* Presented as unaudited required supplementary information

Casualty Lines Cumulative Paid Losses and LAE development, Net of Reinsurance

	2020*	2021*	2022*	2023*	2024*	2025
Accident Year						
2020	—	—	—	—	—	—
2021	—	—	0.1	0.1	0.1	0.1
2022	—	—	0.2	0.5	0.5	0.6
2023	—	—	—	0.6	1.1	1.3
2024	—	—	—	—	0.3	1.4
2025	—	—	—	—	—	1.3
Total paid losses and LAE, net						<u>\$ 4.7</u>
Total losses and LAE reserves, net						<u>8.4</u>
Reinsurance recoverable on losses and LAE						<u>\$ 158.9</u>
Gross losses and LAE reserves						<u>\$ 167.3</u>

* Presented as unaudited required supplementary information

Information about historical claim duration

The following table presents supplementary information about the average annual percentage payout of incurred losses by age, net of reinsurance as of December 31, 2025:

Years	Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance (unaudited)						
	1	2	3	4	5	6	7
Property	62%	27%	4%	3%	3%	—%	—%
Casualty	23%	46%	15%	10%	4%	—%	—%

The payout percentages are derived from historical paid-to-incurred development patterns and are weighted by incurred losses.

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The reconciliation of the net incurred and paid loss information in the loss reserve rollforward table and development tables with respect to the current accident year is as follows (in millions):

	2025 Current Accident Year		2024 Current Accident Year		2023 Current Accident Year	
	Incurred	Paid	Incurred	Paid	Incurred	Paid
Development table						
<i>Property</i>	214.2	136.9	199.4	128.4	167.3	111.9
<i>Casualty</i>	7.5	1.3	1.5	0.3	1.2	0.6
Unallocated loss adjustment						
<i>Property</i>	17.2	17.1	14.0	14.0	14.7	14.7
<i>Casualty</i>	0.5	0.5	0.1	0.1	0.1	0.1
Other	—	(0.5)	0.1	0.4	0.4	0.2
Rollforward table	<u>\$ 239.4</u>	<u>\$ 155.3</u>	<u>\$ 215.1</u>	<u>\$ 143.2</u>	<u>\$ 183.7</u>	<u>\$ 127.5</u>

The reconciliation of the net incurred and paid claims development tables to the liability for claims and claim adjustment expenses in the consolidated balance sheets is as follows (in millions):

	December 31, 2025
Net outstanding liabilities from development tables	
<i>Property</i>	\$ 122.9
<i>Casualty</i>	8.4
<i>Other</i>	0.1
Losses and LAE reserves, net of reinsurance recoverables at end of year	<u>131.4</u>
Reinsurance recoverables on unpaid losses and LAE	
<i>Property</i>	130.1
<i>Casualty</i>	158.9
Total reinsurance recoverables on unpaid losses and LAE at end of period	<u>289.0</u>
Gross losses and LAE at end of year	<u>\$ 420.4</u>

10. Reinsurance

The Company maintains a comprehensive reinsurance program to manage risk exposure, reduce earnings volatility, and safeguard capital. By ceding a portion of its underwriting risk to highly rated reinsurers and alternative capital providers, the Company limits the financial impact of catastrophe events. Nevertheless, the Company remains ultimately responsible for policyholder claims should a reinsurer fail to perform.

The Company's reinsurance strategy includes a mix of quota share and excess of loss ("XOL") structures, alongside collateralized protection through catastrophe bonds. The Company works with reinsurers rated "A-" (Excellent) or better by A.M. Best, or require appropriate collateral. Contracts often include provisions allowing for replacement of reinsurers whose financial condition deteriorates.

The Company's catastrophe reinsurance program supports property risks underwritten by us on behalf of our MGA and third-party MGAs. These risks are protected by program-specific XOL treaties, and in some cases, quota share reinsurance. In addition to the program specific covers, the Company is also protected by a corporate catastrophe cover and participation in the Florida Hurricane Catastrophe Fund (FHCF). This structure is designed to provide protection against severe loss events across the portfolio, covering up to at least a 1-in-250-year return period threshold.

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For business written by the Company's MGA, the Company has strategically retained more risk in recent periods by scaling back proportional reinsurance, reflecting the Company's confidence in the portfolio's underwriting performance. The Company's MGA remains covered by standalone catastrophe XOL protection.

Additionally, the Company utilizes collateralized reinsurance through Mountain Re Ltd., a Bermuda-based special purpose insurer. The catastrophe bonds issued through Mountain Re Ltd. provide multi-year per occurrence coverage for a range of perils for business written through the Company's MGA.

The following tables reflect amounts affecting the consolidated statements of operations and comprehensive income (loss) for reinsurance as of and for the years ended December 31, 2025, 2024 and 2023.

	Years Ended December 31,								
	2025			2024			2023		
	Written premiums	Earned premiums	Losses and LAE incurred	Written premiums	Earned premiums	Losses and LAE incurred	Written premiums	Earned premiums	Losses and LAE incurred
	(in millions)								
Direct	\$ 1,104.6	\$ 982.0	\$ 530.0	\$ 881.8	\$ 840.7	\$ 441.4	\$ 834.6	\$ 760.5	\$ 531.8
Assumed	4.0	4.9	5.0	10.6	13.0	8.9	12.7	8.8	11.7
Gross	1,108.6	986.9	535.0	892.4	853.7	450.3	847.3	769.3	543.5
Ceded	(686.3)	(606.8)	(305.1)	(519.8)	(581.2)	(241.3)	(687.7)	(661.8)	(361.8)
Net	<u>\$ 422.3</u>	<u>\$ 380.1</u>	<u>\$ 229.9</u>	<u>\$ 372.6</u>	<u>\$ 272.5</u>	<u>\$ 209.0</u>	<u>\$ 159.6</u>	<u>\$ 107.5</u>	<u>\$ 181.7</u>

As of December 31, 2025 and December 31, 2024, a provision for sliding scale commissions of \$36.0 million and \$34.2 million, respectively, is included in provision for commission on the consolidated balance sheets. As of December 31, 2025 and December 31, 2024, a receivable for sliding scale commissions of \$37.6 million and \$3.6 million, respectively, is included in ceding commissions receivable on the consolidated balance sheets.

As of December 31, 2025 and December 31, 2024, a provision for loss participation features of \$17.4 million and \$41.6 million, respectively, was recorded as a contra-asset in reinsurance recoverable on the consolidated balance sheets. The decrease is due primarily to settlements of the Company's 2023 and prior year's loss participation features with the Company's participating reinsurers.

Amounts recoverable from reinsurers are recognized in a manner consistent with the claims liabilities associated with the reinsurance placement and presented on the balance sheet as reinsurance recoverable on paid and unpaid losses and LAE. Such balance is presented in the table below.

	December 31,	
	2025	2024
	(in millions)	
Reinsurance recoverable on paid loss	\$ 57.6	\$ 55.4
Ceded unpaid losses and LAE	289.0	229.9
Total reinsurance recoverable	<u>\$ 346.6</u>	<u>\$ 285.3</u>

The Company evaluates the collectability of reinsurance recoverables and records allowances for expected credit losses when necessary. As of December 31, 2025, 2024 and 2023, no material allowance was recorded.

The Company evaluates the financial condition of its reinsurers and, in certain circumstances, holds collateral in the form of funds withheld and letters of credit. This collateral serves as security under the terms of its reinsurance contracts to reduce credit exposure to reinsurance recoverable and prepaid reinsurance premium

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balances. The Company has the following unsecured reinsurance recoverable and prepaid reinsurance premium balances from reinsurers:

AM Best Rating	Reinsurer	December 31,	
		2025	2024
(in millions)			
A+	Munich Reinsurance America, Inc.	\$ 126.8	\$ 104.5
A-	Accelerant National Insurance Company	108.6	—
A+	Allianz Reinsurance America, Inc.	77.4	39.1
A+	Arch Reinsurance Ltd	62.7	—
A+	Mitsui Sumitomo Insurance Company of America	31.3	15.9
A+	Hannover Rück SE	20.8	33.9
A+	Canopus US Insurance, Inc.	19.0	16.6
		<u>\$ 446.6</u>	<u>\$ 210.0</u>
Other reinsurers		155.3	214.1
		<u>\$ 601.9</u>	<u>\$ 424.1</u>

11. Geographical Breakdown of Gross Written Premium

Gross written premium by state is as follows:

State	Years Ended December 31,					
	2025		2024		2023	
	Amount	% of GWP	Amount	% of GWP	Amount	% of GWP
(in millions)						
California	\$ 224.9	20 %	\$ 201.1	23 %	\$ 156.7	18 %
Florida	149.8	14 %	115.1	13 %	111.5	13 %
Texas	131.3	12 %	128.1	14 %	151.6	18 %
New York	100.4	9 %	34.0	4 %	19.9	2 %
Illinois	35.5	3 %	27.7	3 %	25.9	3 %
Georgia	29.1	3 %	24.5	3 %	37.7	4 %
Massachusetts	26.0	2 %	25.3	3 %	20.6	2 %
Colorado	23.6	2 %	18.8	2 %	23.4	3 %
North Carolina	22.5	2 %	19.1	2 %	18.8	2 %
South Carolina	22.2	2 %	24.8	3 %	17.3	2 %
Other	343.3	31 %	273.9	30 %	263.9	33 %
Total	<u>\$ 1,108.6</u>	<u>100 %</u>	<u>\$ 892.4</u>	<u>100 %</u>	<u>\$ 847.3</u>	<u>100 %</u>

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12. Public Warrants and Private Placement Warrants

In November 2020, in connection with the RTPZ IPO, RTPZ issued 4.6 million warrants (the “Public Warrants”) and 4.4 million warrants (the “Private Placement Warrants” and, together with the Public Warrants, the “Public and Private Placement Warrants”) to purchase its Class A ordinary shares at \$287.50 per share. Every 25 Warrants are presently exercisable for one share of the Company’s common stock at an exercise price per share of \$287.50.

On September 9, 2024, the Company received notice (the “Notice”) from the New York Stock Exchange (the “NYSE”) that the Company’s warrants (the “Warrants”) are no longer suitable for listing based on “abnormally low selling price” levels, pursuant to Section 802.01D of the NYSE Listed Company Manual, and that the NYSE Regulation has determined to delist the Warrants. As such, the Warrants were determined to have no value as of December 31, 2024.

All of the Public and Private Placement Warrants were outstanding as of December 31, 2025 and 2024.

13. Commitments and Contingencies

Purchase Commitments

As of December 31, 2025, the Company has total minimum purchase commitments, which must be made during the next three years, of \$5.2 million.

Legal Proceedings

From time to time, the Company may be involved in litigation or other legal proceedings. The Company is routinely named in litigation involving claims from policyholders. Legal proceedings relating to claims are reserved in the normal course of business. The Company does not believe it is a party to any pending litigation or other legal proceedings that are likely to have a material adverse effect on the Company’s business, financial condition or results of operations. Regardless of outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources and other factors.

The Company records a liability for litigation if an unfavorable outcome is probable and the amount of loss or range of loss can be reasonably estimated. If an unfavorable outcome is probable and a reasonable estimate of the loss is a range, the Company accrues the best estimate within the range. If no amount within the range is a better estimate than any other amount, the Company accrues the minimum amount within the range. If an unfavorable outcome is probable but the amount of the loss cannot be reasonably estimated, the Company discloses the nature of the litigation and indicates that an estimate of the loss or range of loss cannot be made. If an unfavorable outcome is reasonably possible and the estimated loss is material, the Company discloses the nature and estimate of the possible loss of the litigation. The Company does not disclose information with respect to litigation where an unfavorable outcome is considered to be remote or where the estimated loss would not be material. Based on current expectations, such matters, both individually and in the aggregate, are not expected to have a material adverse effect on the Company’s liquidity, results of operations, business, or financial condition.

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14. Leases

Operating Leases

The Company leases office space under non-cancelable operating leases with various expiration dates through 2027, some of which include options to extend the leases for up to 5 years. The Company does not assume renewals in the determination of the lease term unless the renewals are deemed to be reasonably certain.

For the years ended December 31, 2025 and December 31, 2024, the Company recognized \$2.4 million and \$3.0 million of ROU asset impairments associated with the Company's termination of its lease space in Palo Alto, California, and abandonment of leased space used in the Company's business operations, respectively. The Company recognized operating lease expenses of \$1.7 million, \$3.2 million, and \$6.1 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The weighted average remaining lease term and the weighted average discount rate for operating leases as of December 31, 2025 were as follows:

	December 31,	
	2025	2024
Weighted average remaining lease term	1.50	2.14
Weighted average discount rate	4.9%	4.2%

Maturities of operating lease liabilities by fiscal year as of December 31, 2025 are as follows:

Operating Leases	
(in millions)	
2026	\$ 3.1
2027	1.4
2028	0.1
2029	—
Thereafter	—
Total undiscounted lease payments	4.6
Less: Imputed interest	(0.1)
Present value of lease payments	\$ 4.5

The following table presents supplemental cash flow information about the Company's operating leases:

	Years Ended December 31,		
	2025	2024	2023
(in millions)			
Cash paid for operating lease liabilities	\$ 4.1	\$ 5.7	\$ 5.7
Cash paid for termination fee	1.4	—	—
Right-of-use assets obtained in exchange for new operating liabilities	0.8	0.7	—

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15. Stockholders' Equity

Common Stock

The Company's common stock trades on the New York Stock Exchange ("NYSE") under the ticker symbol "HIPO". Pursuant to its Certificate of Incorporation, the Company is authorized to issue 80 million shares of common stock, with a par value of \$0.0001 per share. Each share of common stock is entitled to one vote. The holders of the common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors. No dividends have been declared or paid since inception.

Stock-Based Compensation Plans

The Company maintains equity compensation plans adopted in 2019 and 2021 (the "plans"). The material terms of the plans were previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024. There have been no material changes to the plans during the current fiscal year.

Stock Options

The following table summarizes option activity under the plans:

	Options Outstanding		Weighted-Average Remaining Contract Term (In Years)	Aggregate Intrinsic Value (In Millions)
	Number of Shares	Weighted Average Exercise Price		
Outstanding as of December 31, 2024	1,152,878	\$ 16.67	5.7	\$ 11.7
Granted	—	—		
Exercised	(535,505)	18.08		4.8
Cancelled/Expired	(2,524)	15.88		—
Outstanding as of December 31, 2025	614,849	15.44	5.0	\$ 9.0
Vested and exercisable as of December 31, 2025	602,573	\$ 15.43	4.9	\$ 8.9

There were no options granted during the years ended December 31, 2025 and 2024.

Total unrecognized compensation cost of \$0.1 million as of December 31, 2025, is expected to be recognized over a weighted-average period of 0.4 years.

Restricted Stock Units and Performance Restricted Stock Units

The Company grants service based RSUs and performance based RSUs ("PRSUs") as part of the Company's equity compensation plans. The Company measures RSU and PRSU expense for awards granted based on the estimated fair value of those awards at the grant date. To estimate the fair value of PRSUs containing a market condition, the Company used the Monte Carlo valuation model. The fair value of all other awards is based on the closing price of the Company's common stock as reported on the NYSE on the date of grant. The RSUs generally vest over a period of two to four years. The PRSUs vest based on the level of achievement of the performance goals and continued employment with the Company over a one to four year performance period.

During the years ended December 31, 2025, the Company granted 42,244 PRSUs to its CEO. Vesting is based on the Company's total shareholder return ("TSR") relative to a peer group over a three-year period. Between 0% and 100% of the target shares may vest based on performance. The awards are classified as equity and were valued on the grant date using a Monte Carlo simulation. Expense is recognized over the service period regardless of TSR outcome, provided continued employment. The weighted-average grant-date fair value was \$24.08 per unit. Total compensation expense expected to be recognized over the three-year period is \$1.0 million.

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Stock-based compensation expense for RSUs are recognized based on the straight-line basis over the employee requisite service period. Stock-based compensation expense for PRSUs are recognized on a graded accelerated basis over the employee requisite service period. The Company accounts for forfeitures as they occur.

The following table summarizes the RSU and PRSU activity for the year ended December 31, 2025:

	<u>Number of Shares</u>	<u>Weighted Average Grant-Date Fair Value per Share</u>
Unvested and outstanding as of December 31, 2024	1,738,781	\$ 24.40
Granted	1,252,170	29.01
Released	(1,277,752)	25.05
Canceled and forfeited	(384,541)	26.17
Unvested and outstanding as of December 31, 2025	<u>1,328,658</u>	<u>\$ 27.62</u>

Total unrecognized compensation cost related to unvested RSUs and PRSUs is \$24.6 million as of December 31, 2025, and it is expected to be recognized over a weighted-average period of 1.5 years.

2021 Employee Stock Purchase Plan

The Company adopted the 2021 Employee Stock Purchase Plan (the “2021 ESPP”), which is designed to allow eligible employees of the Company to purchase shares of the Company’s common stock with their accumulated payroll deductions at a price equal to 85% of the lesser of the fair market value on the first business day of the offering period or on the designated purchase date of the offering period, up to a maximum purchase amount of \$25,000 during the calendar year. The 2021 ESPP offers a six-month look-back feature as well as an automatic reset feature that provides for an offering period to be reset to a new lower-priced offering if the offering price of the new offering period is less than that of the current offering period. During the year ended December 31, 2025 and 2024, 154,973 and 170,009 shares were issued under the plan, respectively. In addition, the number of shares available for issuance under the 2021 ESPP is increased annually on January 1 of each calendar year ending in 2031, by an amount equal to the lesser of (i) one percent of the shares outstanding (on a converted basis) on the last day of the immediately preceding fiscal year and (ii) such number of shares as may be determined by the board of directors.

Stock-Based Compensation

Total stock-based compensation expense, classified in the accompanying consolidated statements of operations and comprehensive income (loss), was as follows:

	<u>Years Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(in millions)		
Losses and loss adjustment expenses	\$ 1.2	\$ 1.1	\$ 1.2
Insurance related expenses	4.5	4.5	4.9
Technology and development expenses	5.4	6.9	12.5
Sales and marketing expenses	3.6	7.9	13.1
General and administrative expenses	14.6	17.8	25.8
Total stock-based compensation expense	<u>\$ 29.3</u>	<u>\$ 38.2</u>	<u>\$ 57.5</u>

Share Repurchases

On October 30, 2024, the Company entered into a Share Repurchase Agreement with an existing unaffiliated shareholder to purchase 957,242 shares of the Company’s common stock at a purchase price of \$16.28 per share pursuant to the Company’s share repurchase program (the “Share Repurchase”). The Share Repurchase

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

was substantially completed on October 30, 2024. The Company used available cash resources of approximately \$15.6 million to complete this transaction. As of December 31, 2024, there were no unsettled share repurchases.

On July 1, 2025, the Company repurchased 514,309 shares of its common stock, beneficially owned by Lennar Title Group, LLC and its affiliates (collectively, "Lennar"), a related party of the Company, in a private transaction at a price per share of \$28.17, for an aggregate purchase price of \$14.5 million. The repurchase of the shares was made under the Company's existing share repurchase program. As of December 31, 2025, \$18.1 million of common stock remains available for repurchase. Shares repurchased by the Company are accounted for when the transaction is settled. As of December 31, 2025, there were no unsettled share repurchases. Direct costs incurred to acquire the shares are included in the total cost of the shares.

16. Income Taxes

One Big Beautiful Bill Act

On July 4, 2025, the One Big Beautiful Bill Act (the "Act"), which contains significant tax-related provisions, was signed into law. These include the restoration of 100% bonus depreciation, the reinstatement of expensing for domestic research and experimentation expenditures, and changes to international tax provisions. The provisions of the Act did not have a material impact on the Company.

Income tax expense

The Company and its U.S. subsidiaries file a consolidated federal income tax return. Tax liabilities and benefits realized by the consolidated group are allocated on a separate return basis. The Company's international subsidiaries file various income tax returns in their respective jurisdictions.

Income (loss) before tax consists of the following:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
United States	\$ 57.2	\$ (40.1)	\$ (274.0)
Foreign	1.2	0.8	1.4
Income (loss) before income taxes attributable to Hippo	\$ 58.4	\$ (39.3)	\$ (272.6)
Income before tax attributable to noncontrolling interests	4.9	11.9	10.1
Income (loss) before income taxes	<u>\$ 63.3</u>	<u>\$ (27.4)</u>	<u>\$ (262.5)</u>

HIPPO HOLDINGS INC.
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The components of the total provision for income taxes are as follows:

	Year Ended December 31,	
	2025	
	(in millions)	
Income tax expense at statutory rate	\$ 12.3	21.0 %
Effect of:		
State and local income tax, net of Federal income tax effects ⁽¹⁾	(0.3)	(0.5)%
Foreign tax effects	0.7	1.1 %
Effects of cross border tax laws	(0.2)	(0.3)%
Tax credits	(0.9)	(1.5)%
Changes in valuation allowances	(16.6)	(28.4)%
Nontaxable or nondeductible items		
Deferred compensation	3.3	5.7 %
Gain on sale	1.8	3.1 %
Other	0.2	0.3 %
Changes in unrecognized tax benefits	0.7	1.2 %
Other adjustments	(0.3)	(0.5)%
Income tax expense	<u>\$ 0.7</u>	<u>1.2 %</u>

⁽¹⁾ State taxes in California contributed to the majority of the tax effect in this category

	Years Ended December 31,	
	2024	2023
	(in millions)	
Loss before income taxes attributable to Hippo	\$ (39.3)	\$ (272.6)
Income tax benefit from statutory rate	(8.3)	(57.2)
Effect of:		
Meals, entertainment & parking	0.1	0.2
Deferred compensation	6.7	7.4
State taxes	(7.6)	(9.1)
Goodwill impairment	—	—
Increase in valuation allowance	6.5	64.2
Foreign taxes	0.5	0.1
Other	3.3	(5.1)
Income tax expense	<u>\$ 1.2</u>	<u>\$ 0.5</u>

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

The components of the provision for income taxes are as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Income tax applicable to:			
Current			
State	\$ —	\$ 0.7	\$ 0.4
Foreign	—	0.4	0.8
Total current provision	\$ —	\$ 1.1	\$ 1.2
Deferred			
Foreign	0.7	0.1	(0.7)
Total deferred provision	\$ 0.7	\$ 0.1	\$ (0.7)
Total provision for income taxes	\$ 0.7	\$ 1.2	\$ 0.5

The components of income taxes paid (net of refunds received) are as follows:

	Year Ended December 31,	
	2025	
	(in millions)	
Federal	\$	—
State		—
Foreign		0.3
Total	\$	0.3

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

Deferred tax

Significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31,	
	2025	2024
	(in millions)	
Deferred tax assets:		
Net operating loss carryforward	\$ 181.6	\$ 175.5
Intangible assets	1.6	8.4
Research and development credit	11.9	10.4
Deferred compensation	3.8	6.5
Unearned premium reserve	11.5	9.6
Loss reserve discount	1.1	1.1
Unrealized losses	—	2.1
Lease liability	1.2	2.7
Deferred revenue	3.7	2.4
Capitalized software	10.9	17.4
Other accruals	1.5	5.8
Total deferred tax assets	\$ 228.8	\$ 241.9
Valuation allowance	(215.5)	(232.6)
Total deferred income tax assets	\$ 13.3	\$ 9.3
Deferred tax liabilities		
Property and equipment	\$ 0.6	\$ 0.7
Deferred acquisition costs	10.8	5.3
Right-of-use asset	0.4	1.2
Other	1.5	1.4
Total deferred tax liabilities	\$ 13.3	\$ 8.6
Deferred income tax assets, net	\$ —	\$ 0.7

Valuation allowance

Recognition of deferred tax assets is appropriate when realization of these assets is more likely than not. Based upon the weight of all available evidence, with primary focus on the Company's history of recent losses, the Company has concluded that it is not more likely than not that the recorded Federal and State deferred tax assets will be realized. As a result, the Company has recorded a full valuation allowance against its Federal and State deferred tax assets recorded as of December 31, 2025 and 2024.

Unrecognized tax benefits

The Company recognizes the tax benefit of tax positions taken in the consolidated financial statements only when it is more likely than not that the position will be sustained on examination by the relevant taxing authority based on the tax technical merits of the position. The tax benefit of a position that meets this standard is measured at the largest amount of benefit that is expected to be more likely than not to be realized on settlement. A liability is established for the difference between the tax benefit of positions taken in a tax return and the tax benefit of tax positions recognized in the consolidated financial statements.

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Below is a reconciliation of unrecognized tax benefits:

	Years Ended December 31,	
	2025	2024
	(in millions)	
Beginning unrecognized tax benefits	\$ 5.0	\$ 5.1
Increases related to tax positions from prior years	(0.3)	(0.4)
Increases related to tax positions taken in the current year	0.5	0.3
Ending unrecognized tax benefits	<u>\$ 5.2</u>	<u>\$ 5.0</u>

The balances at December 31, 2025 and 2024 were fully offset by a valuation allowance. No interest or penalties were incurred during the years ended December 31, 2025 and 2024.

Net operating losses

As of December 31, 2025, the Company has recorded U.S. federal and state net operating loss (“NOL”) carryforwards of \$718.9 million and \$488.8 million, respectively. The Company has \$166.0 million of Dual Consolidated Losses in a 953(d) company, RH Solutions Insurance (Cayman) Ltd. The provisions of the Tax Cuts and Jobs Act of 2017 eliminated the 20-year carryforward period and made it indefinite for federal net operating losses generated in tax years after December 31, 2017. For such amounts generated prior to 2018, the 20-year carryforward period continues to apply.

In general, a corporation’s ability to utilize its NOL carryforwards may be subject to a substantial limitation due to ownership changes that may have occurred or that could occur in the future, as required by section 382 of the Internal Revenue Code of 1986, as amended, as well as similar state provisions. These ownership changes may limit the amount of NOL and R&D credit carryforwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an “ownership change,” as defined by Section 382 of the Code, results from a transaction or a series of transactions over a three-year period resulting in an ownership change of more than 50 percent of the capital (as defined) of a company by certain stockholders or public groups. The Company has performed a Section 382 analysis and experienced two historical ownership changes in 2016 and 2018, and the Company’s tax attributes subject to such limitations under section 382 have been considered. Components of the NOL carryforwards are as follows:

	20-year Carryforward	Indefinite	
	Expires in 2035 - 2045	Carryforward	Total
	(in millions)		
U.S. Federal	\$ 175.1	\$ 543.8	\$ 718.9
U.S. State	488.8	—	488.8
Balance as of December 31, 2025	<u>\$ 663.9</u>	<u>\$ 543.8</u>	<u>\$ 1,207.7</u>

Tax credit carryforwards

As of December 31, 2025, the Company has U.S. federal R&D credit carryforwards of \$10.7 million, which have a 20-year carryforward and expire 2038-2045, as well as state R&D credit carryforwards of \$8.2 million, which have an indefinite carryforward period.

Taxing authority audits

The Company’s income tax returns are subject to federal and state tax examinations. There are no pending tax examinations as of December 31, 2025. For U.S. federal purposes, the Company is open to examination for the 2022 – 2025 tax years, and for state purposes, the Company is open from 2021 – 2025 tax years. No interest or penalties were incurred during the years ended December 31, 2025, 2024, and 2023.

HIPPO HOLDINGS INC.
Notes to Consolidated Financial Statements

17. Net Income (Loss) Per Share Attributable to Common Stockholders

Net loss per share attributable to common stockholders was computed as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions, except for share and per share data)		
Numerator:			
Net income (loss) per share attributable to Hippo	\$ 57.7	\$ (40.5)	\$ (273.1)
Denominator:			
Weighted average common shares outstanding			
Basic	25,253,520	24,699,913	23,578,922
Diluted	26,011,391	24,699,913	23,578,922
Net income (loss) per share attributable to Hippo			
Basic	\$ 2.28	\$ (1.64)	\$ (11.58)
Diluted	\$ 2.22	\$ (1.64)	\$ (11.58)

The potential shares of common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been antidilutive are as follows:

	December 31,		
	2025	2024	2023
Outstanding options	371	1,152,878	1,589,529
Common stock from outstanding warrants	360,000	360,000	360,000
Common stock subject to repurchase	—	—	26,058
RSU and PRSUs	87,007	1,738,781	2,534,683
Employee stock purchase plan	19,214	—	—
Total	466,592	3,251,659	4,510,270

HIPPO HOLDINGS INC.

Notes to Consolidated Financial Statements

18. Acquisitions and Dispositions

Sale of Homebuilder Distribution Network

On July 1, 2025, the Company and Westwood Insurance Agency, LLC (“Westwood”), closed on the sale of the Company’s homebuilder distribution network. Total sale consideration consists of (i) \$75 million in up-front cash consideration; and (ii) \$25 million in cash consideration, which was due and received in the first quarter of 2026. In connection with the closing and pursuant to an Omnibus Consent and Waiver Agreement (“Consent Agreement”) among certain subsidiaries of the Company and Lennar, a related party, the Company (i) paid Lennar \$8 million in consideration for Lennar’s required consent to the Westwood Sale; and (ii) agreed to make four quarterly milestone payments of \$1 million each, commencing in the fourth quarter of 2026 and concluding in the third quarter of 2027, contingent upon Lennar’s material compliance with the terms set forth in the Consent Agreement and related Westwood Sale agreements. The transaction resulted in the loss of control and deconsolidation of a subsidiary with noncontrolling interest. Accordingly, the carrying amount of the noncontrolling interest of \$1.6 million was eliminated from equity. In separate agreements with Westwood, the Company entered into program agreements to continue to distribute the Company’s homeowners product through Westwood’s network of builders. The contingent consideration liability was part of the liabilities transferred in the sale of the Company’s homebuilder distribution network.

The Company determined that the sale will not constitute a strategic shift and that the impact on the Company’s overall operations and financial results is not material. Accordingly, the operations associated with the sale will not be reported in discontinued operations. The Company recorded a gain of \$95.0 million to the consolidated statements of operations and comprehensive income (loss).

First Connect Divestiture

On October 29, 2024, the Company completed the sale of its independent agent platform, First Connect Insurance Services (“First Connect”) to affiliates of Centana Growth Partners (“Centana”), for which the Company received \$48.0 million in cash at closing, with the opportunity to earn up to \$12.0 million following the closing upon the achievement of certain revenue-based targets in 2025 and 2026. The Company retained a 19.2% ownership stake in First Connect. The Company determined that the disposition will not constitute a strategic shift and that the impact on the Company’s overall operations and financial results is not material. Accordingly, the operations associated with the disposal will not be reported in discontinued operations. During the year ended December 31, 2024, the Company recognized a total gain on the sale of First Connect of \$46.1 million, including a \$4.1 million valuation of the Company’s retained 19%, which is considered non-cash. The fair value of \$4.1 million was estimated using the Monte Carlo Simulation method and includes assumptions and judgments regarding the risk-free rate, volatility, and expected term, which are primarily Level 3 assumptions. The contingent earn-out was not included in the calculation of the gain as we will record it when the contingency is resolved. The transaction was completed at arm’s length and Centana was not, and will not be, considered a related party of the Company.

Mainsail Disposition

On July 31, 2024, the Company completed the sale of Mainsail Insurance Company (“Mainsail”) for an aggregate price of \$26.6 million to Emerald Bay Insurance Group (“Emerald Bay”). The Company determined that the disposition did not constitute a strategic shift and that the impact on the Company’s overall operations and financial results is not material. Accordingly, the operations associated with the disposal are not reported in discontinued operations. During the year ended December 31, 2024, the Company recognized a total gain on the sale of Mainsail of \$8.2 million based on total cash proceeds received of \$26.6 million and net assets sold of \$18.4 million. The transaction was completed at arm’s length and Emerald Bay was not, and will not be, considered a related party of the Company.

Asset Acquisitions

In the fourth quarter of fiscal 2023, the Company acquired two insurance agencies for purchase consideration totaling \$5.9 million and consisting of \$4.3 million in cash, of which \$0.7 million is deferred until the first and second anniversary of the transaction date, and \$1.6 million related to the fair value of the previously held interest. Both acquisitions were determined to be asset acquisitions for accounting purposes. Of the total purchase consideration, \$4.8 million has been recorded to acquired intangible assets, which primarily relate to customer

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relationships and have a useful life of seven years. The remaining net assets acquired consisted of \$1.1 million of net working capital.

Prior to the acquisitions, the Company accounted for its ownership interest under the equity method of accounting. The acquisition of the controlling financial interest was accounted for as a step acquisition. The Company's previously held interest was remeasured to fair value and resulted in a gain of \$1.3 million. The gain was reflected in other (income) expense, net in the consolidated statements of operations and comprehensive income (loss).

Acquisition of noncontrolling interests in subsidiaries

In the fourth quarter of 2023, the Company purchased all of the noncontrolling interest in two insurance agencies for \$3.2 million in cash. In connection therewith, the Company recognized a \$2.7 million adjustment to equity for the difference between the \$3.2 million of cash consideration allocated to the noncontrolling interest and its \$0.5 million carrying value. The Company had previously consolidated these agencies as they were Variable Interest Entities ("VIEs") and the Company was the primary beneficiary.

19. Segments

Historically, the Company reported its financial results in the following three reportable segments: Services, Insurance-as-a-Service, and Hippo Home Insurance Program, which was reflective of how the Company's CODM reviewed financial information for purposes of making operating decisions, assessing financial performance and allocating resources. Because of organizational changes and how the CODM views the business, beginning in the third quarter of 2025, the Company changed from three operating and reportable segments to one operating and reportable segment, the property and casualty insurance business. The property and casualty insurance business generates revenues primarily from net earned premiums, commission income, and net investment income.

The CODM is the Company's Chief Executive Officer. The significant segment expenses provided to the CODM are consistent with the categories shown in the Company's consolidated statements of operations and comprehensive income (loss) and there are no other segment expenses at a more disaggregated level used by the CODM. The CODM reviews the Company's net income (loss) as reported under GAAP, which is the primary measure of segment profit and loss. The CODM reviews this measure to monitor budget versus actual results and in competitive analysis by benchmarking to the Company's competitors. The budgeted versus actual results analysis along with the competitive analysis are used to make resource allocation decisions. While the Company's CODM also reviews the revenue streams attributable to individual lines of business, operations are managed, resources are allocated, and financial performance is evaluated on a consolidated basis. The measure of segment assets is reported on the balance sheet as total consolidated assets.

Prior period segment results and related disclosures have been recast to conform to the current period segment presentation.

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Notes to Consolidated Financial Statements

20. Statutory Financial Information

The Company's insurance subsidiaries are subject to insurance laws and regulations in the jurisdictions in which they operate. U.S. state insurance laws and regulations prescribe accounting practices for determining statutory net income and capital and surplus for insurance companies. In addition, state regulators may permit statutory accounting practices (SAP) that differ from prescribed practices. The principal differences between SAP and GAAP as they relate to the financial statements of the Company's insurance subsidiaries are (a) policy acquisition costs are expensed as incurred under SAP, whereas they are deferred and amortized under GAAP, (b) certain assets are not admitted for purposes of determining surplus under SAP, (c) investments in fixed income securities are carried at amortized cost under SAP whereas such securities are carried at fair value under GAAP, and (d) the criteria for recognizing net DTAs and the methodologies used to determine such amounts are different under SAP and GAAP.

Risk-Based Capital ("RBC") requirements promulgated by the National Association of Insurance Commissioners require property/casualty insurers to maintain minimum capitalization levels determined based on formulas incorporating various business risks of the insurance subsidiaries. As of December 31, 2025 and 2024, the Company's insurance subsidiaries capital and surplus exceeded its authorized control level.

The statutory net income and statutory capital and surplus of the Company's insurance subsidiaries in accordance with regulatory accounting practices were as follows:

	Years Ended December 31,					
	2025	2024	2023	2025	2024	2023
	Statutory Net Income (Loss)			Statutory Capital and Surplus		
	(in millions)					
U.S. insurance subsidiaries	\$ 22.5	\$ 32.2	\$ 21.2	\$ 240.0	\$ 205.3	\$ 191.0
International insurance subsidiary	30.5	8.2	(53.9)	44.9	43.2	24.1
Total	\$ 53.0	\$ 40.4	\$ (32.7)	\$ 284.9	\$ 248.5	\$ 215.1

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Notes to Consolidated Financial Statements

21. Dividend Restrictions

Spinnaker Insurance Company

The maximum amount of dividends that can be paid by all property and casualty insurance companies within the group without prior approval of their respective insurance commissioner in a 12 month period, measured retrospectively from the date of payment, is \$29.9 million, \$34.5 million and \$26.3 million for years ended December 31, 2025, 2024, and 2023, respectively.

RH Solutions Insurance (Cayman) Ltd.

The Company's insurance subsidiary in the Cayman Islands, RHS, is regulated by the Cayman Islands Monetary Authority ("CIMA"). CIMA must be given advanced notice of any dividend payments. At December 31, 2025, 2024, and 2023 approximately \$33.5 million, \$32.3 million, and \$18.4 million, respectively, of excess capital were available for the payment of dividends contingent on receiving the prior approval of CIMA. Dividend distributions to RH Solutions' stakeholders are recognized in the period in which the dividends are declared. In accordance with the terms of the Insurance (Capital and Solvency) (Class B, C, and D Insurers) Regulations, 2012, as a Class B(iii) insurer under the Law, RHS is required to maintain the Prescribed Capital Requirement ("PCR") of \$11.5 million, which is based on net earned premium during the fiscal year.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, to allow timely decisions regarding required disclosures. In connection with the filing of this Form 10-K, our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of December 31, 2025. Based on that evaluation, our chief executive officer and chief financial officer concluded that, as of December 31, 2025, the Company’s disclosure controls and procedures were effective.

Management’s Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed by or under the supervision of our chief executive and financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025 based on the framework established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). Based on our assessment under that framework, management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report included in Item 8.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the three months ended December 31, 2025 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the three months ended December 31, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except as set forth below, the information required by this item is incorporated by reference to our Proxy Statement for the Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer and principal financial officer. A current copy of the code is posted on the Investors—Governance section of our website, which is located at www.hippo.com.

We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this Code of Business Conduct and Ethics by posting such information on our website, at the address and location specified above and, to the extent required by the listing standards of the NYSE, by filing a Current Report on Form 8-K with the SEC, disclosing such information.

We have adopted insider trading policies and procedures governing the purchase, sale, and other dispositions of our securities by directors, officers, and employees that are designed to promote compliance with insider trading laws, rules, and regulations, and applicable NYSE listing standards, as well as procedures designed to further the foregoing purposes. A copy of our insider trading policy is filed with this Annual Report on Form 10-K as Exhibit 19.1.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to our Proxy Statement for the Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference to our Proxy Statement for the Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to our Proxy Statement for the Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated by reference to our Proxy Statement for the Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Report:

1. Financial Statements

The following consolidated financial statements of the Company are filed as part of this Form 10-K and are included in Item 8:

- Report of Independent Registered Public Accounting Firm (PCAOB ID: 34)
- Consolidated Balance Sheets
- Consolidated Statements of Operations and Comprehensive Income (Loss)
- Consolidated Statements of Stockholders' Equity
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

2. Financial Statement Schedules

	Page
Schedule I – Summary of Investments Other Than Investments in Related Parties – Omitted as information is included in the consolidated financial statements or notes thereto – See Note 2 ~ Investments	129
Schedule II – Condensed Financial Information of Registrant	129
Schedule III – Supplementary Insurance Information – Omitted as information is included in the consolidated financial statements or notes thereto. The amount of underwriting costs is \$4.2 million, \$5.7 million, and \$6.6 million for the years ended December 31, 2025, 2024 and 2023.	
Schedule IV – Reinsurance – Omitted as information is included in the consolidated financial statements or notes thereto – See Note 10 ~ Reinsurance. The percentage of amount assumed to net is 1%, 3%, and 8% for the years ended December 31, 2025, 2024 and 2023.	
Schedule V – Valuation and Qualifying Accounts	133
Schedule VI – Supplemental Information Concerning Property and Casualty Insurance Operations – Omitted as information is included in the consolidated financial statements and notes thereto	

3. Exhibits

Exhibit Number	Description of Document	Incorporated by Reference			Provided Herewith
		Form	Filing Date	Number	
2.1†	Agreement and Plan of Merger, dated as of March 3, 2021, by and among Reinvent Technology Partners Z, RTPZ Merger Sub Inc. and, Hippo Enterprises, Inc.	S-4	7/8/2021	2.1	
3.1	Amended and Restated Certificate of Incorporation of Hippo Holdings Inc.	10-Q	11/10/2021	3.1	
3.2	Certificate of Amendment to the Certificate of Incorporation of Hippo Holdings Inc.	8-K	9/29/2022	3.1	
3.3	Amended and Restated Bylaws of Hippo Holdings Inc.	10-Q	11/10/2021	3.2	
4.1	Specimen Warrant Certificate.	S-1	11/2/2020	4.4	

4.2	Warrant Agreement, dated November 18, 2020, by and between the Company and Continental Stock Transfer & Trust Company, as warrant agent.	8-K	11/23/2020	4.1
4.3	Description of Hippo Holdings Inc.'s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.	10-K	3/2/2023	4.3
10.1	Form of Indemnification Agreement.	8-K	8/5/2021	10.1
10.2	Sponsor Support Agreement, dated March 3, 2021, by and among the Sponsor, each officer and director of RTPZ, RTPZ, and Old Hippo.	S-4	7/8/2021	10.14
10.3	Company Support Agreement, dated March 3, 2021, by and among RTPZ, Old Hippo, each officer and director of Old Hippo and certain stockholders of Old Hippo.	S-4	7/8/2021	10.15
10.4	Sponsor Agreement, dated March 3, 2021, by and among the Sponsor, RTPZ, and Old Hippo.	S-4	7/8/2021	10.16
10.5	Registration Rights Agreement by and among the Company, the Sponsor and the other holders of Class B ordinary shares, certain former stockholders of Old Hippo, and Reinvent Capital Fund LP.	8-K	8/5/2021	10.5
10.6*	Hippo Holdings Inc. 2021 Employee Stock Purchase Plan.	8-K	8/5/2021	10.6
10.7*	Hippo Holdings Inc. 2021 Incentive Award Plan.	8-K	8/5/2021	10.7
10.8*	Form of Restricted Stock Unit Agreement under Hippo Holdings Inc. 2021 Incentive Award Plan.	8-K	8/5/2021	10.8
10.9*	Form of Option Agreement under Hippo Holdings Inc. 2021 Incentive Award Plan.	8-K	8/5/2021	10.9
10.10	Form of Subscription Agreement.	S-4	7/8/2021	10.21
10.11*	Offer Letter Agreement, dated as of February 5, 2019, by and between Hippo Analytics Inc. and Stewart Ellis.	S-4	7/8/2021	10.22
10.12*	Employment Agreement, dated as of January 26, 2017, by and between Hippo Analytics Inc. and Rick McCathron.	S-4	7/8/2021	10.26
10.13*	Hippo Holdings Inc. Non-Employee Director Compensation Program.	10-Q	8/6/2025	10.1
10.14	Lease Agreement by and between 601 Congress LP and Hippo Analytics Inc., dated as of January 30, 2019.	8-K	8/5/2021	10.18
10.15	First Amendment to Lease Agreement by and between 601 Congress LP and Hippo Analytics Inc., dated as of May 9, 2019.	8-K	8/5/2021	10.19
10.16	Second Amendment to Lease Agreement by and between 601 Congress LP and Hippo Analytics Inc., dated as of June 26, 2019.	8-K	8/5/2021	10.20
10.17	Lease Agreement by and between Tallwood Forest, LLC and Hippo Analytics Inc., dated as of June 14, 2019.	8-K	8/5/2021	10.21
10.18	Amendment to Lease Agreement by and between Tallwood Forest, LLC and Hippo Analytics Inc., dated as of November 24, 2020.	8-K	8/5/2021	10.22

10.19	Second Amendment to Lease by and between Tallwood Forest, LLC and Hippo Analytics Inc. dated April 11, 2025.	10-Q	5/7/2025	10.1	
10.20	Office Lease by and between Elevate Sabine, LLC and Hippo Analytics Inc., dated as of July 2, 2020.	8-K	8/5/2021	10.23	
10.21	First Amendment to Office Lease by and between Elevate Sabine, LLC and Hippo Analytics Inc., dated as of October 29, 2020.	8-K	8/5/2021	10.24	
10.22	Lease Agreement by and between 522 Congress, LP and Hippo Analytics Inc., dated as of December 15, 2017.	8-K	8/5/2021	10.25	
10.23	First Amendment to Lease Agreement by and between 522 Congress LP and Hippo Analytics Inc., dated as of June 26, 2019.	8-K	8/5/2021	10.26	
10.24	Second Amendment to Lease Agreement by and between 522 Congress LP and Hippo Analytics Inc., dated as of July 7, 2021.	8-K	8/5/2021	10.27	
10.25	Purchase and Sale Agreement, dated February 24, 2022, by and between Spinnaker Insurance Company and Elevate Sabine Investors LP	10-Q	5/16/2022	10.1	
10.26	First Amendment to Purchase and Sale Agreement, dated March 24, 2022, by and between Spinnaker Insurance Company and Elevate Sabine Investors LP	10-Q	5/16/2022	10.2	
10.27	Second Amendment to Purchase and Sale Agreement, dated February 6, 2023, by and between Spinnaker Insurance Company and Elevate Sabine Investors LP.	10-K	3/2/2023	10.30	
10.28	Third Amendment to Purchase and Sale Agreement, dated March 8, 2023, by and between Spinnaker Insurance Company and Elevate Sabine Investors LP.	10-K	3/2/2023	10.31	
19.1	Hippo Employee Services Inc. Insider Trading Compliance Policy.	10-K	3/6/2025	19.1	
21.1	List of Subsidiaries.				X
23.1	Consent of Deloitte & Touche LLP.				X
24.1	Power of Attorney (see the signature page of this Form 10 K).				X
31.1	Certification of Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*				X
31.2	Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. *				X
32.1**	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *				X
32.2**	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*				X

97.1	Hippo Holdings Inc. Policy for Recovery of Erroneously Awarded Compensation.	10-K	3/6/2024	97.1	
101.INS	XBRL Instance Document*				X
101.SCH	XBRL Taxonomy Extension Schema Document*				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*				X
104	Cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2025 formatted in Inline XBRL (included in Exhibit 101)				X

* Indicates management or board of directors contract or compensatory plan or arrangement.

** The certifications attached as Exhibits 32.1 and 32.2 that accompany this Annual Report on Form 10-K are not deemed filed with the SEC and are not to be incorporated by reference into any filing. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-K, irrespective of any general incorporation language contained in such filing.

† This filing excludes schedules and exhibits pursuant to Item 601(b)(2) of Regulation S-K, which the registrant agrees to furnish supplementally upon request by the SEC.

Schedule II
Hippo Holdings Inc.
Condensed Financial Information of Registrant
Balance Sheet - Parent Company Only

	December 31,	
	2025	2024
	(in millions)	
Assets		
Short-term investments	\$ —	\$ 17.5
Cash and cash equivalents	—	15.3
Intercompany receivables	0.2	32.0
Other assets	2.4	3.7
Investments in subsidiaries	436.3	306.6
Total assets	438.9	375.1
Liabilities and stockholders' equity		
Liabilities:		
Intercompany payable	\$ —	\$ —
Accrued expenses and other liabilities	2.8	13.0
Total liabilities	2.8	13.0
Stockholders' equity	436.1	362.1
Total liabilities and stockholders' equity	438.9	375.1

See accompanying notes to the parent company financial statements

Schedule II
Hippo Holdings Inc.
Condensed Financial Information of Registrant
Statements of Operations and Comprehensive Income (Loss) - Parent Company Only

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Revenue:			
Net investment income	\$ 1.3	\$ 2.8	\$ 8.6
Intercompany revenue	0.2	0.5	0.5
Total revenue	1.5	3.3	9.1
Expenses:			
Losses and loss adjustment expenses	1.2	1.1	1.2
Insurance related expenses	4.9	4.8	5.6
Technology and development expenses	6.0	6.9	11.1
Sales and marketing expenses	4.0	6.8	11.7
General and administrative expenses	21.1	33.0	40.3
Other (income) expense, net	(0.4)	(0.2)	0.1
Total expenses	36.8	52.4	70.0
Loss before income tax expense	(35.3)	(49.1)	(60.9)
Income tax benefit	(2.2)	(1.8)	(0.6)
Net loss before equity in loss of subsidiaries	(33.1)	(47.3)	(60.3)
Earnings (loss) of subsidiaries	90.8	6.8	(212.8)
Net income (loss)	57.7	(40.5)	(273.1)
Other comprehensive income (loss):			
Change in net unrealized gain on investments, net of tax	4.5	0.2	4.1
Comprehensive income (loss)	\$ 62.2	\$ (40.3)	\$ (269.0)

See accompanying notes to the parent company financial statements

Schedule II
Condensed Financial Information of Registrant
Statements of Cash Flow - Parent Company Only

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Cash flows from operating activities:			
Net cash used in operating activities	\$ (5.1)	\$ (8.9)	\$ (46.0)
Cash flows from investing activities:			
Change in short-term investments	17.7	39.3	203.6
Capital contributions to subsidiaries	(37.7)	(43.5)	(187.2)
Net cash (used in) provided by investing activities	(20.0)	(4.2)	16.4
Cash flows from financing activities:			
Taxes paid related to net share settlement of equity awards	(9.4)	(9.9)	(4.7)
Proceeds from issuance of common stock	3.7	6.7	2.8
Loan repayments from subsidiaries	30.0	20.0	—
Share repurchases under program	(14.5)	(15.6)	(1.8)
Net cash provided by (used in) financing activities	9.8	1.2	(3.7)
Net decrease in cash, cash equivalents, and restricted cash	(15.3)	(11.9)	(33.3)
Cash, cash equivalents, and restricted cash at the beginning of the period	15.3	27.2	60.5
Cash, cash equivalents, and restricted cash at the end of the period	\$ —	\$ 15.3	\$ 27.2

See accompanying notes to the parent company financial statements

Schedule II
Notes to the Condensed Financial Statements (Parent Company)

1. Business

In August 2021, Hippo Enterprises Inc., a Delaware corporation (“Old Hippo”) completed a business combination resulting in Old Hippo becoming a wholly owned subsidiary of, Reinvent Technology Partners Z, a Cayman Islands exempted company and special purpose acquisition company which at that time changed its name to Hippo Holdings Inc.

2. Accounting Policies

The accompanying condensed financial statements have been prepared using the equity method. Under the equity method, the investment in consolidated subsidiaries is stated at cost plus equity in undistributed losses of consolidated subsidiaries since the date of acquisition. These condensed financial statements should be read in conjunction with the Company’s consolidated financial statements.

3. Cash Management Arrangement

Hippo Holdings Inc (the “Parent”) participates in a centralized cash management program administered by its wholly owned subsidiary, Hippo Analytics Inc. The Parent maintains a zero-balance operating cash account and funds operating activities through transfers from the centralized, interest bearing, sweep account maintained by Hippo Analytics Inc. Excess funds are transferred to the centralized sweep account to optimize investment returns. During the year ended December 31, 2025, all short-term investment and cash equivalent balances that matured or liquidated were transferred to the centralized sweep account. Accordingly, the Parent had no cash balance at December 31, 2025. At December 31, 2025, the centralized sweep account maintained by Hippo Analytics Inc. had a balance of approximately \$98 million related to the Parent and its subsidiaries, which is included in Cash and cash equivalents in the consolidated financial statements.

Schedule V
Hippo Holdings Inc. and Subsidiaries
Valuation and Qualifying Accounts
For the Years Ended December 31, 2025, 2024, and 2023

	Valuation Allowance for Deferred Tax Assets	Allowance for Uncollectible Reinsurance Recoverable	Allowance for Uncollectible Premiums Receivable
	(in millions)		
Balance at January 1, 2023	\$ 161.5	\$ —	\$ 0.3
Charged to costs and expenses	64.2	—	0.2
Decrease to other comprehensive income	0.3	—	—
Amount written off	—	—	—
Balance at December 31, 2023	<u>226.0</u>	<u>—</u>	<u>0.5</u>
Charged to costs and expenses	6.6	—	0.5
Decrease to other comprehensive income	—	—	—
Amount written off	—	—	(0.4)
Balance at December 31, 2024	<u>232.6</u>	<u>—</u>	<u>0.6</u>
Recorded to costs and expenses	(14.5)	—	—
Increase to other comprehensive income	(2.6)	—	—
Amount written off	—	—	(0.4)
Balance at December 31, 2025	<u>\$ 215.5</u>	<u>\$ —</u>	<u>\$ 0.2</u>

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized:

HIPPO HOLDINGS INC.
(Registrant)

Date: March 5, 2026

By: /s/ Guy Zeltser
Name: Guy Zeltser
Title: Chief Financial Officer
(Principal Financial & Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Guy Zeltser, his true and lawful attorneys-in-fact, with full power of substitution, for him in any and all capacities, to sign any amendments to this report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact or their substitute or substitutes may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

<hr/> <i>/s/ Sandra Wijnberg</i> Sandra Wijnberg Chair, Director March 5, 2026	<hr/> <i>/s/ Richard McCathron</i> Richard McCathron President, Chief Executive Officer, & Director (Principal Executive Officer) March 5, 2026
<hr/> <i>/s/ Guy Zeltser</i> Guy Zeltser Chief Financial Officer (Principal Financial & Accounting Officer) March 5, 2026	<hr/> <i>/s/ Mark Schaaf</i> Mark Schaaf Director March 5, 2026
<hr/> <i>/s/ Eric Feder</i> Eric Feder Director March 5, 2026	<hr/> <i>/s/ Lori Dickerson Fouché</i> Lori Dickerson Fouché Director March 5, 2026
<hr/> <i>/s/ Hugh R. Frater</i> Hugh R. Frater Director March 5, 2026	<hr/> <i>/s/ John Nichols</i> John Nichols Director March 5, 2026
<hr/> <i>/s/ Sam Landman</i> Sam Landman Director March 5, 2026	<hr/> <i>/s/ Laura Hay</i> Laura Hay Director March 5, 2026
<hr/> <i>/s/ Susan Holliday</i> Susan Holliday Director March 5, 2026	

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