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

(Mark One)

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

For the quarterly period ended September 30, 2024
OR

o **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	**32-0662604**
(State of incorporation)	(I.R.S. Employer Identification No.)
150 Forest Avenue **Palo Alto, California**	**94301**
(Address of Principal Executive Offices)	(Zip Code)

(650) 294-8463
(Registrant's telephone number, including area code)
Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

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

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 x No o

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 x No o

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	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☒

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. o

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

The registrant had 24,359,710 shares of common stock outstanding as of November 4, 2024.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q, 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 Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and our reputation. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we cannot guarantee that the future results, levels of activity, performance, events, and circumstances reflected in the forward-looking statements will be achieved or occur at all. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors discussed in Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Part II, Item 1A, "Risk Factors" in this Quarterly Report on Form 10-Q as well as other documents that may be filed by us from time to time with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

These forward-looking statements are based on information available as of the date of this Quarterly Report on Form 10-Q, 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.

You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q and have filed as exhibits to our most recent Annual Report on Form 10-K and this Quarterly Report on Form 10-Q, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this Quarterly Report on Form 10-Q by these cautionary statements.

HIPPO HOLDINGS INC.
Condensed Consolidated Balance Sheets
(In millions, except share and per share data)
(Unaudited)

	September 30, 2024	December 31, 2023
Assets		
Investments:		
Fixed maturities available-for-sale, at fair value (amortized cost: $201.3 million and $164.6 million, respectively)	$ 201.8	$ 161.7
Short-term investments, at fair value (amortized cost: $152.4 million and $187.1 million, respectively)	152.5	187.1
Total investments	354.3	348.8
Cash and cash equivalents	191.2	142.1
Restricted cash	39.7	53.0
Accounts receivable, net of allowance of $0.5 million and $0.5 million, respectively	157.8	145.2
Reinsurance recoverable on paid and unpaid losses and LAE	279.8	281.3
Prepaid reinsurance premiums	292.3	335.6
Ceding commissions receivable	89.0	73.8
Capitalized internal use software	50.2	48.4
Intangible assets	23.8	27.3
Other assets	67.3	69.2
Total assets	$ 1,545.4	$ 1,524.7
Liabilities and stockholders' equity		
Liabilities:		
Loss and loss adjustment expense reserve	$ 351.1	$ 322.5
Unearned premiums	473.8	419.2
Reinsurance premiums payable	261.2	260.1
Provision for commission	31.1	24.7
Accrued expenses and other liabilities	98.1	113.5
Total liabilities	1,215.3	1,140.0
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Common stock, $0.0001 par value per share;80,000,000 shares authorized as of September 30, 2024 and December 31, 2023;25,232,297 and 24,148,308 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	—	—
Additional paid-in capital	1,645.1	1,615.2
Accumulated other comprehensive loss	0.5	(2.9)
Accumulated deficit	(1,319.2)	(1,234.4)
Total Hippo stockholders' equity	326.4	377.9
Noncontrolling interest	3.7	6.8
Total stockholders' equity	330.1	384.7
Total liabilities and stockholders' equity	$ 1,545.4	$ 1,524.7

See Notes to the Condensed Consolidated Financial Statements

HIPPO HOLDINGS INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(In millions, except share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue:				
Net earned premium	$ 70.6	$ 32.9	$ 195.5	$ 69.0
Commission income, net	15.7	14.2	47.7	47.8
Service and fee income	3.0	4.9	8.8	11.9
Net investment income	6.2	5.7	18.2	16.5
Total revenue	95.5	57.7	270.2	145.2
Expenses:				
Losses and loss adjustment expenses	51.6	36.5	164.6	150.9
Insurance related expenses	22.6	20.3	67.9	54.8
Technology and development	7.0	11.9	23.1	36.6
Sales and marketing	12.5	18.9	40.3	63.9
General and administrative	15.3	20.7	53.5	62.0
Impairment and restructuring charges	—	—	3.6	—
Gain on sale of business	(8.2)	—	(8.2)	—
Other (income) expense, net	(0.1)	—	(0.1)	0.5
Total expenses	100.7	108.3	344.7	368.7
Loss before income taxes	(5.2)	(50.6)	(74.5)	(223.5)
Income tax (benefit) expense	—	(0.3)	1.0	0.2
Net loss	(5.2)	(50.3)	(75.5)	(223.7)
Net income attributable to noncontrolling interests, net of tax	3.3	2.8	9.2	7.1
Net loss attributable to Hippo	$ (8.5)	$ (53.1)	$ (84.7)	$ (230.8)
Other comprehensive income (loss):				
Change in net unrealized gain (loss) on investments, net of tax	4.1	(0.7)	3.4	(0.1)
Comprehensive loss attributable to Hippo	$ (4.4)	$ (53.8)	$ (81.3)	$ (230.9)
Per share data:				
Net loss attributable to Hippo - basic and diluted	$ (8.5)	$ (53.1)	$ (84.7)	$ (230.8)
Weighted-average shares used in computing net loss per share attributable to Hippo - basic and diluted	25,068,472	23,729,570	24,644,272	23,440,550
Net loss per share attributable to Hippo - basic and diluted	$ (0.34)	$ (2.24)	$ (3.44)	$ (9.85)

See Notes to the Condensed Consolidated Financial Statements

HIPPO HOLDINGS INC.
Condensed Consolidated Statements of Stockholders' Equity
(In millions, except share data)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Hippo Stockholders' Equity	Non controlling Interests	Total Stockholders' Equity
Balance at January 1, 2024	24,148,308	$ —	$ 1,615.2	$ (2.9)	$ (1,234.4)	$ 377.9	$ 6.8	$ 384.7
Net loss	—	—	—	—	(35.7)	(35.7)	2.6	(33.1)
Other comprehensive income (loss)	—	—	—	(0.5)	—	(0.5)	—	(0.5)
Issuance of common stock from stock plans and contingently issuable shares	261,416	—	1.2	—	—	1.2	—	1.2
Shares withheld related to net share settlement	—	—	(1.2)	—	—	(1.2)	—	(1.2)
Stock-based compensation expense	—	—	9.5	—	—	9.5	—	9.5
Other	—	—	—	—	—	—	(5.8)	(5.8)
Balance at March 31, 2024	24,409,724	$ —	$ 1,624.7	$ (3.4)	$ (1,270.1)	$ 351.2	$ 3.6	$ 354.8
Net loss	—	$ —	$ —	$ —	$ (40.5)	$ (40.5)	$ 3.3	$ (37.2)
Other comprehensive income (loss)	—	—	—	(0.2)	—	(0.2)	—	(0.2)
Issuance of common stock from stock plans and contingently issuable shares	481,804	—	1.4	—	—	1.4	—	1.4
Shares withheld related to net share settlement	—	—	(2.6)	—	—	(2.6)	—	(2.6)
Stock-based compensation expense	—	—	13.3	—	—	13.3	—	13.3
Other	—	—	—	—	—	—	(2.9)	(2.9)
Balance at June 30, 2024	24,891,528	$ —	$ 1,636.8	$ (3.6)	$ (1,310.6)	$ 322.6	$ 4.0	$ 326.6
Net loss	—	—	—	—	(8.5)	(8.5)	3.3	(5.2)
Other comprehensive income (loss)	—	—	—	4.1	—	4.1	—	4.1
Issuance of common stock from stock plans and contingently issuable shares	340,769	—	0.9	—	—	0.9	—	0.9
Shares withheld related to net share settlement	—	—	(2.5)	—	—	(2.5)	—	(2.5)
Stock-based compensation expense	—	—	10.1	—	—	10.1		10.1
Acquisitions of noncontrolling interests	—	—	(0.2)	—	—	(0.2)	(0.1)	(0.3)
Other	—	—	—	—	(0.1)	(0.1)	(3.5)	(3.6)
Balance at September 30, 2024	25,232,297	$ —	$ 1,645.1	$ 0.5	$ (1,319.2)	$ 326.4	$ 3.7	$ 330.1

See Notes to the Condensed Consolidated Financial Statements

HIPPO HOLDINGS INC.
Condensed Consolidated Statements of Stockholders' Equity
(In millions, except share data)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Hippo Stockholders' Equity	Non controlling Interests	Total Stockholders' Equity
	Shares	Amount						
Balance at January 1, 2023	23,201,434	$ —	$ 1,558.0	$ (7.0)	$ (961.1)	$ 589.9	$ 3.6	$ 593.5
Net loss	—	—	—	—	(69.8)	(69.8)	1.7	(68.1)
Other comprehensive income (loss)	—	—	—	1.7	—	1.7	—	1.7
Issuance of common stock from stock plans and contingently issuable shares	134,824	—	0.4	—	—	0.4	—	0.4
Repurchase of common stock	(15,472)	—	(0.2)	—	—	(0.2)	—	(0.2)
Shares withheld related to net share settlement	—	—	(0.9)	—	—	(0.9)	—	(0.9)
Stock-based compensation expense	—	—	17.4	—	—	17.4	—	17.4
Other	—	—	—	—	(0.2)	(0.2)	(0.6)	(0.8)
Balance at March 31, 2023	23,320,786	$ —	$ 1,574.7	$ (5.3)	$ (1,031.1)	$ 538.3	$ 4.7	$ 543.0
Net loss	—	$ —	$ —	$ —	$ (107.8)	$ (107.8)	$ 2.6	$ (105.2)
Other comprehensive income (loss)	—	—	—	(1.1)	—	(1.1)	—	(1.1)
Issuance of common stock from stock plans and contingently issuable shares	375,844	—	1.8	—	—	1.8	—	1.8
Repurchase of common stock	(85,322)	—	(1.6)	—	—	(1.6)	—	(1.6)
Shares withheld related to net share settlement	—	—	(2.0)	—	—	(2.0)	—	(2.0)
Stock-based compensation expense	—	—	18.0	—	—	18.0	—	18.0
Other	—	—	—	—	—	—	(5.9)	(5.9)
Balance at June 30, 2023	23,611,308	$ —	$ 1,590.9	$ (6.4)	$ (1,138.9)	$ 445.6	$ 1.4	$ 447.0
Net loss	—	$ —	$ —	$ —	$ (53.1)	$ (53.1)	$ 2.8	$ (50.3)
Other comprehensive loss	—	—	—	(0.7)	—	(0.7)	—	(0.7)
Issuance of common stock from stock plans and contingently issuable shares	280,622	—	0.6	—	—	0.6	—	0.6
Repurchase of common stock	—	—	—	—	—	—	—	—
Shares withheld related to net share settlement	—	—	(1.1)	—	—	(1.1)	—	(1.1)
Stock-based compensation expense	—	—	15.7	—	—	15.7	—	15.7
Other	—	—	—	—	—	—	0.1	0.1
Balance at September 30, 2023	23,891,930	$ —	$ 1,606.1	$ (7.1)	$ (1,192.0)	$ 407.0	$ 4.3	$ 411.3

See Notes to the Condensed Consolidated Financial Statements

HIPPO HOLDINGS INC.
Condensed Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Cash flows from operating activities:		
Net loss	$ (75.5)	$ (223.7)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	17.4	14.4
Stock–based compensation expense	29.3	46.7
Fair value adjustments	2.2	4.3
Impairment and restructuring charges	3.3	—
Gain on sale of business	(8.2)	—
Other non-cash items	(6.6)	(6.9)
Changes in assets and liabilities:		
Accounts receivable, net	(12.6)	(38.2)
Reinsurance recoverable on paid and unpaid losses and LAE	1.5	(11.0)
Ceding commissions receivable	(15.3)	(34.2)
Prepaid reinsurance premiums	43.3	(65.7)
Other assets	(6.2)	0.1
Provision for commission	6.4	13.0
Accrued expenses and other liabilities	(9.4)	6.6
Loss and loss adjustment expense reserves	28.6	66.1
Unearned premiums	54.6	100.6
Reinsurance premiums payable	1.1	84.0
Net cash provided by (used in) operating activities	53.9	(43.9)
Cash flows from investing activities:		
Capitalized internal use software costs	(10.4)	(13.0)
Purchases of property and equipment	(0.2)	(29.2)
Purchases of fixed maturities	(70.7)	(32.7)
Maturities of fixed maturities	29.2	8.0
Sales of fixed maturities	1.4	3.1
Purchases of short-term investments	(173.0)	(258.0)
Maturities of short-term investments	206.6	375.6
Sales of short-term investments	0.2	26.7
Proceeds from sale of business, net of cash disposed	19.2	—
Other	0.2	(0.9)
Net cash provided by investing activities	2.5	79.6
Cash flows from financing activities:		
Taxes paid related to net share settlement of equity awards	(6.3)	(4.0)
Proceeds from issuance of common stock	3.0	2.4
Share repurchases under program	—	(1.8)
Payments of contingent consideration	(0.7)	(1.0)
Acquisitions of noncontrolling interests	(0.2)	—
Distributions to noncontrolling interests and other	(16.4)	(6.5)
Net cash used in financing activities	(20.6)	(10.8)
Net increase (decrease) in cash, cash equivalents, and restricted cash	35.8	24.9
Cash, cash equivalents, and restricted cash at the beginning of the period	195.1	244.5
Cash, cash equivalents, and restricted cash at the end of the period	$ 230.9	$ 269.4

See Notes to the Condensed 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 Palo Alto, California.

Basis of Presentation and Consolidation

The interim condensed 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") and include the Company's consolidated subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Certain information and disclosures normally included in condensed consolidated financial statements prepared in accordance with GAAP have been omitted accordingly.

The interim financial information is unaudited, but reflects all normal recurring adjustments that are, in the opinion of management, necessary to fairly present the information set forth herein. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Interim results are not necessarily indicative of the results for a full year.

Use of Estimates

The preparation of the Company's condensed 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 condensed 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, loss 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, and revenue recognition. 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.

Recent Accounting Pronouncements

Accounting Pronouncements Not Yet Adopted

In November 2023, the FASB issued ASU No. 2023-07, *Improvements to Reportable Segment Disclosures.* The ASU includes requirements that an entity disclose the title of the chief operating decision maker (CODM) and on an interim and annual basis, significant segment expenses and the composition of other segment items for each segment's reported profit. The standard also permits disclosure of additional measures of segment profit. This ASU is effective for public companies with annual periods beginning after December 15, 2023, and interim periods within annual period beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the ASU, but does not expect the standard will have a material impact on its disclosures.

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 currently evaluating the impact of the ASU on its disclosures.

2. Investments

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

	September 30, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturities available-for-sale:				
U.S. government and agencies	$ 17.5	$ 0.2	$ (0.1)	$ 17.6
States and other territories	8.1	—	(0.2)	7.9
Corporate securities	133.6	2.3	(0.6)	135.3
Foreign securities	0.9	—	—	0.9
Residential mortgage-backed securities	19.1	0.2	(1.0)	18.3
Commercial mortgage-backed securities	7.5	—	(0.3)	7.2
Asset backed securities	14.6	0.1	(0.1)	14.6
Total fixed maturities available-for-sale	201.3	2.8	(2.3)	201.8
Short-term investments:				
U.S. government and agencies	105.0	—	—	105.0
Commercial paper	17.1	—	—	17.1
Corporate securities	30.3	0.1	—	30.4
Total short-term investments	152.4	0.1	—	152.5
Total	$ 353.7	$ 2.9	$ (2.3)	$ 354.3

	December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturities available-for-sale:				
U.S. government and agencies	$ 18.6	$ —	$ (0.2)	$ 18.4
States and other territories	9.3	—	(0.4)	8.9
Corporate securities	91.3	1.1	(1.3)	91.1
Foreign securities	0.9	—	—	0.9
Residential mortgage-backed securities	20.7	0.1	(1.3)	19.5
Commercial mortgage-backed securities	7.7	—	(0.6)	7.1
Asset backed securities	16.1	—	(0.3)	15.8
Total fixed maturities available-for-sale	164.6	1.2	(4.1)	161.7
Short-term investments:				
U.S. government and agencies	137.7	—	—	137.7
Commercial paper	34.5	—	—	34.5
Corporate securities	14.9	—	—	14.9
Total short-term investments	187.1	—	—	187.1
Total	$ 351.7	$ 1.2	$ (4.1)	$ 348.8

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 September 30, 2024, and December 31, 2023 (in millions):

	September 30, 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
Fixed maturities available-for-sale:						
U.S. government and agencies	$ 1.2	$ —	$ 2.4	$ (0.1)	$ 3.7	$ (0.1)
States and other territories	—	—	5.5	(0.2)	5.5	(0.2)
Corporate securities	9.3	(0.1)	30.4	(0.5)	39.6	(0.6)
Foreign securities			0.9	—	0.9	—
Residential mortgage-backed securities	—	—	10.8	(1.0)	10.8	(1.0)
Commercial mortgage-backed securities	—	—	4.1	(0.3)	4.1	(0.3)
Asset backed securities	—	—	5.8	(0.1)	5.8	(0.1)
Short-term investments:						
U.S. government and agencies	—	—	—	—	—	—
Commercial paper	2.3	—	—	—	2.3	—
Corporate securities	7.5	—	—	—	7.5	—
Total	$ 20.3	$ (0.1)	$ 59.9	$ (2.2)	$ 80.2	$ (2.3)

	December 31, 2023					
	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Fixed maturities available-for-sale:						
U.S. government and agencies	$ 4.3	$ —	$ 10.5	$ (0.2)	$ 14.8	$ (0.2)
States and other territories	1.5	—	7.4	(0.4)	8.9	(0.4)
Corporate securities	5.7	—	37.4	(1.3)	43.1	(1.3)
Foreign securities	—	—	0.9	—	0.9	—
Residential mortgage-backed securities	—	—	11.6	(1.3)	11.6	(1.3)
Commercial mortgage-backed securities	0.4	—	5.8	(0.6)	6.2	(0.6)
Asset backed securities	1.6	—	8.2	(0.3)	9.8	(0.3)
Short-term investments:						
U.S. government and agencies	137.7	—	—	—	137.7	—
Commercial paper	34.5	—	—	—	34.5	—
Corporate securities	14.9	—	—	—	14.9	—
Total	$ 200.6	$ —	$ 81.8	$ (4.1)	$ 282.4	$ (4.1)

The Company has determined that unrealized losses as of September 30, 2024 and December 31, 2023 resulted from the interest rate environment, rather than a deterioration of the creditworthiness of the issuers. 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 September 30, 2024, 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 (in millions):

	September 30, 2024	
	Amortized Cost	**Fair Value**
Due to mature:		
One year or less	$ 30.0	$ 29.7
After one year through five years	108.1	108.6
After five years	17.9	18.9
After ten years	4.1	4.5
Residential mortgage-backed securities	19.1	18.3
Commercial mortgage-backed securities	7.5	7.2
Asset backed securities	14.6	14.6
Total fixed maturities available-for-sale	$ 201.3	$ 201.8

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 three and nine months ended September 30, 2024 and 2023, respectively.

The Company's net investment income is comprised of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Interest on cash and cash equivalents	$ 2.3	$ 2.2	$ 7.3	$ 4.7
Fixed maturities income	1.9	1.5	5.6	4.1
Short-term investment income	2.1	2.1	5.6	8.1
Total gross investment income	6.3	5.8	18.5	16.9
Investment expenses	(0.1)	(0.1)	(0.3)	(0.4)
Net investment income	$ 6.2	$ 5.7	$ 18.2	$ 16.5

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 condensed consolidated balance sheets. The carrying value of securities on deposit with state regulatory authorities total $ 9.3 million and $12.9 million as of September 30, 2024 and December 31, 2023, respectively.

3. Cash, Cash Equivalents, and Restricted Cash

The following table sets forth the cash, cash equivalents, and restricted cash (in millions):

	September 30, 2024	December 31, 2023
Cash and cash equivalents:		
Cash	$ 76.0	$ 54.3
Money market funds	114.7	77.8
Commercial paper	—	10.0
U.S. government and agencies	0.5	—
Total cash and cash equivalents	$ 191.2	$ 142.1
Restricted cash:		
Fiduciary assets	29.3	32.5
Letters of credit and cash on deposit	10.4	20.5
Total restricted cash	39.7	53.0
Total cash, cash equivalents, and restricted cash	$ 230.9	$ 195.1

4. Fair Value Measurement

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

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash, cash equivalents, and restricted cash	$ 230.9	$ —	$ —	$ 230.9
Fixed maturities available-for-sale:				
U.S. government and agencies	17.6	—	—	17.6
States and other territories	—	7.9	—	7.9
Corporate securities	—	135.3	—	135.3
Foreign securities	—	0.9	—	0.9
Residential mortgage-backed securities	—	18.3	—	18.3
Commercial mortgage-backed securities	—	7.2	—	7.2
Asset backed securities	—	14.6	—	14.6
Total fixed maturities available-for-sale	17.6	184.2	—	201.8
Short-term investments				
U.S. government and agencies	105.0	—	—	105.0
Commercial paper	—	17.1	—	17.1
Corporate securities	—	30.4	—	30.4
Total short-term investments	105.0	47.5	—	152.5
Total financial assets	$ 353.5	$ 231.7	$ —	$ 585.2
Financial liabilities:				
Contingent consideration liability	$ —	$ —	$ 13.5	$ 13.5
Total financial liabilities	$ —	$ —	$ 13.5	$ 13.5

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash, cash equivalents, and restricted cash	$ 195.1	$ —	$ —	$ 195.1
Fixed maturities available-for-sale:				
U.S. government and agencies	18.4	—	—	18.4
States and other territories	—	8.9	—	8.9
Corporate securities	—	91.1	—	91.1
Foreign securities	—	0.9	—	0.9
Residential mortgage-backed securities	—	19.5	—	19.5
Commercial mortgage-backed securities	—	7.1	—	7.1
Asset backed securities	—	15.8	—	15.8
Total fixed maturities available-for-sale	18.4	143.3	—	161.7
Short-term investments				
U.S. government and agencies	137.7	—	—	137.7
Commercial paper	—	34.5	—	34.5
Corporate securities	—	14.9	—	14.9
Total short-term investments	137.7	49.4	—	187.1
Total financial assets	$ 351.2	$ 192.7	$ —	$ 543.9
Financial liabilities:				
Contingent consideration liability	$ —	$ —	$ 13.6	$ 13.6
Public warrants	0.1	—	—	0.1
Private placement warrants	—	0.1	—	0.1
Total financial liabilities	$ 0.1	$ 0.1	$ 13.6	$ 13.8

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of each reporting period. Other than the public warrants transferring from level 1 to level 2 upon delisting, there were no other transfers between levels in the fair value hierarchy during the nine months ended September 30, 2024.

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. North American Advantage Insurance Services, LLC's ultimate parent company was Lennar Corporation, a related party of the Company. There is no limit to the maximum potential contingent consideration as the consideration is based on acquired customer retention. The table below presents the changes in the contingent consideration liability valued using Level 3 inputs (in millions):

	2024	2023
Balance as of January 1,	$ 13.6	$ 11.9
Payments of contingent consideration	(2.6)	(2.9)
Changes in fair value	2.5	4.5
Balance as of September 30,	$ 13.5	$ 13.5

5. Intangible Assets

		September 30, 2024			December 31, 2023		
	Weighted- Average Useful Life Remaining (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
			(in millions)			(in millions)	
Agency and carrier relationships	4.2	$ 13.5	$ (6.4)	$ 7.1	$ 13.5	$ (5.1)	$ 8.4
State licenses and domain name	Indefinite	10.5	—	10.5	10.5	—	10.5
Customer relationships	5.0	18.5	(13.1)	5.4	18.5	(10.9)	7.6
Other	5.3	1.8	(1.0)	0.8	1.7	(0.9)	0.8
Total intangible assets, net		$ 44.3	$ (20.5)	$ 23.8	$ 44.2	$ (16.9)	$ 27.3

Amortization expense related to intangible assets for the three months ended September 30, 2024 and 2023 was $ 1.2 million and $1.1 million, respectively, and for the nine months ended September 30, 2024 and 2023 was $ 3.6 million ar $3.3 million, respectively. The amortization expense is included in sales and marketing expenses for customer relationships, agency and carrier relationships, and other on the condensed consolidated statements of operations and comprehensive loss.

6. Capitalized Internal Use Software

	September 30, 2024	December 31, 2023
	(in millions)	
Capitalized internal use software	$ 93.2	$ 79.1
Less: accumulated amortization	(43.0)	(30.7)
Total capitalized internal use software	$ 50.2	$ 48.4

Amortization expense related to capitalized internal use software for the three months ended September 30, 2024 and 2023 was $ 4.3 million and $3.4 million, respectively, and for the nine months ended September 30, 2024 and 2023 was $12.3 million and $9.4 million, respectively. The amortization expense is included in insurance related expenses on the condensed consolidated statements of operations and comprehensive loss.

7. Other Assets

	September 30, 2024		December 31, 2023	
	(in millions)			
Property and equipment	$	33.4	$	34.9
Prepaid expenses		9.3		11.3
Claims receivable		1.5		5.6
Lease right-of-use assets		5.3		10.6
Deferred policy acquisition costs		12.2		—
Other		5.6		6.8
Total other assets	$	67.3	$	69.2

8. Accrued Expenses and Other Liabilities

	September 30, 2024		December 31, 2023	
	(in millions)			
Claim payments outstanding	$	24.4	$	26.3
Lease liability		11.1		14.8
Advances from customers		11.7		9.8
Deferred revenue		0.1		3.8
Employee related accruals		5.6		7.3
Premium refund liability		11.9		12.2
Fiduciary liability		2.2		6.0
Contingent consideration liability		13.5		13.6
Other		17.6		19.7
Total accrued expenses and other liabilities	$	98.1	$	113.5

9. Loss and Loss Adjustment Expense Reserves

The reconciliation of the beginning and ending reserve balances for losses and loss adjustment expenses (“LAE”), net of reinsurance is summarized as follows for the nine months ended September 30, (in millions):

	2024	2023
Reserve for losses and LAE gross of reinsurance recoverables on unpaid losses and LAE as of beginning of the period	$ 322.5	$ 293.8
Less: Reinsurance recoverables on unpaid losses and LAE	(221.4)	(228.8)
Reserve for losses and LAE, net of reinsurance recoverables as of beginning of the period	101.1	65.0
Add: Incurred losses and LAE, net of reinsurance, related to:		
Current year	168.6	153.0
Prior years	(4.0)	(2.1)
Total incurred	164.6	150.9
Deduct: Loss and LAE payments, net of reinsurance, related to:		
Current year	101.4	89.8
Prior years	41.8	15.7
Total paid	143.2	105.5
Reserve for losses and LAE, net of reinsurance recoverables at end of period	122.5	110.4
Add: Reinsurance recoverables on unpaid losses and LAE at end of period	228.6	249.5
Reserve for losses and LAE gross of reinsurance recoverables on unpaid losses and LAE as of end of the period	$ 351.1	$ 359.9

Loss development occurs when actual losses incurred vary from the Company’s previously developed estimates, which are established through the Company’s loss and LAE reserve estimate processes.

Net incurred losses and LAE experienced favorable development of $ 4.0 million and $2.1 million for the nine months ended September 30, 2024 and 2023, respectively. The prior period development in 2024 of $ 4.0 million was driven primarily by favorable net loss development relating to the 2023 and prior accident years, resulting in a net release of $2.4 million from catastrophe reserves and $1.6 million from attritional reserves. These changes are primarily a result of ongoing analysis of claims emergence patterns and loss trends. The prior period development in 2023 of $2.1 million was driven primarily by favorable net loss development relating primarily to the 2022 accident year, resulting in a net release of $1.0 million from catastrophe reserves and $1.1 million from attritional reserves. These changes are primarily a result of ongoing analysis of claims emergence patterns and loss trends.

10. Reinsurance

The Company purchases reinsurance to help manage exposure to property and casualty insurance risks, including attritional and catastrophic risks. The Company’s insurance company subsidiaries have entered into both proportional and non-proportional reinsurance treaties. The Company also assumes risk from non-affiliated insurance carriers.

Proportional Reinsurance Treaties — Hippo Home Insurance Program

In 2024, the Company started transitioning from proportional reinsurance to a more traditional excess of loss (XOL) reinsurance structure, retaining nearly all the attritional risk and related premium, and purchasing XOL reinsurance to protect against major catastrophic weather events.

For the Company's primary homeowners reinsurance program for policies with effective dates in 2024, the Company elected not to purchase proportional reinsurance and to retain more of the exposure and associated premium.

For business produced through the Company's builder channel for policies with effective dates in 2024, the Company purchased proportional reinsurance from one third-party reinsurer and expects to retain approximately 85% of the premium and associated risk, before purchasing catastrophic protection. All reinsurance obligations are appropriately collateralized. The reinsurance contract is subject to contingent commission adjustments and limited loss participation features, which align the Company's interests with those of the reinsurers.

For the Company's primary homeowners reinsurance treaty for policies with effective dates in 2023, the Company secured proportional reinsurance from a diverse panel of six third-party reinsurers. All reinsurers are either rated "A-" Excellent or better by AM Best, or the reinsurance is appropriately collateralized. In 2023, the Company retained approximately 40% of the premium through its insurance company subsidiaries or its captive reinsurance company, RH Solutions Insurance (Cayman) Ltd. ("RHS"), before purchasing catastrophe protection.

Effective January 1, 2024, the Company elected to cut off 25% of the reinsurer's participation on the 2023 proportional reinsurance treaty and retain the remaining exposure and related premiums.

For business produced through the Company's builder channel for policies with effective dates in 2023, the Company purchased proportional reinsurance from three third-party reinsurers. All reinsurers are rated "A-" Excellent or better by AM Best, or the reinsurance is appropriately collateralized. In 2023, the Company retained approximately 58% of the premium produced through the Company's insurance company subsidiaries or RHS, before purchasing catastrophe protection.

For the Company's primary homeowners reinsurance treaty for policies with effective dates in 2022, the Company secured proportional reinsurance from a diverse panel of eleven third-party reinsurers with AM Best ratings of "A-" Excellent or better. A total of approximately 10% of the premium was retained through the Company's insurance company subsidiaries, including the Company's captive reinsurance company, RHS.

The Company also seeks to further reduce its risk retention through purchases of non-proportional reinsurance described below.

Non-Proportional Reinsurance — Hippo Home Insurance Program

The Company purchases non-proportional XOL reinsurance which includes traditional reinsurance protection, state subsidized reinsurance protection, catastrophe bonds, and industry loss warranty products. Through the Company's insurance company subsidiaries, the Company is exposed to the risk of natural catastrophe events that could occur on the risks arising from policies underwritten by the Company or other managing general agents ("MGAs"). The Company is also exposed to this risk through its captive reinsurer, which takes on a share of the risk underwritten by the Company's MGA business.

In May 2023, the Company secured new catastrophe protection through a per occurrence XOL reinsurance agreement with Mountain Re Ltd. ("Mountain Re"), an independent Bermuda company, licensed as a Special Purpose Insurer. The reinsurance agreement meets the requirements to be accounted for as reinsurance in accordance with the guidance for reinsurance contracts. In connection with the reinsurance agreement, Mountain Re issued notes (generally referred to as "catastrophe bonds") to investors, consistent with the amount of coverage provided under the reinsurance agreement. The reinsurance agreement provides the Company with coverage through June 2026, and pursuant to the agreement, Mountain Re provides XOL reinsurance coverage to the Company for losses from a variety of perils, including named storms, fire following an earthquake, severe thunderstorms, and winter storms on business produced through the Hippo MGA. Under the terms of the reinsurance agreement, the Company is obligated to pay annual reinsurance premiums to Mountain Re for the reinsurance coverage which inures to the benefit of the Company's traditional XOL program described below. Amounts payable under the reinsurance agreement with respect to any covered event cannot exceed the Company's actual losses from such event.

The Company's XOL program provides protection to the Company from catastrophes that could impact a large number of insurance policies. In 2023, the Company purchased XOL reinsurance so that the probability of losses from a single occurrence exceeding the protection purchase was no more than 0.4%. In 2024, the Company increased its purchase of non-proportional XOL reinsurance, raising the per occurrence XOL limit by 11% and increasing the number of participating reinsurers from 14 to 19. Under this placement, along with other existing catastrophe protections, the Company is protected on the upper layers of risk up to at least a 1 in 250-year event when considering the Mountain Re per occurrence, described above, corporate catastrophe, and the Florida Hurricane Catastrophe Fund (the "FHCF") XOL described below under "Other Reinsurance." The reinsurance protects the Company from all but the most severe catastrophic events.

Other Reinsurance

Spinnaker Insurance Company ("Spinnaker") purchases reinsurance for programs written by MGAs other than Hippo through its Insurance-as-a-Service business. The reinsurance treaties are a mix of proportional and XOL in which generally 75% to 100% of the risk, up to at least the 1 in 250 year return period, is ceded. The reinsurance contracts are subject to variable commission adjustments and loss participation features, including loss caps, which may increase the amount of losses retained by the Company in excess of the Company's pro-rata participation. Such provisions are recognized in the period based on the experience to date under the agreement.

Spinnaker purchases a corporate catastrophe XOL program that attaches above the individual programmatic reinsurance programs protecting the property business written by Hippo as well as the other MGAs. This treaty has a floating retention and attaches at the exhaustion point of the underlying programs' specific reinsurance. The catastrophe bond, and the FHCFs, described below, inures to the benefit of this contract. This program provides the Company protection from catastrophes that could impact a large number of correlated insurance policies underwritten by the Company and its other MGAs. The Company buys this XOL so that the probability of losses from a single occurrence across the property portfolio exceeding the protection purchased is no more than 0.4%, or equivalent to a 1 in 250-year return period. This reinsurance protects the Company from all but the most severe catastrophic events.

Spinnaker also purchases reinsurance from the State Board of Administration in Florida via the FHCF annually for admitted residential hurricane losses in Florida. This coverage is provided by the State of Florida and protects business written by Hippo as well as other MGAs that produce admitted residential policies. The Company currently purchases reimbursement protection at the maximum level (90%) of mandatory coverage offered by the FHCF.

With all reinsurance programs, the Company's wholly owned insurance carriers are not relieved of their primary obligations to policyholders in the event of a default or the insolvency of their reinsurers. As a result, credit exposure exists to the extent that any reinsurer fails to meet its obligations assumed in the reinsurance agreements. To mitigate this exposure to reinsurance insolvencies, the Company evaluates the financial condition of its reinsurers and, in certain circumstances, holds substantial collateral (in the form of funds withheld, qualified trusts, and letters of credit) as security under the reinsurance agreements. No material allowance has been recorded in the three and nine months ended September 30, 2024, and 2023 for amounts anticipated to be uncollectible or for the anticipated failure of a reinsurer to meet its obligations under the contracts.

The following tables reflect amounts affecting the condensed consolidated statements of operations and comprehensive loss for reinsurance as of and for the three and nine months ended September 30, 2024, and 2023 (in millions).

	For the Three Months Ended September 30,					
	2024			2023		
	Written premiums	Earned premiums	Loss and LAE incurred	Written premiums	Earned premiums	Loss and LAE incurred
Direct	$ 233.2	$ 210.7	$ 104.1	$ 225.9	$ 207.7	$ 120.7
Assumed	1.2	2.7	2.2	3.6	3.0	3.8
Gross	234.4	213.4	106.3	229.5	210.7	124.5
Ceded	(143.8)	(142.8)	(54.7)	(178.0)	(177.8)	(88.0)
Net	$ 90.6	$ 70.6	$ 51.6	$ 51.5	$ 32.9	$ 36.5

	For the Nine Months Ended September 30,					
	2024			2023		
	Written premiums	Earned premiums	Loss and LAE incurred	Written premiums	Earned premiums	Loss and LAE incurred
Direct	$ 676.8	$ 621.4	$ 340.6	$ 651.8	$ 557.3	$ 441.4
Assumed	10.0	10.7	10.1	11.8	5.7	9.5
Gross	686.8	632.1	350.7	663.6	563.0	450.9
Ceded	(393.4)	(436.6)	(186.1)	(559.8)	(494.0)	(300.0)
Net	$ 293.4	$ 195.5	$ 164.6	$ 103.8	$ 69.0	$ 150.9

As of September 30, 2024 and December 31, 2023, a provision for sliding scale commissions of $ 31.1 million and $23.8 million, respectively, is included in provision for commission on the condensed consolidated balance sheets. As of September 30, 2024 and December 31, 2023, a receivable for sliding scale commissions of $2.7 million and $5.8 million, respectively, is included in ceding commissions receivable on the condensed consolidated balance sheets.

As of September 30, 2024 and December 31, 2023, a provision for loss participation features of $ 50.3 million and $112.8 million, respectively, was recorded as a contra-asset in reinsurance recoverable on the condensed consolidated balance sheets. The decrease is primarily due to settlements of the Company's 2023 and prior year's loss participation features with the Company's participating reinsurers.

11. Geographical Breakdown of Gross Written Premium

Gross written premium by state is as follows (in millions):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024		2023		2024		2023	
	Amount	% of GWP	Amount	% of GWP	Amount	% of GWP	Amount	% of GWP
State								
California	$ 53.0	22.6 %	$ 40.6	17.7 %	$ 153.5	22.4 %	$ 116.6	17.6 %
Texas	34.7	14.8 %	42.5	18.5 %	99.1	14.4 %	126.3	19.0 %
Florida	26.8	11.4 %	29.9	13.0 %	89.5	13.0 %	89.4	13.5 %
Illinois	6.3	2.7 %	7.5	3.3 %	21.2	3.1 %	19.9	3.0 %
Georgia	5.9	2.5 %	8.5	3.7 %	19.5	2.8 %	30.7	4.6 %
South Carolina	7.2	3.1 %	4.6	2.0 %	20.5	3.0 %	13.8	2.1 %
New York	10.5	4.5 %	5.6	2.4 %	23.1	3.4 %	15.1	2.3 %
Colorado	4.6	2.0 %	5.6	2.4 %	13.8	2.0 %	18.1	2.7 %
New Jersey	4.8	2.0 %	4.5	2.0 %	13.9	2.0 %	12.8	1.9 %
Ohio	3.6	1.5 %	3.3	1.4 %	12.6	1.8 %	11.2	1.7 %
Other	77.0	32.9 %	76.9	33.6 %	220.1	32.1 %	209.7	31.6 %
Total	$ 234.4	100.0 %	$ 229.5	100 %	$ 686.8	100 %	$ 663.6	100.0 %

12. Commitments and Contingencies

Legal Proceedings

From time to time, the Company may become 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 is 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

On November 19, 2021, Hippo and Assaf Wand were named in a civil action in San Francisco Superior Court brought by Eyal Navon. Mr. Navon alleged six claims against Mr. Wand for breach of fiduciary duty, breach of contract, promissory estoppel, fraud, negligent misrepresentation, and constructive fraud surrounding a loan and call option entered into between Innovius Capital Canopus I, L.P. ("Innovius") and Mr. Navon, as well as alleged promises made by Mr. Wand to Mr. Navon while Mr. Navon was an employee of Hippo. Innovius was an investor in the Company prior to its transaction with Mr. Navon. Mr. Navon filed a Fourth Amended Complaint on February

2, 2024, in which he alleged 19 claims for relief and sought treble damages in connection with certain of the claims. Hippo has engaged counsel to defend both Hippo and Mr. Wand.

On February 16, 2024, Hippo and Mr. Wand filed an answer to the Fourth Amended Complaint, and filed a cross-complaint against Mr. Navon for fraud, negligent misrepresentation, fraudulent inducement, and breach of contract.

On February 16, 2024, Innovius also filed an amended cross-complaint naming Mr. Navon, Hippo, and Mr. Wand as cross-defendants. Innovius alleged that Hippo and Mr.Wand aided and abetted Mr. Navon's fraud against Innovius. The cross-complaint also included a breach of contract claim.

In October 2024, Innovius, Mr. Wand, and Hippo reached a settlement with respect to the claims Innovius asserted against Hippo and Mr. Wand, with no amounts paid by any party to the other. Additionally, in November 2024, Hippo, Mr. Wand, and Mr. Navon reached a settlement-in-principle, also with no amounts paid by any party to the other. The parties are in the process of documenting the settlement, which Hippo currently anticipates will be finalized in the fourth quarter.

13. 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 Options

The following table summarizes option activity under the plans:

	Options Outstanding		Weighted-Average Remaining	
	Number of Shares	Weighted Average Exercise Price	Contract Term (In Years)	Aggregate Intrinsic Value (In Millions)
Outstanding as of December 31, 2023	1,589,529	$ 16.13	6.8	$ 0.2
Granted	—	—		
Exercised	(150,658)	13.87		
Cancelled/Expired	(70,234)	15.49		
Outstanding as of September 30, 2024	1,368,637	16.42	6.1	$ 2.0
Vested and exercisable as of September 30, 2024	1,318,453	$ 16.43	6.1	$ 2.0

The aggregate intrinsic value of options exercised during the nine months ended September 30, 2024 and 2023 was $ 0.7 million and $0.5 million, respectively, and is calculated based on the difference between the exercise price and the fair value of the Company's common stock as of the exercise date. There were no options granted during the nine months ended September 30, 2024 and 2023.

Total unrecognized compensation cost of $1.0 million as of September 30, 2024 is expected to be recognized over a weighted-average period of 1.1 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.

Stock-based compensation expense for RSUs is recognized based on the straight-line basis over the employee requisite service period. Stock-based compensation expense for PRSUs is 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 nine months ended September 30, 2024:

	Number of Shares	Weighted Average Grant-Date Fair Value per Share
Unvested and outstanding as of December 31, 2023	2,534,683	$ 28.28
Granted	1,295,333	19.50
Released	(1,213,151)	25.11
Canceled and forfeited	(338,007)	28.23
Unvested and outstanding as of September 30, 2024	2,278,858	$ 24.99

Total unrecognized compensation cost related to unvested RSUs and PRSUs is $ 35.8 million as of September 30, 2024, and it is expected to be recognized over a weighted-average period of 1.3 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 nine months ended September 30, 2024, 104,384 shares have been issued under the 2021 ESPP for $ 0.8 million. During the nine months ended September 30, 2023, 80,990 shares have been issued under the 2021 ESPP for $1.0 million. 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 condensed consolidated statements of operations and comprehensive loss was as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Losses and loss adjustment expenses	$ 0.3	$ 0.4	$ 0.8	$ 1.0
Insurance related expenses	1.3	1.1	3.3	3.7
Technology and development	1.7	2.8	5.3	10.1
Sales and marketing	1.6	3.3	6.2	11.2
General and administrative	4.1	6.4	13.7	20.8
Total stock-based compensation expense	$ 9.0	$ 14.0	$ 29.3	$ 46.8

Share Repurchases

In March 2023, the Board authorized the repurchase of up to $ 50.0 million of its common stock, with no expiration date. Repurchases under the program may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases to be determined at the Company's discretion depending on market conditions and corporate needs. Open market repurchases will be structured to occur in accordance with applicable federal securities laws, including within the pricing and volume requirements of Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of its common stock under this authorization. This program does not obligate the Company to acquire any particular amount of its common stock, and may be modified, suspended or terminated at any time at the Company's discretion. No share repurchases were made under this program during the nine months ended September 30, 2024. As of September 30, 2024, $48.2 million of common stock remains available for repurchase. Shares repurchased by the Company are accounted for when the transaction is settled. As of September 30, 2024, there were no unsettled share repurchases. Direct costs incurred to acquire the shares are included in the total cost of the shares.

14. Income Taxes

The consolidated effective tax rate was (1.2)% and (0.1)% for the nine months ended September 30, 2024 and 2023, respectively. The difference between the rate for the three months ended September 30, 2024 and 2023 and the U.S. federal income tax rate of 21% was due primarily to a full valuation allowance against the Company's net deferred tax assets.

As of September 30, 2024 and 2023, the Company has $ 5.8 million and $4.1 million of unrecognized tax benefits, respectively, fully offset by a valuation allowance. No material interest or penalties were incurred during the nine months ended September 30, 2024 and 2023.

15. Net Loss Per Share Attributable to Common Stockholders

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Numerator:				
Net loss attributable to Hippo – basic and diluted (in millions)	$ (8.5)	$ (53.1)	$ (84.7)	$ (230.8)
Denominator:				
Weighted-average shares used in computing net loss per share attributable to Hippo — basic and diluted	25,068,472	23,729,570	24,644,272	23,440,550
Net loss per share attributable to Hippo — basic and diluted	$ (0.34)	$ (2.24)	$ (3.44)	$ (9.85)

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:

	September 30,	
	2024	2023
Outstanding options	1,368,637	1,626,257
Common stock from outstanding warrants	360,000	360,000
Common stock subject to repurchase	6,510	32,577
RSU and PRSUs	2,278,858	2,979,526
Total	4,014,005	4,998,360

16. Segments

The Company has three reportable segments: Services, Insurance-as-a-Service, and Hippo Home Insurance Program.

The Company's Services segment earns fees and/or commission income without assuming underwriting risk or need for reinsurance. The Company also partners with home builders, as well as independent agencies, to source insureds seeking a product for which the Company provides the best carrier for the insured, whether it be of Hippo or a third-party carrier, including other insurance products like auto, rental, etc.

Insurance-as-a-Service is managed through the Company's subsidiary Spinnaker and is a platform to support third party MGAs. The Company rents its capital, 50 state licenses and the strong financial rating of Spinnaker (rated "A-" Excellent by A.M. Best) to earn fee-based revenues with the assumption of limited underwriting risk using quota-share reinsurance. The Company also earns a portion of the premiums paid to it for the risk the Company retains as well as generates investment income. The diversification of the Company's balance sheet allows it to carry less capital than the Company's MGA clients would be required to on their own.

The Hippo Home Insurance Program is the Company's Hippo-branded homeowners insurance business. The Company's main source of revenue is the premiums paid to it by the Company's homeowner customers. In addition, the Company's revenues include commissions for premiums the Company cedes to third parties, policy and services fees and investment income. The Company's strategy is to retain the portion of the underwriting risk where the Company believes its loss prevention strategies are the most effective.

The Company's Chief Executive Officer, who serves as the chief operating decision maker ("CODM"), evaluates the financial performance of the Company's segments based upon segment adjusted operating income or (loss) as the profitability measure. Items outside of adjusted operating income or (loss) are not reported by segment, since they are excluded from the single measure of segment profitability reviewed by the CODM. The Company's CODM does not use segment assets to allocate resources or to assess performance of the segments and, therefore, segment assets have not been reported separately.

The tables below present segment information reconciled to total Net Loss attributable to Hippo, for the periods indicated (in millions).

	Three Months Ended September 30, 2024				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Revenue:					
Net earned premium	$ —	$ 16.4	$ 54.2	$ —	$ 70.6
Commission income, net	13.0	5.9	1.0	(4.2)	15.7
Service and fee income	0.1	—	2.9	—	3.0
Net investment income	0.1	3.1	3.0	—	6.2
Total revenue	13.2	25.4	61.1	(4.2)	95.5
Adjusted Operating Expenses:					
Loss and loss adjustment expense	—	5.9	45.3	—	51.2
Insurance related expense	—	7.9	12.2	(3.0)	17.1
Sales and marketing	8.0	—	1.5	(0.3)	9.2
Technology and development	2.5	0.1	2.8	—	5.4
General and administrative	2.7	1.7	6.2	—	10.6
Other expenses	—	—	—	—	—
Total adjusted operating expenses	13.2	15.6	68.0	(3.3)	93.5
Less: Net investment income	(0.1)	(3.1)	(3.0)	—	(6.2)
Less: Noncontrolling interest	(3.3)	—	—	—	(3.3)
Adjusted operating income (loss)	(3.4)	6.7	(9.9)	(0.9)	(7.5)
Net investment income					6.2
Depreciation and amortization					(5.9)
Stock-based compensation					(9.0)
Fair value adjustments					(0.3)
Other one-off transactions					(0.2)
Gain on sale of business					8.2
Income tax expense					—
Net loss attributable to Hippo					$ (8.5)
Income tax expense					—
Noncontrolling interest					3.3
Loss before income taxes					$ (5.2)

[1]Intersegment eliminations include commissions paid from Hippo Home Insurance Program for policies sold by the Company's Services segment (revenue, cost, and other adjustments in respective business units eliminated as part of consolidation).

	Three Months Ended September 30, 2023				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Revenue:					
Net earned premium	$ —	$ 12.2	$ 20.7	$ —	$ 32.9
Commission income, net	11.5	5.4	(0.5)	(2.2)	14.2
Service and fee income	0.1	—	4.8	—	4.9
Net investment income	—	1.8	3.9	—	5.7
Total revenue	11.6	19.4	28.9	(2.2)	57.7
Adjusted Operating Expenses:					
Loss and loss adjustment expense	—	5.2	31.0	—	36.2
Insurance related expense	—	7.1	9.4	(0.7)	15.8
Sales and marketing	10.6	—	4.3	(0.9)	14.0
Technology and development	4.5	0.2	4.3	—	9.0
General and administrative	3.3	1.5	7.7	—	12.5
Other expenses	0.1	—	—	—	0.1
Total adjusted operating expenses	18.5	14.0	56.7	(1.6)	87.6
Less: Net investment income	—	(1.8)	(3.9)	—	(5.7)
Less: Noncontrolling interest	(2.8)	—	—	—	(2.8)
Adjusted operating income (loss)	(9.7)	3.6	(31.7)	(0.6)	(38.4)
Net investment income					5.7
Depreciation and amortization					(4.9)
Stock-based compensation					(14.0)
Fair value adjustments					(0.6)
Other one-off transactions					(1.2)
Income tax benefit					0.3
Net loss attributable to Hippo					$ (53.1)
Income tax expense					(0.3)
Noncontrolling interest					2.8
Loss before income taxes					$ (50.6)

[1]Intersegment eliminations include commissions paid from Hippo Home Insurance Program for policies sold by the Company's Services segment (revenue, cost, and other adjustments in respective business units eliminated as part of consolidation).

	Nine Months Ended September 30, 2024				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[(1)]	Total
Revenue:					
Net earned premium	$ —	$ 44.4	$ 151.1	$ —	$ 195.5
Commission income, net	36.4	17.3	3.1	(9.1)	47.7
Service and fee income	0.2	—	8.6	—	8.8
Net investment income	0.1	8.5	9.6	—	18.2
Total revenue	36.7	70.2	172.4	(9.1)	270.2
Adjusted Operating Expenses:					
Loss and loss adjustment expense	—	15.6	148.1	—	163.7
Insurance related expense	—	23.6	37.1	(8.2)	52.5
Sales and marketing	24.5	—	4.7	(0.9)	28.3
Technology and development	7.9	0.2	9.7	—	17.8
General and administrative	8.2	5.2	19.3	—	32.7
Other expenses	—	—	—	—	—
Total adjusted operating expenses	40.6	44.6	218.9	(9.1)	295.0
Less: Net investment income	(0.1)	(8.5)	(9.6)	—	(18.2)
Less: Noncontrolling interest	(9.2)	—	—	—	(9.2)
Adjusted operating income (loss)	(13.2)	17.1	(56.1)	—	(52.2)
Net investment income					18.2
Depreciation and amortization					(17.4)
Stock-based compensation					(29.3)
Fair value adjustments					(2.2)
Other one-off transactions					(5.4)
Gain on sale of business					8.2
Income tax expense					(1.0)
Impairment and restructuring charges					(3.6)
Net loss attributable to Hippo					$ (84.7)
Income tax expense					1.0
Noncontrolling interest					9.2
Loss before income taxes					$ (74.5)

[(1)]Intersegment eliminations include commissions paid from Hippo Home Insurance Program for policies sold by the Company's Services segment (revenue, cost, and other adjustments in respective business units eliminated as part of consolidation).

	Nine Months Ended September 30, 2023				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Revenue:					
Net earned premium	$ —	$ 29.7	$ 39.3	$ —	$ 69.0
Commission income, net	32.4	14.1	8.5	(7.2)	47.8
Service and fee income	0.4	—	11.5	—	11.9
Net investment income	—	4.8	11.7	—	16.5
Total Revenue	32.8	48.6	71.0	(7.2)	145.2
Adjusted Operating Expenses:					
Loss and loss adjustment expense	—	11.7	138.2	—	149.9
Insurance related expense	—	16.0	27.9	(2.3)	41.6
Sales and marketing	33.9	—	14.4	(3.3)	45.0
Technology and development	12.3	0.5	13.6	—	26.4
General and administrative	9.3	4.1	23.1	—	36.5
Other expenses	0.5	—	—	—	0.5
Total adjusted operating expenses	56.0	32.3	217.2	(5.6)	299.9
Less: Net investment income	—	(4.8)	(11.7)	—	(16.5)
Less: Noncontrolling interest	(7.1)	—	—	—	(7.1)
Adjusted operating income (loss)	(30.3)	11.5	(157.9)	(1.6)	(178.3)
Net investment income					16.5
Depreciation and amortization					(14.4)
Stock-based compensation					(46.8)
Fair value adjustments					(4.3)
Other one-off transactions					(3.3)
Income tax expense					(0.2)
Net loss attributable to Hippo					$ (230.8)
Income tax expense					0.2
Noncontrolling interest					7.1
Loss before income taxes					$ (223.5)

[1]Intersegment eliminations include commissions paid from Hippo Home Insurance Program for policies sold by the Company's Services segment (revenue, cost, and other adjustments in respective business units eliminated as part of consolidation).

17. Dispositions

On July 31, 2024, the Company completed the sale of Mainsail Insurance Company ("Mainsail") for an aggregate price of $ 26.6 million. Mainsail was previously included within the Insurance-as-a-Service segment. 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 quarterly period ended September 30, 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.

18. Subsequent Events

First Connect Acquisition

On October 29, 2024, the Company entered into an agreement with affiliates of Centana Growth Partners to sell a majority of our shares in our independent agent platform, First Connect Insurance Services ("First Connect"), for which we 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 transactions contemplated in the agreement were consummated on October 29, 2024. 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.

Share Repurchase

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 was substantially completed on October 30, 2024. The Company used available cash resources of approximately $15.6 million to complete this transaction.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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 the business and operations of Hippo Holdings Inc. and its consolidated subsidiaries. You should read the following discussion of our financial condition and results of operations in conjunction with our condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission.

Overview

Hippo is an insurance holding company with subsidiaries that provide property and casualty insurance products to both individuals and business customers. We conduct our operations through three reportable segments: Services, Insurance-as-a-Service, and Hippo Home Insurance Program. We offer our services primarily in the United States.

In the third quarter of 2023 we began taking several actions to lower the volatility of our Hippo Homeowners Insurance Program portfolio in light of the significant catastrophe losses we experienced in the second quarter of 2023, including raising rates on a portion of our renewal business, increasing deductibles for wind and hail perils, selectively non-renewing policies in certain regions, and instituting a nationwide pause on underwriting new premiums for our HO3 business as we examined our risk appetite. We also launched an expense reduction initiative across the Company, including a reduction in staff which we announced in October 2023.

Further information on our business and reportable segments is presented in Part I, Item 1, "Business" and in Note 22 of the Notes to the Consolidated Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of our Annual Report on Form 10-K for the year ended December 31, 2023.

Reinsurance

We utilize reinsurance primarily to support the growth of our new and renewal insurance business, to reduce the volatility of our earnings, and to optimize our capital management.

As an MGA, we underwrite homeowners insurance policies on behalf of our insurance company subsidiaries (Spinnaker and Spinnaker Specialty Insurance Company ("SSIC")) and other non-affiliated third-party insurance carriers. These carriers purchase reinsurance from a variety of sources and in a variety of structures. In the basic form of this arrangement, fronting insurance carriers will typically cede a significant portion of the total insurance premium they earn from customers, in return for a proportional amount of reinsurance protection. This is known as "ceding" premium and losses through a "quota share" or "proportional" reinsurance treaty.

The insurance carrier and the MGA are paid a percentage of the ceded premium as compensation for sales and marketing, underwriting, insurance, support, claims administration, and other related services (in totality, known as a ceding commission). As additional protection against natural catastrophes or other large loss events, the fronting carrier frequently purchases additional, non-proportional reinsurance.

Without reinsurance protection, the insurer would shoulder all of the insurance risk itself and would need incremental capital to satisfy regulators and rating agencies requirements. Reinsurance allows a carrier to write more business while reducing its balance sheet exposure and volatility of earnings.

Proportional Reinsurance Treaties — Hippo Home Insurance Program

For our Hippo primary homeowners' reinsurance program for policies with effective dates in 2024, we elected not to purchase proportional reinsurance. Based on our growing confidence in the profitability and predictability of our underwriting results, we decided to retain more of the exposure and associated premium.

For business produced through our builder channel for policies with effective dates in 2024, 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. All reinsurance obligations are appropriately collateralized. The reinsurance contracts are subject to contingent commission adjustments and a loss occurrence limit, which aligns our interests with that of the reinsurer.

Effective January 1, 2024, we also elected to cut off 25% of the reinsurer's participation on the 2023 proportional reinsurance treaty and retain the remaining exposure and related premiums.

In 2024, we continue to further protect our balance sheet through the purchase of non-proportional reinsurance described below in the section titled "Non-Proportional Reinsurance."

For our primary homeowners' reinsurance program for policies with effective dates in 2023, we secured proportional reinsurance from a diverse panel of third-party reinsurers. All reinsurers are either rated "A-" Excellent or better by AM Best, or the reinsurance is appropriately collateralized. In 2023, we retained approximately 40% of the premium through our insurance company subsidiaries or our captive reinsurance company, RHS, before purchasing catastrophe protection. Additionally, the reinsurance contracts are subject to contingent commission adjustments and loss participation features, which align our interests with those of our reinsurers. Loss participation features may increase the amount of losses retained by our insurance company subsidiaries in excess of our pro rata participation.

For business produced through our builder channel for policies with effective dates in 2023, we purchased proportional reinsurance from three third-party reinsurers. All reinsurers are rated "A-" Excellent or better by AM Best, or the reinsurance is appropriately collateralized. In 2023, we retained approximately 58% of the premium produced through our insurance company subsidiaries or RHS, before purchasing catastrophe protection. The reinsurance contract is subject to contingent commission adjustments and limited loss participation features, which align our interests with those of the reinsurers.

For our primary homeowners reinsurance program for policies with effective dates in 2022, we secured quota share reinsurance from a diverse panel of third-party reinsurers. All reinsurers are either rated "A-" Excellent or better by AM Best, or the reinsurance is collateralized. In 2022, we retained approximately 10% of the premium through our insurance company subsidiaries, including our captive reinsurance company, RHS. Additionally, the reinsurance contracts are subject to variable commission adjustments and loss participation features, including loss ratio caps and loss corridors, which align our interests with those of our reinsurers. Similar to the prior year, we saw increased use of loss participation features in the 2022 reinsurance agreements, which increased the amount of losses retained by our insurance company subsidiaries in excess of our pro rata participation in both the 2022 and 2023 fiscal periods.

Non-Proportional Reinsurance — Hippo Home Insurance Program

We also purchased non-proportional excess of loss catastrophe coverage ("XOL") reinsurance which includes traditional reinsurance protection, state subsidized reinsurance protection, catastrophe bonds, and industry loss warranty products. Through our insurance company subsidiaries, we are exposed to the risk of natural catastrophe events that could occur on the risks arising from policies underwritten by us or other MGAs. We are also exposed to this risk through our captive reinsurer, which takes on a share of the risk underwritten by our MGA business.

In May 2023, we secured new catastrophe protection through a per occurrence XOL reinsurance agreement with Mountain Re Ltd. ("Mountain Re"), an independent Bermuda company, licensed as a Special Purpose Insurer. The reinsurance agreement meets the requirements to be accounted for as reinsurance in accordance with the guidance for reinsurance contracts. In connection with the reinsurance agreement, Mountain Re issued notes (generally referred to as "catastrophe bonds") to investors, consistent with the amount of coverage provided under the reinsurance agreement. The reinsurance agreement provides us with coverage through June 2026, and pursuant to the agreement, Mountain Re provides XOL reinsurance coverage to us for losses from a variety of perils, including named storms, fire following an earthquake, severe thunderstorms, and winter storms on business produced through the Hippo MGA. Under the terms of the reinsurance agreement, we are obligated to pay annual reinsurance premiums to Mountain Re for the reinsurance coverage which inures to the benefit of our traditional

XOL program described below. Amounts payable under the reinsurance agreement with respect to any covered event cannot exceed our actual losses from such event.

Our XOL program provides us protection from catastrophes that could impact a large number of insurance policies. We buy XOL so that the probability of losses from a single occurrence exceeding the protection purchased is no more than 0.4%, or equivalent to a 1 in 250-year return period when considered with the Mountain Re per occurrence, described above, corporate catastrophe, and Florida Hurricane Catastrophe Fund (the "FHCF") XOL described below under "Other Reinsurance." This reinsurance protects us from all but the most severe catastrophic events.

Other Reinsurance

Spinnaker also purchased reinsurance for programs written by MGAs other than Hippo through our Insurance-as-a-Service business. The reinsurance treaties are a mix of proportional and XOL in which generally 75% to 100% of the risk, up to at least the 1 in 250-year return period, is ceded. The reinsurance contracts are subject to variable commission adjustments and loss participation features, including loss caps, which may increase the amount of losses retained by us in excess of our pro-rata participation. Such provisions are recognized in the period based on the experience to date under the agreement.

Spinnaker purchased a corporate catastrophe XOL program that attaches above the individual programmatic reinsurance programs protecting the property business written by Hippo as well as the other MGAs. This treaty has a floating retention and attaches at the exhaustion point of the underlying programs' specific reinsurance. The catastrophe bond, and the FHCFs, described above, inures to the benefit of this contract. This program provides us protection from catastrophes that could impact a large number of correlated insurance policies underwritten by us and our other MGAs. We buy this XOL so that the probability of losses from a single occurrence across the property portfolio exceeding the protection purchased is no more than 0.4%, or equivalent to a 1 in 250 year-return period. This reinsurance protects us from all but the most severe catastrophic events.

We purchased reinsurance from the State Board of Administration in Florida via the FHCF annually for admitted residential hurricane losses in the State of Florida. This coverage is provided by the State of Florida and protects business written by Hippo as well as other MGAs that produce admitted residential policies. We currently purchase reimbursement protection at the maximum level (90%) of mandatory coverage offered by the FHCF.

Key Factors and Trends Affecting our Operating Results

Our financial condition and results of operations have been, and will continue to be, affected by a number of factors, including the following:

Our Ability to Attract New Customers

Our long-term growth will depend, in large part, on our continued ability to attract new customers to our platform. For Hippo home insurance policies, we seek to minimize the volatility of our portfolio and are currently in the process of analyzing overall underwriting results for the segment, taking actions as needed. Our short-term focus is on attracting new customers to our licensed insurance agency to purchase non-Hippo policies and to our home care offerings, although over time we expect to strategically return to Hippo underwritten policies as our underwriting actions take hold. We intend to continue to drive new customer growth by highlighting our consumer-focused approach to home protection and insurance across multiple distribution channels, regardless of whether the customer is a Hippo policyholder. In particular, we seek to grow by:

- Promoting our agency for sales of non-Hippo policies, growing our network of partners within existing partner channels, and geographically optimizing our Hippo policyholder base;
- Developing new strategic partnerships with key players involved in the real estate transaction ecosystem; and
- Deepening our relationships with our customers by connecting them to partners offering value-added services that are not specifically insurance products, such as home maintenance, home monitoring, and energy consumption optimization.

Our ability to attract new customers depends on the pricing of our products, the offerings of our competitors, our geographic reach, and the extent and effectiveness of our marketing efforts. Our ability to attract customers also depends on maintaining and strengthening our brand by providing superior customer experiences across all of our offerings through our proactive, tech-enabled strategy.

We face competition from traditional insurers who have more diverse product offerings and longer established operating histories, as well as from new, technology-driven entrants who may pursue more horizontal growth strategies. These competitors may mimic certain aspects of our digital platform and offerings and have more types of insurance products, allowing them to offer customers the ability to "bundle" multiple coverage types together, which may be attractive to many customers.

Our Ability to Retain Customers

Our ability to derive significant lifetime value from our customer relationships depends, in part, on our ability to retain our customers over time. Strong retention allows us to build a recurring revenue base, generating additional premium term over term without material incremental marketing costs. Our customers typically become more valuable to us over time because retention rates have historically increased with the age of customer cohorts and because non-catastrophic loss frequency declines as cohorts mature.

As we expect to broadly retain our customers who are not located in high severe weather exposed regions, over the long-term, we expect our book of business to evolve to be weighted more towards renewals versus new business, as is the case with our more mature competitors. We expect that this would enable us to benefit from the higher premium retention rates and inherently lower frequency of losses that characterize renewed premiums.

Our ability to retain customers will depend on a number of factors, including our customers' satisfaction with our products, the offerings of our competitors, and our ability to continue delivering exceptional customer service and support.

Our Ability to Manage Regulatory Impact, Including on Our Efforts to Manage Our Exposure to Volatility

We are subject to extensive laws, regulations, administrative directives, and regulatory actions. From time to time, regulatory authorities or legislative bodies seek to influence and restrict premium rates, require premium refunds to policyholders, require reinstatement of terminated policies, restrict the ability of insurers to cancel or non-renew policies, require insurers to continue to write new policies or limit their ability to write new policies, limit insurers' ability to change coverage terms and deductibles or to impose underwriting standards, impose additional regulations regarding agency and broker compensation, impose fines and penalties for unintended errors or mistakes, impose additional regulations regarding cybersecurity and privacy, and otherwise expand overall regulation of insurance products and the insurance industry. These laws may limit or restrict our ability to reduce our exposures, including to weather related losses.

Our Ability to Expand Fee Income and Premium Through Cross-Sales to Existing Customers

One of our strategies to increase the value we are providing to our customers is to offer incremental services to assist our customers in better maintaining and protecting their homes. As we roll out these services, we expect to be able to generate incremental, non-risk-based service and fee income from our existing customers. We expect these home protection services not only to generate incremental revenue, but also to reduce losses for our customers, and—by implication—our loss ratios. Our success in expanding revenue and reducing losses by offering these services depends on our ability to market these services, our operational ability to deliver value to our customers, and the ability of these services to reduce the probability of loss for an average homeowner.

We are also in the early stages of cross-selling non-homeowner insurance products across our customer base. Cross-sales allow us to generate additional premium per customer, and ultimately higher revenue and fee income, without material incremental marketing spend. Our success in expanding revenue through cross-sales depends on our marketing efforts with new products, offerings of our competitors, additional expansion into new states, and the pricing of our bundled products.

Our Ability to Manage Risk

We leverage data, technology, and geographic diversity to help manage risk. For instance, we obtain dynamic data from various sources and use advanced statistical methods to model that data into our pricing algorithm. Incorporating these external data sources and utilizing the experience gained with our own customer base should lead to better underwriting, reduced loss frequency, and—adjusting for weather related events—lower loss ratios over time. While our current reinsurance framework helps us manage the volatility of earnings, reducing our overall gross loss ratio is critical to our success. Our ability to incorporate new data sources as they become available and to use them to improve our ability to accurately and competitively price risk is central to our growth strategy.

Seasonality of Claims Losses

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.

Components of Results of Operations

Revenue

Gross Written Premium

Gross written premium 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 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 Earned Premium

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

Commission Income, Net Includes:

a. *MGA Commission:* We operate as an MGA for multiple insurers. We design and underwrite insurance products on behalf of the insurers culminating in the sale of insurance policies. We earn recurring commission and policy fees associated with the policies we sell. We have underwriting authority and responsibility for administering claims (see Claim Processing Fees below) and we work with affiliated and unaffiliated carrier platforms who pay us a commission in exchange for the opportunity to take that risk on their balance sheets. Our performance obligation associated with these contracts is the placement of the policy, which is met on the effective date. Upon issuance of a new policy, we charge policy fees and inspection fees (see Service and Fee Income below), retain our share of commission, and remit the balance to the respective insurers. Subsequent commission adjustments arising from policy changes such as endorsements are recognized in the period when the adjustments occur. Cash received in advance of policy effective dates is recorded on the condensed consolidated balance sheets, representing our portion of commission and premium due to insurers and reinsurers, and held in trust for the benefit of the insurers and reinsurers as fiduciary liabilities.

The MGA commission is subject to adjustments, higher or lower (commonly referred to as “commission slide”), depending on the underwriting performance of the policies placed by us. We are required to return a portion of our MGA commission due to commission slide on the policies placed as an MGA if the underwriting performance varies due to higher Hippo programs’ loss ratio from provisional performance of the Hippo programs’ loss ratio. We also return a portion of our MGA commission if the policies are cancelled before the term of the policy. Accordingly, we reserve for commission slide using estimated Hippo programs’ loss ratio performance, or a cancellation reserve as a reduction of revenue for each period presented in our statement of operations and comprehensive loss.

b. *Agency Commission:* We also operate licensed insurance agencies that are engaged solely in the sale of policies, including non-Hippo policies. For these policies, we earn a recurring agency commission from the carriers whose policies we sell, which is recorded in the commission income, net line on our statements of operations and comprehensive loss. Similar to the MGA businesses, the performance obligation from the agency contracts is placement of the insurance policies.

For both MGA and insurance agency activities, we recognize commission received from insurers for the sale of insurance contracts as revenue at a point in time on the policy effective dates.

c. *Ceding Commission:* We receive commission based on the premium we cede to third-party reinsurers for the reimbursement for our acquisition and underwriting services. Excess ceding commission over the cost of acquisition is included in the commission income, net line on our statements of operations and comprehensive loss. For the policies that we write on our own carrier as MGA, we recognize this commission as ceding commission on the statement of operations and comprehensive loss. We earn commission on reinsurance premium ceded 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. We record the portion of ceding commission income, which represents reimbursement of successful direct acquisition costs related to the underlying policies, as an offset to the applicable direct acquisition costs.

d. *Carrier Fronting Fees:* Through our Insurance-as-a-Service business, we earn fronting fees from the MGA programs we support. We earn 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. This revenue is included in the commission income, net line on our statements of operations and comprehensive loss.

e. *Claim Processing Fees:* As an MGA, we receive a fee that is calculated as a percent of the premium from the insurers in exchange for providing claims adjudication services. The claims adjudication services are provided over the term of the policy and recognized ratably over the same period. This revenue is included in the commission income, net line on our statements of operations and comprehensive loss.

Service and Fee Income

Service and fee income mainly represents policy fees and other revenue. We directly bill policyholders for policy fees and collect and retain fees per the terms of the contracts between us and our insurers. Similar to the commission revenue, we estimate 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, we recognize 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. Our 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 our 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 our investment portfolio is mainly a function of our invested equity capital along with premium we receive from our 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.

Expenses

Loss and Loss Adjustment Expenses

Loss and loss adjustment expenses represent the costs incurred for losses net of amounts ceded to reinsurers. We enter into reinsurance contracts to limit our exposure to potential losses as well as to provide additional capacity for growth. The expenses are a function of the size and term of the insurance policies and the loss experience and loss participation features associated with the underlying risks. Loss and LAE are based on actuarial assumptions and management judgements, including losses incurred during the period and changes in estimates from prior periods. Loss and LAE also include employee compensation (including stock-based compensation and benefits) of our claims processing teams, as well as allocated occupancy costs and related overhead based on headcount.

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 our customers. Insurance related expenses also include employee compensation (including stock-based compensation and benefits) of our 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 our 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

Technology and development expenses primarily consist of employee compensation (including stock-based compensation and benefits) for our technology staff, which includes technology development, infrastructure support, actuarial, and third-party services. Technology and development also include allocated facility costs and related overhead based on headcount. We expense development costs as incurred, except for costs related to internal use software development projects, which are capitalized and subsequently depreciated over the expected useful life of the developed software.

Sales and Marketing

Sales and marketing expenses primarily consist of sales commission, 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. Sales and marketing expenses also include allocated facility costs and related overhead based on headcount.

General and Administrative

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

Impairment and Restructuring Charges

Impairment and restructuring charges consist of non-cash impairment charges relating to goodwill. We review goodwill for impairment annually on October 1 and more frequently if events or changes in circumstances indicate that an impairment may exist. If the carrying value of the reporting unit exceeds its fair value, the fair value of the reporting unit's goodwill is calculated and an impairment loss equal to the excess is recorded. It also consists of severance and other personnel costs associated with exit and disposal activities as well as reductions in workforce.

Other (Income) Expense, net

Other (income) expense, net primarily consists of certain fair value adjustments and other non-operating income expenses.

Income Taxes

We record income taxes using the asset and liability method. Under this method, we record deferred income tax assets and liabilities based on the estimated future tax effects of differences between the financial statement and income tax basis of existing assets and liabilities. We measure these differences using the enacted statutory tax rates that are expected to apply to taxable income for the years in which differences are expected to reverse. We recognize the effect on deferred income taxes of a change in tax rates in income in the period that includes the enactment date.

We record a valuation allowance to reduce deferred tax assets and liabilities to the net amount that we believe is more likely than not to be realized. We consider all available evidence, both positive and negative, including historical levels of income, expectations, and risks associated with estimates of future taxable income and ongoing tax planning strategies in assessing the need for a valuation allowance.

Key Operating and Financial Metrics and Non-GAAP Measures

We regularly review the following key operating and financial metrics in order to evaluate our business, measure our performance, identify trends in our business, prepare financial projections, and make strategic decisions.

The non-GAAP financial measures below have not been calculated in accordance with GAAP, should be considered in addition to results prepared in accordance with GAAP, and should not be considered as a substitute for, or superior to, GAAP results. In addition, adjusted EBITDA should not be construed as an indicator of our operating performance, liquidity, or cash flows generated by operating, investing, and financing activities, as there may be significant factors or trends that it fails to address. We caution investors that non-GAAP financial information—by its nature—departs from traditional accounting conventions. Therefore, its use can make it difficult to compare our current results with our results from other reporting periods and with the results of other companies.

Our management uses non-GAAP financial measures, in conjunction with GAAP financial measures, as an integral part of managing our business and to, among other things: (i) monitor and evaluate the performance of our business operations and financial performance; (ii) facilitate internal comparisons of the historical operating performance of our business operations; (iii) review and assess the operating performance of our management team; (iv) analyze and evaluate financial and strategic planning decisions regarding future operating investments; and (v) plan for and prepare future annual operating budgets and determine appropriate levels of operating investments.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	($ in millions)			
Total Generated Premium	$ 368.0	$ 303.7	$ 1,041.6	$ 866.3
Total Revenue	95.5	57.7	270.2	145.2
Net Loss attributable to Hippo	(8.5)	(53.1)	(84.7)	(230.8)
Adjusted EBITDA	(7.5)	(38.4)	(52.2)	(178.3)
Gross Loss Ratio	50 %	59 %	55 %	81 %
Net Loss Ratio	73 %	111 %	84 %	219 %

Total Generated Premium

We define Total Generated Premium as the aggregate written premium placed across all of our business platforms for the period presented. We measure Total Generated Premium as it reflects the volume of our business irrespective of choices related to how we structure our reinsurance treaties, the amount of risk we retain on our own balance sheet, or the amount of business written in our capacity as an MGA, agency, or as an insurance carrier/reinsurer. We calculate Total Generated Premium as the sum of:

i) Gross written premium ("GWP")—a GAAP measure defined above; and

ii) Gross placed premium—premium of policies placed with third-party insurance companies, for which we do not retain insurance risk and for which we earn a commission payment, and policy fees charged by us to the policyholders on the effective date of the policy.

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Change	2024	2023	Change
			($ in millions)			
Gross Written Premium	$ 234.4	$ 229.5	$ 4.9	$ 686.8	$ 663.6	$ 23.2
Gross Placed Premium	133.6	74.2	59.4	354.8	202.7	152.1
Total Generated Premium	$ 368.0	$ 303.7	$ 64.3	$ 1,041.6	$ 866.3	$ 175.3

Our Total Generated Premium for the three months ended September 30, 2024 grew 21% year-over-year to $368.0 million from $303.7 million for the three months ended September 30, 2023. The growth was driven primarily by the growth in the total book of business in our aggregator channel, as well as in our builder channel for new and renewal business, as we maintain higher retention rates and experienced premium rate increases. The growth was also due to the growth of non-Hippo written premium supported by our Insurance-as-a-Service business. This was partially offset by a decrease in our Hippo Home Insurance Program ("HHIP") as we have taken actions to reduce our exposure to wind and hail while achieving planned premium rate increases.

Our Total Generated Premium for the nine months ended September 30, 2024 grew 20% year-over-year to $1,041.6 million from $866.3 million for the nine months ended September 30, 2023. The growth was driven primarily by the growth in the total book of business in our aggregator channel, as well as in our builder channel for new and renewal business, as we maintain higher retention rates and experienced premium rate increases. The growth was also due to the growth of non-Hippo written premium supported by our Insurance-as-a-Service business. This was partially offset by a decrease in our HHIP as we have taken actions to reduce our exposure to wind and hail while achieving planned premium rate increases.

Adjusted EBITDA

We define adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization ("adjusted EBITDA"), a Non-GAAP financial measure, as net loss attributable to Hippo excluding interest expense, income tax expense, depreciation, amortization, stock-based compensation, net investment income, restructuring charges, impairment expense, gains and losses on sales of business, and other non-cash fair market value adjustments including contingent consideration for one of our acquisitions, and other transactions, which may include certain legal fees and settlement costs, that we consider to be unique in nature.

For the three months ended September 30, 2024, adjusted EBITDA loss was $7.5 million, a decrease of $30.9 million compared to a $38.4 million EBITDA loss for the three months ended September 30, 2023. The decrease was due primarily to a growth in revenue reflecting an increase in premiums earned mainly due to higher premium retention as a result of the 2023 and 2024 reinsurance treaty compared to prior periods, and a lower HHIP gross loss ratio due primarily to the benefits of the pricing and underwriting actions we have taken, including a reduction of loss participation features in our reinsurance treaties, and a decrease in other operating expenses.

For the nine months ended September 30, 2024, adjusted EBITDA loss was $52.2 million, a decrease of $126.1 million compared to a $178.3 million EBITDA loss for the nine months ended September 30, 2023. The decrease was due primarily to a growth in revenue reflecting an increase in premiums earned mainly due to higher premium retention as a result of the 2023 and 2024 reinsurance treaty compared to prior periods, a lower HHIP gross loss ratio due primarily to the benefits of the pricing and underwriting actions we have taken, including a reduction of loss participation features in our reinsurance treaties, and a decrease in other operating expenses.

The following table provides a reconciliation from net loss attributable to Hippo to adjusted EBITDA for the periods presented (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Net loss attributable to Hippo	$ (8.5)	$ (53.1)	$ (84.7)	$ (230.8)
Adjustments:				
Net investment income	(6.2)	(5.7)	(18.2)	(16.5)
Depreciation and amortization	5.9	4.9	17.4	14.4
Stock-based compensation	9.0	14.0	29.3	46.8
Fair value adjustments	0.3	0.6	2.2	4.3
Other one-off transactions	0.2	1.2	5.4	3.3
Income tax (benefit) expense	—	(0.3)	1.0	0.2
Impairment and restructuring charges	—	—	3.6	—
Gain on sale of business	(8.2)	—	(8.2)	—
Adjusted EBITDA	$ (7.5)	$ (38.4)	$ (52.2)	$ (178.3)

Gross Loss Ratio

Gross Loss Ratio, expressed as a percentage, is the ratio of the Gross Losses and LAE to the Gross Earned Premium (in millions).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Gross Losses and LAE	$ 106.3	$ 124.5	$ 350.7	$ 450.9
Gross Earned Premium	213.4	210.7	632.1	563.0
Gross Loss Ratio	50 %	59 %	55 %	81 %

The following table provides a reconciliation of Gross Loss Ratio by named event Property Claims Services ("PCS") and non-PCS events.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
PCS losses	11 %	6 %	10 %	28 %
Non-PCS losses	39 %	53 %	45 %	53 %
Gross Loss Ratio	50 %	59 %	55 %	81 %

For the three months ended September 30, 2024, our Gross Loss Ratio was 50% net of a prior year favorable development of 6 percentage points relating to non-PCS events and 2 percentage points relating to PCS events compared with 59% for the three months ended September 30, 2023. The decrease reflected the benefits of the pricing and underwriting actions we have taken and due to a lower impact from non-PCS events which was partially offset by an increase in PCS losses primarily due to an increase in the severity of PCS events. We expect continued improvement as these actions have more time to impact our financial results.

For the nine months ended September 30, 2024, our Gross Loss Ratio was 55% net of a prior year favorable development of 2 percentage points relating to non-PCS events and 2 percentage points relating to PCS events compared with 81% net of a prior year favorable development of 2 percentage points relating to non-PCS events and 1 percentage point relating to PCS events for the nine months ended September 30, 2023. The decrease reflected the benefits of the pricing and underwriting actions we have taken and due to a lower impact from PCS events. We expect continued improvement as these actions have more time to impact our financial results.

Net Loss Ratio

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net Losses and LAE	$ 51.6	$ 36.5	$ 164.6	$ 150.9
Net Earned Premium	70.6	32.9	195.5	69.0
Net Loss Ratio	73 %	111 %	84 %	219 %

For the three months ended September 30, 2024, our net loss ratio was 73% net of a prior year favorable development of 2 percentage points relating to on-PCS events and 1 percentage point relating to PCS events compared with 111% for the three months ended September 30, 2023. The decrease reflected the benefits of the pricing and underwriting actions we have taken, including a reduction of loss participation features in our reinsurance treaties, higher retention of earned premium due to our 2023 and 2024 reinsurance treaties, and a lower impact from PCS and non-PCS events. We expect continued improvement as these actions have more time to impact our financial results.

For the nine months ended September 30, 2024, our net loss ratio was 84% net of a prior year favorable development of 1 percentage point relating to non-PCS events and 1 percentage point relating to PCS events compared with 219% net of a prior year favorable development of 2 percentage points relating to non-PCS events and 2 percentage points relating to PCS events for the nine months ended September 30, 2023. The decrease reflected the benefits of the pricing and underwriting actions we have taken, including a reduction of loss participation features in our reinsurance treaties, higher retention of earned premium due to our 2023 and 2024 reinsurance treaties, and a lower impact from PCS and non-PCS events. We expect continued improvement as these actions have more time to impact our financial results.

Segment Information

	Three Months Ended September 30, 2024 ($ in millions)				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Total Generated Premium	$ 177.9	$ 159.3	$ 77.6	$ (46.8)	$ 368.0
Total Revenue	13.2	25.4	61.1	(4.2)	95.5
Adjusted operating income (loss)	(3.4)	6.7	(9.9)	(0.9)	(7.5)

	Three Months Ended September 30, 2023 ($ in millions)				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Total Generated Premium	$ 121.6	$ 141.8	$ 95.0	$ (54.7)	$ 303.7
Total Revenue	11.6	19.4	28.9	(2.2)	57.7
Adjusted operating income (loss)	(9.7)	3.6	(31.7)	(0.6)	(38.4)

	Nine Months Ended September 30, 2024 ($ in millions)				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Total Generated Premium	$ 474.9	$ 475.6	$ 217.2	$ (126.1)	$ 1,041.6
Total Revenue	36.7	70.2	172.4	(9.1)	270.2
Adjusted operating income (loss)	(13.2)	17.1	(56.1)	—	(52.2)

	Nine Months Ended September 30, 2023 ($ in millions)				
	Services	Insurance-as-a-Service	Hippo Home Insurance Program	Intersegment Eliminations[1]	Total
Total Generated Premium	$ 337.6	$ 397.5	$ 289.4	$ (158.2)	$ 866.3
Total Revenue	32.8	48.6	71.0	(7.2)	145.2
Adjusted operating income (loss)	(30.3)	11.5	(157.9)	(1.6)	(178.3)

[1]Intersegment eliminations include commissions paid from Hippo Home Insurance Program for policies sold by the Company's Services segment (revenue, cost, and other adjustments in respective business units eliminated as part of consolidation). Intersegment eliminations also include premiums written between the segments.

Segment adjusted operating income (loss) is our primary segment profitability measure, and is calculated as segment revenue less operating expenses that are directly attributable to the segments. Refer to Note 16 of the accompanying condensed consolidated financial statements for additional information on segments and a reconciliation of Segment adjusted operating income (loss) to net loss attributable to Hippo.

Services

For the three months ended September 30, 2024, our Services segment, which earns fees and/or commission income without assuming underwriting risk or need for reinsurance, had Total Generated Premium of $177.9 million, an increase of 46% from $121.6 million over the prior year quarter, while revenue was $13.2 million, an increase of 14% from $11.6 million over the prior year quarter. The growth was driven primarily due to the growth in the total book of business in our aggregator channel, as well as in our builder channel for new and renewal business, as we maintain higher retention rates and experienced premium rate increases. Our adjusted operating loss was $3.4 million, a decrease of 65% compared to a loss of $9.7 million in the prior year quarter, due primarily to lower adjusted operating expenses including a decrease in advertising costs, and an increase in revenue as noted above.

For the nine months ended September 30, 2024, our Services segment, which earns fees and/or commission income without assuming underwriting risk or need for reinsurance, had Total Generated Premium of $474.9 million, an increase of 41% from $337.6 million over the prior year period, while revenue was $36.7 million, an increase of 12% from $32.8 million over the prior year period. The growth was driven primarily due to the growth in the total book of business in our aggregator channel, as well as in our builder channel for new and renewal business, as we maintain higher retention rates and experienced premium rate increases. Our adjusted operating loss was $13.2 million, a decrease of 56% compared to a loss of $30.3 million in the prior year period, due primarily to lower adjusted operating expenses including a decrease in advertising costs, and an increase in revenue as noted above.

Insurance-as-a-Service

Our Insurance-as-a-Service segment, which through our carrier, Spinnaker, leverages our capital and insurance licenses to provide capacity to third party MGAs, creating diversified income through fees, underwriting profits, and investment income. For the three months ended September 30, 2024, Total Generated Premium was $159.3 million, an increase of 12% from $141.8 million over the prior year quarter, while revenue was $25.4 million, an increase of 31% from $19.4 million over the prior year quarter. The growth was driven primarily by the increase in performance of existing programs. Adjusted operating income was $6.7 million, an increase of 86% compared to income of $3.6 million in the prior year quarter, due primarily to the increase in revenue mentioned above, partially offset by an increase in insurance related expenses and loss and loss adjustment expenses due to the growth of the book of business.

For the nine months ended September 30, 2024, Total Generated Premium was $475.6 million, an increase of 20% from $397.5 million over the prior year period, while revenue was $70.2 million, an increase of 44% from $48.6 million over the prior year period. The growth was driven primarily by the increase in performance of existing programs. Adjusted operating income was $17.1 million, an increase of 49% compared to income of $11.5 million in the prior year quarter, due primarily to the increase in revenue mentioned above, partially offset by an increase in insurance related expenses and loss and loss adjustment expenses due to the growth of the book of business.

Hippo Home Insurance Program

For the three months ended September 30, 2024, our Hippo Homeowners Insurance Program had Total Generated Premium of $77.6 million, a decrease of 18% from $95.0 million over the prior year quarter, while revenue was $61.1 million, an increase of 111% from $28.9 million over the prior year quarter. The increase in revenue was due primarily to higher net earned premium due to higher retention on our 2023 and 2024 reinsurance treaties. We purchased XOL to cover events in excess of per occurrence limits based on the expected growth in exposure during the year which results in an increase in ceded earned premium and lower net earned premium. For the three months ended September 30, 2024 and 2023, $5.8 million and $7.4 million, respectively, was offset against earned premium for XOL. Adjusted operating loss was $9.9 million in the quarter, a decrease of 69% compared to a loss of $31.7 million in the prior year quarter. The decrease in adjusted operating loss was due primarily to the increase in revenue noted above and an improvement in our net loss ratio due to improved terms on our reinsurance treaties and a lower impact of non-PCS events, and lower adjusted operating expenses. This was partially offset by an increase in insurance related expenses due to higher premium retention.

For the nine months ended September 30, 2024, our Hippo Homeowners Insurance Program had Total Generated Premium of $217.2 million, a decrease of 25% from $289.4 million over the prior year period, while revenue was $172.4 million, an increase of 143% from $71.0 million over the prior year quarter. The increase in revenue was due primarily to higher net earned premium due to higher retention on our 2023 and 2024 reinsurance treaties, partially offset by a decrease in commission income, net, reflecting changes in our 2023 and 2024 reinsurance treaties, resulting in higher premium retention, and achieving planned premium rate increases. We purchased XOL to cover events in excess of per occurrence limits based on the expected growth in exposure during the year which results in an increase in ceded earned premium and lower net earned premium. For the nine months ended September 30, 2024 and 2023, $20.7 million and $23.3 million, respectively, was offset against earned premium for XOL. Adjusted operating loss was $56.1 million in the quarter, a decrease of 64% compared to a loss of $157.9 million in the prior year quarter. The decrease in adjusted operating loss was due primarily to the increase in revenue noted above, a decrease in adjusted operating expenses, partially due to a reduction in headcount and decrease in sales commissions, as well as an improvement in our net loss ratio due to improved terms on our reinsurance treaties and a lower impact of PCS events. This was partially offset by an increase in insurance related expenses due to higher premium retention.

Hippo Home Insurance Program Gross Loss Ratio

Hippo Home Insurance Program Gross Loss Ratio (“HPGLR”) is a key performance indicator that represents our underwriting operational performance for the entire Total Generated Premium underwritten by Hippo as part of the Hippo Home Insurance Program. This ratio includes losses and premiums written and placed on Spinnaker (our carrier) as well as other carriers for Hippo policies (policies underwritten by the Hippo MGA). For the periods presented, changes in this ratio also impact our ceding commission revenue and loss participation features in our reinsurance treaties, which is included in loss and loss adjustment expense on our condensed consolidated statements of operations and comprehensive loss. This ratio is also used by our reinsurers and other carriers to make business decisions relating to the capacity of reinsurance and amount of ceding commission that would be available to Hippo. The lower the ratio, the better the economics for Hippo.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	Hippo Home Insurance Program			
PCS losses	21 %	6 %	22 %	55 %
Non-PCS losses	51 %	69 %	57 %	63 %
HPGLR	72 %	75 %	79 %	118 %

For the three months ended September 30, 2024, HPGLR was 72% net of a prior year favorable development of 2 percentage points relating to non-PCS events and 1 percentage point relating to PCS events compared to 75% for the three months ended September 30, 2023. The decrease in the non-PCS losses reflected the benefits of the pricing and underwriting actions we have taken, which was partially offset by an increase in PCS losses primarily due to an increase in the severity of PCS events. We expect continued improvement as these actions have more time to impact our financial results.

For the nine months ended September 30, 2024, HPGLR was 79% net of a prior year favorable development of 1 percentage point relating to non-PCS events and 5 percentage points relating to PCS events compared to 118% net of a prior year favorable development of 2 percentage points relating to non-PCS events and 1 percentage point relating to PCS events for the nine months ended September 30, 2023. The decrease reflected the benefits of the pricing and underwriting actions we have taken and a lower impact from PCS events. We expect continued improvement as these actions have more time to impact our financial results.

Results of Operations

The following table sets forth our condensed consolidated results of operations data for the periods presented (in millions, except percent data):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024	2023	Change	% Change	2024	2023	Change	% Change
Revenue:								
Net earned premium	$ 70.6	$ 32.9	$ 37.7	115 %	$ 195.5	$ 69.0	$ 126.5	183 %
Commission income, net	15.7	14.2	1.5	11 %	47.7	47.8	(0.1)	— %
Service and fee income	3.0	4.9	(1.9)	(39)%	8.8	11.9	(3.1)	(26)%
Net investment income	6.2	5.7	0.5	9 %	18.2	16.5	1.7	10 %
Total revenue	95.5	57.7	37.8	66 %	270.2	145.2	125.0	86 %
Expenses:								
Losses and loss adjustment expenses	51.6	36.5	15.1	41 %	164.6	150.9	13.7	9 %
Insurance related expenses	22.6	20.3	2.3	11 %	67.9	54.8	13.1	24 %
Technology and development	7.0	11.9	(4.9)	(41)%	23.1	36.6	(13.5)	(37)%
Sales and marketing	12.5	18.9	(6.4)	(34)%	40.3	63.9	(23.6)	(37)%
General and administrative	15.3	20.7	(5.4)	(26)%	53.5	62.0	(8.5)	(14)%
Impairment and restructuring charges	—	—	—	N/A	3.6	—	3.6	N/A
Gain on sale of business	(8.2)	—	(8.2)	N/A	(8.2)	—	(8.2)	N/A
Other (income) expense, net	(0.1)	—	(0.1)	N/A	(0.1)	0.5	(0.6)	(120)%
Total expenses	100.7	108.3	(7.6)	(7)%	344.7	368.7	(24.0)	(7)%
Loss before income taxes	(5.2)	(50.6)	45.4	(90)%	(74.5)	(223.5)	149.0	(67)%
Income tax (benefit) expense	—	(0.3)	0.3	(100)%	1.0	0.2	0.8	400 %
Net loss	(5.2)	(50.3)	45.1	(90)%	(75.5)	(223.7)	148.2	(66)%
Net income attributable to noncontrolling interests, net of tax	3.3	2.8	0.5	18 %	9.2	7.1	2.1	30 %
Net loss attributable to Hippo	$ (8.5)	$ (53.1)	$ 44.6	(84)%	$ (84.7)	(230.8)	$ 146.1	(63)%
Other comprehensive income (loss):								
Change in net unrealized gain on available-for-sale securities, net of tax	4.1	(0.7)	4.8	(686)%	3.4	(0.1)	3.5	(3500)%
Comprehensive loss attributable to Hippo	$ (4.4)	$ (53.8)	$ 49.4	(92)%	$ (81.3)	(230.9)	$ 149.6	(65)%

Comparison of the Three and Nine Months Ended September 30, 2024 and 2023

Net Earned Premium

For the three months ended September 30, 2024, net earned premium was $70.6 million, an increase of $37.7 million compared to $32.9 million for the three months ended September 30, 2023. This increase was due primarily to increases in gross earned premium due to year-over-year growth of our total book of business and higher retention of earned premium due to our 2023 and 2024 reinsurance treaties, partially offset by an increased cost of XOL premiums for our catastrophic coverage which results in an increase in ceded earned premium and lower net earned premium. We purchased XOL to cover events in excess of per occurrence limits based on the expected growth in exposure during the year. For the three months ended September 30, 2024 and 2023, $15.4 million and $14.3 million, respectively, was offset against earned premium for XOL.

For the nine months ended September 30, 2024, net earned premium was $195.5 million, an increase of $126.5 million compared to $69.0 million for the nine months ended September 30, 2023. This increase was due primarily to increases in gross earned premium due to year-over-year growth of our total book of business and higher retention of earned premium due to our 2023 and 2024 reinsurance treaties, partially offset by an increased cost of XOL premiums for our catastrophic coverage which results in an increase in ceded earned premium and lower net earned premium. We purchased XOL to cover events in excess of per occurrence limits based on the expected growth in exposure during the year. For the nine months ended September 30, 2024 and 2023, $44.3 million and $39.9 million, respectively, was offset against earned premium for XOL.

The following table presents gross written premium, ceded written premium, net written premium, change in unearned premium, and net earned premium for the three and nine months ended September 30, 2024 and 2023 (in millions).

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Change	2024	2023	Change
Gross written premium	$ 234.4	$ 229.5	$ 4.9	$ 686.8	$ 663.6	$ 23.2
Ceded written premium	(143.8)	(178.0)	34.2	(393.4)	(559.8)	166.4
Net written premium	90.6	51.5	39.1	293.4	103.8	189.6
Change in unearned premium	(20.0)	(18.6)	(1.4)	(97.9)	(34.8)	(63.1)
Net earned premium	$ 70.6	$ 32.9	$ 37.7	$ 195.5	$ 69.0	$ 126.5

Commission Income, Net

For the three months ended September 30, 2024, commission income was $15.7 million, an increase of $1.5 million, or 11%, compared to $14.2 million for the three months ended September 30, 2023. The increase was due primarily to an increase in agency commissions of $2.3 million and carrier fronting fees of $0.5 million, both of which grew due to the year-over-year growth of our total book of business. This increase was partially offset by a decrease in ceding commissions of $0.8 million due to higher premium retention, which decreases ceding commissions and increases net earned premium.

For the nine months ended September 30, 2024, commission income was $47.7 million, a decrease of $0.1 million, or 0%, compared to $47.8 million for the nine months ended September 30, 2023. The decrease was due primarily to a decrease in ceding commissions of $11.4 million due to higher premium retention, which decreases ceding commissions and increases net earned premium, and a decrease in MGA commissions of $0.3 million. This decrease was partially offset by an increase in agency commissions of $8.4 million and carrier fronting fees of $3.2 million, both of which grew due to the year-over-year growth of our total book of business.

Service and Fee Income

For the three months ended September 30, 2024, service and fee income was $3.0 million, a decrease of $1.9 million, or 39%, compared to $4.9 million for the three months ended September 30, 2023. The decrease was due primarily to a decrease in policy fees and fee sharing arrangements.

For the nine months ended September 30, 2024, service and fee income was $8.8 million, a decrease of $3.1 million, or 16%, compared to $11.9 million for the nine months ended September 30, 2023. The decrease was due primarily to a decrease in policy fees and fee sharing arrangements.

Net Investment Income

For the three months ended September 30, 2024, net investment income was $6.2 million, an increase of $0.5 million, compared to $5.7 million for the three months ended September 30, 2023. The increase was due primarily to an increase in yields and diversification. We are mainly invested in money market accounts, securities issued by the U.S. government and agencies, high-grade corporate securities, residential and commercial mortgage-backed securities, and other governmental related securities.

For the nine months ended September 30, 2024, net investment income was $18.2 million, an increase of $1.7 million, compared to $16.5 million for the nine months ended September 30, 2023. The increase was due primarily to an increase in yields and diversification. We are mainly invested in money market accounts, securities issued by the U.S. government and agencies, high-grade corporate securities, residential and commercial mortgage-backed securities, and other governmental related securities.

Loss and Loss Adjustment Expenses

For the three months ended September 30, 2024, loss and loss adjustment expenses were $51.6 million, an increase of $15.1 million, compared to $36.5 million for the three months ended September 30, 2023. The increase was due primarily to an increase in losses due to higher premium retention rates and the growth of our book of business, which is partially offset by an improvement in our net loss ratio due to improved terms on our reinsurance treaties, and pricing and underwriting actions we have taken.

For the nine months ended September 30, 2024, loss and loss adjustment expenses were $164.6 million, an increase of $13.7 million, compared to $150.9 million for the nine months ended September 30, 2023. The increase was due primarily to an increase in losses due to higher premium retention rates and the growth of our book of business which is partially offset by an improvement in our net loss ratio due to improved terms on our reinsurance treaties, and pricing and underwriting actions we have taken.

Insurance Related Expenses

For the three months ended September 30, 2024, insurance related expenses were $22.6 million, an increase of $2.3 million, or 11%, compared to $20.3 million for the three months ended September 30, 2023. The increase was due primarily to an increase in amortization of deferred direct acquisition costs of $4.4 million due to higher premium retention rates and the growth of our book of business, and an increase in amortization expense attributable to capitalized internal use software of $0.9 million. This was partially offset by a decrease in underwriting and other insurance related expenses.

For the nine months ended September 30, 2024, insurance related expenses were $67.9 million, an increase of $13.1 million, or 24%, compared to $54.8 million for the nine months ended September 30, 2023. The increase was due primarily to an increase in amortization of deferred direct acquisition costs of $15.6 million due to higher premium retention rates and the growth of our book of business, and an increase in amortization expense attributable to capitalized internal use software of $2.9 million. This was partially offset by a decrease in underwriting and other insurance related expenses.

The primary components of insurance related expenses are listed below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Amortization of deferred direct acquisition costs, net	$ 11.7	$ 7.3	$ 35.8	20.2
Employee-related costs	3.2	3.0	8.9	9.4
Underwriting costs	1.5	2.5	4.4	6.5
Amortization of capitalized internal use software	4.3	3.4	12.3	9.4
Other	1.9	4.1	6.5	9.3
Total	$ 22.6	$ 20.3	$ 67.9	$ 54.8

Direct acquisition costs were $20.5 million and $65.4 million for the three and nine months ended September 30, 2024, of which $8.8 million and $29.6 million were offset by ceding commission income.

Direct acquisition costs were $24.3 million and $60.3 million for the three and nine months ended September 30, 2023, of which $17.0 million and $40.1 million were offset by ceding commission income.

Technology and Development Expenses

For the three months ended September 30, 2024, technology and development expenses were $7.0 million, a decrease of $4.9 million, or 41%, compared to $11.9 million for the three months ended September 30, 2023. The decrease was due primarily to a decrease in employee-related costs of $5.5 million, including a decrease in stock-based compensation of $1.9 million, driven by a decrease in headcount. This decrease is partially offset by a decrease of $1.6 million in capitalized employee-related costs.

For the nine months ended September 30, 2024, technology and development expenses were $23.1 million, a decrease of $13.5 million, or 37%, compared to $36.6 million for the nine months ended September 30, 2023. The decrease was due primarily to a decrease in employee-related costs of $14.2 million, including a decrease in stock-based compensation of $5.7 million, driven by a decrease in headcount. This decrease is partially offset by a decrease of $3.3 million in capitalized employee-related costs.

Sales and Marketing Expenses

For the three months ended September 30, 2024, sales and marketing expenses were $12.5 million, a decrease of $6.4 million, or 34%, compared to $18.9 million for the three months ended September 30, 2023. The decrease was due primarily to a decrease in employee-related costs of $3.3 million, including a decrease in stock-based compensation of $1.6 million due to a decrease in headcount, and a decrease in advertising costs of $1.3 million. The decrease was also due to a decrease in commission expense of $0.7 million.

For the nine months ended September 30, 2024, sales and marketing expenses were $40.3 million, a decrease of $23.6 million, or 37%, compared to $63.9 million for the nine months ended September 30, 2023. The decrease was due primarily to a decrease in employee-related costs of $9.1 million, including a decrease stock-based compensation of $4.9 million due to a decrease in headcount, and a decrease in advertising costs of $6.8 million. The decrease was also due to the change in fair value of contingent consideration of $2.0 million and decrease in commission expense of $2.0 million.

General and Administrative Expenses

For the three months ended September 30, 2024, general and administrative expenses were $15.3 million, a decrease of $5.4 million, or 26%, compared to $20.7 million for the three months ended September 30, 2023. The decrease was due primarily to a decrease in stock-based compensation of $2.2 million, legal costs of $1.2 million, and corporate insurance costs of $0.7 million.

For the nine months ended September 30, 2024, general and administrative expenses were $53.5 million, a decrease of $8.5 million, or 14%, compared to $62.0 million for the nine months ended September 30, 2023. The increase was due primarily to a decrease in stock-based compensation of $7.0 million, partially driven by a charge due to the repricing of options during the first quarter of 2023, and a decrease in corporate insurance of $2.3 million. This was partially offset by an increase in legal costs of $1.7 million.

Impairment and Restructuring Charges

For the three months ended September 30, 2024 and 2023, there were no impairment or restructuring charges.

For the nine months ended September 30, 2024, impairment and restructuring charges were $3.6 million which primarily related to the impairment of a lease right-of-use asset due to abandonment of leased office space. There were no impairment and restructuring charges for the nine months ended September 30, 2023.

Gain on Sale of Business

For the three and nine months ended September 30, 2024, we recognized a gain on sale of $8.2 million related to our subsidiary, Mainsail.

There were no gain on sale of business for the three and nine months ended September 30, 2023.

Other (Income) Expense, net

For the three months ended September 30, 2024, other income was $0.1 million compared to $0.0 million for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, other income was $0.1 million compared to other expense of $0.5 million for the nine months ended September 30, 2023. The decrease in other expense, net was due primarily to a decrease in our share of losses from equity method investees.

Income Taxes

For the three months ended September 30, 2024, income tax expense was $0.0 million, an increase of $0.3 million compared to a benefit of $0.3 million for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, income tax expense was $1.0 million, an increase of $0.8 million compared to $0.2 million for the nine months ended September 30, 2023.

Net Loss Attributable to Hippo

Net loss attributable to Hippo is calculated in accordance with GAAP as total revenue less total expenses and taxes and net of net income attributable to noncontrolling interest, net of tax.

For the three months ended September 30, 2024, net loss attributable to Hippo was $8.5 million, a decrease of $44.6 million compared to $53.1 million for the three months ended September 30, 2023 due to the factors described above.

For the nine months ended September 30, 2024, net loss attributable to Hippo was $84.7 million, a decrease of $146.1 million compared to $230.8 million for the nine months ended September 30, 2023 due to the factors described above.

Liquidity and Capital Resources

Sources of Liquidity

Our existing sources of liquidity include cash and cash equivalents and marketable securities. As of September 30, 2024, we had $191.2 million of cash, $39.7 million of restricted cash, and $354.3 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 September 30, 2024, is $11.5 million, and there were no outstanding amounts under this agreement.

To date, we have funded operations primarily with issuances of convertible preferred stock, convertible promissory notes, and from net proceeds from a private placement transaction in connection with the Business Combination, the Business Combination, 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.

Cash Flow Summary

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

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	Change
Net cash provided by (used in):			
Operating activities	$ 53.9	$ (43.9)	$ 97.8
Investing activities	$ 2.5	$ 79.6	$ (77.1)
Financing activities	$ (20.6)	$ (10.8)	$ (9.8)

Operating Activities

Cash provided by operating activities was $53.9 million for the nine months ended September 30, 2024, an increase of $97.8 million, from cash used in operating activities of $43.9 million for the nine months ended September 30, 2023. The increase was due primarily to an increase in revenues as well as working capital changes that benefited cash due to higher premium retention and improved terms on our reinsurance treaties. Cash used in operating activities represents payments for our operations including, payroll, loss and loss adjusted expenses and marketing activities.

Investing Activities

Cash provided by investing activities was $2.5 million for the nine months ended September 30, 2024, due primarily to the maturities of investment securities and proceeds from the sale of a business, partially offset by purchases of investment securities.

Cash provided by investing activities was $79.6 million for the nine months ended September 30, 2023, due primarily to the maturities and sales of investment securities, partially offset by purchases of investment securities and an office building.

Financing Activities

Cash used in financing activities was $20.6 million for the nine months ended September 30, 2024, primarily driven by distributions to noncontrolling interests and change in fiduciary liabilities, and taxes paid related to net share settlement of RSUs, partially offset by proceeds from common stock issuances.

Cash used in financing activities was $10.8 million for the nine months ended September 30, 2023, primarily driven by distributions to noncontrolling interests, repurchases of shares, and taxes paid related to net share settlement of RSUs, partially offset by proceeds from common stock issuances.

Material Cash Requirements

Our material cash requirements from known contractual and other obligations primarily relate to purchase commitments, lease payments, and unpaid loss and loss adjustment expense. There have been no material changes to our contractual obligations from those described in the Annual Report on Form 10-K for the year ended December 31, 2023, other than an increase in 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 condensed 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.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of our financial statements requires us to make estimates and judgments that affect the reported amounts in our condensed consolidated financial statements. We evaluate our estimates on an on-going basis, including those related to our revenue, loss and loss adjustment expense reserve, recoverability of our net deferred tax asset, and intangible assets. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Although actual results have historically been reasonably consistent with management's expectations, the actual results may differ from these estimates, or our estimates may be affected by different assumptions or conditions.

Recent Accounting Pronouncements

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

Emerging Growth Company Status

We currently qualify as an "emerging growth company" under the JOBS Act. Accordingly, we are provided the option to adopt new or revised accounting guidance either (1) within the same periods as those otherwise applicable to non-emerging growth companies or (2) within the same time periods as private companies.

We have elected to adopt new or revised accounting guidance within the same time period as private companies, unless management determines that it is preferable to take advantage of early adoption provisions offered within the applicable guidance. Our utilization of these transition periods may make it difficult to compare our financial statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the transition periods afforded under the JOBS Act.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks related to interest rate changes and the corresponding changes in the market values of our investments.

Interest Rate 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.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and our chief financial officer, has concluded, based upon its evaluation as of the end of the period covered by this report, that the Company's "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), are effective in providing reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures.

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the most recently completed fiscal quarter covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth under Note 12 Commitments and Contingencies in the notes to the condensed consolidated financial statements under the caption “Legal Proceedings” is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, except for the following risk factor which supplements the risk factors referenced above.

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 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.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Company Purchases of Equity Securities

The following table provides information with respect to 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 September 30, 2024.

Period	Total Number of Shares Purchased[1]	Average Price Paid per Share[2]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
		(in millions, except share and per share data)		
July 1 through July 31, 2024	—	$ —	—	
August 1 through August 31, 2024	—	$ —	—	
September 1 through September 30, 2024	—	$ —	—	
Total	—			$ 48.2

[1] In March 2023, the Company's Board of Directors authorized a share repurchase program to purchase up to $50.0 million of the Company's common stock, with no expiration date. Repurchases under the program may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases to be determined at the Company's discretion depending on market conditions and corporate needs. This program does not obligate the Company to acquire any particular amount of its common stock, and may be modified, suspended or terminated at any time at the Company's discretion.

[2] Includes direct costs incurred to acquire the shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

First Connect Acquisition

On October 29, 2024, the Company, POD Holdings, Inc., a wholly owned subsidiary of the Company, and its wholly owned subsidiary, First Connect Insurance Services, LLC (“First Connect”) entered into an Equity Purchase Agreement (the “First Connect Purchase Agreement”) with affiliates of Centana Growth Partners (“Centana”). Pursuant the First Connect Purchase Agreement, Purchaser acquired First Connect from the Company for a purchase price comprised of (i) $48.0 million in cash at closing, (ii) shares of common stock representing a 19.2% fully-diluted ownership in the Centana entity that owns First Connect following the closing, measured at closing, and (iii) up to $12.0 million payable following the closing upon the achievement of certain revenue-based targets in 2025 and 2026. The Purchase Agreement contains customary representations, warranties and covenants of the parties. The transactions contemplated by the Purchase Agreement were consummated on October 29, 2024.

Share Repurchase

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 was substantially completed on October 30, 2024. The Company used available cash resources of approximately $15.6 million to complete this transaction.

Officer Appointment

On November 6, 2024, Anirudh Badia informed the board of directors of his resignation as the Company’s Chief Accounting Officer and principal accounting officer, effective as of November 8, 2024. Mr. Badia’s resignation was not due to any disagreement with the Company or any matter related to the Company’s operations, policies, or practices. In connection with Mr. Badia’s resignation, we and Mr. Badia entered into a separation agreement (the “Separation Agreement”) containing a general release of claims and standard restrictive covenants. Pursuant to the Separation Agreement, Mr. Badia will be eligible to receive certain severance benefits, including the payment of an amount equal to 3 months of his current base salary.

Mr. Badia will stay on as an employee of the Company through December 2, 2024 (the “Separation Date”). Further, Mr. Badia will continue to provide transitional consulting services to the Company from the Separation Date through May 31, 2025 pursuant to a Consulting Agreement, dated December 3, 2024 (the “Consulting Agreement”), whereby Mr. Badia will continue to provide consulting services to the Company for a period of approximately six months. Under the Consulting Agreement, Mr. Badia’s previously granted outstanding stock options and restricted stock unit awards will continue to vest while he provides services to the Company. Mr. Badia’s performance restricted stock units will not continue to vest under the Consulting Agreement. On November 7, 2024, our Board of Directors appointed Michael Bayer to serve as the Company’s principal accounting officer, effective as of November 8, 2024.

Mr. Bayer, age 47, has served as the Company’s Vice President, Corporate Controller since September 2022, and, prior to that, served as the Company’s Entity Controller, Director of Technical Accounting and Reporting from March 2020 to November 2022. Prior to joining the Company, held several accounting roles at Spotify Technology S.A., a publicly traded audio streaming and subscription service provider, since 2016, including most recently as Director of Technical Accounting and External Reporting. Mr. Bayer started his career at PricewaterhouseCoopers LLP and is a certified public accountant. Mr. Bayer holds a Bachelor of Business Administration (BBA) in International Finance from New Jersey City University.

There is no arrangement or understanding between Mr. Bayer and any other persons pursuant to which he is being appointed as the Company’s principal accounting officer. There are no family relationships between Mr. Bayer and any director, director nominee or executive officer of the Company, and there are no current or proposed transactions between the Company and Mr. Bayer or his immediate family members that would require disclosure under Item 404(a) of Regulation S-K.

The foregoing summaries of the Consulting Agreement and Separation Agreement do not purport to be complete and is qualified in its entirety by reference to the Consulting Agreement and Separation Agreement, copies of which are filed as Exhibits 10.1 and 10.2 to the Form 10-Q and are incorporated by reference herein.

Trading Arrangements of Section 16 Reporting Persons

During the three months ended September 30, 2024, 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 6. EXHIBITS

Exhibit Number	Description
10.1	Consulting Agreement, dated November 6, 2024, by and between Anirudh Badia and Hippo Employee Services Inc.
10.2	Separation Agreement, dated November 6, 2024, by and between Anirudh Badia and Hippo Employee Services Inc.
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.*
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.*
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. #
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. #
101.INS*	XBRL Instance Document*
101.SCH*	XBRL Taxonomy Extension Schema Document*
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document*
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document).

*	Filed herewith.
#	Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise specifically stated in such filing.

Signatures

Pursuant to the requirements of 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.

Date: November 8, 2024	By:	/s/ Richard McCathron
	Name:	Richard McCathron
	Title:	Chief Executive Officer
		(Principal Executive Officer)
Date: November 8, 2024	By:	/s/ Stewart Ellis
	Name:	Stewart Ellis
	Title:	Chief Financial Officer & Chief Strategy Officer
		(Principal Financial Officer)

CONSULTING AGREEMENT

This Consulting Agreement ("Agreement") is entered into effective December 3, 2024 (the "Effective Date") and is made by and between Anirudh Badia ("Consultant") and Hippo Employee Services Inc. ("Company") (collectively, the "Parties"). The Parties agree as follows:

1. Services: Consultant agrees to undertake and complete the Services (as defined in Exhibit A) in accordance with and on the schedule specified in Exhibit A.

2. Payment.

a. As compensation for the Services and ongoing commitment to provide the Services:

(1) The Company will pay to the Advisor $300.00 per hour.

(2) The Company will continue to vest any currently unvested stock options and restricted stock units awarded to Consultant under the Hippo Holdings Inc. 2019 Equity Incentive Plan or the 2021 Incentive Plan as amended and as may be amended from time to time and collectively with any successor plan(s) (the "Plan"), through the earlier of (i) May 31, 2025, or (ii) termination of this Agreement. The stock options and restricted stock units shall continue to vest on their current vesting schedule and terms and conditions. The Company and Consultant acknowledge and agree that the Performance Restricted Stock Unit ("PRSU") will not continue to vest under this provision.

b. Consultant will provide a monthly bill that indicates hours spent on this matter, directed to AP@hippo.com.

c. Consultant acknowledges that Consultant will receive an IRS Form 1099-MISC from Company, and Consultant agrees to report to all applicable government agencies as income all compensation received by Consultant pursuant to this Agreement. Consultant acknowledges and agrees that Consultant will be solely responsible for all federal, state, and local taxes. Consultant will indemnify and hold Company harmless from and against all damages, liabilities, losses, penalties, fines, expenses and costs (including reasonable fees and expenses of attorneys and other professionals) arising out of or relating to any obligation imposed by law on Company to pay any withholding taxes, social security, unemployment or disability insurance or similar items in connection with compensation received by Consultant pursuant to this Agreement. Unless otherwise specifically agreed upon by Company in writing (and notwithstanding any other provision of this Agreement), all activity relating to Services will be performed by and only by Consultant.

3. No Violation of Rights or Obligations. Consultant agrees that Consultant will not (and will not permit others to) violate any agreement with or rights of any third party or use or disclose at any time Consultant's own or any third party's confidential information or intellectual property in connection with the Services or otherwise for or on behalf of Company.

4. Manner and Means of Performance of Services. Company shall not control the manner or means by which Consultant perform the Services. Unless otherwise stated in Exhibit A,

Consultant shall furnish, at Consultant's own expense, the equipment, supplies, and other materials used to perform the Services. Company shall provide Consultant with access to its premises and equipment to the extent necessary for the performance of the Services. To the extent Consultant performs any Services on Company's premises or using Company's equipment, Consultant shall comply with all applicable policies of Company relating to business and office conduct, health and safety, and use of Company's facilities, supplies, information technology, equipment, networks, and other resources.

5. Ownership; Rights; Company Proprietary Information; Publicity.

a. Company shall solely and exclusively own, and Consultant hereby assigns to Company on behalf of Consultant, all right, title, and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, sui generis database rights, and all other intellectual property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, mask works, designations, designs, know-how, ideas and information Consultant may make, conceive, develop or reduce to practice, alone or jointly with others, in connection with performing Services, that result from or that are related to such Services, or that relate to the subject matter of or arise out of or in connection with the Services or any Company Proprietary Information (as defined below) (collectively, "Inventions"). Consultant agrees to promptly disclose and provide all Inventions to Company. Consultant will assist and cooperate with Company in all respects, will execute documents, and will take such further acts reasonably requested by Company, to enable Company to acquire, transfer, maintain, further evidence, record, perfect, enforce, and defend its ownership rights. Consultant hereby irrevocably designates and appoints Company as its agent and attorney-in-fact, coupled with an interest to act for and on Consultant's behalf to execute and file any document and to do all other lawfully permitted acts to further the foregoing with the same legal force and effect as if executed by Consultant and all other creators or owners of the applicable Invention.

b. Consultant agrees that all Inventions and all other business, technical, and financial information (including, without limitation, the identity of and information relating to customers or employees) developed, learned, or obtained by or for or on behalf of Consultant during the period that Consultant is to be providing the Services that relate to Company or the business or financials, demonstrably anticipated business of Company, or in connection with the Services, or that are received by or for Company, constitute "Company Proprietary Information." At all times, both during Consultant's engagement by Company as an independent contractor and after its termination, and to the fullest extent permitted by law, Consultant shall hold in confidence and not disclose or, except in performing the Services, use any Company Proprietary Information. Consultant further agrees to take all actions reasonably necessary to protect the confidentiality of all Company Proprietary Information, including, without limitation, implementing and enforcing procedures to minimize the possibility of unauthorized use or disclosure of Company Proprietary Information. However, Consultant shall not be obligated under this paragraph with respect to information Consultant can document is or becomes readily publicly available without restriction through no fault of Consultant. Upon termination or as otherwise requested by Company, Consultant will promptly provide to Company all Inventions, including all work in progress on any Inventions not previously delivered to Company, if any, and all items and copies containing or embodying Company Proprietary Information, except that Consultant may keep copies of Contractor's compensation records and this Agreement. Consultant also recognizes and agrees that Consultant has no expectation of privacy with respect to Company's telecommunications, networking or information processing systems (including, without limitation, stored computer files, email messages and voice messages) and that Consultant's activity, and any files or messages, on or using any of those systems may be monitored at any time without notice.

c. As additional protection for Company Proprietary Information, Consultant agrees that during the period over which Consultant is to be providing the Services, and for one year thereafter, Consultant will not directly or indirectly encourage or solicit any employee or consultant of Company to leave Company for any reason.

d. Consultant further agrees that, during the term of this Agreement, Consultant will not, directly or indirectly, in any individual or representative capacity, engage or participate in or provide services to any business that is competitive with the types and kinds of business being conducted by Company.

e. To the extent allowed by law, Section 5.a. and any license granted Company hereunder includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like. Furthermore, Consultant agrees that notwithstanding any rights of publicity, privacy or otherwise (whether or not statutory) anywhere in the world, and without any further compensation, Company may and is hereby authorized to (and to allow others to) use Consultant's name in connection with promotion of Company's business, products or services. To the extent any of the foregoing is ineffective under applicable law, Consultant hereby provides any and all ratifications and consents necessary to accomplish the purposes of the foregoing to the extent possible. Consultant will confirm any such ratifications and consents from time to time as requested by Company. If any other person is in any way involved in any Services, Consultant will obtain the foregoing ratifications, consents and authorizations from such person for Company's exclusive benefit.

f. If any part of the Services or Inventions or information provided hereunder is based on, incorporates, or is an improvement or derivative of, or cannot be reasonably and fully made, used, reproduced, distributed and otherwise exploited (collectively, "Exploit" and "Exploitation") without using or violating technology or intellectual property rights owned by or licensed to Consultant and not assigned hereunder, Consultant hereby grants Company and its successors a perpetual, irrevocable, worldwide royalty-free, non-exclusive, sublicensable right and license to fully Exploit and exercise all such technology and intellectual property rights in support of Company's exercise or exploitation of the Services, Inventions, other work or information performed or provided hereunder, or any assigned rights (including any modifications, improvements and derivatives of any of them).

g. Notice of Immunity, the Defend Trade Secrets Act of 2016 ("DTSA"). Notwithstanding any other provision of this Agreement:

i. Consultant will not be held criminally or civilly liable under any federal or trade secret law for any disclosure of a trade secret that:

(a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or

(b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

ii. If Consultant files a lawsuit for retaliation by Company for reporting a suspected violation of law, Consultant may disclose Company's trade secrets to Consultant's attorney and use the trade secret information in the court proceeding if Consultant:

(a) files any document containing the trade secret under seal; and

(b) does not disclose the trade secret, except pursuant to court order.

6. Material Non-Public Information. Consultant acknowledges and agrees that he is aware that (i) the Company Proprietary Information contains material, non-public information regarding Hippo Holdings Inc. and its subsidiaries ("Hippo") and (ii) the United States securities laws prohibit any persons who have material, nonpublic information concerning the matters which are the subject of this Agreement, from purchasing or selling securities of Hippo or from communicating such information to any person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities in reliance upon such information. Consultant agrees to be bound by all open and close windows for trading communicated consistent with those that applied to him as an employee of the Company, and shall request pre-clearance to trade from Stock@Hippo.com prior to trading while a consultant, and will only trade if such pre-clearance is received.

7. Warranties and Other Obligations. Consultant represents, warrants and covenants that: (i) the Services will be performed in a professional and workmanlike manner and that none of such Services nor any part of this Agreement is or will be inconsistent with any obligation Consultant may have to others; (ii) all work under this Agreement shall be Consultant's original work and none of the Services or Inventions nor any development, use, production, distribution or Exploitation thereof will infringe, misappropriate or violate any intellectual property or other right of any person or entity (including, without limitation, Consultant); (iii) Consultant has the full right to allow Consultant to provide Company with the assignments and rights provided for herein (and has written enforceable agreements with all persons necessary to give Consultant the rights to do the foregoing and otherwise fully perform this Agreement and, in addition, Consultant will have each person who may be involved in any way with, or have any access to, any Services or Company Proprietary Information enter into (prior to any such involvement or access) a binding agreement for Company's benefit that contains provisions at least as protective as those contained herein); (iv) Consultant shall comply with all applicable laws and Company safety rules in the course of performing the Services; and (v) if Consultant's work requires a license, Consultant has obtained that license and the license is in full force and effect.

8. Binding Authority and Indemnification; Limitation of Liability. Consultant shall have no authority to bind the Company. To the extent Consultant has not violated any representation, warranty, or obligation under this Agreement, Company agrees to indemnify, defend, and hold harmless Consultant from and against any loss, cost, or damage of any kind to the extent arising out of providing the Services.

9. Term; Termination; Survival.

a. This Agreement shall commence on the Effective Date and shall continue until May 31, 2025 unless terminated earlier in accordance with this Section 9 of this Agreement (the "Term").

b. Either party may terminate this Agreement at any time, with or without cause, upon 15 business days' written notice. Company shall, upon such termination, pay Consultant all unpaid, undisputed amounts due for the Services completed prior to notice of such termination.

c. If either party breaches a material provision of this Agreement, the other party may terminate this Agreement upon 3 calendar days' notice, unless the breach is cured within the notice period.

10. Relationship of the Parties; Independent Contractor; No Employee Benefits. Notwithstanding any provision hereof, Consultant is an independent contractor and is not an employee, agent, partner or joint venturer of Company and shall not bind nor attempt to bind Company to any contract. Consultant shall accept any directions issued by Company pertaining to the goals to be attained and the results to be achieved by Consultant, but Consultant shall be solely responsible for the manner, means, and hours in which the Services are performed under this Agreement. Consultant shall not be eligible to participate in any of Company's employee benefit plans, fringe benefit programs, group insurance arrangements or similar programs. Company shall not provide workers' compensation, disability insurance, Social Security or unemployment insurance coverage or any other statutory benefit to Consultant. Consultant shall comply at Consultant's expense with all applicable provisions of workers' compensation laws, unemployment insurance laws, federal Social Security law, the Fair Labor Standards Act, federal, state and local income tax laws, and all other applicable federal, state and local laws, regulations and codes governing workers, whether independent contractors, employees or otherwise. Consultant agrees to indemnify Company from any and all claims, damages, liability, settlement, attorneys' fees and expenses, as incurred, on account of the foregoing or any breach of this Agreement or any other action or inaction by or for or on behalf of Consultant.

11. Assignment. This Agreement and the services contemplated hereunder are personal to Consultant and Consultant shall not have the right or ability to assign, transfer or subcontract any rights or obligations under this Agreement without the written consent of Company. Any attempt to do so shall be void. Company may freely assign and transfer this Agreement in whole or part.

12. Notice. All notices under this Agreement shall be in writing and shall be deemed given when emailed to the address of the party set out in the signature blocks of the parties.

13. Arbitration; Class Action Waiver. Any controversy or claim (except those regarding Inventions, Company Proprietary Information or intellectual property) arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, provided however, that each party will have a right to seek injunctive or other equitable relief in a court of law. The prevailing party will be entitled to receive from the non-prevailing party all costs, damages and expenses, including reasonable attorneys' fees, incurred by the prevailing party in connection with that action or proceeding, whether or not the controversy is reduced to judgment or award. The prevailing party will be that party who may be fairly said by the arbitrator(s) to have prevailed on the major disputed issues. Consultant hereby consents to the arbitration in the State of California in the county of San Mateo. Arbitration shall proceed only on an individual basis. The Parties waive the right to assert, participate in, or receive money or any other relief from any class, collective, or representative proceeding. Each party shall only submit their own individual claims against the other and will not seek to represent the interests of any other person. Notwithstanding anything to the contrary in the Commercial Arbitration Rules of the American Arbitration Association, no arbitrator shall have jurisdiction or authority to compel any class or collective claim, to consolidate different arbitration proceedings, or to join any other party to an arbitration between the Parties.

14. Miscellaneous.

a. This Agreement, together with any other documents incorporated by reference and related exhibits and schedules, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

b. In the event that any provision of this Agreement shall be determined to be illegal or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

c. This Agreement may be executed in multiple counterparts and by facsimile signature, each of which shall be deemed an original and all of which together shall constitute one instrument.

d. Any breach of Sections 4 or 5 will cause irreparable harm to Company for which damages would not be an adequate remedy, and therefore, Company will be entitled to injunctive relief with respect thereto in addition to any other remedies. The failure of either party to enforce its rights under this Agreement at any time for any period shall not be construed as a waiver of such rights. No changes, additions, modifications or waivers to this Agreement will be effective unless in writing and signed by both Parties. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflicts of laws provisions thereof. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys' fees. Headings herein are for convenience of reference only and shall in no way affect interpretation of the Agreement. This Agreement represents the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties with respect to the subject matter hereof.

(Signatory page to follow)

IN WITNESS WHEREOF, the Parties have executed this Consulting Agreement as of the Effective Date.

CONSULTANT

DocuSigned by:

D61E5A2A0BD8474...

Name: Anirudh Badia

11/6/2024 | 4:10:47 PM PST

NOTICE: anirudhbadia@gmail.com

Phone: 408-219-3541

HIPPO EMPLOYEE SERVICES INC.

By: DocuSigned by: Stewart Ellis

7EDC14E58F4F44A...

Name: Stewart Ellis

Title: CFO

11/6/2024 | 4:07:49 PM PST

NOTICE: generalcounsel@hippo.com

EXHIBIT A
SERVICES

Consultant will provide ad-hoc Services relating to Hippo Holdings Inc. or any of its subsidiaries as may be requested. Services shall include support in the transition of the Chief Accounting Officer functions to such persons as the Company may designate, and answering questions from any such persons; preparation of SEC filings for Hippo Holdings Inc. including but not limited to its 10Q and 10K filings; working on transitioning the outsourced accounting functions oversight; and such other support as the CEO, CFO, or CAO may reasonably request from time to time.

Consultant will use his best efforts to respond on a timely basis and to complete all outstanding items prior to the end of the Term.

Services shall be performed on the systems and computer equipment provided to Consultant.

At the conclusion of the Services, Consultant shall return the Company's laptop and other property to the Company at its Palo Alto office. All physical records will be destroyed or returned to the Company's Palo Alto office.

Consultant will be available to work up to 5 hours per week.

November 6, 2024

Anirudh Badia
3821 Abbey Ct
Campbell, CA 95008

Re: Terms of Separation

Dear Anirudh:

This letter confirms the agreement ("Agreement") between you and Hippo Employee Services Inc. (the "Company") and/or any of its affiliates concerning the terms of your separation from the Company and its affiliates, and offers you the separation compensation we discussed in exchange for a general release of claims and covenant not to sue.

1. Separation Date: December 2, 2024, is your last day of employment with the Company (the "Separation Date"). Notwithstanding the foregoing, you hereby resign as an officer of the Company or its subsidiaries including, but not limited to, as Chief Accounting Officer, effective November 8, 2024.

2. Acknowledgment of Payment of Wages: By your signature below, you acknowledge that you will receive one or more final paychecks for all wages owed through Separation Date, salary, bonuses, commissions, reimbursable expenses previously submitted by you, accrued vacation (if applicable) and any similar payments due you from the Company as of the Separation Date, on Separation Date, or such shorter time as required by applicable law. By signing below, you acknowledge that the Company does not owe you any other amounts. Please promptly submit for reimbursement all final outstanding expenses, if any.

3. Separation Benefits: In exchange for your agreement to the general release and waiver of claims and covenant not to sue set forth below and your other promises herein, the Company agrees to pay you, within thirty (30) days following the execution of the Renewal and Ratification of General Release and Waiver of Claims attached as Exhibit A, a lump sum payment in the gross amount of $112,500.00, less applicable withholding and deductions including, but not limited to, state and federal payroll deductions, which equals 3 months of your base salary ("Severance"). No contributions from you or the Company will be made to any retirement or savings plan with respect to the Severance.

4. Proprietary Information: You hereby acknowledge that you are bound by the attached Proprietary Information and Invention Assignment Agreement (Exhibit B hereto) and that as a result of your employment with the Company you have had access to the Company's Proprietary Information (as defined in the agreement), that you will hold all Proprietary Information in strictest confidence and that you will not make use of such Proprietary Information on behalf of anyone.

You further confirm that you have delivered to the Company all documents and data of any nature containing or pertaining to such Proprietary Information and that you have not taken with you any such documents or data or any reproduction thereof.

5. Effect of Separation on Equity: Any currently unvested Performance Restricted Stock Units awarded to you under the Hippo Holdings Inc. 2019 Equity Incentive Plan or the 2021 Incentive Plan (the "Plan") that have not vested as of the Separation Date will be automatically forfeited without consideration. Restricted Stock Units and Stock Options may continue to vest in if you continue in a consulting capacity pursuant to a written consulting agreement between you and the Company pursuant to and in accordance with the terms of any such agreement. You can access information about your equity grants in Hippo's equity platform, Shareworks. Shareworks tutorials are available here or you may contact stock@hippo.com for support. You will be permitted to move vested shares to your personal brokerage account after your Separation Date.

6. General Release and Waiver of Claims: The payments and promises set forth in this Agreement are in full satisfaction of all accrued salary, vacation pay, bonus and commission pay, profit sharing, stock, stock options or other ownership interest in the Company, termination benefits or other compensation to which you may be entitled by virtue of your employment with the Company or your separation from the Company. To the fullest extent permitted by law, you hereby release and waive any other claims you may have against the Company and its owners, agents, officers, shareholders, employees, directors, attorneys, subscribers, subsidiaries, affiliates, successors and assigns (collectively "Releasees"), whether known or not known, including, without limitation, claims under any employment laws including, but not limited to, claims of unlawful discharge, breach of contract, breach of the covenant of good faith and fair dealing, fraud, violation of public policy, defamation, physical injury, emotional distress, claims for additional compensation or benefits arising out of your employment or your separation of employment, claims under Title VII of the Civil Rights Act of 1964 (Title VII), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA), the Fair Labor Standards Act (FLSA), the Equal Pay Act, the Employee Retirement Income Security Act (ERISA) (regarding unvested benefits), the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act (FCRA), the Worker Adjustment and Retraining Notification (WARN) Act, the California Worker Adjustment and Retraining Notification (Cal-WARN) Act, the National Labor Relations Act (NLRA), the Uniform Services Employment and Reemployment Rights Act (USERRA), the Genetic Information Nondiscrimination Act (GINA), the Immigration Reform and Control Act (IRCA), the California Fair Employment and Housing Act (FEHA), the California Labor Code, the California Constitution, and the California Family Rights Act (CFRA), all including any amendments and their respective implementing regulations, and any other federal, state, local, or foreign law (statutory, regulatory, or otherwise) that may be legally waived and released.

a. By signing below, you expressly waive any benefits of Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

b. As a material inducement to Company to enter into this Agreement, you represent that you are not aware of any work-related injury, illness, or condition of any nature arising out of or related to your employment with Company.

c. You agree to sign and return to HR@Hippo.com one copy of Exhibit A no earlier than the Separation Date and no later than 30days after the Separation Date.

d. This general release and waiver of claims excludes, and you do not waive, release, or discharge any right to file a civil action or complaint with, or otherwise notify, a state agency, other public prosecutor, law enforcement agency, or any court or other governmental entity alleging claims or a violation of rights under the California Fair Employment and Housing Act (FEHA), as well as (1) any right to file an administrative charge or complaint with, or testify, assist, or participate in an investigation, hearing, or proceeding conducted by, the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other similar federal, state, or local administrative agencies; (2) claims that cannot be waived by law, such as claims for unemployment benefit rights and workers' compensation; (3) any indemnification rights you have against the Company; and (4) any claims that may arise after the date you sign below. To the fullest extent permitted by law, any dispute regarding the scope of this general release shall be determined by an arbitrator under the procedures set forth in the arbitration clause below.

7. Specific Release of ADEA Claims: In further consideration of the payments and benefits provided to you in this Agreement, by signing below you irrevocably and unconditionally fully and forever waive, release, and discharge the Releasees from any and all claims, whether known or unknown, from the beginning of time through the date you sign below, arising under the Age Discrimination in Employment Act (ADEA), as amended, and its implementing regulations. By signing this Agreement, you acknowledge and confirm that:

a. You have read this Agreement in its entirety and understand all of its terms;

b. By this Agreement, you have been advised in writing to consult with an attorney of your choosing before signing this Agreement;

c. You knowingly, freely, and voluntarily agree to all of the terms and conditions set out in this Agreement including, without limitation, the waiver, release, and covenants contained in it;

d. You are signing this Agreement, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which you are otherwise entitled;

e. You were given at least twenty-one (21) days to consider the terms of this Agreement and consult with an attorney of your choice, although you may sign it sooner if desired and changes to this Agreement, whether material or immaterial, do not restart the running of the 21-day period;

f. You understand that you have seven (7) days after signing this Agreement to revoke the release in this paragraph by delivering notice of revocation to HR@Hippo.com before the end of this seven-day period; and

g. You understand that the release in this paragraph does not apply to rights and claims that may arise after you sign this Agreement.

8. Knowing and Voluntary Acknowledgment: You specifically agree and acknowledge that:

a. You have read this Agreement in its entirety and understands all of its terms;

b. You have been advised to consult with an attorney before executing this Agreement and have been given at least five (5) business days to do so, although you may sign it sooner if desired; and

c. You knowingly, freely, and voluntarily assent to all of this Agreement's terms and conditions including, without limitation, the waiver, release, and covenants contained in it.

9. Covenant Not to Sue.

a. To the fullest extent permitted by law, at no time subsequent to the execution of this Agreement will you pursue, or cause or knowingly permit the prosecution, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, of any charge, claim or action of any kind, nature and character whatsoever, known or unknown, which you may now have, have ever had, or may in the future have against Releasees, which is based in whole or in part on any matter released by this Agreement.

b. Nothing in this section shall prohibit or impair you or the Company from complying with all applicable laws, nor shall this Agreement be construed to obligate either party to commit (or aid or abet in the commission of) any unlawful act.

10. Protected Rights: You understand that nothing in this Agreement or any policy of the Company (including the Proprietary Information and Invention Assignment Agreement, the General Release and Waiver of Claims, the Covenant Not to Sue, and the Non-disparagement Obligation) is intended to or does prevent you from (i) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful; (ii) contacting, filing a charge or complaint with, providing information to, or cooperating with any investigation or proceeding being conducted by, any federal or state law enforcement, governmental, or regulatory agency or body (such as the U.S. Department of Justice, the Securities and Exchange Commission, the Occupational Safety & Health Administration, the Equal Employment Opportunity Commission, the U.S. Department of Labor, the National Labor Relations Board, the California Department of Fair Employment and Housing, the California Labor Commissioner, or another federal or state fair employment practices agency) regarding alleged violations of law or unlawful acts in the workplace, and doing so in each case without prior authorization of or notice to the Company; (iii) challenging the enforceability of this Agreement if permitted by law; (iv) responding truthfully to inquiries by governmental or regulatory agencies or bodies; (v) giving truthful testimony or making statements under oath in

response to valid legal process (such as a subpoena) in any legal or regulatory proceeding; or (vi) pursuant to 18 U.S.C. § 1833(b), disclosing a trade secret in confidence to a governmental official, directly or indirectly, or to an attorney, if the disclosure is made solely for the purpose of reporting or investigating a suspected violation of law, or if the disclosure is made in a document filed under seal in a lawsuit or other proceeding, and a party cannot be held criminally or civilly liable under any federal or state trade secret law for such a disclosure.

11. Non-disparagement: You agree that you will not disparage Releasees or their products, services, agents, representatives, directors, officers, shareholders, attorneys, employees, vendors, affiliates, successors or assigns, or any person acting by, through, under, or in concert with any of them, with any written or oral statement. Nothing in this section shall prohibit you from providing truthful information in response to a subpoena or other legal process.

12. Cooperation. Through and following the Separation Date, you shall fully and completely cooperate with Company at their request to assist with existing or future investigations, proceedings, litigation, examinations, or other fact-finding or adjudicative proceedings, public or private, involving any of the Released Parties. This obligation includes you promptly meeting with the Company's representatives at reasonable times upon their request, and providing information and, where applicable, testimony, that is truthful, accurate, and complete, according to information known to you. The Company will reimburse you within thirty (30) days upon submission of substantiating documentation for reasonable and necessary out-of-pocket expenses incurred by you in providing such cooperation that are approved in advance by the Chief Executive Officer of the Company or his designee. For periods after the Separation Date, the Company will pay you: (i) during the term of any consulting agreement in accordance with the terms of any such agreement; and (ii) after the term of any consulting agreement a reasonable, agreed-upon fee for your authorized time providing such cooperation.

13. Arbitration: Except for any claim for injunctive relief arising out of a breach of a party's obligations to protect the other's proprietary information, the parties agree to arbitrate, in Palo Alto, California through JAMS in conformity with the then-existing JAMS employment arbitration rules, which can be found at https://www.jamsadr.com/rules-employment-arbitration/, any and all disputes or claims arising out of or related to the validity, enforceability, interpretation, performance or breach of this Agreement, whether sounding in tort, contract, statutory violation or otherwise, or involving the construction or application or any of the terms, provisions, or conditions of this Agreement. The arbitration provisions of this Agreement shall be governed by and enforceable pursuant to the Federal Arbitration Act. In all other respects for provisions not governed by the Federal Arbitration Act, this Agreement shall be construed in accordance with the laws of the State of California, without reference to conflicts of law principles. Any arbitration may be initiated by a written demand to the other party. The arbitrator's decision shall be final, binding, and conclusive. The parties further agree that this Agreement is intended to be strictly construed to provide for arbitration as the sole and exclusive means for resolution of all disputes hereunder to the fullest extent permitted by law. The parties expressly waive any entitlement to have such controversies decided by a court or a jury. The parties waive any constitutional or other right to bring claims covered by this Agreement other than in their individual capacities. Except as may be prohibited by applicable law, the foregoing waiver includes the ability to assert claims as a plaintiff or class member in any purported class or representative proceeding.

14. Attorneys' Fees: If any action is brought to enforce the terms of this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees, costs and expenses from the other party, in addition to any other relief to which the prevailing party may be entitled.

15. No Admission of Liability: This Agreement is not and shall not be construed or contended by you to be an admission or evidence of any wrongdoing or liability on the part of Releasees, their representatives, heirs, executors, attorneys, agents, partners, officers, shareholders, directors, employees, subsidiaries, affiliates, divisions, successors or assigns. This Agreement shall be afforded the maximum protection allowable .

16. Complete and Voluntary Agreement: This Agreement, together with Exhibit A and Exhibit B hereto, Restricted Stock Unit Award Agreements, and the Stock Option Agreements, constitute the entire agreement between you and Releasees with respect to the subject matter hereof and supersedes all prior negotiations and agreements, whether written or oral, relating to such subject matter. You acknowledge that neither Releasees nor their agents or attorneys have made any promise, representation or warranty whatsoever, either express or implied, written or oral, which is not contained in this Agreement for the purpose of inducing you to execute the Agreement, and you acknowledge that you have executed this Agreement in reliance only upon such promises, representations and warranties as are contained herein, and that you are executing this Agreement voluntarily, free of any duress or coercion.

17. Severability: The provisions of this Agreement are severable, and if any part of it is found to be invalid or unenforceable, the other parts shall remain fully valid and enforceable. Specifically, should a court, arbitrator, or government agency conclude that a particular claim may not be released as a matter of law, it is the intention of the parties that the general release, the waiver of unknown claims and the covenant not to sue above shall otherwise remain effective to release any and all other claims.

18. Modification; Counterparts; Facsimile/PDF Signatures: It is expressly agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect except by another written agreement that specifically refers to this Agreement, executed by authorized representatives of each of the parties to this Agreement. This Agreement may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Execution of a facsimile or PDF copy shall have the same force and effect as execution of an original, and a copy of a signature will be admissible in any legal proceeding as if an original.

19. Review of Separation Agreement; Expiration of Offer: You understand that you may take up to twenty-one (21) days to consider this Agreement (the "Consideration Period"). The offer set forth in this Agreement, if not accepted by you before the end of the Consideration Period, will automatically expire. By signing below, you affirm that you were advised to consult with an attorney prior to signing this Agreement.

20. Effective Date: This Agreement will not become effective until the eighth (8th) day after you sign, without revoking, this Agreement (the "Effective Date").

21. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California.

If you agree to abide by the terms outlined in this Agreement, please sign and return it to me. I wish you the best in your future endeavors.

Sincerely,

Hippo Employee Services Inc.

Signed by:

By: Richard McCathron

CF7FD5645DE14AB...

Richard McCathron
President and Chief Executive Officer

READ, UNDERSTOOD, AND AGREED

DocuSigned by:

Anirudh Badia

D61E5A2A0BD8474...

Name: Anirudh Badia

Date Signed: 11/6/2024 | 4:10:47 PM PST

EXHIBIT A

RENEWAL AND RATIFICATION OF GENERAL RELEASE AND WAIVER OF CLAIMS

Do not sign before the Separation Date and no later than 30 days after the Separation Date. Upon signature, return a copy immediately to HR@Hippo.com.

1. I previously executed a Terms of Separation ("Agreement") with Hippo Employee Services Inc. ("Company"), which is incorporated herein by reference and a Proprietary Information and Invention Assignment Agreement ("Proprietary Information Agreement"). Section 6 of the Agreement contains a General Release.

2. In exchange of my continued employment through the Separation Date, the Severance Payment, and the other promises and undertakings of the Company set out in the Agreement, I hereby renew and ratify my General Release and waiver of Claims under Section 6 of the Agreement as well as all other terms of the Agreement. I acknowledge that I am advised by this section to consult with an attorney before signing this Renewal and Ratification of General Release and Waiver of Claims.

3. This Renewal and Ratification of General Release will become effective and enforceable on the day I sign and return it to the Company.

AGREED:

____
Name

____
Date Signed

EXHIBIT B

PROPRIETARY INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

EMPLOYEE NONDISCLOSURE, ASSIGNMENT AND NON-SOLICITATION AGREEMENT

This Agreement sets forth in writing certain understandings and procedures in effect as of the date of my initial employment with Hippo Analytics Inc. ("Company").

1. Duties. In return for the compensation now and hereafter paid to me, I will perform such duties for Company as the Company may designate from time to time. During my employment with Company, I will devote my best efforts to the interests of Company, will not engage in other employment or in any conduct in direct conflict with Company's interests that would cause a material and substantial disruption to Company and will otherwise abide by all of Company's policies and procedures. Furthermore, I will not (a) reveal, disclose or otherwise make available to any unauthorized person any Company password or key, whether or not the password or key is assigned to me or (b) obtain, possess or use in any manner a Company password or key that is not assigned to me. I will use my best efforts to prevent the unauthorized use of any laptop or personal computer, peripheral device, software or related technical documentation that the Company issues to me, and I will not input, load or otherwise attempt any unauthorized use of software in any Company computer, whether or not such computer is assigned to me.
2. "Proprietary Information" Definition. "Proprietary Information" includes (a) any information that is confidential or proprietary, technical or non-technical information of Company, including for example and without limitation, information related to Company Innovations (as defined in Section 4 below), concepts, techniques, processes, methods, systems, designs, computer programs, source documentation, trade secrets, formulas, development or experimental work, work in progress, forecasts, proposed and future products, marketing plans, business plans, customers and suppliers and any other nonpublic information that has commercial value or (b) any information Company has received from others that Company is obligated to treat as confidential or proprietary, which may be made known to me by Company, a third party or otherwise that I may learn during my employment with Company.
3. Ownership and Nondisclosure of Proprietary Information. All Proprietary Information and all worldwide: patents (including, but not limited to, any and all patent applications, patents, continuations, continuation-in-parts, reissues, divisionals, substitutions, and extensions), copyrights, mask works, trade secrets and other worldwide rights in and to the Proprietary Information are the property of Company, Company's assigns, Company's customers and Company's suppliers, as applicable. I will not disclose any Proprietary Information to anyone outside Company, and I will use and disclose Proprietary Information to those inside Company only as necessary to perform my duties as an employee of Company. If I have any questions as to whether information is Proprietary Information, or to whom, if anyone, inside Company, any Proprietary Information may be disclosed, I will ask my manager at Company
4. "Innovations" Definition. In this Agreement, "Innovations" means all discoveries, designs, developments, improvements, inventions (whether or not protectable under patent laws), works of authorship, information fixed in any tangible medium of expression (whether or not protectable under copyright laws), trade secrets, know-how,

ideas (whether or not protectable under trade secret laws), mask works, trademarks, service marks, trade names and trade dress.

5. Disclosure and License of Prior Innovations. I have listed on Exhibit A ("Prior Innovations") attached hereto all Innovations relating in any way to Company's business or demonstrably anticipated research and development or business, which were conceived, reduced to practice, created, derived, developed, or made by me prior to my employment with Company (collectively, the "Prior Innovations"). I represent that I have no rights in any such Company-related Innovations other than those Innovations listed in Exhibit A ("Prior Innovations"). If nothing is listed on Exhibit A ("Prior Innovations"), I represent that there are no Prior Innovations at the time of signing this Agreement. I hereby grant to Company and Company's designees a royalty-free, irrevocable, worldwide, fully paid-up license (with rights to sublicense through multiple tiers of sublicensees) to practice all patent, copyright, moral right, mask work, trade secret and other intellectual property rights relating to any Prior Innovations that I incorporate, or permit to be incorporated, in any Innovations that I, solely or jointly with others, conceive, develop or reduce to practice within the scope of my employment with Company (the "Company Innovations"). Notwithstanding the foregoing, I will not incorporate, or permit to be incorporated, any Prior Innovations in any Company Innovations without Company's prior written consent.

6. Disclosure and Assignment of Company Innovations. I will promptly disclose and describe to Company all Company Innovations. I hereby do and will assign to Company or Company's designee all my right, title, and interest in and to any and all Company Innovations. To the extent any of the rights, title and interest in and to Company Innovations cannot be assigned by me to Company, I hereby grant to Company an exclusive, royalty-free, transferable, irrevocable, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to practice such non-assignable rights, title and interest, including, but not limited to, the right to make, use, sell, offer for sale, import, have made, and have sold, such Company Innovations. To the extent any of the rights, title and interest in and to Company Innovations can neither be assigned nor licensed by me to Company, I hereby irrevocably waive and agree never to assert such non-assignable and non-licensable rights, title and interest against Company, any of Company's successors in interest, or any of Company's customers. This Section 6 shall not apply to any Innovations that (a) do not relate, at the time of conception, reduction to practice, creation, derivation, development or making of such Innovation to Company's business or actual or demonstrably anticipated research, development or business; and (b) were developed entirely on my own time; and (c) were developed without use of any of Company's equipment, supplies, facilities or trade secret information; and (d) did not result from any work I performed for Company.

7. Future Innovations. I will disclose promptly in writing to Company all Innovations conceived, reduced to practice, created, derived, developed, or made by me within the scope of my employment with the Company and for three (3) months thereafter, whether or not I believe such Innovations are subject to this Agreement, to permit a determination by Company as to whether or not the Innovations should be considered Company Innovations. Company will receive any such information in confidence.

8. Notice of Nonassignable Innovations to Employees in California. This Agreement does not apply to an Innovation that qualifies fully as a nonassignable invention under the provisions of Section 2870 of the California Labor Code. I acknowledge that a condition for an Innovation to qualify fully as a non-assignable invention under the provisions of Section 2870 of the California Labor Code is that the invention must be protected under patent laws. I have reviewed the notification in Exhibit B ("Limited Exclusion Notification") and agree that my signature acknowledges receipt of the notification.
9. Cooperation in Perfecting Rights to Company Innovations. I agree to perform, during and after my employment, all acts that Company deems necessary or desirable to permit and assist Company, at its expense, in obtaining and enforcing the full benefits, enjoyment, rights and title throughout the world in the Company Innovations as provided to Company under this Agreement. If Company is unable for any reason to secure my signature to any document required to file, prosecute, register or memorialize the assignment of any rights or application or to enforce any right under any Company Innovations as provided under this Agreement, I hereby irrevocably designate and appoint Company and Company's duly authorized officers and agents as my agents and attorneys in fact to act for and on my behalf and instead of me to take all lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment, issuance, and enforcement of rights under such Innovations, all with the same legal force and effect as if executed by me. The foregoing is deemed a power coupled with an interest and is irrevocable.
10. Return of Materials. At any time upon Company's request, and when my employment with Company is over, I will return all materials (including, without limitation, documents, drawings, papers, diskettes and tapes) containing or disclosing any Proprietary Information (including all copies thereof), as well as any keys, pass cards, identification cards, computers, printers, pagers, personal digital assistants or similar items or devices that the Company has provided to me. I will provide Company with a written certification of my compliance with my obligations under this Section.
11. No Violation of Rights of Third Parties. During my employment with Company, I will not (a) breach any agreement to keep in confidence any confidential or proprietary information, knowledge or data acquired by me prior to my employment with Company or (b) disclose to Company, or use or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or any other third party. I am not currently a party, and will not become a party, to any other agreement that is in conflict, or will prevent me from complying, with this Agreement.
12. Survival. This Agreement (a) shall survive my employment by Company; (b) does not in any way restrict my right to resign or the right of Company to terminate my employment at any time, for any reason or for no reason; (c) inures to the benefit of successors and assigns of Company; and (d) is binding upon my heirs and legal representatives.
13. No Solicitation. During my employment with Company and for two (2) years thereafter, I will not solicit, encourage, or cause others to solicit or encourage any employees of Company to terminate their employment with Company.

14. No Disparagement. During my employment with Company and after the termination thereof, I will not disparage Company, its products, services, agents or employees.
15. Injunctive Relief. I agree that if I violate this Agreement, Company will suffer irreparable and continuing damage for which money damages are insufficient, and Company shall be entitled to injunctive relief and/or a decree for specific performance, and such other relief as may be proper (including money damages if appropriate), to the extent permitted by law.
16. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (a) by personal delivery, when actually delivered; (b) by overnight courier, upon written verification of receipt; (c) by facsimile transmission, upon acknowledgment of receipt of electronic transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to me shall be sent to any address in Company's records or such other address as I may provide in writing. Notices to Company shall be sent to Company's Human Resources Department or to such other address as Company may specify in writing.
17. Governing Law; Forum. This Agreement shall be governed by the laws of the United States of America and by the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. Company and I each irrevocably consent to the exclusive personal jurisdiction of the federal and state courts located in California, as applicable, for any matter arising out of or relating to this Agreement, except that in actions seeking to enforce any order or any judgment of such federal or state courts located in California, such personal jurisdiction shall be nonexclusive. Additionally, notwithstanding anything in the foregoing to the contrary, a claim for equitable relief arising out of or related to this Agreement may be brought in any court of competent jurisdiction.
18. Severability. If an arbitrator or court of law holds any provision of this Agreement to be illegal, invalid or unenforceable, (a) that provision shall be deemed amended to provide Company the maximum protection permitted by applicable law and (b) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected.
19. Waiver; Modification. If Company waives any term, provision or breach by me of this Agreement, such waiver shall not be effective unless it is in writing and signed by Company. No waiver shall constitute a waiver of any other or subsequent breach by me. This Agreement may be modified only if both Company and I consent in writing.
20. Entire Agreement. This Agreement, including any agreement to arbitrate claims or disputes relating to my employment that I may have signed in connection with my employment by Company, represents my entire understanding with Company with respect to the subject matter of this Agreement and supersedes all previous understandings, written or oral.

Exhibit A

PRIOR INNOVATIONS

Check one of the following:

⊗ NO SUCH PRIOR INNOVATIONS EXIST.

OR

Ô YES, SUCH PRIOR INNOVATIONS EXIST AS DESCRIBED BELOW (include basic description of each Prior Innovation):

Exhibit B

LIMITED EXCLUSION NOTIFICATION TO EMPLOYEES IN CALIFORNIA

THIS IS TO NOTIFY you in accordance with Section 2872 of the California Labor Code that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any invention that you developed entirely on your own time without using Company's equipment, supplies, facilities or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to Company's business, or actual or demonstrably anticipated research or development of Company; or

(2) Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from the preceding Section, the provision is against the public policy of California and is unenforceable.

This limited exclusion does not apply to any patent or invention covered by a contract between Company and the United States or any of its agencies requiring full title to such patent or invention to be in the United States.

I ACKNOWLEDGE RECEIPT of a copy of this notification.

HIPPO ANALYTICS INC.	DocuSigned by:
DocuSigned by: Assaf Wand	Anirudh Badia
By: A56703C621CB45B...	701BCC7E588D4B7...
Assaf Wand	Anirudh Badia
Title CEO	
Date: 4/23/2019	Date: 4/23/2019

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Richard McCathron, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hippo Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2024

By: /s/ Richard McCathron
Richard McCathron
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Stewart Ellis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hippo Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2024

By: /s/ Stewart Ellis

Stewart Ellis

Chief Financial Officer & Chief Strategy Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hippo Holdings Inc. (the " Company ") on Form 10-Q for the quarter ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the " Report "), I, Richard McCathron, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 8, 2024

/s/ Richard McCathron

Name: Richard McCathron
Title: Chief Executive Officer

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hippo Holdings Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stewart Ellis, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 8, 2024

/s/ Stewart Ellis

Name:	Stewart Ellis
Title:	Chief Financial Officer & Chief Strategy Officer