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 March 31, 2026

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from __________to__________

Commission File Number: 001-09518

THE PROGRESSIVE CORPORATION

(Exact name of registrant as specified in its charter)

Ohio	**34-0963169**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
300 North Commons Blvd., Mayfield Village, Ohio	**44143**
(Address of principal executive offices)	**(Zip Code)**

(440) 461-5000
(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 Shares, $1.00 Par Value	PGR	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 ☐ No

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

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

Large accelerated filer	☒	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. ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Shares, $1.00 par value: 584,336,464 outstanding at April 2, 2026

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

The Progressive Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

(unaudited)

Three Months Ended March 31,	2026	2025
(millions — except per share amounts)		
Revenues		
Net premiums earned	$ 20,968	$ 19,409
Investment income	917	814
Net realized gains (losses) on securities:		
Net realized gains (losses) on security sales	96	1
Net holding period gains (losses) on securities	(216)	(213)
Total net realized gains (losses) on securities	(120)	(212)
Fees and other revenues	297	287
Service revenues	126	111
Total revenues	22,188	20,409
Expenses		
Losses and loss adjustment expenses	13,827	12,804
Policy acquisition costs	1,538	1,456
Other underwriting expenses	3,048	2,719
Investment expenses	8	7
Service expenses	131	117
Interest expense	70	70
Total expenses	18,622	17,173
Net Income		
Income before income taxes	3,566	3,236
Provision for income taxes	748	669
Net income	2,818	2,567
Other Comprehensive Income (Loss)		
Change in total net unrealized gains (losses) on fixed-maturity securities	(574)	899
Comprehensive income (loss)	$ 2,244	$ 3,466
Computation of Earnings Per Common Share		
Average common shares outstanding - Basic	585.6	586.0
Net effect of dilutive stock-based compensation	1.3	1.7
Total average equivalent common shares - Diluted	586.9	587.7
Basic: Earnings per common share	$ 4.81	$ 4.38
Diluted: Earnings per common share	$ 4.80	$ 4.37

See notes to consolidated financial statements.

The Progressive Corporation and Subsidiaries

Consolidated Balance Sheets

(unaudited)

(millions)	March 31, 2026	March 31, 2025	December 31, 2025
Assets			
Available-for-sale securities, at fair value:			
Fixed maturities (amortized cost: $88,408, $77,754, and $82,704)	$ 87,832	$ 77,101	$ 82,866
Short-term investments (amortized cost: $2,126, $2,595, and $10,005)	2,126	2,595	10,005
Total available-for-sale securities	89,958	79,696	92,871
Equity securities, at fair value:			
Nonredeemable preferred stocks (cost: $259, $608, and $419)	240	584	404
Common equities (cost: $839, $774, and $819)	3,933	3,384	4,098
Total equity securities	4,173	3,968	4,502
Total investments	94,131	83,664	97,373
Cash and cash equivalents	162	195	125
Restricted cash and cash equivalents	17	12	13
Total cash, cash equivalents, restricted cash, and restricted cash equivalents	179	207	138
Accrued investment income	685	584	670
Premiums receivable, net of allowance for credit losses of $528, $473, and $552	17,614	16,811	15,362
Reinsurance recoverables	4,003	4,449	4,083
Prepaid reinsurance premiums	198	306	197
Deferred acquisition costs	2,131	2,068	2,044
Property and equipment, net of accumulated depreciation of $1,416, $1,490, and $1,460	792	854	783
Net federal deferred income taxes	742	860	748
Other assets	1,734	1,606	1,641
Total assets	$ 122,209	$ 111,409	$ 123,039
Liabilities and Shareholders' Equity			
Unearned premiums	$ 27,893	$ 26,612	$ 25,219
Loss and loss adjustment expense reserves	44,377	39,822	43,310
Dividends payable on common shares	58	59	7,972
Accounts payable, accrued expenses, and other liabilities	9,456	9,068	9,318
Debt[1]	8,386	6,894	6,897
Total liabilities	90,170	82,455	92,716
Common shares, $1.00 par value (authorized 900; issued 798, including treasury shares of 214, 212, and 212)	584	586	586
Paid-in capital	2,314	2,160	2,307
Retained earnings	29,612	26,732	27,327
Accumulated other comprehensive income (loss):			
Net unrealized gains (losses) on fixed-maturity securities	(457)	(509)	117
Net unrealized losses on forecasted transactions	(13)	(14)	(13)
Foreign currency translation adjustment	(1)	(1)	(1)
Total accumulated other comprehensive income (loss)	(471)	(524)	103
Total shareholders' equity	32,039	28,954	30,323
Total liabilities and shareholders' equity	$ 122,209	$ 111,409	$ 123,039

[1] Consists of both short-term and long-term debt. See *Note 4 – Debt* for further discussion.

See notes to consolidated financial statements.

The Progressive Corporation and Subsidiaries

Consolidated Statements of Changes in Shareholders' Equity

(unaudited)

Three Months Ended March 31,	2026	2025
(millions — except per share amounts)		
Common Shares, $1.00 Par Value		
Balance, beginning of period	$ 586	$ 586
Treasury shares purchased	(2)	0
Balance, end of period	584	586
Paid-In Capital		
Balance, beginning of period	2,307	2,145
Amortization of equity-based compensation	16	16
Treasury shares purchased	(9)	(1)
Balance, end of period	2,314	2,160
Retained Earnings		
Balance, beginning of period	27,327	24,283
Net income	2,818	2,567
Treasury shares purchased	(467)	(53)
Cash dividends declared on common shares ($0.10 and $0.10 per share)	(58)	(59)
Other, net	(8)	(6)
Balance, end of period	29,612	26,732
Accumulated Other Comprehensive Income (Loss)		
Balance, beginning of period	103	(1,423)
Other comprehensive income (loss)	(574)	899
Balance, end of period	(471)	(524)
Total shareholders' equity	$ 32,039	$ 28,954

There are 20 million Serial Preferred Shares authorized. There are 5 million Voting Preference Shares authorized; no such shares have been issued.

See notes to consolidated financial statements.

The Progressive Corporation and Subsidiaries

Consolidated Statements of Cash Flows

(unaudited)

Three Months Ended March 31,	2026	2025
(millions)		
Cash Flows From Operating Activities		
Net income	$ 2,818	$ 2,567
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	75	70
Net amortization (accretion) of fixed-income securities	(47)	(21)
Amortization of equity-based compensation	16	16
Net realized (gains) losses on securities	120	212
Net (gains) losses on disposition of property and equipment	3	3
Changes in:		
Premiums receivable	(2,252)	(2,442)
Reinsurance recoverables	80	316
Prepaid reinsurance premiums	(1)	43
Deferred acquisition costs	(87)	(107)
Income taxes	830	667
Unearned premiums	2,674	2,754
Loss and loss adjustment expense reserves	1,067	765
Accounts payable, accrued expenses, and other liabilities	(788)	334
Other, net	(141)	(34)
Net cash provided by operating activities	4,367	5,143
Cash Flows From Investing Activities		
Purchases:		
Fixed maturities	(19,291)	(17,324)
Equity securities	(57)	(86)
Sales:		
Fixed maturities	11,115	14,721
Equity securities	56	149
Maturities, paydowns, calls, and other:		
Fixed maturities	2,549	1,950
Equity securities	152	87
Net (purchases) sales of short-term investments	7,919	(1,964)
Net change in unsettled security transactions	243	172
Purchases of property and equipment	(63)	(59)
Sales of property and equipment	14	13
Net cash provided by (used in) investing activities	2,637	(2,341)
Cash Flows From Financing Activities		
Dividends paid to common shareholders	(7,972)	(2,695)
Acquisition of treasury shares for equity award tax liabilities	(43)	(54)
Acquisition of treasury shares acquired in open market	(435)	0
Net proceeds from debt issuances	1,487	0
Net cash used in financing activities	(6,963)	(2,749)
Increase in cash, cash equivalents, restricted cash, and restricted cash equivalents	41	53
Cash, cash equivalents, restricted cash, and restricted cash equivalents – January 1	138	154
Cash, cash equivalents, restricted cash, and restricted cash equivalents – March 31	$ 179	$ 207

See notes to consolidated financial statements.

1. BASIS OF REPORTING AND ACCOUNTING

The accompanying consolidated financial statements include the accounts of The Progressive Corporation and our wholly owned insurance subsidiaries and non-insurance subsidiaries and affiliates in which we have a controlling financial interest (Progressive).

The consolidated financial statements reflect all normal recurring adjustments that, in the opinion of management, were necessary for a fair statement of the results for the interim periods presented. The results of operations for the period ended March 31, 2026, are not necessarily indicative of the results expected for the full year. These consolidated financial statements and the notes thereto should be read in conjunction with Progressive's audited financial statements and accompanying notes included in Exhibit 13 to our Annual Report on Form 10-K for the year ended December 31, 2025 (2025 Annual Report to Shareholders).

Premiums Receivable

We perform analyses to evaluate our premiums receivable for expected credit losses. See our 2025 Annual Report to Shareholders for a discussion on our premiums receivable allowance for credit loss policy.

The following table summarizes changes in our allowance for credit loss exposure on our premiums receivable:

	Three Months Ended March 31,	
(millions)	**2026**	**2025**
Allowance for credit losses, beginning of period	$ 552	$ 460
Increase in allowance[1]	183	153
Write-offs[2]	(207)	(140)
Allowance for credit losses, end of period	$ 528	$ 473

[1] Represents the incremental increase in other underwriting expenses.
[2] Represents the portion of allowance that is reversed when the premiums receivable balances are written off. Premiums receivable balances are written off once we have exhausted our collection efforts.

Supplemental Cash Flow Information

Cash and cash equivalents include bank demand deposits and daily overnight reverse repurchase commitments of funds held in bank demand deposit accounts by certain subsidiaries. The amount of overnight reverse repurchase commitments, which are not considered part of the investment portfolio, held by these subsidiaries at March 31, 2026 and 2025, and December 31, 2025, were $29 million, $78 million, and $44 million, respectively. Restricted cash and restricted cash equivalents include collateral held against unpaid deductibles and cash that is restricted to pay flood claims under the National Flood Insurance Program's "Write Your Own" program, for which certain subsidiaries are participants.

Non-cash activity included the following in the respective periods:

	Three Months Ended March 31,	
(millions)	**2026**	**2025**
Common share dividends[1]	$ 58	$ 59
Operating lease liabilities[2]	23	40

[1] Declared but unpaid. See *Note 10 – Dividends* for further discussion.
[2] From obtaining right-of-use assets.

In the respective periods, we paid the following:

	Three Months Ended March 31,	
(millions)	**2026**	**2025**
Income taxes, net of refunds	$ (85)	$ 0
Interest	88	88
Operating lease liabilities	26	22

New Accounting Standards

We did not adopt any new accounting standards during the three months ended March 31, 2026. In September 2025, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU), which amends the existing accounting guidance for capitalization of internal-use software costs and provides more detailed guidelines around the criteria for capitalization. This ASU will be effective for fiscal years (including interim periods within those fiscal years) beginning after December 15, 2027 (fiscal 2028 for calendar-year companies). This standard may be applied using a prospective, modified, or retrospective transition approach. We do not believe this ASU will have a material impact on our financial condition or results of operations.

2. INVESTMENTS

The following tables present the composition of our investment portfolio by major security type:

($ in millions)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Holding Period Gains (Losses)	Fair Value	% of Total Fair Value
March 31, 2026						
Available-for-sale securities:						
Fixed maturities:						
U.S. government	$ 44,676	$ 229	$ (488)	$ 0	$ 44,417	47.2 %
State and local government	3,135	13	(61)	0	3,087	3.3
Foreign government	16	0	0	0	16	0
Corporate and other debt	20,994	121	(132)	3	20,986	22.3
Residential mortgage-backed	4,127	23	(13)	(1)	4,136	4.4
Commercial mortgage-backed	7,228	6	(243)	0	6,991	7.4
Other asset-backed	8,232	13	(46)	0	8,199	8.7
Total fixed maturities	88,408	405	(983)	2	87,832	93.3
Short-term investments	2,126	0	0	0	2,126	2.3
Total available-for-sale securities	90,534	405	(983)	2	89,958	95.6
Equity securities:						
Nonredeemable preferred stocks	259	0	0	(19)	240	0.2
Common equities	839	0	0	3,094	3,933	4.2
Total equity securities	1,098	0	0	3,075	4,173	4.4
Total portfolio[1]	$ 91,632	$ 405	$ (983)	$ 3,077	$ 94,131	100.0 %

($ in millions)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Holding Period Gains (Losses)	Fair Value	% of Total Fair Value
March 31, 2025						
Available-for-sale securities:						
Fixed maturities:						
U.S. government	$ 44,523	$ 391	$ (596)	$ 0	$ 44,318	53.0 %
State and local government	2,688	6	(90)	0	2,604	3.1
Foreign government	16	0	0	0	16	0
Corporate and other debt	16,047	127	(156)	(2)	16,016	19.2
Residential mortgage-backed	2,172	18	(8)	1	2,183	2.6
Commercial mortgage-backed	5,144	5	(324)	0	4,825	5.8
Other asset-backed	7,164	25	(50)	0	7,139	8.5
Total fixed maturities	77,754	572	(1,224)	(1)	77,101	92.2
Short-term investments	2,595	0	0	0	2,595	3.1
Total available-for-sale securities	80,349	572	(1,224)	(1)	79,696	95.3
Equity securities:						
Nonredeemable preferred stocks	608	0	0	(24)	584	0.7
Common equities	774	0	0	2,610	3,384	4.0
Total equity securities	1,382	0	0	2,586	3,968	4.7
Total portfolio[1]	$ 81,731	$ 572	$ (1,224)	$ 2,585	$ 83,664	100.0 %

($ in millions)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Holding Period Gains (Losses)	Fair Value	% of Total Fair Value
December 31, 2025						
Available-for-sale securities:						
Fixed maturities:						
U.S. government	$ 43,114	$ 541	$ (357)	$ 0	$ 43,298	44.5 %
State and local government	3,342	19	(58)	0	3,303	3.4
Foreign government	17	0	0	0	17	0
Corporate and other debt	19,773	273	(68)	13	19,991	20.5
Residential mortgage-backed	3,152	28	(6)	1	3,175	3.3
Commercial mortgage-backed	6,194	12	(233)	0	5,973	6.1
Other asset-backed	7,112	28	(31)	0	7,109	7.3
Total fixed maturities	82,704	901	(753)	14	82,866	85.1
Short-term investments	10,005	0	0	0	10,005	10.3
Total available-for-sale securities	92,709	901	(753)	14	92,871	95.4
Equity securities:						
Nonredeemable preferred stocks	419	0	0	(15)	404	0.4
Common equities	819	0	0	3,279	4,098	4.2
Total equity securities	1,238	0	0	3,264	4,502	4.6
Total portfolio[1]	$ 93,947	$ 901	$ (753)	$ 3,278	$ 97,373	100.0 %

[1] At March 31, 2026 and 2025, and December 31, 2025, we had $443 million, $297 million, and $200 million, respectively, of net unsettled security transactions included in accounts payable, accrued expenses, and other liabilities on our consolidated balance sheets.
The total fair value of the portfolio at March 31, 2026 and 2025, and December 31, 2025, included $6.2 billion, $3.5 billion, and $13.0 billion, respectively, of securities held in a consolidated, non-insurance subsidiary of the holding company, net of unsettled security transactions. A portion of the investments held at December 31, 2025, were sold and proceeds were used to pay our common share dividends in January 2026; see *Note 10 – Dividends* for additional information.

At March 31, 2026, bonds and certificates of deposit in the principal amount of $789 million were on deposit to meet state insurance regulatory requirements. We did not hold any securities of any one issuer, excluding U.S. government securities, with an aggregate cost or fair value exceeding 10% of total shareholders' equity at March 31, 2026 or 2025, or December 31, 2025. At March 31, 2026, we did not hold any debt securities that were non-income producing during the preceding 12 months.

Hybrid Securities Certain securities in our fixed-maturity portfolio are accounted for as hybrid securities because they contain embedded derivatives that are not deemed to be clearly and closely related to the host investments. These securities are reported at fair value:

(millions)	March 31, 2026	March 31, 2025	December 31, 2025
Fixed Maturities:			
Corporate and other debt	$ 702	$ 632	$ 733
Residential mortgage-backed	998	579	792
Total hybrid securities	$ 1,700	$ 1,211	$ 1,525

Since the embedded derivatives (e.g., change-in-control put option, debt-to-equity conversion, or any other feature unrelated to the credit quality or risk of default of the issuer that could impact the amount or timing of our expected future cash flows) do not have observable intrinsic values, we use the fair value option to record the changes in fair value of these securities through income as a component of net realized gains (losses).

Fixed Maturities The composition of fixed maturities by maturity at March 31, 2026, was:

(millions)	Cost	Fair Value
Less than one year	$ 10,830	$ 10,805
One to five years	45,137	44,725
Five to ten years	32,117	31,977
Ten years or greater	324	325
Total	$ 88,408	$ 87,832

Asset-backed securities are classified in the maturity distribution table based upon their projected cash flows. All other securities that do not have a single maturity date are reported based upon expected average maturity. Contractual maturities may differ from expected maturities because the issuers of the securities may have the right to call or prepay obligations.

Gross Unrealized Losses The following tables show the composition of gross unrealized losses by major security type and by the length of time that individual securities have been in a continuous unrealized loss position:

				Less than 12 Months			12 Months or Greater		
($ in millions)	**Total No. of Sec.**	**Total Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**
March 31, 2026									
U.S. government	73	$ 23,054	$ (488)	32	$ 17,806	$ (171)	41	$ 5,248	$ (317)
State and local government	293	1,872	(61)	116	689	(5)	177	1,183	(56)
Corporate and other debt	320	9,052	(132)	236	6,990	(64)	84	2,062	(68)
Residential mortgage-backed	53	1,450	(13)	35	1,397	(8)	18	53	(5)
Commercial mortgage-backed	191	5,591	(243)	79	3,187	(10)	112	2,404	(233)
Other asset-backed	144	4,911	(46)	112	4,080	(16)	32	831	(30)
Total fixed maturities	1,074	$ 45,930	$ (983)	610	$ 34,149	$ (274)	464	$ 11,781	$ (709)

				Less than 12 Months			12 Months or Greater		
($ in millions)	**Total No. of Sec.**	**Total Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**
March 31, 2025									
U.S. government	85	$ 16,851	$ (596)	18	$ 9,284	$ (69)	67	$ 7,567	$ (527)
State and local government	307	1,871	(90)	70	445	(2)	237	1,426	(88)
Corporate and other debt	210	4,967	(156)	56	1,352	(12)	154	3,615	(144)
Residential mortgage-backed	47	674	(8)	25	628	(2)	22	46	(6)
Commercial mortgage-backed	165	3,653	(324)	22	597	(4)	143	3,056	(320)
Other asset-backed	89	2,046	(50)	46	1,128	(3)	43	918	(47)
Total fixed maturities	903	$ 30,062	$ (1,224)	237	$ 13,434	$ (92)	666	$ 16,628	$ (1,132)

				Less than 12 Months			12 Months or Greater		
($ in millions)	**Total No. of Sec.**	**Total Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**	**No. of Sec.**	**Fair Value**	**Gross Unrealized Losses**
December 31, 2025									
U.S. government	62	$ 17,402	$ (357)	8	$ 11,327	$ (54)	54	$ 6,075	$ (303)
State and local government	252	1,589	(58)	60	318	(1)	192	1,271	(57)
Corporate and other debt	141	3,821	(68)	36	1,177	(5)	105	2,644	(63)
Residential mortgage-backed	30	293	(6)	12	233	(1)	18	60	(5)
Commercial mortgage-backed	147	3,551	(233)	34	1,210	(3)	113	2,341	(230)
Other asset-backed	64	1,924	(31)	32	1,148	(3)	32	776	(28)
Total fixed maturities	696	$ 28,580	$ (753)	182	$ 15,413	$ (67)	514	$ 13,167	$ (686)

A review of the securities in an unrealized loss position indicated that, at the end of each period presented, the issuers were current with respect to their interest obligations and that there was no evidence of deterioration of the current cash flow projections that would indicate we would not receive the remaining principal at maturity.

Allowance For Credit and Uncollectible Losses We are required to measure the amount of potential credit losses for all fixed-maturity securities in an unrealized loss position. We did not record any allowances for credit losses or any write-offs for credit losses deemed to be uncollectible during the first three months of 2026 or 2025, and did not have a material credit loss allowance balance as of March 31, 2026 and 2025, or December 31, 2025. No unrealized loss write offs were recorded during the three months ended March 31, 2026 or 2025.

As of March 31, 2026 and 2025, and December 31, 2025, we believe that none of the unrealized losses on our fixed-maturity securities were related to material credit losses on any specific securities, or in the aggregate. We continue to expect all the securities in our fixed-maturity portfolio will pay their principal and interest obligations.

In addition, we reviewed our accrued investment income outstanding on those securities in an unrealized loss position at March 31, 2026 and 2025, and December 31, 2025, to determine if the accrued interest amounts were uncollectible. Based on our analysis, we believe the issuers have sufficient liquidity and capital reserves to meet their current interest and future principal obligations and, therefore, did not write off any accrued income as uncollectible at March 31, 2026 and 2025, or December 31, 2025.

Realized Gains (Losses) The components of net realized gains (losses) for the three months ended March 31, were:

	Three Months	
(millions)	**2026**	**2025**
Gross realized gains on security sales		
Available-for-sale securities:		
U.S. government	$ 99	$ 53
State and local government	1	0
Corporate and other debt	26	1
Residential mortgage-backed	1	0
Total available-for-sale securities	127	54
Equity securities:		
Nonredeemable preferred stocks	8	2
Common equities	13	35
Total equity securities	21	37
Subtotal gross realized gains on security sales	148	91
Gross realized losses on security sales		
Available-for-sale securities:		
U.S. government	(36)	(77)
State and local government	0	(2)
Corporate and other debt	(5)	(1)
Commercial mortgage-backed	0	(4)
Total available-for-sale securities	(41)	(84)
Equity securities:		
Nonredeemable preferred stocks	(5)	(2)
Common equities	(6)	(4)
Total equity securities	(11)	(6)
Subtotal gross realized losses on security sales	(52)	(90)
Net realized gains (losses) on security sales		
Available-for-sale securities:		
U.S. government	63	(24)
State and local government	1	(2)
Corporate and other debt	21	0
Residential mortgage-backed	1	0
Commercial mortgage-backed	0	(4)
Total available-for-sale securities	86	(30)
Equity securities:		
Nonredeemable preferred stocks	3	0
Common equities	7	31
Total equity securities	10	31
Subtotal net realized gains (losses) on security sales	96	1
Net holding period gains (losses)		
Hybrid securities	(27)	3
Equity securities	(189)	(216)
Subtotal net holding period gains (losses)	(216)	(213)
Total net realized gains (losses) on securities	$ (120)	$ (212)

During the first three months of 2026 and 2025, the majority of our security sales were U.S. government securities that were sold for duration management. We also selectively sold securities that we viewed as having less attractive risk/reward profiles during the first three months of 2026 and 2025.

The following table reflects our holding period realized gains (losses) recognized on equity securities held at the respective quarter ends:

	Three Months	
(millions)	**2026**	**2025**
Total net gains (losses) recognized during the period on equity securities	$ (179)	$ (185)
Less: Net gains (losses) recognized on equity securities sold during the period	10	31
Net holding period gains (losses) recognized during the period on equity securities held at period end	$ (189)	$ (216)

Net Investment Income The components of net investment income for the three months ended March 31, were:

	Three Months	
(millions)	**2026**	**2025**
Available-for-sale securities:		
Fixed maturities:		
U.S. government	$ 400	$ 422
State and local government	24	19
Corporate and other debt	235	171
Residential mortgage-backed	39	25
Commercial mortgage-backed	71	53
Other asset-backed	87	84
Total fixed maturities	856	774
Short-term investments	44	18
Total available-for-sale securities	900	792
Equity securities:		
Nonredeemable preferred stocks	4	8
Common equities	13	14
Total equity securities	17	22
Investment income	917	814
Investment expenses	(8)	(7)
Net investment income	$ 909	$ 807

On a year-over-year basis, investment income (interest and dividends) increased 13% for the three months ended March 31, 2026, compared to the same period last year. The increase primarily reflects growth in invested assets and an increase in recurring investment book yield. The book yield increase primarily reflects investing new cash from insurance operations, and proceeds from maturing bonds, in higher coupon rate securities.

3. FAIR VALUE

The composition of the investment portfolio by major security type and our outstanding debt was:

(millions)	Fair Value Level 1	Level 2	Level 3	Total	Cost
March 31, 2026					
Fixed maturities:					
U.S. government	$ 44,417	$ 0	$ 0	$ 44,417	$ 44,676
State and local government	0	3,087	0	3,087	3,135
Foreign government	0	16	0	16	16
Corporate and other debt	0	20,982	4	20,986	20,994
Residential mortgage-backed	0	4,136	0	4,136	4,127
Commercial mortgage-backed	0	6,991	0	6,991	7,228
Other asset-backed	0	8,199	0	8,199	8,232
Total fixed maturities	44,417	43,411	4	87,832	88,408
Short-term investments	2,072	54	0	2,126	2,126
Total available-for-sale securities	46,489	43,465	4	89,958	90,534
Equity securities:					
Nonredeemable preferred stocks	0	191	49	240	259
Common equities:					
Common stocks	3,891	0	5	3,896	802
Other risk investments	0	0	37	37	37
Subtotal common equities	3,891	0	42	3,933	839
Total equity securities	3,891	191	91	4,173	1,098
Total portfolio	$ 50,380	$ 43,656	$ 95	$ 94,131	$ 91,632
Debt	$ 0	$ 7,728	$ 0	$ 7,728	$ 8,386

(millions)	Fair Value Level 1	Level 2	Level 3	Total	Cost
March 31, 2025					
Fixed maturities:					
U.S. government	$ 44,318	$ 0	$ 0	$ 44,318	$ 44,523
State and local government	0	2,604	0	2,604	2,688
Foreign government	0	16	0	16	16
Corporate and other debt	0	16,011	5	16,016	16,047
Residential mortgage-backed	0	2,183	0	2,183	2,172
Commercial mortgage-backed	0	4,825	0	4,825	5,144
Other asset-backed	0	7,139	0	7,139	7,164
Total fixed maturities	44,318	32,778	5	77,101	77,754
Short-term investments	2,595	0	0	2,595	2,595
Total available-for-sale securities	46,913	32,778	5	79,696	80,349
Equity securities:					
Nonredeemable preferred stocks	0	524	60	584	608
Common equities:					
Common stocks	3,344	0	9	3,353	743
Other risk investments	0	0	31	31	31
Subtotal common equities	3,344	0	40	3,384	774
Total equity securities	3,344	524	100	3,968	1,382
Total portfolio	$ 50,257	$ 33,302	$ 105	$ 83,664	$ 81,731
Debt	$ 0	$ 6,247	$ 0	$ 6,247	$ 6,894

(millions)	Fair Value Level 1	Level 2	Level 3	Total	Cost
December 31, 2025					
Fixed maturities:					
U.S. government	$ 43,298	$ 0	$ 0	$ 43,298	$ 43,114
State and local government	0	3,303	0	3,303	3,342
Foreign government	0	17	0	17	17
Corporate and other debt	0	19,987	4	19,991	19,773
Residential mortgage-backed	0	3,175	0	3,175	3,152
Commercial mortgage-backed	0	5,973	0	5,973	6,194
Other asset-backed	0	7,109	0	7,109	7,112
Total fixed maturities	43,298	39,564	4	82,866	82,704
Short-term investments	9,810	195	0	10,005	10,005
Total available-for-sale securities	53,108	39,759	4	92,871	92,709
Equity securities:					
Nonredeemable preferred stocks	0	344	60	404	419
Common equities:					
Common stocks	4,057	0	5	4,062	783
Other risk investments	0	0	36	36	36
Subtotal common equities	4,057	0	41	4,098	819
Total equity securities	4,057	344	101	4,502	1,238
Total portfolio	$ 57,165	$ 40,103	$ 105	$ 97,373	$ 93,947
Debt	$ 0	$ 6,345	$ 0	$ 6,345	$ 6,897

Our portfolio valuations, excluding short-term investments valued at adjusted original cost, classified as either Level 1 or Level 2 in the above tables are priced exclusively by external sources, including pricing vendors, dealers/market makers, and exchange-quoted prices. We concluded there was sufficient market activity in the relevant sectors and securities, further supporting our Level 1 and Level 2 classifications.

Our short-term investments classified as Level 1 include commercial paper, U.S. Treasury Bills, and money market funds, which are highly liquid, actively marketed, and have short durations. These securities are valued at their original cost, adjusted for any accretion of discount, which approximates fair value because of the relatively short period of time until maturity. The remainder of our short-term investments with a trade date to maturity of less than a year are classified as Level 2. These securities are classified as Level 2 since they are valued using external pricing vendor prices or are securities that continually trade at par value because they contain either liquidity facilities or mandatory put features within one year and, as a result, are valued at their original cost.

At March 31, 2026 and 2025, and December 31, 2025, vendor-quoted prices represented 92%, 93%, and 91%, respectively, of our Level 1 classifications (excluding short-term investments valued at adjusted original cost). The securities quoted by vendors in Level 1 primarily represent our holdings in U.S. government securities, which are frequently traded, and the quotes are considered similar to exchange-traded quotes. The balance of our Level 1 pricing comes from quotes obtained directly from trades made on active exchanges.

At March 31, 2026, vendor-quoted prices comprised 99% of our Level 2 classifications (excluding short-term investments valued at adjusted original cost), with the balance from dealer quotes, compared to 100% at March 31, 2025 and December 31, 2025. In our process for selecting a source (e.g., dealer or pricing service) to provide pricing for securities in our portfolio, we reviewed documentation from the sources that detailed the pricing techniques and methodologies used by these sources and determined if their policies adequately considered market activity, either based on specific transactions for the particular security type or based on modeling of securities with similar credit quality, duration, yield, and structure that were recently transacted. Once a source is chosen, we continue to monitor any changes or modifications to their processes by reviewing their documentation on internal controls for pricing and market reviews. We review quality control measures of our sources as they become available to determine if any significant changes have occurred from period to period that might indicate issues or concerns regarding their evaluation or market coverage.

As part of our pricing procedures, we obtain quotes from more than one source to help us fully evaluate the market price of securities. However, our internal pricing policy is to use a consistent source for individual securities in order to maintain the integrity of our valuation process. Quotes obtained from the sources are not considered binding offers to transact. Under our policy, when a review of the valuation received from our selected source appears to be outside of what is considered market level activity (which is defined as trading at spreads or yields significantly different than those of comparable securities or outside the general sector level movement without a reasonable explanation), we may use an alternate source's price. To the extent we determine that it may be prudent to substitute one source's price for another, we will contact the initial source to obtain an understanding of the factors that may be contributing to the significant price variance.

To allow us to determine if our initial source is providing a price that is outside of a reasonable range, we review our portfolio pricing on a weekly basis. When necessary, we challenge prices from our sources when a price provided does not match our expectations based on our evaluation of market trends and activity. Initially, we perform a review of our portfolio by sector to identify securities whose prices appear outside of a reasonable range. We then perform a more detailed review of fair values for securities disclosed as Level 2. We review dealer bids and quotes for these and/or similar securities to determine the market level context for our valuations. We then evaluate inputs relevant for each class of securities disclosed in the preceding hierarchy tables.

For structured debt securities, including commercial, residential, and other asset-backed securities, we evaluate available market-related data for these and similar securities related to collateral, delinquencies, and defaults for historical trends and reasonably estimable projections, as well as historical prepayment rates and current prepayment assumptions and cash flow estimates. We further stratify each class of structured debt securities into more finite sectors (e.g., planned amortization class, first pay, second pay, senior, and subordinated) and use duration and credit quality to determine if the fair value is appropriate.

For corporate and other debt, nonredeemable preferred stock, and the notes issued by The Progressive Corporation (see *Note 4 – Debt*), we review securities by duration, credit quality, and coupon, as well as changes in interest rate and credit spread movements within that stratification. The review also includes recent trades, including: volume traded at various levels that establish a market; issuer specific fundamentals; and industry-specific economic news as it comes to light.

For state and local government (municipal) securities, we stratify the portfolio to evaluate securities by type, duration, credit quality, and coupon, to review price changes relative to credit spread and interest rate changes. Additionally, we look to economic data as it relates to geographic location as an indication of price-to-call or maturity predictors. For municipal housing securities, we look to changes in cash flow projections, both historical and reasonably estimable projections, to understand yield changes and their effect on valuation.

For short-term investments valued at adjusted original cost, we look at acquisition price relative to the coupon or yield. Since most of these securities are 60 days or less to maturity, we believe that adjusted original cost is the best estimate of fair value. For short-term investments valued with external vendor prices, we review securities by duration, credit quality, and coupon, as well as changes in interest rate and credit spread movements within that stratification, and recent trade information.

We also review data assumptions as supplied by our sources to determine if that data is relevant to current market conditions. In addition, we independently review each sector for transaction volumes, new issuances, and changes in spreads, as well as the overall movement of interest rates along the yield curve to determine if sufficient activity and liquidity exists to provide a credible source for our market valuations.

During each valuation period, we create internal estimations of portfolio valuation (performance returns), based on current market-related activity (i.e., interest rate and credit spread movements and other credit-related factors) within each major sector of our portfolio. We compare our results to index returns for each major sector adjusting for duration and credit quality differences to better understand our portfolio's results. Additionally, we review our external sales transactions and compare the actual final market sales prices to previous market valuation prices on a monthly basis. This review provides us further validation that our pricing sources are providing market level prices, and gives us additional comfort regarding the source's process, the quality of its review, and its willingness to improve its analysis based on feedback from clients. We believe this effort helps ensure that we are reporting the most representative fair values for our securities.

After all the valuations are received and our review of Level 2 securities is complete, if the inputs used by vendors are determined to not contain sufficient observable market information, we will reclassify the affected securities to Level 3.

Except as described below, our Level 3 securities are priced externally; however, due to several factors (e.g., nature of the securities, level of activity, and lack of similar securities trading to obtain observable market level inputs), these valuations are more subjective in nature.

To the extent we receive prices from external sources (e.g., broker and valuation firm) for the Level 3 securities, we review those prices for reasonableness using internally developed assumptions and then compare our derived prices to the prices received from the external sources. Based on our review during the first three months of 2026 and for the full year of 2025, all prices received from external sources remained unadjusted.

If we do not receive prices from an external source, we perform an internal fair value comparison, which includes a review and analysis of market-comparable securities, to determine if fair value changes are needed. Based on this analysis, certain private equity investments included in the Level 3 category remain valued at cost or were priced using a recent transaction as the basis for fair value. At least annually, these private equity investments are priced by an external source.

Our Level 3 other risk investments include securities accounted for under the equity method of accounting and, therefore, are not subject to fair value reporting. Since these securities represent less than 0.1% of our total portfolio, we include them in our Level 3 disclosures and report the activity from these investments as “other” changes in the summary of changes in fair value table and categorize these securities as “pricing exemption securities” in the quantitative information table.

During the first three months of 2026 and for the full year of 2025, there were no material assets or liabilities measured at fair value on a nonrecurring basis.

Due to the relative size of the Level 3 securities’ fair values, compared to the total portfolio’s fair value, any changes in pricing methodology would not have a significant change in valuation that would materially impact net or comprehensive income.

The following tables provide a summary of changes in fair value associated with Level 3 assets for the three months ended March 31, 2026 and 2025:

(millions)	Fair Value at December 31, 2025	Calls/ Maturities/ Paydowns/Other	Purchases	Sales	Net Realized (Gain)/Loss on Sales	Change in Valuation[1]	Net Transfers In (Out)	Fair Value at March 31, 2026
Fixed maturities:								
Corporate and other debt	$ 4	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 4
Equity securities:								
Nonredeemable preferred stocks	60	0	0	(5)	(7)	1	0	49
Common equities:								
Common stocks	5	0	0	0	0	0	0	5
Other risk investments	36	1	0	0	0	0	0	37
Total Level 3 securities	$ 105	$ 1	$ 0	$ (5)	$ (7)	$ 1	$ 0	$ 95

(millions)	Fair Value at December 31, 2024	Calls/ Maturities/ Paydowns/Other	Purchases	Sales	Net Realized (Gain)/Loss on Sales	Change in Valuation[1]	Net Transfers In (Out)	Fair Value at March 31, 2025
Fixed maturities:								
Corporate and other debt	$ 5	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 5
Equity securities:								
Nonredeemable preferred stocks	52	0	8	0	0	0	0	60
Common equities:								
Common stocks	23	0	0	0	0	(14)	0	9
Other risk investments	25	6	0	0	0	0	0	31
Total Level 3 securities	$ 105	$ 6	$ 8	$ 0	$ 0	$ (14)	$ 0	$ 105

[1]For fixed maturities, amounts included are unrealized gains (losses) reflected in accumulated other comprehensive income (loss) on our consolidated balance sheets. For equity securities, amounts included are net holding period gains (losses) on securities on our consolidated statements of comprehensive income.

The following tables provide a summary of the quantitative information about Level 3 fair value measurements for our applicable securities at March 31, 2026 and 2025, and December 31, 2025:

($ in millions)		Fair Value at March 31, 2026	Valuation Technique	Unobservable Input	Range of Input Values Increase (Decrease)	Weighted Average Increase (Decrease)
Fixed maturities:						
Corporate and other debt	$	4	Market comparables	Weighted average market capitalization price change %	(1.0)%	(1.0)%
Equity securities:						
Nonredeemable preferred stocks		49	Market comparables	Weighted average market capitalization price change %	(23.6)% to 0%	(12.4)%
Common stocks		5	Market comparables	Weighted average market capitalization price change %	(41.3)% to (12.9)%	(23.6)%
Subtotal Level 3 securities		58				
Pricing exemption securities		37				
Total Level 3 securities	$	95				

($ in millions)		Fair Value at March 31, 2025	Valuation Technique	Unobservable Input	Range of Input Values Increase (Decrease)	Weighted Average Increase (Decrease)
Fixed maturities:						
Corporate and other debt	$	5	Market comparables	Weighted average market capitalization price change %	0.7% to 0.8%	0.8 %
Equity securities:						
Nonredeemable preferred stocks		60	Market comparables	Weighted average market capitalization price change %	(11.8)% to 16.1%	6.4 %
Common stocks		9	Market comparables	Weighted average market capitalization price change %	(36.8)% to 41.5%	6.7 %
Subtotal Level 3 securities		74				
Pricing exemption securities		31				
Total Level 3 securities	$	105				

($ in millions)		Fair Value at December 31, 2025	Valuation Technique	Unobservable Input	Range of Input Values Increase (Decrease)	Weighted Average Increase (Decrease)
Fixed maturities:						
Corporate and other debt	$	4	Market comparables	Weighted average market capitalization price change %	(0.1)% to 0.1%	0 %
Equity securities:						
Nonredeemable preferred stocks		60	Market comparables	Weighted average market capitalization price change %	(14.5)% to 7.6%	(4.5)%
Common stocks		5	Market comparables	Weighted average market capitalization price change %	(40.9)% to 36.3%	7.6 %
Subtotal Level 3 securities		69				
Pricing exemption securities		36				
Total Level 3 securities	$	105				

4. DEBT

Debt at each of the balance sheet periods consisted of the following Senior Notes:

($ in millions)				March 31, 2026		March 31, 2025		December 31, 2025	
Principal Amount	Interest Rate	Issuance Date	Maturity Date	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
$ 500	2.45 %	August 2016	January 2027	$ 500	$ 493	$ 499	$ 484	$ 499	$ 493
500	2.50	March 2022	March 2027	500	492	499	483	499	492
300	6 5/8	March 1999	March 2029	299	320	298	322	299	323
550	4.00	October 2018	March 2029	548	547	548	542	548	551
500	3.20	March 2020	March 2030	498	478	498	470	498	484
500	4.60	March 2026	March 2031	497	501	0	0	0	0
500	3.00	March 2022	March 2032	497	457	497	447	497	462
400	6.25	November 2002	December 2032	397	435	397	434	397	442
500	4.95	May 2023	June 2033	497	507	497	503	497	513
1,000	5.15	March 2026	March 2036	990	1,001	0	0	0	0
350	4.35	April 2014	April 2044	347	295	347	300	347	304
400	3.70	January 2015	January 2045	396	305	396	310	396	314
850	4.125	April 2017	April 2047	843	678	842	695	843	702
600	4.20	March 2018	March 2048	591	478	591	493	591	498
500	3.95	March 2020	March 2050	492	380	491	393	492	392
500	3.70	March 2022	March 2052	494	361	494	371	494	375
Total				$ 8,386	$ 7,728	$ 6,894	$ 6,247	$ 6,897	$ 6,345

At March 31, 2026, short-term debt consisted of the $500 million 2.45% senior notes that mature in January 2027 and the $500 million 2.50% senior notes that mature in March 2027. There was no short-term debt outstanding at March 31, 2025, or December 31, 2025.

In March 2026, the Progressive Corporation issued $500 million of 4.60% Senior Notes due 2031 and $1 billion of 5.15% Senior Notes due 2036, in an underwritten public offering. The net proceeds from the issuances, after deducting underwriters' discounts, commissions, and other issuance costs, were approximately $1,487 million in aggregate. Consistent with the other senior notes issued by Progressive, interest on these notes is payable semiannually, principal is due at maturity, and the notes are redeemable, in whole or in part, at any time, subject to a treasury "make whole" provision.

The Progressive Corporation has a line of credit with PNC Bank, National Association (PNC), in the maximum principal amount of $300 million. See the 2025 Annual Report to Shareholders for a discussion of the terms of this line of credit. We had no borrowings under the line of credit that was available during the periods presented.

5. INCOME TAXES

The effective tax rate for the three months ended March 31, 2026 and 2025, was 21.0% and 20.7%, respectively.

Deferred income taxes reflect the tax effects of temporary differences between the financial statement carrying amounts and the tax bases of assets and liabilities. Although realization of the deferred tax assets is not assured, management believes that it is more likely than not that the deferred tax assets will be realized based on our expectation that we will be able to fully utilize the deductions that are ultimately recognized for tax purposes and, therefore, no valuation allowance was needed at March 31, 2026 and 2025, and December 31, 2025.

We had net current income taxes payable of $700 million, $838 million, and $28 million at March 31, 2026 and 2025, and December 31, 2025, respectively, which were reported in accounts payable, accrued expenses, and other liabilities on our consolidated balance sheets. The balance may fluctuate from period to period due to normal timing differences.

At March 31, 2026 and 2025, and December 31, 2025, we have not recorded any unrecognized tax benefits or related interest and penalties.

6. LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES

Activity in the loss and loss adjustment expense reserves is summarized as follows:

	March 31,	
(millions)	2026	2025
Balance at January 1	$ 43,310	$ 39,057
Less reinsurance recoverables on unpaid losses	3,807	4,487
Net balance at January 1	39,503	34,570
Incurred related to:		
Current year	14,278	13,082
Prior years	(451)	(278)
Total incurred	13,827	12,804
Paid related to:		
Current year	5,356	4,881
Prior years	7,345	6,804
Total paid	12,701	11,685
Net balance at March 31	40,629	35,689
Plus reinsurance recoverables on unpaid losses	3,748	4,133
Balance at March 31	$ 44,377	$ 39,822

We experienced favorable reserve development of $451 million and $278 million during the first three months of 2026 and 2025, respectively, which is reflected as "incurred related to prior years" in the table above.

First Quarter 2026

- The favorable prior year reserve development included approximately $320 million attributable to accident year 2025, $115 million to accident year 2024, and the remainder to accident years 2023 and prior.
- Our personal auto products incurred about $445 million of favorable loss and loss adjustment expense (LAE) reserve development, with the agency and direct auto businesses each contributing about half. The favorable development was primarily due to lower than anticipated bodily injury severity, more subrogation and salvage recoveries than anticipated, and lower than anticipated payments on previously closed but reopened property damage claims.

First Quarter 2025

- The favorable prior year reserve development included approximately $180 million attributable to accident year 2024, $90 million to accident year 2023, and the remainder to accident years 2022 and prior.
- Our personal auto products incurred about $260 million of favorable loss and LAE reserve development, with the agency and direct auto businesses each contributing about half. The favorable development was primarily due to lower than anticipated loss severity and frequency in Florida.
- Our personal property products experienced about $30 million of favorable development, primarily attributable to favorable development on 2024 catastrophe events.

7. SEGMENT INFORMATION

Our Personal Lines segment writes insurance for personal autos, special lines products (e.g., recreational vehicles, such as motorcycles, RVs, and watercraft), personal residential property insurance for homeowners and renters, umbrella insurance, and flood insurance through the "Write Your Own" program for the National Flood Insurance Program.

Our Commercial Lines segment writes auto-related liability and physical damage insurance, business-related general liability and commercial property insurance predominately for small businesses, and workers' compensation insurance primarily for the transportation industry.

Our service businesses primarily provide insurance-related services, including serving as an agent for homeowners, general liability, and workers' compensation insurance, among other products, through programs in our direct Personal Lines and Commercial Lines businesses.

All segment revenues are generated from external customers; all intercompany transactions are eliminated in consolidation.

Following are the operating results for the respective periods:

(millions)	Personal Lines	Commercial Lines	Other[1]	Companywide
Three Months Ended March 31, 2026				
Net premiums earned	$ 18,384	$ 2,583	$ 1	$ 20,968
Fees and other revenues	276	20	1	297
Total underwriting revenue	18,660	2,603	2	21,265
Losses and loss adjustment expenses:				
Losses (excluding catastrophe losses)	10,219	1,457	1	11,677
Catastrophe losses	263	5	0	268
Loss adjustment expenses	1,593	289	0	1,882
Total losses and loss adjustment expenses	12,075	1,751	1	13,827
Underwriting expenses:				
Distribution expenses[2]	2,664	300	2	2,966
Other underwriting expenses[3]	1,346	268	6	1,620
Total underwriting expenses	4,010	568	8	4,586
Pretax underwriting profit (loss)	$ 2,575	$ 284	$ (7)	2,852
Investment profit (loss)[4]				789
Service businesses profit (loss)				(5)
Interest expense				(70)
Total pretax profit (loss)				$ 3,566

(millions)	Personal Lines	Commercial Lines	Other[1]	Companywide
Three Months Ended March 31, 2025				
Net premiums earned	$ 16,710	$ 2,699	$ 0	$ 19,409
Fees and other revenues	249	38	0	287
Total underwriting revenue	16,959	2,737	0	19,696
Losses and loss adjustment expenses:				
Losses (excluding catastrophe losses)	9,109	1,559	0	10,668
Catastrophe losses	454	5	0	459
Loss adjustment expenses	1,390	287	0	1,677
Total losses and loss adjustment expenses	10,953	1,851	0	12,804
Underwriting expenses:				
Distribution expenses[2]	2,348	286	0	2,634
Other underwriting expenses[3]	1,275	262	4	1,541
Total underwriting expenses	3,623	548	4	4,175
Pretax underwriting profit (loss)	$ 2,383	$ 338	$ (4)	2,717
Investment profit (loss)[4]				595
Service businesses profit (loss)				(6)
Interest expense				(70)
Total pretax profit (loss)				$ 3,236

[1] Includes other underwriting business and run-off operations.
[2] Includes policy acquisition costs, agents' contingent commissions, and advertising costs attributable to our operating segments. A portion of our companywide advertising costs are also attributed to our service businesses.
[3] Primarily consists of employee compensation and benefit costs, and the increase in the allowance for credit loss exposure on our premiums receivable.
[4] Calculated as recurring investment income plus total net realized gains (losses) on securities, less investment expenses.

Our management uses underwriting margin and combined ratio as primary measures of underwriting profitability. The underwriting margin is the pretax underwriting profit (loss) expressed as a percentage of net premiums earned. Pretax underwriting profit (loss) is calculated as net premiums earned plus fees and other revenues, less: (i) losses and loss adjustment expenses; (ii) policy acquisition costs; and (iii) other underwriting expenses. Fees and other revenues are netted against either loss adjustment expenses or underwriting expenses in the ratio calculations, based on the underlying activity that generated the revenue. Combined ratio is the complement of the underwriting margin. Following are the underwriting margins and combined ratios for our underwriting operations for the respective periods:

	Three Months Ended March 31,			
	2026		2025	
	Underwriting Margin	Combined Ratio	Underwriting Margin	Combined Ratio
Personal Lines	14.0 %	86.0	14.3 %	85.7
Commercial Lines	11.0	89.0	12.5	87.5
Total underwriting operations	13.6	86.4	14.0	86.0

8. OTHER COMPREHENSIVE INCOME (LOSS)

The components of other comprehensive income (loss), including reclassification adjustments by income statement line item, were as follows:

				Components of Changes in Accumulated Other Comprehensive Income (after tax)		
(millions)	Pretax total accumulated other comprehensive income (loss)	Total tax (provision) benefit	After tax total accumulated other comprehensive income (loss)	Total net unrealized gains (losses) on securities	Net unrealized losses on forecasted transactions	Foreign currency translation adjustment
Balance at December 31, 2025	$ 130	$ (27)	$ 103	$ 117	$ (13)	$ (1)
Other comprehensive income (loss) before reclassifications for investment securities	(628)	132	(496)	(496)	0	0
Less: Reclassification adjustment for amounts realized in net income by income statement line item:						
Net realized gains (losses) on securities	98	(20)	78	78	0	0
Total reclassification adjustment for amounts realized in net income	98	(20)	78	78	0	0
Total other comprehensive income (loss)	(726)	152	(574)	(574)	0	0
Balance at March 31, 2026	$ (596)	$ 125	$ (471)	$ (457)	$ (13)	$ (1)

				Components of Changes in Accumulated Other Comprehensive Income (after tax)		
(millions)	Pretax total accumulated other comprehensive income (loss)	Total tax (provision) benefit	After tax total accumulated other comprehensive income (loss)	Total net unrealized gains (losses) on securities	Net unrealized losses on forecasted transactions	Foreign currency translation adjustment
Balance at December 31, 2024	$ (1,809)	$ 386	$ (1,423)	$ (1,408)	$ (14)	$ (1)
Other comprehensive income (loss) before reclassifications for investment securities	1,108	(233)	875	875	0	0
Less: Reclassification adjustment for amounts realized in net income by income statement line item:						
Net realized gains (losses) on securities	(30)	6	(24)	(24)	0	0
Total reclassification adjustment for amounts realized in net income	(30)	6	(24)	(24)	0	0
Total other comprehensive income (loss)	1,138	(239)	899	899	0	0
Balance at March 31, 2025	$ (671)	$ 147	$ (524)	$ (509)	$ (14)	$ (1)

In an effort to manage interest rate risk, we entered into forecasted transactions on certain of Progressive's debt issuances. During the next 12 months, we expect to reclassify approximately $1 million (pretax) into interest expense, related to net unrealized losses on forecasted transactions (see *Note 4 – Debt* in our 2025 Annual Report to Shareholders for further discussion).

9. LITIGATION

The Progressive Corporation and/or its insurance subsidiaries are named as defendants in various lawsuits arising out of claims made under insurance policies written by our insurance subsidiaries in the ordinary course of business. We consider all legal actions relating to such claims in establishing our loss and loss adjustment expense reserves.

In addition, The Progressive Corporation and/or its insurance subsidiaries are named as defendants in a number of class action or individual lawsuits that challenge certain of the operations of the subsidiaries. The nature and volume of litigation pending against The Progressive Corporation and/or its insurance subsidiaries is similar to that which was disclosed in *Note 12 – Litigation* in our 2025 Annual Report to Shareholders.

As of March 31, 2026, lawsuits have been certified or conditionally certified as class/collective actions in cases alleging that: we improperly value total loss claims by applying a negotiation adjustment in Colorado, North Carolina, and Ohio; we improperly calculate basic economic loss as it relates to wage loss coverage in New York; we improperly reduce or deny personal injury protection benefits when medical expenses are paid initially by health insurance in Arkansas; and we sell illusory underinsured motorist coverage in New Mexico. Other insurance companies face many of these same issues. We plan to contest the pending lawsuits vigorously, but may pursue settlement negotiations in some cases, as we deem appropriate.

Lawsuits arising from insurance policies and operations, including, but not limited to, allegations involving claims adjustment and vehicle valuation, may be filed contemporaneously in multiple states. As of March 31, 2026, we are named as defendants in class action lawsuits pending in multiple states alleging that we improperly value total loss vehicle physical damage claims through the application of a negotiation adjustment in calculating such valuations, which includes three states in which classes have been certified, as noted above, and lawsuits styled as putative class actions pending in additional states. These lawsuits, which were filed at different times by different plaintiffs, feature certain similar claims and also include different allegations and are subject to various state laws. While we believe we have meritorious defenses and we are vigorously contesting these lawsuits, an unfavorable result in, or a settlement of, a significant number of these lawsuits could, in aggregation, have a material adverse effect on our financial condition, cash flows, and/or results of operations. Based on information available to us, we determined that losses from these lawsuits are reasonably possible but neither probable nor reasonably estimable, other than for suits for which accruals have been established and are not material, as of March 31, 2026.

With respect to our pending lawsuits that are not related to claims under insurance policies, the accruals that we have established were not material at March 31, 2026 and 2025, or December 31, 2025, and there were no material settlements during 2025 or the first three months of 2026. For most of these lawsuits, we do not consider any losses to be both probable and estimable, and we are unable to estimate a meaningful range of loss, if any, at this time, due to the factors discussed in *Note 12 – Litigation* in our 2025 Annual Report to Shareholders. In the event that any one or more of these lawsuits results in a substantial judgment against us, or settlement by us, or if our accruals (if any) prove to be inadequate, the resulting liability could have a material adverse effect on our consolidated financial condition, cash flows, and/or results of operations. For a further discussion on our pending litigation and related reserving policies, see *Note 1 – Reporting and Accounting Policies* and *Note 12 – Litigation* in our 2025 Annual Report to Shareholders.

10. DIVIDENDS

Following is a summary of our common share dividends that were declared and/or paid during the three months ended March 31, 2026 and 2025:

(millions — except per share amounts)		Amount	
Declared	**Payable**	**Per Share**	**Accrued/Paid[1]**
Annual-Variable Dividends:			
December 2025	January 2026	$ 13.50	$ 7,913
December 2024	January 2025	4.50	2,637
Quarterly Dividends:			
March 2026	April 2026	0.10	58
December 2025	January 2026	0.10	59
March 2025	April 2025	0.10	59
December 2024	January 2025	0.10	58

[1] The accrual is based on an estimate of shares outstanding as of the record date and recorded as dividends payable on common shares on our consolidated balance sheets until paid; the prior period accrual was reclassified into this line item from accounts payable, accrued expenses, and other liabilities to conform to the current period's presentation.

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

I. OVERVIEW

The Progressive Corporation's insurance subsidiaries maintained an underwriting profit better than our 4% companywide calendar-year underwriting profit goal during the first quarter 2026 and reported strong growth year over year in both premiums and policies in force. During the first quarter 2026, we maintained strong profitability, with a companywide underwriting profit margin of 13.6%. We wrote $23.6 billion of companywide net premiums written in the first quarter 2026, which was $1.4 billion, or 6%, more than we generated during the same period last year, with an 8% increase in net premiums earned. We ended the first quarter 2026 with 3.3 million, or 9%, more policies in force than at March 31, 2025; adding nearly one million policies in force in the first quarter 2026 alone.

Both our Personal Lines and Commercial Lines operating segments generated strong profitability during the first quarter 2026, reporting underwriting profit margins of 14.0% and 11.0%, respectively, fairly consistent with the underwriting margins of 14.3% and 12.5% reported for the first quarter last year.

Our Personal Lines segment experienced year-over-year growth for the first quarter 2026, with net premiums written increasing 7% and policies in force up 9%, over the significant growth of 20% in net premiums written and 18% in policies in force we experienced in the first quarter last year. The current period growth was primarily driven by policies in force growth in our personal auto products, which were up 11% compared to March 2025.

In Commercial Lines, we experienced an increase in both net premiums written and policies in force of 3% for the first quarter 2026, compared to the same period last year. The increase in net premiums written was primarily driven by an increase in transportation network company (TNC) premiums, due to the renewal of certain TNC policies that have higher projected mileage, which is the basis for computing premiums, and an increase in the percentage of premiums retained, compared to the TNC policies renewed in the first quarter 2025. Excluding TNC, Commercial Lines net premiums written would have decreased 1% for the first quarter 2026, compared to the same period last year. In our core commercial auto business (which excludes our TNC business, our Progressive Fleet & Specialty Programs (Fleet & Specialty) products, and our business owners' policy (BOP) product) we continued to experience a shift to a greater mix of policies with 6-month terms in our contractor and business auto business market targets (BMT), which have about half the amount of net premiums written as 12-month policies, and a shift to a greater mix of BMTs with lower average written premium.

For the first quarter 2026, the $251 million year-over-year increase in net income, compared to the first quarter 2025, reflected an increase in both underwriting profit and total net investment income. Total comprehensive income decreased $1.2 billion for the first quarter 2026, compared to the same period last year, driven by net unrealized losses on our fixed-maturity securities, compared to net unrealized gains during the same period last year.

At March 31, 2026, total capital (debt plus shareholders' equity) was $40.4 billion, which was an increase of $3.2 billion from year-end 2025. This increase was primarily driven by the $2.2 billion of comprehensive income earned in the first three months of 2026 and the March 2026 issuances of $500 million of 4.60% Senior Notes due 2031, and $1.0 billion of 5.15% Senior Notes due 2036, partially offset by the repurchase of 2.3 million of our common shares, at a total cost of $478 million.

A. Insurance Operations

Our companywide underwriting profit margin was 13.6% during the first quarter 2026, compared to 14.0% during the first quarter 2025. For the first quarter 2026, our loss and loss adjustment expense (LAE) ratio and our underwriting expense ratio were relatively stable, compared to the same period last year.

We closely manage our expenses, monitoring both acquisition expenses and non-acquisition expenses, which we view as an important measure of operational efficiency as we seek to deliver our most competitive rates to consumers. During the first quarter 2026, our advertising spend was $1.5 billion, or 20% greater than the first quarter last year. The current period impact of the increase in advertising spend on our expense ratio was partially offset by the increase in net premiums earned, contributing 0.7 more points to the underwriting expense ratio in the first quarter 2026, compared to the same period last year. We will continue to advertise to maximize growth as long as the advertising spend is efficient and we remain on track to achieve our calendar-year profitability goal.

Our Personal Lines segment represented 83% of our companywide net premiums written at period end and is comprised of our personal vehicle and property products. Personal Lines vehicles include both personal auto and special lines products, with the latter typically having higher losses during the warmer weather months, due to the seasonal nature of these products (e.g., recreational vehicles, such as motorcycles, RVs, and watercraft). Our Personal Lines underwriting margin for the first quarter 2026 was 14.0%, with personal vehicle and personal property products reporting 13.7% and 21.7%, respectively. Profitability in our special lines products had about a one point favorable impact to our personal vehicle combined ratio during the first quarter 2026. The strong underwriting profit margin in our personal property products was primarily driven by the low level of incurred catastrophe losses and frequency of loss during the period and increased rates.

For the first quarter 2026, Personal Lines generated net premiums written growth of 7%, with our agency and direct personal vehicle businesses growing 5% and 10%, respectively, while our personal property business decreased 5%, each compared to the same period last year. Changes in net premiums written are a function of new business applications (i.e., policies sold), retention, business mix, and premium per policy.

Relative to the significant growth we experienced in our personal vehicle products during the first quarter 2025, we experienced a 2% increase in total personal vehicle new business applications during the first quarter 2026. Total personal vehicle renewal business applications increased 14% during the first quarter, primarily driven by the renewal of new business applications gained over the past twelve months. Our personal vehicle business continued to demonstrate sustained net premiums written and application growth despite increased competition in the marketplace during the first quarter 2026.

Homeowners products are defined as our total personal property business excluding renters and umbrella products. For the first quarter 2026, the new business applications in our homeowners product were flat, compared to the same period last year, with the decrease in the less volatile weather-related markets, offset by an increase in the more volatile (e.g., coastal, wildfire, and hail-prone states) weather-related markets. In our renters product, new business applications experienced a 2% decline.

During the first quarter 2026, in our personal property business, we continued to focus on improving profitability and reducing exposure in more volatile weather-related markets, and, where permitted, on slowing growth and non-renewing policies. We continued to prioritize insuring lower-risk properties (e.g., new construction, existing homes with newer roofs), accepting new business for our homeowners product only when bundled with a Progressive personal auto policy, where permitted, and continued to restrict new business in the non-owner-occupied home market. In addition, we maintained our cost sharing through mandatory wind and hail deductibles and roof depreciation schedules in most markets. We believe these actions adversely impacted new business application growth. During late 2025, we began to take actions in certain markets to generate new business growth at the state level based on our concentration risks, product segmentation, rate adequacy, cost sharing execution, and regulatory and market conditions. Some of these actions include expanding independent agency relationships, reopening new business in certain agency and direct channel markets, and lifting underwriting restrictions on older roofs, medium- to high-value homes, and non-bundled homeowners products in certain markets. We are now selectively increasing the availability of our personal property products throughout the remainder of 2026.

During the first quarter 2026, on a countrywide basis, in the aggregate, we decreased personal auto rates less than 1% and increased our personal property rates about 1%.

We believe a key element in improving the accuracy of our personal auto rating is Snapshot®, our usage-based insurance offering. For the first quarter 2026, the personal auto adoption rates for consumers enrolling in the program decreased 5% in agency and 1% in direct, compared to the same period last year. The decrease in the agency adoption rate is due to lifting certain agent restrictions during the second half of 2025, expanding Snapshot access to a broader agent base with lower adoption rates. Snapshot is available in all states, other than California, and our latest segmentation model was available in states that represented 80% of our countrywide personal auto net premiums written (excluding California) on a trailing 12-month basis at quarter end. We continue to invest in our mobile application, with the majority of new enrollments choosing mobile devices for Snapshot monitoring.

Our Commercial Lines segment includes our core commercial auto products, TNC business, Fleet & Specialty products, and BOP product. Our total Commercial Lines underwriting profitability for the first quarter 2026 was 11.0%. The total Commercial Lines net premiums written increased 3% for the first quarter 2026, compared to the same period in the prior year, primarily attributable to the renewal of certain TNC policies, as previously discussed.

Total applications in our core commercial auto products increased 4% for the first quarter 2026, compared to the same period last year. New business applications decreased 6%, with a decline in the business auto, contractor, and for-hire transportation BMTs, and were impacted by rate and non-rate actions taken to address profitability challenges. Despite a 3% increase in Commercial Lines policies in force, excluding the TNC business, total Commercial Lines net premiums written were down 1% for the first quarter 2026, on a year-over-year basis. In our core commercial auto business, in aggregate, rates remained flat during the first quarter 2026.

We continue to believe we are currently adequately priced in our personal auto and core commercial auto products in most states and expect to continue increasing rates modestly in our personal property products through the remainder of the year. However, we regularly model the potential impact tariffs could have on vehicle loss costs, the supply chain, the availability of parts, and general inflation, among other factors, although the dynamic international trade environment adds uncertainty in predicting how tariffs will ultimately impact our business over time. While our focus has been on trying to maintain stable rates for customers, increases in tariffs and other retaliatory actions may result in higher loss costs, which could result in a reduction in profitability and the possible need for higher than currently anticipated rate increases throughout 2026.

For the first quarter 2026, on a year-over-year basis, average written premium per policy decreased 2%, 7%, and 4% in the personal auto, personal property, and core commercial auto products, respectively. The decrease in personal property average written premium per policy was due to a shift in the mix of business to more renters policies, which have lower average written premiums, and our continued focus on slowing growth in more volatile weather-related markets, which generally have higher risk and, therefore, higher average premiums per policy. These mix shifts in our personal property business were partially offset by aggregate rate increases of 10% taken over the last 12 months and higher premium coverages reflecting increased property values.

The decrease in average written premium per policy in our core commercial auto products was due to a shift in the mix of business to BMTs with lower average premiums, as well as a shift in policy term towards more 6-month policies in our contractor and business auto BMTs. This decrease was partially offset by rate increases of about 9%, in the aggregate, over the trailing 12 months. Given that our personal property and commercial auto policies are predominately written for 12-month terms, rate actions take longer to earn into premium for these products.

We will continue to monitor the factors that could impact our loss costs for both segments, which may include tariffs, as previously discussed, new and used car prices, miles driven, driving patterns, loss severity, weather events, building material and construction costs, inflation, and other factors, on a state-by-state basis.

We realize that to grow policies in force, it is critical that we retain our customers for longer periods. Consequently, increasing retention continues to be one of our most important priorities. Our efforts to increase our share of Progressive auto and personal property bundled households (i.e., Robinsons) remains a key initiative, and we plan to continue to make investments to improve the customer experience in order to support that goal. Policy life expectancy, which is our actuarial estimate of the average length of time that a newly written policy will remain in force before cancellation or lapse in coverage, is our primary measure of customer retention in our Personal Lines and Commercial Lines businesses.

In personal auto, we evaluate personal auto retention using a trailing 12-month and a trailing 3-month policy life expectancy. Although the latter can reflect more volatility and is more sensitive to seasonality, we believe this measure is more responsive to current experience and may be an indicator for the future trend of our 12-month measure. Our trailing 12-month total personal auto policy life expectancy was down 8% year over year for the first quarter 2026. On a trailing 3-month basis, our personal auto policy life expectancy was down 7% for the first quarter 2026, compared to the same period last year, which we believe is primarily due to a shift in our mix of business and increased shopping and competition in the marketplace.

Our trailing 12-month policy life expectancy was down 8% for our personal property products year over year for the first quarter 2026. We believe our personal property retention decreased primarily as a result of a mix shift to more renters policies, which generally have a lower policy life expectancy.

For our core commercial auto products, our trailing 12-month policy life expectancy increased 5%, compared to the prior year, which we believe is due to a shift in the mix of business to BMTs with historically higher policy life expectancies, the moderation of our rate increases, and various initiatives, such as payment and renewal reminders. The increase in the core commercial auto policy life expectancy was across all BMTs, except in for-hire specialty, which was flat.

B. Investments

The fair value of our investment portfolio was $94.1 billion at March 31, 2026, compared to $97.4 billion at December 31, 2025. The decrease from year-end 2025 reflected the $7.9 billion payment of our annual variable common share dividend, partially offset by positive cash flows from insurance operations and proceeds from the $1.5 billion senior note issuances in March 2026.

Our asset allocation strategy is to maintain 0%-25% of our portfolio in Group I securities, with the balance (75%-100%) of our portfolio in Group II securities (the securities allocated to Group I and II are defined below under *Results of Operations – Investments*). At March 31, 2026 and December 31, 2025, 6% of our portfolio was allocated to Group I securities with the remainder to Group II securities.

Our recurring investment income generated a pretax book yield of 4.2% for the first quarter 2026, compared to 4.1% for the same period in 2025. Our investment portfolio produced a fully taxable equivalent (FTE) total return of 0.1% and 2.2% for the first quarter 2026 and 2025, respectively. Our fixed-income and common stock portfolios had FTE total returns of 0.3% and (4.1)%, respectively, for the first quarter 2026, compared to 2.5% and (5.0)%, last year. The decrease in the fixed-income portfolio FTE total return primarily reflected movements in U.S. Treasury yields year-over-year.

At March 31, 2026 and 2025, and December 31, 2025, the fixed-income portfolio had a weighted average credit quality of AA-. At March 31, 2026, the fixed-income portfolio duration was 3.5 years, compared to 3.4 years at March 31, 2025 and December 31, 2025. During 2026, we increased our duration to take advantage of higher yields in the market.

At March 31, 2026, we continued to maintain a relatively conservative investment portfolio with a significant allocation to cash and treasuries. We believe that this portfolio allocation positions us well to benefit from the continuing dynamic market environment. We believe the investment portfolio is in a very strong position as we move into the second quarter of 2026.

II. FINANCIAL CONDITION

A. Liquidity and Capital Resources

Progressive's insurance operations create liquidity by collecting and investing premiums from new and renewal business in advance of paying claims, as well as our insurance subsidiaries producing aggregate calendar-year underwriting profits and positive cash flows. As primarily an auto insurer, our claims liabilities generally have a short-term duration.

Operations generated positive cash flows of $4.4 billion and $5.1 billion for the three months ended March 31, 2026 and 2025, respectively. The decrease in operating cash flows for the first three months of 2026, compared to the same period last year, was primarily driven by the $1.2 billion Florida policyholder credits that were paid out during the first quarter 2026. These policyholder credits represented the estimated profit we earned on the three-accident-year period ending December 31, 2025, in excess of the statutory profit limit that a Florida statute imposes on the profit that any insurance group can earn on personal auto insurance over any contiguous three-accident-year period (see the 2025 Annual Report to Shareholders for further discussion of the Florida policyholder credit expense). We believe cash flows will remain positive in the foreseeable future and do not anticipate the need to raise capital to support our operations in that timeframe, although changes in market or regulatory conditions affecting the insurance industry, or other unforeseen events, may necessitate otherwise.

As of March 31, 2026, we held $46.5 billion in short-term investments and U.S. Treasury securities, which represented about half of our total portfolio's fair value at quarter end. Based on our portfolio allocation and investment strategies, we believe that we have sufficient readily available marketable securities to cover our claims payments and short-term obligations in the event our cash flows from operations were to be negative. See *Item 1A, Risk Factor*s in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission for the year ended December 31, 2025 (our 2025 Form 10-K), for a discussion of certain matters that may affect our portfolio and capital position.

Our total capital (debt plus shareholders' equity) was $40.4 billion at March 31, 2026, compared to $35.8 billion at March 31, 2025, and $37.2 billion at December 31, 2025. The increase from year-end 2025, primarily reflects the comprehensive income recognized during the first three months of 2026 and the March 2026 debt issuances of $1.5 billion of senior notes, for which the funds are intended to be used for general corporate purposes. Our debt-to-total capital ratio was 20.7% at March 31, 2026, 19.2% at March 31, 2025, and 18.5% at December 31, 2025. Our debt-to-total capital ratios were consistent with our financial policy of maintaining a ratio of less than 30%.

None of the covenants on our existing debt securities include rating or credit triggers that would require an adjustment of interest rate or an acceleration of principal payments in the event that our debt securities are downgraded by a rating agency. In April 2026, we renewed the unsecured discretionary line of credit with PNC Bank, National Association, in the maximum principal amount of $300 million and amended the interest rate to 1-month term Secured Overnight Financing Rate (SOFR) plus 1.00%. We did not engage in short-term borrowings, including any borrowings under the line of credit, to fund our operations or for liquidity purposes during the reported periods.

We seek to deploy capital in a prudent manner and use multiple data sources and modeling tools to estimate the frequency, severity, and correlation of identified exposures, including, but not limited to, investment losses, catastrophic and other insured losses, natural disasters, and other significant business interruptions, to estimate our potential capital needs.

During the first three months of 2026, we returned capital to shareholders primarily through common share dividends and common share repurchases. In March 2026, our Board of Directors declared a $0.10 per common share dividend, or $58 million in the aggregate, that was paid in April 2026. In January 2026, we paid common share dividends declared in the fourth quarter 2025, in the aggregate amount of $8.0 billion, or $13.60 per share (see *Note 10 – Dividends* for further discussion).

Pursuant to our financial policies, we repurchase common shares to neutralize dilution from equity-based compensation granted during the year and opportunistically when we believe our shares are trading below our determination of long-term fair value. During the first three months of 2026, we repurchased 2.3 million common shares, at a total cost of $478 million, both in the open market and to satisfy tax withholding obligations in connection with the vesting of equity awards under our employee equity compensation plans. We will continue to make decisions on returning capital to shareholders based on the strength of our overall capital position, the capital strength of our subsidiaries, and the potential capital needs of our business.

At March 31, 2026, we had $6.2 billion in a consolidated, non-insurance subsidiary of the holding company that can be used to fund corporate obligations and provide additional capital to the insurance subsidiaries to fund potential future growth and other opportunities. As of March 31, 2026, our estimated consolidated statutory surplus was $31.1 billion.

During the first three months of 2026, our contractual obligations and critical accounting policies have not changed materially from those discussed in our 2025 Annual Report to Shareholders. There have not been any material changes in off-balance-sheet leverage, which includes purchase obligations, from those discussed in our 2025 Annual Report to Shareholders.

Based upon our capital planning and forecasting efforts, we believe we have sufficient capital resources and cash flows from operations to support our current business, scheduled principal and interest payments on our debt, anticipated quarterly dividends on our common shares, our contractual obligations, and other expected capital requirements for the foreseeable future.

Nevertheless, we may decide to raise additional capital to take advantage of attractive terms in the market and provide additional financial flexibility. We currently have an effective shelf registration with the U.S. Securities and Exchange Commission so that we may periodically offer and sell an indeterminate aggregate amount of senior or subordinated debt securities, preferred stock, depository shares, common stock, purchase contracts, warrants, and units. The shelf registration enables us to raise funds, subject to market conditions, from the offering of any securities covered by the shelf registration as well as any combination thereof.

III. RESULTS OF OPERATIONS – UNDERWRITING

A. Segment Overview

We report our underwriting operations in two segments: Personal Lines and Commercial Lines. Our Personal Lines segment includes our personal vehicles (auto and special lines products) and personal property products (insurance for homeowners and renters, umbrella insurance, and flood insurance through the “Write Your Own” program for the National Flood Insurance Program). Since our personal auto products represented about 90% of our Personal Lines segment net premiums written at quarter end, much of the following discussion will focus on our personal auto products, both in total and by distribution channel.

Our Commercial Lines segment writes auto-related liability and physical damage insurance, business-related general liability and commercial property insurance predominantly for small businesses, and workers’ compensation insurance primarily for the transportation industry and includes our core commercial auto products, TNC business, Fleet & Specialty products, and BOP product. Of our total Commercial Lines segment, our core commercial auto products represented about 80% of net premiums written on a trailing 12-month basis, as of the end of the first quarter 2026. Therefore, much of the following discussion focuses only on our core commercial auto products.

The following table shows the composition of our companywide net premiums written, by segment, for the respective periods:

	Three Months Ended March 31,	
	2026	**2025**
Personal Lines		
Vehicles		
Agency	33 %	34 %
Direct	47	45
Property	3	3
Total Personal Lines	83	82
Commercial Lines	17	18
Total underwriting operations	100 %	100 %

Within our Personal Lines segment, we often categorize our personal auto product policyholders into four consumer segments:

- Sam - inconsistently insured;
- Diane - consistently insured and maybe a renter;
- Wrights - homeowners who do not bundle auto and home; and
- Robinsons - homeowners who bundle auto and home.

While our personal auto policies primarily have 6-month terms, to promote bundled personal auto and property growth, we write 12-month personal auto policies in our

Platinum agencies. At March 31, 2026 and 2025, 10% and 12%, respectively, of our agency personal auto policies in force were 12-month policies. To the extent our agency application mix of annual personal auto policies changes, the shift in policy term could impact our average written premiums in the agency channel, as 12-month policies have about twice the amount of net premiums written, compared to 6-month policies.

Our special lines and personal property products are written for 12-month terms. In our special lines products and personal property business 57% and 69%, respectively, of net premiums written during the first quarter 2026 were generated through the independent agency channel, with the balance through the direct channel.

Within our Commercial Lines segment, our core commercial auto business operates in the following five traditional business market targets (BMT):

- for-hire specialty;
- for-hire transportation;
- tow;
- contractor; and
- business auto.

At March 31, 2026, about 84% of Commercial Lines policies in force had 12-month terms. The majority of our Commercial Lines business is written through the independent agency channel, although we continue to focus on growing our direct business, with about 12% of our core commercial auto premiums written through the direct channel.

B. Profitability

Profitability for our underwriting operations is defined by pretax underwriting profit or loss, which is calculated as net premiums earned plus fees and other revenues less losses and loss adjustment expenses, policy acquisition costs, and other underwriting expenses. We also use underwriting margin, which is underwriting profit or loss expressed as a percentage of net premiums earned, to analyze our results. For the respective periods, our underwriting profitability results were as follows:

	Three Months Ended March 31,			
	2026		2025	
	Underwriting Profit (Loss)		Underwriting Profit (Loss)	
($ in millions)	**$**	**Margin**	**$**	**Margin**
Personal Lines				
Vehicles				
Agency	$ 1,284	17.2 %	$ 1,271	18.1 %
Direct	1,124	11.1	1,013	11.4
Property	167	21.7	99	12.8
Total Personal Lines	2,575	14.0	2,383	14.3
Commercial Lines	284	11.0	338	12.5
Other indemnity[1]	(7)	NM	(4)	NM
Total underwriting operations	$ 2,852	13.6 %	$ 2,717	14.0 %

[1] Underwriting margins for our other indemnity businesses are not meaningful (NM) due to the low level of premiums earned by, and the variability of loss costs in, such businesses.

Our underwriting profit margin for the first quarter 2026 was relatively consistent with the prior year despite a 20%, or $248 million, increase in advertising expense, due to the growth in net premiums earned.

See the *Losses and Loss Adjustment Expenses (LAE)* section below for further discussion of our catastrophe losses, auto frequency and severity trends, and reserve development recognized during the periods and the *Underwriting Expenses* section for further discussion of our advertising and non-acquisition expenses.

Further underwriting results for our Personal Lines business, Commercial Lines business, and our underwriting operations in total, were as follows:

	Three Months Ended March 31,		
Underwriting Performance[1]	**2026**	**2025**	**Change**
Personal Lines			
Vehicles			
Agency			
Loss & loss adjustment expense ratio	64.6	63.9	0.7
Underwriting expense ratio	18.2	18.0	0.2
Combined ratio	82.8	81.9	0.9
Direct			
Loss & loss adjustment expense ratio	67.6	67.3	0.3
Underwriting expense ratio	21.3	21.3	0
Combined ratio	88.9	88.6	0.3
Property			
Loss & loss adjustment expense ratio	49.0	58.4	(9.4)
Underwriting expense ratio	29.3	28.8	0.5
Combined ratio	78.3	87.2	(8.9)
Total Personal Lines			
Loss & loss adjustment expense ratio	65.6	65.4	0.2
Underwriting expense ratio	20.4	20.3	0.1
Combined ratio	86.0	85.7	0.3
Commercial Lines			
Loss & loss adjustment expense ratio	67.4	67.8	(0.4)
Underwriting expense ratio	21.6	19.7	1.9
Combined ratio	89.0	87.5	1.5
Total Underwriting Operations			
Loss & loss adjustment expense ratio	65.9	65.8	0.1
Underwriting expense ratio	20.5	20.2	0.3
Combined ratio	86.4	86.0	0.4
Accident year – Loss & loss adjustment expense ratio[2]	68.1	67.2	0.9

[1] Ratios are expressed as a percentage of net premiums earned. Fees and other revenues are netted against either loss adjustment expenses or underwriting expenses in the ratio calculations, based on the underlying activity that generated the revenue.
[2] The accident year ratios include only the losses that occurred during the period noted. As a result, accident period results will change over time, either favorably or unfavorably, as we revise our estimates of loss costs when payments are made or reserves for that accident period are reviewed.

Losses and Loss Adjustment Expenses (LAE)

(millions)	Three Months Ended March 31, 2026	2025
Change in net loss and LAE reserves	$ 1,126	$ 1,119
Paid losses and LAE	12,701	11,685
Total incurred losses and LAE	$ 13,827	$ 12,804

Claims costs, our most significant expense, represent payments made, and estimated future payments to be made, to or on behalf of our policyholders, including expenses needed to adjust or settle claims. Claims costs are a function of loss severity and frequency and, for our personal auto and core commercial auto businesses, are influenced by inflation and driving patterns, among other factors, some of which are discussed below. In our personal property business, severity is primarily a function of construction costs and the age and complexity of the structure, among other factors. Accordingly, anticipated changes in these factors are taken into account when we establish premium rates and loss reserves. Loss reserves are estimates of future costs and our reserves are adjusted as underlying assumptions change and information develops.

Our total loss and LAE ratio increased 0.1 points, for the first quarter 2026, compared to the same period last year, primarily due to increased severity, partially offset by a decrease in catastrophe losses and higher favorable prior accident years reserve development. On an accident year basis, our loss and LAE ratio was 0.9 points higher than the first quarter 2025.

The following table shows our consolidated catastrophe losses and related combined ratio point impact, excluding loss adjustment expenses, incurred during the periods:

	Three Months Ended March 31,			
	2026		2025	
($ in millions)	$	Point[1]	$	Point[1]
Personal Lines				
Vehicles	$ 167	0.9	$ 300	1.9
Property	96	12.5	154	19.8
Total Personal Lines	263	1.4	454	2.7
Commercial Lines	5	0.2	5	0.2
Total net catastrophe losses incurred	$ 268	1.3	$ 459	2.4

[1] Represents catastrophe losses incurred during the period, including the impact of reinsurance, as a percent of net premiums earned.

Changes in our estimate of our ultimate losses on catastrophes currently reserved, along with potential future catastrophes, could have a material impact on our financial condition, cash flows, or results of operations. We reinsure various risks including, but not limited to, catastrophic losses. We do not have catastrophe-specific reinsurance for our personal auto or core commercial auto businesses. Our reinsurance programs include catastrophe per occurrence excess of loss contracts and aggregate excess of loss contracts for our personal property business and certain BOP product coverages, and catastrophe per occurrence excess of loss contracts for our boat product. We also purchase excess of loss reinsurance on our workers' compensation insurance and our higher-limit commercial auto liability product offered by our Fleet & Specialty business and on certain BOP product coverages.

We evaluate our reinsurance programs during the renewal process, if not more frequently, to ensure our programs continue to effectively address the company's risk tolerance. With respect to our personal property business, in the first quarter 2026, we entered into a new catastrophe aggregate excess of loss reinsurance contract for claims occurring in 2026 that has multiple layers of coverage. The 2026 program provides a higher coverage limit than the 2025 program and includes coverage for named storms and other types of perils (e.g., wildfires, winter storms, severe thunderstorms). See *Item 1, Business – Reinsurance* in our 2025 Form 10-K for a discussion of our various reinsurance programs.

While the total coverage limit and per-event retention will evolve to fit the growth of our business, we expect to remain a consistent purchaser of reinsurance coverage. While the availability of reinsurance is subject to many forces outside of our control, the types of reinsurance that we elected to purchase during the first quarter 2026 were readily available and competitively priced. On a year-over-year basis, we did not incur a material change in the aggregate costs of our reinsurance programs. See *Item 1A, Risk Factors* in our 2025 Form 10-K for a discussion of certain risks related to catastrophe events.

The following discussion of our severity and frequency trends in our personal auto business excludes comprehensive coverage because of its inherent volatility, as it is typically linked to catastrophic losses generally resulting from adverse weather. For our core commercial auto business, the reported frequency and severity trends include comprehensive coverage. Comprehensive coverage insures against damage to a customer's vehicle due to various causes other than collision, such as windstorm, hail, theft, falling objects, and glass breakage.

On a calendar-year basis, the change in total personal auto incurred severity (i.e., average cost per claim, including both paid losses and the change in case reserves) over the prior-year period, was as follows:

Coverage Type	Quarter 2026
Bodily injury	8%
Collision	(1)
Personal injury protection	(2)
Property damage	1
Total	3

The year-over-year increase in total severity was predominantly driven by bodily injury coverage, due to higher medical costs, more large losses, and a higher rate of plaintiff-attorney represented claims, compared to the prior year.

To address inherent seasonality trends and lessen the effects of month-to-month variability in the commercial auto products, we use a trailing 12-month period in assessing severity. Since the loss patterns in the core commercial auto products are not indicative of our other commercial auto products (i.e., TNC and Fleet & Specialty businesses), disclosing severity and frequency trends excluding those businesses is more representative of our overall experience for the majority of our commercial products. As of the end of the first quarter 2026, our core commercial auto products' trailing 12-month incurred severity increased 4%, compared to the same period last year.

It is a challenge to estimate future severity, but we continue to monitor changes in the underlying costs, such as tariffs, general inflation, used car prices, vehicle repair costs, medical costs, health care reform, court decisions, and jury verdicts, along with regulatory changes and other factors that may affect severity.

The change in total personal auto incurred frequency, on a calendar-year basis, over the prior-year period, was as follows:

Coverage Type	Quarter 2026
Bodily injury	(2)%
Collision	0
Personal injury protection	1
Property damage	(1)
Total	0

On a trailing 12-month basis, our core commercial auto products' incurred frequency decreased 8% as of the end of the first quarter 2026, we believe, in part, due to a shift in the mix of business and lower vehicle miles traveled, compared to the same period last year.

We closely monitor changes in frequency, but the degree or direction of near-term frequency change is not something that we are able to predict with any certainty. We will continue to analyze trends to distinguish changes in our experience from other external factors, such as changes in the number of vehicles per household, miles driven, vehicle usage, gasoline prices, advances in vehicle safety, and unemployment rates, versus those resulting from shifts in the mix of our business, changes in customer driving patterns, and the ridesharing economy, to allow us to react quickly to price for these trends and to reserve more accurately for our loss exposures.

The table below presents the actuarial adjustments implemented and the loss reserve development experienced on a companywide basis in the following periods:

($ in millions)	Three Months Ended March 31, 2026	2025
Actuarial Adjustments		
Reserve decrease (increase)		
Prior accident years	$ 122	$ 25
Current accident year	29	14
Calendar-year actuarial adjustments	$ 151	$ 39
Prior Accident Years Development		
Favorable (unfavorable)		
Actuarial adjustments	$ 122	$ 25
All other development	329	253
Total development	$ 451	$ 278
(Increase) decrease to calendar-year combined ratio	2.2 pts.	1.4 pts.

Total development consists of both actuarial adjustments and "all other development" on prior accident years. We use "accident year" generically to represent the year in which a loss occurred. The actuarial adjustments represent the net changes made by our actuarial staff to both current and prior accident year reserves based on regularly scheduled reviews. Through these reviews, our actuaries identify and measure variances in the projected frequency and severity trends, which allow them to adjust the reserves to reflect current cost trends.

For the Personal Lines vehicle products and the Commercial Lines business, development for catastrophe losses would be reflected in "all other development," to the extent they relate to prior year reserves. For our Personal Lines property business, 100% of catastrophe losses are reviewed monthly, and any development on catastrophe reserves are included as part of the actuarial adjustments. We report these actuarial adjustments separately for the current and prior accident years to reflect these adjustments as part of the total prior accident years development.

"All other development" represents claims settling for more or less than reserved, emergence of unrecorded claims at rates different than anticipated in our incurred but not recorded (IBNR) reserves, and changes in reserve estimates on specific claims. Our objective is to establish case and IBNR reserves that are adequate to cover all loss costs, while incurring minimal variation from the date the reserves are initially established until losses are fully developed. Our ability to meet this objective is impacted by many factors, such as the factors impacting estimates described above.

As reflected in the table above, we experienced favorable prior accident years reserve development during the first three months of 2026 and 2025. The favorable development during the first three months of 2026 was, in part, due to lower than anticipated bodily injury severity, more subrogation and salvage recoveries than anticipated, and lower than anticipated payments on previously closed but reopened property damage claims.

See *Note 6 – Loss and Loss Adjustment Expense Reserve*s to the consolidated financial statements for a more detailed discussion of our prior accident years reserve development and *V. Critical Accounting Estimates* in our 2025 Annual Report to Shareholders for a discussion of the application of estimates and assumptions in the establishment of our loss reserves.

Underwriting Expenses

Underwriting expenses include policy acquisition costs and other underwriting expenses. The underwriting expense ratio is our underwriting expenses, net of certain fees and other revenues, expressed as a percentage of net premiums earned. For the first quarter 2026, our underwriting expense ratio was up 0.3 points, compared to the same period last year. The increase was primarily attributable to the increase in our advertising spend. During the first quarter 2026, we continued to invest heavily in advertising to capture consumer shopping, and will continue to advertise to maximize growth, as long as we remain on track to achieve our profitability goal and can acquire customers at or below our target acquisition cost. For the three months ended March 31, 2026, our total companywide advertising costs were $1.5 billion, which was 20%, or 0.7 points, greater than the same period last year.

To analyze underwriting expenses, we also review our non-acquisition expense ratio (NAER), which excludes costs related to policy acquisition (e.g., advertising and agency commissions) from our underwriting expense ratio. By excluding acquisition costs from our underwriting expense ratio, we are able to understand costs other than those necessary to acquire new policies and grow the business. For the first quarter 2026, our NAER decreased 0.4 points and 0.1 points in our personal vehicle and core commercial auto businesses, respectively, compared to the same period last year, while increasing 0.5 points in our personal property business. We remain committed to efficiently managing operational non-acquisition expenses.

C. Growth

For our underwriting operations, we analyze growth in terms of both premiums and policies. Net premiums written represent the premiums from policies written during the period, less any premiums ceded to reinsurers. Net premiums earned, which are a function of the premiums written in the current and prior periods, are earned as revenue over the life of the policy using a daily earnings convention. Policies in force, our preferred measure of growth since it removes the variability due to rate changes or mix shifts, represents all policies for which coverage was in effect as of the end of the period specified.

	Three Months Ended March 31,		
($ in millions)	**2026**	**2025**	**% Change**
Net Premiums Written			
Personal Lines			
Vehicles			
Agency	$ 7,827	$ 7,473	5 %
Direct	11,085	10,067	10
Property	693	733	(5)
Total Personal Lines	19,605	18,273	7
Commercial Lines	4,033	3,933	3
Other indemnity[1]	3	0	NM
Total underwriting operations	$ 23,641	$ 22,206	6 %
Net Premiums Earned			
Personal Lines			
Vehicles			
Agency	$ 7,480	$ 7,026	6 %
Direct	10,134	8,908	14
Property	770	776	(1)
Total Personal Lines	18,384	16,710	10
Commercial Lines	2,583	2,699	(4)
Other indemnity[1]	1	0	NM
Total underwriting operations	$ 20,968	$ 19,409	8 %

NM = Not meaningful

[1] Includes other underwriting business and run-off operations.

	March 31,		
(# in thousands)	**2026**	**2025**	**% Change**
Policies in Force			
Personal Lines			
Agency - auto	11,056	10,146	9 %
Direct - auto	16,572	14,771	12
Special lines	7,101	6,637	7
Property	3,640	3,576	2
Total Personal Lines	38,369	35,130	9
Commercial Lines	1,196	1,162	3
Companywide total	39,565	36,292	9 %

To analyze growth, we review new policies, rate levels, and the retention characteristics of our segments. Although new policies are necessary to maintain a growing book of business, we recognize the importance of retaining our current customers as a critical component of our continued growth.

D. Personal Lines

Our Personal Lines business offers personal vehicle (personal auto and special lines) and residential property insurance products to consumers, with the operating goal of growing the number of insured products within our policyholders' households. In our discussion below, we report our personal auto and personal property business results separately as components of our Personal Lines segment to provide a further understanding of our products. Our personal auto business discussions are further separated between the agency and direct distribution channels. For the three months ended March 31, 2026, 41% of our personal auto business was written through the agency channel and 59% was written through the direct channel. For the first quarter 2026, consumer segment results varied by channel, as discussed below, and our total personal auto business experienced overall growth in policies in force, new business applications, and conversion, while quotes were down, compared to the same period last year.

Personal Auto - Agency

The year-over-year changes in our personal auto agency business were as follows:

	Change Over Prior Year Quarter	
	2026	**2025**
Applications		
New	0 %	30 %
Renewal	13	17
Total	10	19
Written premium per policy		
New	(3)	(4)
Renewal	(5)	(1)
Total	(4)	(2)
Policy life expectancy		
Trailing 3 months	(3)	(5)
Trailing 12 months	(6)	(1)

The personal auto agency business includes business written by more than 40,000 independent insurance agencies that represent Progressive, as well as brokerages in New York and California. During the first quarter 2026, we generated new agency personal auto application growth in 20 states, including six of our top 10 largest agency states.

Compared to the same period in the prior year, all consumer segments experienced a low single digit decline in new application growth, except Dianes, who experienced a low single-digit increase. Sams and Dianes experienced a single-digit increase in policies in force growth, Wrights experienced a low double-digit increase, and Robinsons experienced a single-digit decline.

For the first quarter 2026, on a year-over-year basis, we experienced flat growth in personal agency auto quote volume and rate of conversion (i.e., converting a quote to a sale), compared to the same period last year. For the first quarter 2026, Sams experienced a low single-digit increase in quote volume, compared to the same period in the prior year, while Dianes and Robinsons saw a low single-digit decline and Wrights were flat. Dianes experienced a low single-digit increase in conversion for the first quarter 2026, compared to the same period last year, Sams and Wrights saw a low single-digit decline, and Robinsons conversion was flat.

The decline in new applications and quotes for Robinsons, compared to the prior year period, was due to several initiatives implemented in our personal property business that were focused on improving profitability, as discussed in the *Personal Property* section below. These initiatives, which began during the last half of 2024, focused primarily on home and condo coverages and impacted growth in bundled personal auto and homeowners policies.

Our personal auto rates were relatively stable during the quarter. The decrease in written premium per policy for new and renewal personal auto agency business for the first quarter 2026, compared to the same period last year, was in part attributable to rate decreases in certain markets and a shift in the mix of business, including a shift to a higher percentage of 6-month policies, which have about half of the amount of net premiums written as policies with 12-month terms.

Our trailing 3- and 12-month policy life expectancy in the agency auto business experienced a decrease at the end of the first quarter 2026, on a year-over-year basis, which we believe is primarily due to a shift in our mix of business and increased shopping and competition in the marketplace.

Personal Auto - Direct

The year-over-year changes in our personal auto direct business were as follows:

	Change Over Prior Year Quarter	
	2026	**2025**
Applications		
New	4 %	33 %
Renewal	15	21
Total	12	24
Written premium per policy		
New	5	3
Renewal	(1)	1
Total	0	2
Policy life expectancy		
Trailing 3 months	(9)	(5)
Trailing 12 months	(8)	(7)

The personal auto direct business includes business written directly by Progressive online or by phone. During the first quarter 2026, we generated new direct personal auto application growth in 27 states, including seven of our top 10 largest direct states. Compared to the same period in the prior year, Sams and Dianes experienced a single-digit increase in new applications, while Wrights and Robinsons experienced a single-digit decline for the first quarter 2026. Policies in force grew between 10% and 13% in each consumer segment, compared to the same period last year.

For the first quarter 2026, direct personal auto quote volume decreased 5%, with a rate of conversion increase of 9%, compared to the same period last year, primarily driven by our competitiveness in the marketplace. For the first quarter 2026, all consumer segments experienced a decline in quote volume, except Sams, who were flat, compared to the same period last year. For the first three months of 2026, all consumer segments experienced an increase in conversion, compared to the same period in the prior year.

The personal property profitability initiatives that negatively affected Robinsons new application and quote growth in the agency channel were not as impactful to the direct channel as the majority of the property business bundles with personal auto in the direct channel is written through unaffiliated third-party carriers, which remain available even when we restrict writing our personal property products.

Our personal auto rates were relatively stable during the quarter, resulting in relatively steady written premium per policy for the first quarter 2026, compared to the same period last year.

Our trailing 3- and 12-month policy life expectancy in the direct auto business experienced a decrease at the end of the first quarter 2026, on a year-over-year basis, which we believe is primarily due to a shift in our mix of business and increased shopping and competition in the marketplace.

Personal Property

The year-over-year changes in our personal property business were as follows:

	Change Over Prior Year Quarter	
	2026	**2025**
Applications		
New	(3)%	0 %
Renewal	1	13
Total	0	8
Written premium per policy		
New	16	(42)
Renewal	(11)	(3)
Total	(7)	(10)
Policy life expectancy Trailing 12 months	(8)	(17)

Our personal property business writes residential property insurance for homeowners and renters, umbrella, and flood insurance through the “Write Your Own” program for the National Flood Insurance Program. Our personal property business insurance is written in the agency and direct channels.

In addition to reducing our overall exposure in more volatile weather-related markets (e.g., coastal, wildfire, and hail-prone areas), we continued to focus on achieving profitability goals and, in the second half of 2025, we began to increase product availability in markets where we believe we can achieve our profitability targets for our homeowners product, which we define as our total personal property business excluding renters and umbrella products. In the growth-oriented markets, homeowners product policies in force decreased 2% on a year-over-year basis as of March 31, 2026. Policies in force decreased 17% in the volatile weather markets as of the end of the first quarter 2026, compared to the same period in the prior year.

We believe actions taken to address profitability adversely impacted new business application growth. During the first three months of 2026, we continued several initiatives, including: (i) prioritizing insuring lower-risk properties (e.g., new construction, existing homes with newer roofs); (ii) having underwriting restrictions in place in certain states, to only accept new homeowners product business when the property policy is bundled with a Progressive personal auto policy, where permitted; (iii) restricting new business that provides coverage for non-owner-occupied properties (e.g., short-term vacation rental, secondary residence, etc.) in the majority of states; and, (iv) maintaining our cost sharing with policyholders through mandatory wind and hail deductibles and roof depreciation schedules in markets where permitted. During the third quarter 2025, we began to take actions in certain states to generate new business growth at the state level based on our concentration risks, product segmentation, rate adequacy, cost sharing execution, and regulatory and market conditions. Some of these actions include expanding independent agency relationships, reopening new business in certain agency and direct channel markets, and lifting underwriting restrictions on older roofs, medium- to high-value homes, and non-bundled homeowners products in certain markets.

Our written premium per policy decreased on a year-over-year basis for the first quarter 2026, primarily attributable to a continued shift in the mix of business to more renters policies, which have lower average written premiums, and a decline in homeowners policies in force in both volatile weather-related markets and non-owner-occupied properties, which both have higher average premiums. The effect of these declines were partially offset by rate increases taken during the last 12 months and higher premium coverages reflecting increased property values. During the first quarter 2026, we increased rates, in aggregate, about 1% in our personal property business. We intend to continue to make targeted rate increases in states where we are not achieving our profitability goals.

The policy life expectancy in our personal property business shortened as of the end of the first quarter 2026, compared to the same period last year, which we believe is primarily driven by a continued shift in the mix of business to more renters policies.

E. Commercial Lines

The following table and discussion focuses on our core commercial auto products, which accounted for about 80% of our Commercial Lines segment net premiums written on a trailing 12-month basis, as of the end of the first quarter 2026. Year-over-year changes in our core commercial auto products were as follows:

	Change Over Prior Year Quarter	
	2026	**2025**
Applications		
New	(6)%	8 %
Renewal	9	4
Total	4	5
Written premium per policy		
New	(4)	(8)
Renewal	(5)	(5)
Total	(4)	(6)
Policy life expectancy		
Trailing 12 months	5	(6)

For the first quarter 2026, on a year-over-year basis, core commercial auto new application growth was negative in all BMTs, except for-hire specialty and tow. The decrease in new application growth was affected by rate and non-rate actions taken to address profitability challenges. Policies in force grew in all of our BMTs, except in for-hire transportation and for-hire specialty, compared to the same period in the prior year. For the first quarter 2026, quote volume and the rate of conversion increased about 1% and decreased about 8%, respectively, in our core commercial auto products, compared to the same period in the prior year. We believe the decrease in conversion was primarily attributable to rate increases taken over the last year and increased consumer shopping.

The effect the previously discussed rate increases had on written premium per policy for our core commercial auto business was offset by a continued shift in the mix of business and a shift to a greater mix of policies with 6-month terms in our contractor and business auto BMTs, which have about half the amount of net premiums written as 12-month policies. During the first quarter 2026, rates remained stable in our core commercial auto products. We will continue to evaluate our rate need and adjust rates as we deem necessary.

Our policy life expectancy increased in all BMTs, except in for-hire specialty, as of the end of the first quarter 2026, compared to the same period last year. Additionally, the improvement in total policy life expectancy was due to a shift in the mix of business to BMTs with historically higher policy life expectancies, moderation of our rate increases, and various initiatives, such as payment and renewal reminders.

IV. RESULTS OF OPERATIONS – INVESTMENTS

A. Investment Results

Our management philosophy governing the portfolio is to evaluate investment results on a total return basis. The fully taxable equivalent (FTE) total return includes recurring investment income, adjusted to a fully taxable amount for certain securities that receive preferential tax treatment (e.g., municipal securities), and total net realized, and changes in total net unrealized, gains (losses) on securities.

The following table summarizes investment results for the periods ended March 31:

	Three Months	
	2026	**2025**
Pretax recurring investment book yield (annualized)	4.2 %	4.1 %
FTE total return:		
Fixed-income securities	0.3	2.5
Common stocks	(4.1)	(5.0)
Total portfolio	0.1	2.2

The change in the fixed-income portfolio FTE total return, compared to the prior year period, primarily reflected movement in U.S. Treasury yields year-over-year.

A further break-down of our FTE total returns for our fixed-income portfolio for the periods ended March 31, follows:

	Three Months	
	2026	**2025**
Fixed-income securities:		
U.S. government	0 %	2.9 %
State and local government	0.6	2.0
Foreign government	(1.1)	1.6
Corporate and other debt	0.2	2.0
Residential mortgage-backed	0.8	2.0
Commercial mortgage-backed	0.9	2.2
Other asset-backed	0.8	1.4
Nonredeemable preferred stocks	1.0	1.8
Short-term investments	0.9	1.1

B. Portfolio Allocation

The composition of the investment portfolio was:

($ in millions)		Fair Value	% of Total Portfolio	Duration (years)	Average Rating[1]
March 31, 2026					
U.S. government	$	44,417	47.2 %	4.8	AA+
State and local government		3,087	3.3	2.8	AA+
Foreign government		16	0	0.4	AAA
Corporate and other debt		20,986	22.3	2.8	BBB+
Residential mortgage-backed		4,136	4.4	2.2	AA+
Commercial mortgage-backed		6,991	7.4	1.1	AA
Other asset-backed		8,199	8.7	1.1	AA
Nonredeemable preferred stocks		240	0.2	1.3	BB+
Short-term investments		2,126	2.3	<0.1	A
Total fixed-income securities		90,198	95.8	3.5	AA-
Common equities		3,933	4.2	na	na
Total portfolio[2]	$	94,131	100.0 %	3.5	AA-
March 31, 2025					
U.S. government	$	44,318	53.0 %	4.5	AA+
State and local government		2,604	3.1	2.8	AA+
Foreign government		16	0	1.4	AAA
Corporate and other debt		16,016	19.2	2.7	BBB+
Residential mortgage-backed		2,183	2.6	2.5	AA+
Commercial mortgage-backed		4,825	5.8	1.6	A+
Other asset-backed		7,139	8.5	1.2	AA+
Nonredeemable preferred stocks		584	0.7	1.2	BBB-
Short-term investments		2,595	3.1	<0.1	A+
Total fixed-income securities		80,280	96.0	3.4	AA-
Common equities		3,384	4.0	na	na
Total portfolio[2]	$	83,664	100.0 %	3.4	AA-
December 31, 2025					
U.S. government	$	43,298	44.5 %	5.4	AA+
State and local government		3,303	3.4	2.6	AA+
Foreign government		17	0	0.7	AAA
Corporate and other debt		19,991	20.5	2.6	BBB+
Residential mortgage-backed		3,175	3.3	2.3	AA+
Commercial mortgage-backed		5,973	6.1	1.4	AA-
Other asset-backed		7,109	7.3	1.2	AA
Nonredeemable preferred stocks		404	0.4	1.0	BB+
Short-term investments		10,005	10.3	<0.1	AA-
Total fixed-income securities		93,275	95.8	3.4	AA-
Common equities		4,098	4.2	na	na
Total portfolio[2]	$	97,373	100.0 %	3.4	AA-

na = not applicable

[1] Represents ratings at period end. Credit quality ratings are assigned by nationally recognized statistical rating organizations. To calculate the weighted average credit quality ratings, we weight individual securities based on fair value and assign a numeric score of 0-5, with non-investment-grade and non-rated securities assigned a score of 0-1. To the extent the weighted average of the ratings falls between AAA and AA+, we assign an internal rating of AAA-.

[2] At March 31, 2026 and 2025, and December 31, 2025, we had $443 million, $297 million, and $200 million, respectively, of net unsettled security transactions included in accounts payable, accrued expenses, and other liabilities on our consolidated balance sheets.

The total fair value of the portfolio at March 31, 2026 and 2025, and December 31, 2025, included $6.2 billion, $3.5 billion, and $13.0 billion, respectively, of securities held in a consolidated, non-insurance subsidiary of the holding company, net of unsettled security transactions. A portion of the investments held at December 31, 2025 were sold and proceeds were used to pay our common share dividends in January 2026; see *Note 10 – Dividends* for additional information.

Our asset allocation strategy is to maintain 0%-25% of our portfolio in Group I securities, with the balance (75%-100%) of our portfolio in Group II securities.

Group I securities, 6% of the total portfolio at March 31, 2026, include:
- common equities,
- nonredeemable preferred stocks,
- redeemable preferred stocks, except for 50% of investment-grade redeemable preferred stocks with cumulative dividends, which are included in Group II, and
- all other non-investment-grade fixed-maturity securities.

Group II securities, 94% of the total portfolio at March 31, 2026, include:
- short-term securities, and
- all other fixed-maturity securities, including 50% of investment-grade redeemable preferred stocks with cumulative dividends.

We believe this asset allocation strategy allows us to appropriately assess the risks associated with these securities for capital purposes and is in line with the treatment by our regulators. Non-investment-grade fixed-maturity securities are determined by National Association of Insurance Commissioners (NAIC) and nationally recognized statistical rating organizations (NRSROs) as applicable.

Our common equities portfolio is primarily indexed to the Russell 1000, with a goal of a +/- 50bps GAAP income targeted total return tracking error.

See *Note 2 – Investments* for a further break-out of our portfolio.

Unrealized Gains (Losses)
As of March 31, 2026 and 2025, our fixed-maturity portfolio had a total after-tax net unrealized loss, which is recorded as part of accumulated other comprehensive income (loss) on our consolidated balance sheets, of $0.5 billion, compared to a total after-tax net unrealized gain of $0.1 billion at December 31, 2025. The decline from December 31, 2025 was due to valuation decreases across all fixed-maturity sectors as interest rates rose during 2026. Our U.S. government and corporate and other debt securities had the most significant valuation decrease from year end.

See *Note 2 – Investments* for a further break-out of our gross unrealized gains (losses).

Fixed-Income Securities
The fixed-income portfolio is managed internally and includes fixed-maturity securities, short-term investments, and nonredeemable preferred stocks. Following are the primary exposures for our fixed-income portfolio.

Interest Rate Risk Our duration of 3.5 years at March 31, 2026 and 3.4 years at both March 31, 2025, and December 31, 2025, fell within our acceptable range of 1.5 to 5.0 years. The duration distribution of our fixed-income portfolio, excluding short-term investments, represented by the interest rate sensitivity of the comparable benchmark U.S. Treasury Notes, was:

Duration Distribution	March 31, 2026	March 31, 2025	December 31, 2025
1 year	12.3 %	11.1 %	11.8 %
2 years	13.7	8.2	9.2
3 years	22.2	25.2	19.5
5 years	26.4	35.3	28.2
7 years	17.0	19.4	19.4
10 years	8.4	0.8	11.9
Total fixed-income portfolio	100.0 %	100.0 %	100.0 %

Credit Risk This exposure is managed by maintaining an A minimum weighted average portfolio credit quality rating, as defined by NRSROs. At March 31, 2026 and 2025, and December 31, 2025, our weighted average credit quality rating was AA-. The credit quality distribution of the fixed-income portfolio was:

Average Rating[1]	March 31, 2026	March 31, 2025	December 31, 2025
AAA	16.1 %	13.6 %	13.2 %
AA	54.9	60.8	59.6
A	9.3	7.4	8.8
BBB	18.2	17.1	17.1
Non-investment grade/non-rated			
BB	1.3	0.9	1.1
B	0.1	0.1	0.1
Non-rated	0.1	0.1	0.1
Total fixed-income portfolio	100.0 %	100.0 %	100.0 %

[1] The credit quality ratings are assigned by NRSROs.

Concentration Risk We did not have any investments in a single issuer, either overall or in the context of individual asset classes and sectors, that exceeded our investment constraints during the first quarter 2026.

Prepayment and Extension Risk We did not experience significant adverse prepayment or extension of principal relative to our cash flow expectations in the portfolio during the first quarter 2026.

Liquidity Risk Our overall portfolio remains very liquid and we believe that it is sufficient to meet expected near-term liquidity requirements. The short-to-intermediate duration of our portfolio provides a source of liquidity. During the next 12 months, we expect approximately $10.6 billion, or 24%, of principal repayment from our fixed-income portfolio, excluding U.S. government securities and short-term investments. Cash from interest and dividend payments provides an additional source of recurring liquidity.

The duration of our U.S. government securities, which are included in the fixed-income portfolio, was comprised of the following at March 31, 2026:

($ in millions)	Fair Value	Duration (years)
Less than one year[1]	$ 345	0.8
One to two years	2,391	1.8
Two to three years	5,862	2.6
Three to five years	11,294	4.1
Five to seven years	17,371	5.5
Seven to ten years	7,154	7.9
Total U.S. government	$ 44,417	4.8

[1] Excludes $627 million of U.S. Treasury Bills included in short-term investments.

ASSET-BACKED SECURITIES

The following table details the credit quality rating of our asset-backed securities at March 31, 2026:

(millions) Average Rating[1]	Residential Mortgage-Backed	Commercial Mortgage-Backed	Other Asset-Backed	Total
AAA	$ 3,116	$ 3,935	$ 5,623	$ 12,674
AA	132	1,271	140	1,543
A	690	595	912	2,197
BBB	196	822	1,476	2,494
Non-investment-grade/non-rated:				
BB	0	355	48	403
B	0	13	0	13
CCC and lower	1	0	0	1
Non-rated	1	0	0	1
Total fair value	$ 4,136	$ 6,991	$ 8,199	$ 19,326

[1] The credit quality ratings are assigned by NRSROs.

Our residential mortgage-backed portfolio consists of securities that are backed by high-credit quality borrowers and/or those that have strong structural protections through underlying loan collateralization. The fair value of this portfolio grew by $1.0 billion during the first quarter 2026 and new purchases were concentrated in high-quality investment-grade securities and contained both fixed-rate and adjustable residential mortgages. We continued to view this sector as having attractive risk-adjusted spreads and potential returns.

The commercial mortgage-backed portfolio fair value grew by $1.0 billion during the first quarter 2026 as we continued to view commercial mortgage-backed spreads as attractive. The growth in the portfolio was primarily the result of purchases of investment-grade securities backed by single-borrower transactions across various sectors including apartments, logistics, grocery-anchored retail, lodging, office, and self-storage. We maintained a preference for geographically diversified portfolios or high-quality single assets in major markets.

A further break-down of our other asset-backed securities (OABS) at March 31, 2026:

(millions) Average Rating	Automobile	Collateralized Loan Obligations	Student Loan	Whole Business Securitizations	Equipment	Other	Total
AAA	$ 2,324	$ 2,182	$ 38	$ 0	$ 814	$ 265	$ 5,623
AA	3	59	1	0	42	35	140
A	0	0	0	0	183	729	912
BBB	0	0	0	1,371	0	105	1,476
Non-investment grade/non-rated:							
BB	0	0	0	0	0	48	48
Total fair value	$ 2,327	$ 2,241	$ 39	$ 1,371	$ 1,039	$ 1,182	$ 8,199

The OABS portfolio fair value grew by $1.1 billion during the first quarter 2026. The growth in the portfolio was primarily the result of adding securities in highly-rated senior and short-tenor debt tranches that we viewed as having attractive spreads and potential returns. Additions were made in both the new issue and secondary markets.

STATE AND LOCAL GOVERNMENT SECURITIES

The following table details the credit quality rating of our state and local government (municipal) securities at March 31, 2026:

(millions) Average Rating	General Obligations	Housing Revenue	Other Revenue	Total
AAA	$ 634	$ 362	$ 470	$ 1,466
AA	488	600	341	1,429
A	0	0	192	192
Total fair value	$ 1,122	$ 962	$ 1,003	$ 3,087

The municipal portfolio fair value decreased by $0.2 billion during the first quarter 2026, driven primarily by sales of tax-exempt bonds maturing in 2026, which were partially offset by security purchases. We increased exposure to Housing Finance Agency bonds across both taxable and tax-exempt structures to broaden the portfolio's diversification.

CORPORATE AND OTHER DEBT SECURITIES

The following table details the credit quality rating of our corporate and other debt securities at March 31, 2026:

(millions) Average Rating	Consumer	Industrial	Communication	Financial Services	Technology	Basic Materials	Energy	Total
AAA	$ 40	$ 0	$ 0	$ 0	$ 0	$ 0	$ 95	$ 135
AA	70	0	383	894	0	0	44	1,391
A	677	618	123	3,436	283	100	532	5,769
BBB	4,046	2,116	512	2,157	1,926	211	1,815	12,783
Non-investment grade/non-rated:								
BB	270	150	59	55	72	46	133	785
B	104	0	0	0	15	0	0	119
Non-rated	0	0	0	0	4	0	0	4
Total fair value	$ 5,207	$ 2,884	$ 1,077	$ 6,542	$ 2,300	$ 357	$ 2,619	$ 20,986

The corporate and other debt portfolio fair value grew by $1.0 billion during the first quarter 2026. At March 31, 2026, corporate and other debt securities made up approximately 23% of our fixed-income portfolio compared to 21% at December 31, 2025. During the quarter, we purchased select corporate debt securities that, in our view, offered more attractive risk/reward profiles.

NONREDEEMABLE PREFERRED STOCKS

The following table details the credit quality rating of our nonredeemable preferred stocks at March 31, 2026:

(millions) Average Rating	Financial Services U.S. Banks	Foreign Banks	Insurance	Other Financial	Industrials	Utilities	Total
BBB	$ 95	$ 9	$ 0	$ 32	$ 0	$ 39	$ 175
Non-investment grade/non-rated:							
BB	16	0	0	0	0	0	16
Non-rated	0	0	20	20	9	0	49
Total fair value	$ 111	$ 9	$ 20	$ 52	$ 9	$ 39	$ 240

The majority of our nonredeemable preferred stocks have fixed-rate dividends until a call date and then, if not called, generally convert to floating-rate dividends or reset at a fixed spread to a benchmark U.S. Treasury yield. The interest rate duration is calculated to reflect the call, floor, and floating-rate features. Although a nonredeemable preferred stock will remain outstanding if not called, its interest rate duration will reflect the variable nature of the dividend. At March 31, 2026, our non-investment-grade nonredeemable preferred stocks were with issuers that maintain investment-grade senior debt ratings.

We also face the risk that dividend payments could be deferred for one or more periods or skipped entirely. As of March 31, 2026, we expect all of these securities to pay their dividends in full and on time. Approximately 96% of our nonredeemable preferred stocks pay dividends that have tax preferential characteristics, while the balance pay dividends that are fully taxable.

The nonredeemable preferred stock portfolio fair value decreased by $0.2 billion during the first quarter 2026. This decline was primarily due to nonredeemable preferred stocks that were called during the quarter.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Investors are cautioned that certain statements in this report not based upon historical fact are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements often use words such as "estimate," "expect," "intend," "plan," "believe," "goal," "target," "anticipate," "will," "could," "likely," "may," "should," and other words and terms of similar meaning, or are tied to future periods, in connection with a discussion of future operating or financial performance. Forward-looking statements are not guarantees of future performance, are based on current expectations and projections about future events, and are subject to certain risks, assumptions and uncertainties that could cause actual events and results to differ materially from those discussed herein. These risks and uncertainties include, without limitation, uncertainties related to:

- *our ability to underwrite and price risks accurately and to charge adequate rates to policyholders;*
- *our ability to establish accurate loss reserves;*
- *the impact of severe weather, other catastrophe events, and climate change;*
- *the effectiveness of our reinsurance programs and the continued availability of reinsurance and performance by reinsurers;*
- *the secure and uninterrupted operation of the systems, facilities, and business functions and the operation of various third-party systems that are critical to our business;*
- *the impacts of a security breach or other attack involving our technology systems or the systems of one or more of our vendors;*
- *our ability to maintain a recognized and trusted brand and reputation;*
- *whether we innovate effectively and respond to our competitors' initiatives;*
- *whether we effectively manage complexity as we develop and deliver products and customer experiences;*
- *the highly competitive nature of property-casualty insurance markets;*
- *whether we adjust claims accurately;*
- *compliance with complex and changing laws and regulations;*
- *the impact of misconduct or fraudulent acts by employees, agents, and third parties to our business and/or exposure to regulatory assessments;*
- *our ability to attract, develop, and retain talent and maintain appropriate staffing levels;*
- *litigation challenging our business practices, and those of our competitors and other companies;*
- *the success of our business strategy and efforts to acquire or develop new products or enter into new areas of business and our ability to navigate the related risks;*
- *how intellectual property rights affect our competitiveness and our business operations;*
- *the success of our development and use of new technology and our ability to navigate the related risks;*
- *the performance of our fixed-income and equity investment portfolios;*
- *the impact on our investment returns and strategies from regulations and societal pressures relating to sustainability and other public policy matters;*
- *our continued ability to access our cash accounts and/or convert investments into cash on favorable terms;*
- *the impact if one or more parties with which we enter into significant contracts or transact business fail to perform;*
- *legal restrictions on our insurance subsidiaries' ability to pay dividends to The Progressive Corporation;*
- *our ability to obtain capital when necessary to support our business, our financial condition, and potential growth;*
- *evaluations and ratings by credit rating and other rating agencies;*
- *the variable nature of our common share dividend policy;*
- *whether our investments in certain tax-advantaged projects generate the anticipated returns;*
- *the impact from not managing to short-term earnings expectations in light of our goal to maximize the long-term value of the enterprise;*
- *the impacts of epidemics, pandemics, or other widespread health risks; and*
- *other matters described from time to time in our releases and publications, and in our periodic reports and other documents filed with the United States Securities and Exchange Commission, including, without limitation, the Risk Factors section of our Annual Report on Form 10-K for the year ending December 31, 2025.*

Any forward-looking statements are made only as of the date presented. Except as required by applicable law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or developments or otherwise.

In addition, investors should be aware that accounting principles generally accepted in the United States prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when we establish reserves for one or more contingencies. Also, our regular reserve reviews may result in adjustments of varying magnitude as additional information regarding claims activity becomes known. Reported results, therefore, may be volatile in certain accounting periods.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The duration of the financial instruments held in our portfolio that are subject to interest rate risk was 3.5 years at March 31, 2026, compared to 3.4 years at March 31, 2025 and December 31, 2025. The weighted average beta of the equity portfolio was 1.1 at March 31, 2026 and December 31, 2025, compared to 1.0 at March 31, 2025. We have not experienced a material impact when compared to the tabular presentations of our interest rate and market risk sensitive instruments in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. Controls and Procedures.

We, under the direction of our Chief Executive Officer and our Chief Financial Officer, have established disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. The disclosure controls and procedures are also intended to ensure that such information is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Our Chief Executive Officer and our Chief Financial Officer reviewed and evaluated our disclosure controls and procedures as of the end of the period covered by this report. Based on that review and evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effectively serving the stated purposes as of the end of the period covered by this report.

There have not been any changes in our internal control over financial reporting during our most recent fiscal quarter 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.

For discussion of legal proceedings, see *Note 9 – Litigation* to the consolidated financial statements, which is incorporated herein by reference.

Item 1A. Risk Factors.

There have been no material changes in the risk factors from those discussed in *Item 1A, Risk Factors* included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Share Repurchases

ISSUER PURCHASES OF EQUITY SECURITIES

2026 Calendar Month	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet be Purchased Under the Plans or Programs
January	811,063	$ 205.60	1,274,344	23,725,656
February	755,662	204.58	2,030,006	22,969,994
March	768,273	204.48	2,798,279	22,201,721
Total	2,334,998	$ 204.90		

Progressive's financial policies state that we will repurchase shares to neutralize dilution from equity-based compensation in the year of issuance and as an option to effectively use under-leveraged capital.

In May 2025, the Board of Directors approved an authorization for the company to repurchase up to 25 million of its common shares. This authorization does not have an expiration date. Share repurchases under this authorization may be accomplished through open market purchases, including trading plans entered into with one or more brokerage firms in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, through privately negotiated transactions, pursuant to our equity incentive awards, or otherwise. During the first quarter 2026, all repurchases were accomplished in conjunction with our equity incentive awards or through the open market at the then-current market prices.

Item 5. Other Information.

(c) Insider Trading Arrangements

During the first quarter 2026, certain executive officers entered into Rule 10b5-1 trading arrangements that are intended to satisfy the affirmative defense of Rule 10b5-1(c). The trading arrangements provide for: (i) the sale of all (or a certain percentage) of the shares issued upon vesting for certain outstanding equity awards previously granted to the applicable executive, excluding any shares withheld by the company to satisfy tax withholding obligations (see our 2026 Proxy Statement for a description of the company's equity compensation plans) and (ii) the sale and/or gift of a certain amount of shares (see "Additional or Specified Shares" below) held by the applicable executive, that are not sold in connection with the vesting of an outstanding equity award (as described above), some of which may have been the result of a prior vesting event for the applicable executive.

Below are the details of each applicable Rule 10b5-1 trading arrangement:

Name	Title	Date Entered	Date Expires[1]	Additional or Specified Shares
Steven A. Broz	Chief Information Officer	February 19, 2026	December 31, 2026	3,470
Susan Patricia Griffith	President and Chief Executive Officer	March 30, 2026	February 26, 2027	13,422
John Murphy	Claims President	February 19, 2026	January 29, 2027	5,916
Andrew J. Quigg	Chief Strategy and Finance Management Officer	January 29, 2026	January 29, 2027	531

[1] Subject to the plan's earlier expiration or completion in accordance with its terms.

Additional Information

President and CEO Susan Patricia Griffith’s quarterly letter to shareholders is included as Exhibit 99 to this Quarterly Report on Form 10-Q and in our online shareholders’ report located on our investor relations website at: investors.progressive.com/financials.

Item 6. Exhibits.

See exhibit index contained herein beginning on page 48, which is incorporated by reference from information with respect to this item.

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.

THE PROGRESSIVE CORPORATION

(Registrant)

Date: May 4, 2026

By: /s/ John P. Sauerland

John P. Sauerland

Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No. Under Reg. S-K, Item 601	Form 10-Q Exhibit Number	Description of Exhibit	If Incorporated by Reference, Documents with Which Exhibit was Previously Filed with SEC
4	4.1	Amendment to Discretionary Line Documents - Discretionary Line of Credit from PNC Bank, National Association, to The Progressive Corporation (2026 Amendment)	Filed herewith
4	4.2	Fifth Supplemental Indenture between The Progressive Corporation and U.S. Bank Trust Company, National Association, as trustee	Current Report on Form 8-K (filed March 26, 2026; Exhibit 4.1 therein)
4	4.3	Form of 4.60% Senior Note due 2031	Current Report on Form 8-K (filed March 26, 2026; Exhibit 4.2 therein)
4	4.4	Form of 5.15% Senior Note due 2036	Current Report on Form 8-K (filed March 26, 2026; Exhibit 4.3 therein)
10	10.1	Form of Restricted Stock Unit Award Agreement for Time-Based Awards (for 2026)	Filed herewith
10	10.2	Form of Restricted Stock Unit Award Agreement for Performance-Based Awards (Performance Versus Market) (for 2026)	Filed herewith
10	10.3	Form of Restricted Stock Unit Award Agreement for Special Time/Performance-Based Award (for 2026)	Filed herewith
31	31.1	Rule 13a-14(a)/15d-14(a) Certification of the Principal Executive Officer, Susan Patricia Griffith	Filed herewith
31	31.2	Rule 13a-14(a)/15d-14(a) Certification of the Principal Financial Officer, John P. Sauerland	Filed herewith
32	32.1	Section 1350 Certification of the Principal Executive Officer, Susan Patricia Griffith	Furnished herewith
32	32.2	Section 1350 Certification of the Principal Financial Officer, John P. Sauerland	Furnished herewith
99	99	Letter to Shareholders from Susan Patricia Griffith, President and Chief Executive Officer (Regulation FD Disclosure)	Furnished herewith
101	101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	Filed herewith
101	101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith
101	101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101	101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101	101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101	101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	104	Cover Page Interactive Data File (the cover page tags are embedded within the Inline XBRL document)	Filed herewith

Amendment to Discretionary Line Documents

THIS AMENDMENT TO DISCRETIONARY LINE DOCUMENTS (this "**Amendment**") is made as of April 22, 2026, by and between **THE PROGRESSIVE CORPORATION** (the "**Company**"), and **PNC BANK, NATIONAL ASSOCIATION** (the "**Bank**").

BACKGROUND

A. The Company has executed and delivered to the Bank a Discretionary Line Note and other documents which are more fully described on attached Exhibit A, which is made a part of this Amendment (collectively as amended from time to time, the "**Discretionary Line Documents**") which evidence the indebtedness and other obligations of the Company to the Bank in connection with a discretionary line of credit (as used herein, collectively, together with the Obligations, if and as defined in the Discretionary Line Documents, the "**Obligations**"). Any initially capitalized terms used in this Amendment without definition shall have the meanings assigned to those terms in the Discretionary Line Documents.

B. The Company and the Bank desire to amend the Discretionary Line Documents as provided for in this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain of the Discretionary Line Documents are amended as set forth in Exhibit A. Any and all references to any Discretionary Line Document in any other Discretionary Line Document shall be deemed to refer to such Discretionary Line Document as amended by this Amendment. This Amendment is deemed incorporated into each of the Discretionary Line Documents. To the extent that any term or provision of this Amendment is or may be inconsistent with any term or provision in any Discretionary Line Document, the terms and provisions of this Amendment shall control.

2. The Company hereby certifies that: (a) all of its representations and warranties in the Discretionary Line Documents, as amended by this Amendment, are, except as may otherwise be stated in this Amendment, true and correct in all material respects as of the date of this Amendment, as if made on and as of such date (unless such representation or warranty relates to a specific date, in which case such representation or warranty was true and correct in all material respects as of such specific date), (b) no Event of Default or event which, with the passage of time or the giving of notice or both, would constitute an Event of Default, exists under any Discretionary Line Document which will not be cured by the execution and effectiveness of this Amendment, (c) no material consent, approval, order or authorization of, or registration or filing with, any third party is required in connection with the Company's execution, delivery and carrying out of this Amendment or, if required, has been obtained, and (d) this Amendment has been duly authorized, executed and delivered so that it constitutes the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and the implied covenants of good faith and fair dealing. The Company confirms that the Obligations remain outstanding without defense, set off, counterclaim, discount or charge of any kind as

of the date of this Amendment. For the avoidance of doubt, as of the date hereof, there are no outstanding advances under the Facility.

3. As a condition precedent to the effectiveness of this Amendment, the Company shall comply with the terms and conditions (if any) specified in Exhibit A.

4. This Amendment may be signed in any number of counterpart copies and by the parties to this Amendment on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart. Upon written request by the other party (which may be made by electronic mail), any party so executing this Amendment by facsimile or other electronic transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile or other electronic transmission.

5. Notwithstanding any other provision herein or in the other Discretionary Line Documents, the Company agrees that this Amendment, the Discretionary Line Documents, any other amendments thereto and any other information, notice, signature card, agreement or authorization related thereto (each, a "**Communication**") may, at the Bank's option, be in the form of an electronic record. Any Communication may, at the Bank's option, be signed or executed using electronic signatures. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Bank of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format) for transmission, delivery and/or retention. The Company and the Bank acknowledge and agree that the methods for delivering Communications, including notices, under the Discretionary Line Documents include electronic transmittal to any electronic address provided by either party to the other party from time to time.

6. This Amendment will be binding upon and inure to the benefit of the Company and the Bank and their respective heirs, executors, administrators, successors and assigns.

7. This Amendment will be interpreted and the rights and liabilities of the parties hereto determined in accordance with the laws of the State identified in and governing the Discretionary Line Documents that are being amended hereby (the "**State**"), excluding its conflict of laws rules, including without limitation the Electronic Transactions Act (or equivalent) in such State (or, to the extent controlling, the laws of the United States of America, including without limitation the Electronic Signatures in Global and National Commerce Act). This Amendment has been delivered to and accepted by the Bank and will be deemed to be made in the State.

8. Except as amended hereby, the terms and provisions of the Discretionary Line Documents remain unchanged, are and shall remain in full force and effect unless and until modified or amended in writing in accordance with their terms, and are hereby ratified and confirmed. Except as expressly provided herein, this Amendment shall not constitute an amendment, waiver, consent or release with respect to any provision of any Discretionary Line Document, a waiver of any default or Event of Default under any Discretionary Line Document, or a waiver or release of any of the Bank's rights and remedies (all of which are hereby reserved). **The Company expressly ratifies and confirms the dispute resolution, waiver of jury trial or arbitration provisions, as applicable, contained in the Discretionary Line Documents, all of which are incorporated herein by reference.**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first written above.

THE PROGRESSIVE CORPORATION

By: /s/ Maureen M. Spooner
Maureen M. Spooner
Treasurer

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Thomas Kostal

Thomas Kostal
Senior Vice President

EXHIBIT A TO
AMENDMENT TO DISCRETIONARY LINE DOCUMENTS
DATED AS OF APRIL 22, 2026

A. **Discretionary Line Documents.** The Discretionary Line Documents that are the subject of this Amendment include the following (as each of such documents has been amended, modified or otherwise supplemented previously):

1. $300,000,000.00 Amended and Restated Discretionary Line of Credit Note dated April 28, 2023 executed and delivered to the Bank by the Company (the "**Note**")

2. Confirmation Letter – Discretionary Line of Credit dated April 28, 2017 between the Company and the Bank (the "**Confirmation Letter**")

3. Amendment to Discretionary Line Documents dated April 28, 2020 between the Company and the Bank

4. Amendment to Discretionary Line Documents dated April 16, 2021 between the Company and the Bank

5. Amendment to Discretionary Line Documents dated April 28, 2023 between the Company and the Bank

6. Reapproval of Discretionary Line of Credit dated April 3, 2024 between the Company and the Bank

7. Reapproval of Discretionary Line of Credit dated April 25, 2025 between the Company and the Bank

8. All other documents, instruments, agreements, and certificates executed and delivered in connection with the Discretionary Line Documents listed in this Section A.

B. **Amendment(s).** The Discretionary Line Documents are amended as follows:

1. We are pleased to inform you that PNC Bank, National Association (the "Bank") has recently reapproved the $300,000,000.00 discretionary line of credit to The Progressive Corporation (the "Company"). The Expiration Date set forth in our Confirmation Letter dated April 28, 2017, has been extended from April 30, 2026, to April 30, 2027. All other terms and conditions contained in the Amended and Restated Discretionary Line of Credit Note dated April 28, 2023, and the confirmation letter, remain in full force and effect, including but not limited to the fact that the facility remains discretionary, and the Bank may terminate the line or decline to make advances at any time and for any reason without prior notice.

2. Section 1 of the Note is hereby amended and restated in its entirety to read as follows:

“**1.** **<u>Rate of Interest</u>.** Each advance outstanding under this Note will bear interest at a rate per annum which is equal to the sum of (A) Daily SOFR (as defined below) plus (B) an unadjusted spread of 100 basis points (1.0%). Interest will be calculated based on the actual number of days that principal is outstanding over a year of 360 days. In no event will the rate of interest hereunder exceed the Maximum Rate.”

C. **<u>Conditions to Effectiveness of Amendment</u>.** The Bank’s willingness to agree to the amendments set forth in this Amendment is subject to the satisfaction of the following conditions precedent:

1. Execution by all parties and delivery to the Bank of this Amendment.

2. Payment by the Company to the Bank of a renewal fee of $5,000**.**

RESTRICTED STOCK UNIT AWARD AGREEMENT
(2026 Time-Based Award)

This Agreement (“Agreement”) is made this <Grant Date> (“Grant Date”) by and between <Participant Name> (“Participant”) and The Progressive Corporation (the “Company”).

1. Definitions. Unless otherwise defined or expressly given a different meaning in this Agreement, each capitalized term in this Agreement shall have the meaning given to it in The Progressive Corporation 2024 Equity Incentive Plan (the “Plan”).

2. Award of Restricted Stock Units. The Company grants to Participant an award (the “Award”) consisting of <# of Units> restricted stock units (the “Restricted Stock Units” or “Units”), pursuant to, and subject to, the terms of the Plan.

3. Condition to Participant’s Rights under this Agreement. This Agreement shall not become effective, and Participant shall have no rights with respect to the Award or any Restricted Stock Units, unless and until Participant has fully executed this Agreement and delivered it to the Company. In the Company’s sole discretion, such execution and delivery may be accomplished through electronic means. If this Agreement has not been executed and delivered by Participant by 11:59 p.m., Mayfield Village, Ohio time on the last day of the month immediately following the month in which the Grant Date occurs, then the Award shall be forfeited in its entirety.

4. Restrictions; Vesting. Subject to the terms and conditions of the Plan and this Agreement, including the provisions of Paragraph 8 below, Participant’s rights in and to the Units shall vest, if at all, according to the following schedule (with such modifications as may be necessary or appropriate, in the Company’s sole discretion, to eliminate or minimize fractional Units from the following vesting schedule):

(a) One-third of the Units shall vest on January 16, 2029;
(b) One-third of the Units shall vest on January 15, 2030; and
(c) One-third of the Units shall vest on January 21, 2031;

provided, however, that if any such date is not a business day then the vesting date for that Award Installment shall be the next business day following such date. The Restricted Stock Units awarded under this Agreement shall vest in accordance with the schedule set forth above unless, prior to the vesting date set forth above, the Award and the applicable Units are forfeited or have become subject to accelerated vesting under the terms and conditions of the Plan or this Agreement.

5. Dividend Equivalents. Subject to this Paragraph 5, with respect to dividends for which a record date occurs during the Restriction Period applicable to any Units, Participant shall be credited with a Dividend Equivalent with respect to each outstanding Restricted Stock Unit, with respect to each vested but not yet distributed Restricted Stock Unit (as contemplated by Paragraphs 8(b) and 8(c)), and with respect to any Dividend Equivalent Unit (defined below) resulting from prior reinvestments of Dividend Equivalents as provided in this Paragraph. All Dividend Equivalents so credited will be deemed to be reinvested in Restricted Stock Units on the date that the applicable dividend or distribution is made to the Company’s shareholders, in the number of Dividend Equivalent Units determined by dividing the aggregate value of the Dividend Equivalents by the Fair Market Value of the Stock on such date (rounded to the nearest thousandth of a whole Unit or as otherwise reasonably determined by the Company); provided, however, that if Dividend Equivalents cannot be reinvested in Units due to the operation of Section 3(a) of the Plan, such Dividend Equivalents will be credited to Participant as a cash value, which cash value shall be held by the Company (without interest)

subject to this Agreement. Any Units resulting from the deemed reinvestment of dividends in accordance with this Paragraph 5 are referred to herein as "Dividend Equivalent Units." Dividend Equivalents shall be subject to the same terms and conditions, and shall vest or be forfeited (as applicable) at the same time, as the Restricted Stock Units to which they relate; provided, however, that (x) if the Restriction Period for any Restricted Stock Unit ends after the record date for, but before the payment date of, a dividend, then any Dividend Equivalents related to such dividend and to Units for which the Restriction Period is ending will be paid in cash or in Stock, in the sole discretion of the Company, as soon as practicable following the payment date for such dividend, and (y) if Paragraph 8(b) or 8(c) below is applicable and a record date for any dividend occurs after the applicable vesting date but before the applicable Delivery Date (as defined in Paragraph 8(d)(i) below), then any Dividend Equivalents related to such dividend will be paid in cash or in Stock, in the sole discretion of the Company, on or as soon as practicable following the Delivery Date.

6. Units Non-Transferable. No Restricted Stock Units (and no Dividend Equivalents) shall be transferable by Participant other than by will or by the laws of descent and distribution. In the event all or any portion of the Award is transferred or assigned pursuant to a court order, such transfer or assignment shall be without liability to the Company, and the Company shall have the right to offset against the Award any expenses (including attorneys' fees) incurred by the Company, or any of its Subsidiaries or Affiliates, in connection with such attempted transfer or assignment.

7. Executive Deferred Compensation Plan. If Participant is eligible, and has made the appropriate election, to defer the Award into the Deferral Plan, and the Award is eligible for deferral under the Deferral Plan, then at the time of vesting, the Restricted Stock Units that would otherwise vest under this Agreement (but not any Dividend Equivalents, which shall be delivered to Participant in accordance with Paragraph 9), instead of being delivered to Participant shall be credited to Participant's account under the Deferral Plan, subject to and in accordance with the terms and conditions of the Deferral Plan and any related deferral agreement.

8. Termination of Employment; Disability Separation.

(a) Except as otherwise provided in the Plan or in this Paragraph 8, or as otherwise determined by the Committee, if Participant's employment with the Company or any Subsidiary or Affiliate terminates for any reason, the Award and all Restricted Stock Units (and any related Dividend Equivalents) held by Participant that are unvested or subject to restriction at the time of such termination shall be forfeited automatically immediately after such termination.

(b) Notwithstanding Paragraph 8(a) above, (x) if Participant's employment terminates on or after January 1, 2027 as a result of Participant's death, or (y) if Participant experiences a Disability Separation (defined below) on or after January 1, 2027, then one hundred percent (100%) of each Award Installment (and any related Dividend Equivalents) that is unvested on such termination date or separation date, as applicable, will vest immediately after such death or the date of such Disability Separation. The Company will process any vesting pursuant to the terms of the immediately preceding sentence within 30 days following, as applicable, (x) its receipt of notice of Participant's death or (y) the date of the Disability Separation; provided, however, in the event of a Disability Separation, if Participant is a "specified employee" within the meaning of Section 409A (as determined in accordance with the methodology established by the Company), then the distribution of Stock deliverable upon such vesting shall not occur until the Delivery Date.

(c) Notwithstanding Paragraph 8(a) above, if Participant's employment terminates on or after January 1, 2027 as a result of Participant's Qualified Retirement (defined below), then one hundred percent (100%) of each Award Installment (and any related Dividend Equivalents) that is unvested on the Participant's Qualified Retirement Date will vest immediately after such Qualified Retirement; provided, however, in the event that Participant is a "specified employee" within the meaning of Section 409A (as determined in accordance with the methodology established by the Company), then the distribution of Stock deliverable upon such vesting shall not occur until the Delivery Date.

(d) For purposes of this Paragraph 8:

(i) "Delivery Date" shall mean the date that is six months plus one day after the Participant's Qualified Retirement Date or the date of Participant's Disability Separation, as applicable, or such earlier date as may be permitted by Section 409A.

(ii) "Disability Separation" shall mean a "separation of service," within the meaning of Section 409A, by Participant's employer as a result of Participant's disability, in accordance with the Company's policies and procedures as the same are in effect at the time of such separation.

(iii) "Qualified Retirement" shall mean any termination of Participant's employment with the Company or its Subsidiaries or Affiliates for any reason (excluding death, a Disability Separation and any involuntary termination for Cause) that (x) qualifies as a "separation from service" within the meaning of Section 409A, and (y) occurs on or after the first day of the calendar month in which either of the following conditions are scheduled to be satisfied:

A. the Participant is 55 years of age or older and has completed at least 15 years of service as an employee of the Company or one or more of its Subsidiaries or Affiliates; or

B. the Participant is 60 years of age or older and has completed at least 10 years of service as an employee of the Company or one or more of its Subsidiaries or Affiliates.

(iv) "Qualified Retirement Date" means the date as of which Participant's employment with the Company or its Subsidiaries or Affiliates terminates pursuant to a Qualified Retirement as defined in Paragraph 8(d)(iii) above.

(e) Nothing in this Paragraph 8 will be interpreted as altering in any way the provisions of Section 11 of the Plan.

9. Delivery at Vesting. Subject to the provisions of the Plan and this Agreement (including Paragraphs 8(b) and 8(c)), upon vesting of all or part of the Award, the Company shall deliver to Participant one share of Stock in exchange for each such vested Restricted Stock Unit and for each Dividend Equivalent Unit related thereto and cash in the amount of any other related Dividend Equivalents, and the applicable Restricted Stock Units (and any related Dividend Equivalents) shall be cancelled. Unless determined otherwise by the Company at any time prior to the applicable delivery, each fractional Restricted Stock Unit (and related Dividend Equivalent Unit) shall vest and be settled in an equal fraction of a share of Stock. Notwithstanding any provision of the Plan or this Agreement to the contrary, however, delivery of shares of Stock under this Agreement shall be delayed if the Committee reasonably anticipates, based on notice from the Company, that

delivery of Stock will violate Federal securities laws or other applicable laws; provided that the Company shall deliver Stock pursuant to the provisions of the Plan and this Agreement at the earliest date at which the Committee reasonably believes, based on notice from the Company, that such delivery will not cause such violation.

10. Disqualifying Activity. Subject to Paragraph 15(c) below, and notwithstanding any other provision of this Agreement, if the Committee determines that Participant is engaging in, or has engaged in, a Disqualifying Activity, the provisions of Section 10(b) of the Plan will apply. A violation by Participant of Paragraph 12, 13 or 14 below, and any violation by Participant of any other non-competition agreement between Participant and the Company or any of its Subsidiaries or Affiliates, shall constitute a "material violation" of an "agreement between Participant and the Company" within the meaning of clause (iii) of the definition of Disqualifying Activity, and may also constitute a Disqualifying Activity within the meaning of one or more of the other clauses defining Disqualifying Activity under the Plan.

11. Taxes. No later than the date as of which Taxes become due, Participant shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Taxes and other items of any kind required by law to be withheld with respect to such amount. The obligations of the Company under the Plan and this Agreement shall be conditioned on such payment or arrangements and the Company and its Subsidiaries and Affiliates, to the extent permitted by law, shall have the right to deduct any such Taxes from any payment of any kind otherwise due to Participant. At vesting (or Delivery Date, if applicable) of any Award Installment, Restricted Stock Units and any related Dividend Equivalent Units vesting on such vesting date (or being distributed on such Delivery Date) will be valued at the Fair Market Value of the Company's Stock on such date.

Unless otherwise determined by the Committee, Participant must satisfy the minimum statutory tax withholding obligations resulting from the vesting of Restricted Stock Units and related Dividend Equivalents ("Minimum Withholding Obligations") either (a) by surrendering to the Company Restricted Stock Units that are then vesting or being distributed (or shares of Stock issuable upon such event) with a value sufficient to satisfy the Minimum Withholding Obligations, or (b) by paying to the Company the appropriate amount in cash or, if acceptable to the Company, by check or other instrument. Unless Participant advises the Company of Participant's election to use an alternative payment method, Participant shall be deemed to have elected to surrender to the Company Restricted Stock Units that are then vesting or being distributed (or shares of Stock issuable upon such event) with a value sufficient to satisfy the Minimum Withholding Obligations.

Under no circumstances will Participant be entitled to satisfy any Minimum Withholding Obligations by surrendering Restricted Stock Units that are not then vesting (or being distributed on such Delivery Date) or any Restricted Stock Units that Participant has elected to defer under Paragraph 7 above. Any request by Participant to satisfy Minimum Withholding Obligations by surrendering shares of Stock owned by Participant prior to the date of such satisfaction must be specifically approved in advance by the Committee. All payments and surrenders of Units or shares of Stock and any requests for approval of alternative payment arrangements must be made by Participant in accordance with such procedures as may be adopted by the Company in connection therewith, and subject to such rules as have been or may be adopted by the Committee.

12. Non-Solicitation. In consideration of the Award made to Participant under this Agreement, and in further consideration of the continuation of Participant's at-will employment with the Company or one of its Subsidiaries or Affiliates (collectively, "Progressive"), starting on the Grant Date and ending on the date that is exactly 12 months after Participant's Separation Date (defined below), Participant shall not directly or indirectly recruit or solicit for hire, or assist in any manner in the recruitment or solicitation for hire, any employee or officer of Progressive, in each case involving employment by any individual, business or entity other than

Progressive, or in any way induce any such employee or officer to terminate employment with Progressive. For purposes of this Agreement, “Separation Date” means the date on which Participant’s employment with Progressive terminates for any reason.

13. Non-Competition. In consideration of the Award made to Participant under this Agreement, and in further consideration of the continuation of Participant’s at-will employment with Progressive, starting on the Grant Date and ending on the date that is exactly 12 months after Participant’s Separation Date, Participant shall not, directly or indirectly, on Participant’s own account or on account of any other person or entity (except in the authorized course of Participant’s employment with Progressive), engage in any Competitive Activity.

(a) *Definitions*. For purposes of this Agreement:

(i) “Competitive Activity” means engaging in any activity or providing any products or services that are the same as or similar to, or that may be directed in whole or part to replacing, the actual or proposed activities, products, or services of Progressive’s Core Business (as defined below):

A. with respect to which Participant had knowledge of, or access to, Confidential Information (as defined below) during Participant’s employment with Progressive; and

B. where, as to any applicable geographic territory, the activities engaged in by Participant, the products or services provided by Participant, or the duties assigned to Participant reasonably could require Participant, in whole or in part, to rely on, use, or disclose Confidential Information of which Participant had knowledge, or to which Participant had access, during Participant’s employment with Progressive.

(ii) “Confidential Information” means confidential and/or proprietary information and/or trade secrets which are the property of Progressive, or which Progressive is under an obligation not to disclose, including but not necessarily limited to the following: information regarding Progressive’s processes and products, including information relating to research and development, agent or customer data, and/or technologies; product features and/or specifications, tests or investigations; business plans, marketing plans and financials, reports, data, figures, margins, profits, statistics, analyses and other related information; any information that Participant has agreed not to disclose and/or use other than in the course of Participant’s employment with Progressive; and any other confidential information of whatever nature which gives Progressive an opportunity to obtain a competitive advantage over its competitors. Confidential Information does not include information that is generally available to the public other than as a result of a breach of a contractual or other duty of confidentiality.

(iii) “Core Business” means activities, products, or services that are related, in whole or in part, to the business of property and casualty insurance or to any other actual or proposed insurance-related activities, products, or services of Progressive.

(b) *Reasonableness of Restriction*. Participant acknowledges and agrees that the covenants contained in this Paragraph 13 are not intended to prevent Participant from earning a living, but rather to protect Progressive’s legitimate business interests in its Confidential Information and do not unreasonably interfere with Participant’s ability to secure gainful employment following the termination of Participant’s employment with Progressive. Participant further acknowledges that in the event Participant’s employment with Progressive ends, Participant’s knowledge, experience and capabilities are such that Participant can obtain employment in business activities which are of a different and non-competing nature than those performed in the course of Participant's employment with Progressive and that the enforcement of a remedy hereunder by way of injunction will not prevent Participant from earning a reasonable livelihood.

(c) *Tolling of Covenants*. Participant acknowledges and agrees that in the event the Company brings an action for injunctive or other relief against Participant, the Company shall not, as a result of the time involved in obtaining such relief, be deprived of the benefit of the full period of the restrictive covenant. Accordingly, it is hereby further agreed that the restrictive covenants contained in this Paragraph 13 shall be deemed to have the duration specified herein, as computed from the date relief is granted but reduced by the time between the period when the restriction(s) began to run and the date of the first violation of the restrictive covenant(s) by Participant.

14. Non-Disclosure of Confidential Information.

(a) During the course of Participant's employment, Participant may be given access to, help develop, or learn of Confidential Information (as defined above). Participant acknowledges and agrees that Participant has an obligation to maintain the confidentiality of Confidential Information, including any records containing Confidential Information, except as otherwise authorized by law; and Participant's obligation continues at all times during and after Participant's employment. Participant acknowledges that Confidential Information does not become any less confidential or proprietary to Progressive because Participant may commit records to memory or because Participant may otherwise maintain records outside of Progressive's offices, computer systems or data storage repositories.

(b) During the course of Participant's employment, Participant may be given access to confidential information and/or trade secrets of third parties, subject to Progressive's duty to maintain confidentiality of such information and use it only for certain purposes. Participant will not disclose to any person, corporation or entity, and not use for Participant's benefit or the benefit of any other person, corporation or entity, any such third party's confidential information, except as necessary in carrying on work for Progressive consistent with Progressive's agreement with the third party.

(c) Participant will use Participant's best efforts and the utmost diligence to guard and protect Progressive's Confidential Information, and Participant will not, during or after the period of Participant's employment by Progressive, use or disclose, directly or indirectly, any of Progressive's Confidential Information which Participant may develop, obtain or learn about during or as a result of Participant's employment by Progressive, except in the ordinary course of performing duties on behalf of Progressive and/or except as previously authorized by Progressive in writing. Participant acknowledges that the Confidential Information is owned and shall continue to be owned by Progressive and that misuse, misappropriation or unauthorized disclosure of this information will cause irreparable harm and/or other damage to Progressive both during and after the term of Participant's employment.

(d) Notwithstanding anything in this Agreement to the contrary, Participant and the Company acknowledge that Participant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (x) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law. In addition, Participant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Furthermore, in the event Participant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Participant may disclose the trade secret to Participant's attorney and use the trade secret information in the court proceeding, if Participant files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

15. Additional Terms Applicable to Non-Solicitation, Non-Competition and/or Non-Disclosure Provisions.

(a) *Remedies for Breach.* Participant acknowledges and agrees that the damages which may arise from a breach or threatened breach of any of the covenants contained in Paragraph 12, 13 or 14 of this Agreement are irreparable and difficult to measure and that money damages alone would be an inadequate remedy for any such breach. Accordingly, if Participant breaches or threatens to breach any portion of the covenants contained in Paragraph 12, 13 or 14 of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach or threatened breach without showing or proving any actual damage. In the event Participant violates and/or breaches any of the covenants contained in Paragraph 12, 13 or 14, the Company also shall be entitled to an accounting and repayment of all lost profits, compensation, commissions, remuneration or benefits that Participant directly or indirectly has realized or may realize as a result of any such violation or breach; and the Company shall be entitled to recover for all lost sales, profits, commissions, trade secrets, Confidential Information, good will and customers caused by Participant's improper acts, in addition to and not in limitation of any injunctive relief or other rights or remedies that the Company is or may be entitled to at law or in equity or under this Agreement.

(b) *Applicability of Covenants*. Subject to Paragraph 15(g) below:

(i) If, on the Grant Date, Participant is employed or resides in a jurisdiction in which any term or provision of Paragraph 12, 13 or 14 of this Agreement, or part thereof, would be unlawful, void, or otherwise unenforceable as a matter of law, then such term or provision, or part thereof, shall not apply to Participant;

(ii) If Participant is licensed actively as an attorney-at-law in any U.S. state, nothing in Paragraphs 12, 13 or 14 of this Agreement shall prevent Participant from practicing as an attorney-at-law, subject to Participant's compliance with applicable ethical rules governing such practice; and

(iii) The restrictions in Paragraph 13 shall apply to Participant only if, on the Grant Date, Participant's assigned salary grade level is 50 through 53, GNG, ENG or CNG.

(c) *Violation as Disqualifying Activity*. Participant acknowledges and agrees that the remedies identified in Paragraph 15(a) above for a breach of Paragraph 12, 13 or 14 of this Agreement shall be in addition to, and not in lieu of, the consequences of Participant's engagement in a Disqualifying Activity as provided in Paragraph 10 of this Agreement and Section 10(b) of the Plan.

(d) *Attorney's Fees.* If the Company brings a legal action to enforce any covenant contained in Paragraph 12, 13 or 14 of this Agreement, and if the Company is awarded any damages and/or any full or partial injunction due to Participant's acts, then the Company shall be entitled to recover its reasonable costs incurred in conducting the action including, but not limited to, reasonable attorneys' fees and expenses.

(e) *Effect on Other Agreements*. The provisions of Paragraphs 12, 13, and 14 of this Agreement shall be in addition to, and shall not supersede or replace, the provisions of any employment or other agreement between Participant and Progressive that contains similar or additional restrictions on Participant, including but not limited to any such provisions contained in a prior agreement relating to an award of restricted stock units.

(f) *Forum; Jurisdiction*.

(i) Subject to Paragraph 15(f)(ii) below:

A. All claims, actions or proceedings brought in a court of law that arise out of, require the interpretation of, and/or that are in any way related to the subject matter covered in this Agreement shall be brought and litigated exclusively in the state or federal courts located in Cuyahoga County of the State of Ohio, to which courts the parties consent to both personal jurisdiction and service of process in a manner consistent with Ohio law. The only exception to this choice of venue/forum is litigation to enforce any order or judgment rendered by such Ohio state or federal court, in which case such enforcement proceeding may be litigated in another jurisdiction. This consent to personal jurisdiction and choice of venue/forum are intended by the Company and Participant to be mandatory and not permissive in nature. Progressive and Participant hereby waive any right to assert the doctrine of *forum non conveniens* or similar doctrine or to object to venue or jurisdiction with respect to any action or proceeding brought in accordance herewith.

B. The Company and Participant irrevocably consent and agree that the state and federal courts located in Cuyahoga County of the State of Ohio shall have personal jurisdiction over the Company and Participant for the purpose of litigating in court any dispute, controversy, or proceeding with respect to matters described in this Agreement, and each consents to service of process in a manner consistent with Ohio law.

(ii) The provisions of this Agreement, including but not limited to Paragraph 15(f)(i) above and Paragraphs 16 and 18 below, do not and shall not be interpreted to modify, supersede, or replace the terms of any agreement between Participant and Progressive requiring either party to bring claims against the other in binding arbitration. To the extent that Participant and Progressive enter or have entered into an agreement to arbitrate that covers claims that arise out of, require the interpretation of, and/or that are in any way related to the subject matter covered in this Agreement, the terms of such agreement to arbitrate shall remain in full force and effect notwithstanding any other provision of this Agreement.

(g) Participant is encouraged to consult with an attorney before executing this Agreement.

(h) *Severability.* If for any reason any term or provision of Paragraphs 12, 13 or 14 of this Agreement, or part thereof, is held to be unlawful, void, or otherwise unenforceable as a matter of law, unless such invalidity or unenforceability can be cured by reformation or modification of the offending term or provision, or part thereof, including but not limited to as set forth below, all other valid and enforceable terms and provisions, or parts thereof, herein shall remain in full force and effect, and all of the invalid terms or provisions, or parts thereof, of this Agreement shall be deemed to be severable in nature. If for any reason any term or provision of Paragraphs 12, 13 or 14 of this Agreement, or part thereof, is invalid or unenforceable because it is held to cover an area or to be for a length of time or otherwise have a scope that is unreasonable or is otherwise construed to be too broad, such term or provision, or part thereof, shall be reformed and/or modified to provide for a restriction having the maximum enforceable area, time period and/or other scope (not greater than those contained herein) as shall be valid and enforceable under applicable law.

16. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the Award, and, except as provided in Paragraphs 12, 13, 14, and 15, supersedes and cancels any other agreement, representation or communication, whether oral or in writing, between the parties relating to the Award, provided that the Agreement shall be at all times subject to the Plan.

17. Amendment. The Committee may amend the terms of this Agreement to the fullest extent permitted by Section 12 of the Plan.

18. Choice of Law. This Agreement shall be deemed to be made and executed in Ohio and shall be governed, construed, and interpreted under, and in accordance with, the laws of the State of Ohio, without regard to conflict of law provisions.

19. Acknowledgments. Participant: (x) acknowledges receiving a copy of the Plan description relating to the Plan, and represents that Participant is familiar with all of the material provisions of the Plan, as set forth in such Plan description; (y) accepts this Agreement and the Award subject to all provisions of the Plan and this Agreement; and (z) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee relating to the Plan, this Agreement or the Award.

Participant evidences agreement with the terms and conditions of this Agreement, and intention to be bound by this Agreement, by electronically accepting the Award pursuant to the procedures adopted by the Company. **Upon such acceptance by Participant, this Agreement will be immediately binding and enforceable against Participant and the Company.**

THE PROGRESSIVE CORPORATION

By: __________
Vice President & Secretary

<u>RESTRICTED STOCK UNIT AWARD AGREEMENT</u>
(2026 Performance-Based Award – Performance versus Market)

This Agreement ("Agreement") is made this <Grant Date> ("Grant Date") by and between <Participant Name> ("Participant") and The Progressive Corporation (the "Company").

1. <u>Definitions</u>. Unless otherwise defined or expressly given a different meaning in this Agreement, each capitalized term in this Agreement shall have the meaning given to it in The Progressive Corporation 2024 Equity Incentive Plan (the "Plan"). Financial and operational terms used in this Agreement (e.g., references to business lines, units or segments) are used consistently with the use of those terms in the Company's Form 10-K (including exhibits and other documents incorporated therein) for the fiscal year ended December 31, 2025 (the "Form 10-K"). It is understood that references herein to any performance results of the Company mean the applicable consolidated operating results of the Company and its Subsidiaries and Affiliates.

2. <u>Award of Restricted Stock Units</u>. The Company grants to Participant an award (the "Award") of performance-based restricted stock units ("Restricted Stock Units" or "Units"), pursuant to, and subject to, the terms of the Plan. The Award is based on a target award value of <# of Units> Units (the "Target Award Units"). The number of Restricted Stock Units that are ultimately earned pursuant to the Award (if any) will be determined based on the Target Award Units and the procedures and calculations set forth in this Agreement. Under the calculations set forth below, the maximum potential Award is a number of Units equal to two and one-half (2.50) times the sum of Target Award Units plus any related Dividend Equivalent Units (defined below) (the "Maximum Award Units").

3. <u>Condition to Participant's Rights under this Agreement</u>. This Agreement shall not become effective, and Participant shall have no rights with respect to the Award or any Restricted Stock Units, unless and until Participant has fully executed this Agreement and delivered it to the Company. In the Company's sole discretion, such execution and delivery may be accomplished through electronic means. If this Agreement has not been executed and delivered by Participant by 11:59 p.m., Mayfield Village, Ohio time on the last day of the month immediately following the month in which the Grant Date occurs, then the Award shall be forfeited in its entirety.

4. <u>Restrictions; Vesting</u>.

(a) *Growth Evaluation Period; Certification.* Subject to the terms and conditions of the Plan and this Agreement, including the provisions of Paragraph 9 below, Participant's rights in and to Restricted Stock Units shall vest, if at all, as follows:

(i) The "Growth Evaluation Period" shall be the three-year period comprised of the fiscal years ending December 31 2026, 2027 and 2028.

(ii) The Award shall vest (if at all) only if, to the extent, and when the Committee certifies:

A. the extent to which the Company's performance results have satisfied the performance criteria set forth in both Paragraphs 4(b) and 4(c) below; and

B. the Performance Factor (defined below) to be multiplied by the Target Award Units (and any related Dividend Equivalent Units) to determine the number of Restricted Stock Units (if any) that have vested as a result of such performance.

Such certification shall occur (x) at the first opportunity to certify results (as defined in Paragraph 9(e)(iii)), or (y) if, at the first opportunity to certify results, the Performance Factor is higher than 0.00 but the Profitability Requirement (as defined in Paragraph 4(b)) has not been satisfied, as soon as practicable after the end of the first month thereafter in which the Profitability Requirement is satisfied (the date of such certification, the "Certification Date"), but in any event must occur (if at all) on or before January 31, 2031 (the "Expiration Date"). If the Committee certifies the vesting of a number of Units that is less than the Maximum Award Units, then with respect to all other Units that could have been earned under this Agreement, the Award will terminate and be forfeited automatically.

(b) *Profitability Requirement*. The Award shall not vest unless the Company has achieved a combined ratio of 96.0 or less, calculated by reference to the Company's financial results, prepared in accordance with generally accepted accounting principles applicable in the United States ("GAAP") and rounded to the nearest tenth decimal, for the 12 fiscal month period immediately preceding the date of the certification described in Paragraph 4(a) above (the "Profitability Requirement"). This section is qualified by the provisions of Paragraph 4(d) below. If the Profitability Requirement has not been satisfied with respect to the Award prior to the Expiration Date, none of the Award shall vest, and the Award shall be forfeited in its entirety.

(c) *Number of Units Vesting*. Provided that the Profitability Requirement has been satisfied, the number of Restricted Stock Units (if any) that vest in connection with the Award will be determined as follows:

(i) Performance scores reflecting the Company's compounded annual rate of growth in Earned Premiums (defined below) for the Growth Evaluation Period ("Company Growth Rate") for each of the Company's (x) Private Passenger Auto and (y) Commercial Auto businesses (each a "Business Line" and, collectively, the "Business Lines") will be compared to the compounded annual rate of growth for the Growth Evaluation Period (the "Market Growth Rate") of the market for the applicable Business Line, in each case determined as provided below.

The performance score for each of Private Passenger Auto and Commercial Auto will be determined by the following calculation:

If the Company Growth Rate for the Business Line exceeds the Market Growth Rate by the Maximum Measure for that Business Line or more	2.500 (i.e., the Maximum Performance Score)
If the Company Growth Rate for the Business Line exceeds the Market Growth Rate by more than the Target Measure for that Business Line but less than the Maximum Measure for that Business Line	1.000 + (Company Growth Rate – Market Growth Rate – 2.000) Example: Private Passenger Auto Company Growth Rate = 2.500%; Private Passenger Auto Market Growth Rate = 0.100%; Performance Score = 1.000 + (2.500 - 0.100 - 2.000) = 1.400
If the Company Growth Rate for the Business Line exceeds the Market Growth Rate by exactly the Target Measure for that Business Line	1.000 (i.e., Target Performance Score)

If the Company Growth Rate for the Business Line exceeds the Market Growth Rate by less than the Target Measure for that Business Line	(Company Growth Rate – Market Growth Rate) / Target Measure for that Business Line Example: Private Passenger Auto Company Growth Rate = 1.050%; Private Passenger Auto Market Growth Rate = 0.100%; Performance Score = ((1.050 - 0.100) / 2.000) = 0.480
If the Company Growth Rate for the Business Line is equal to or less than the Market Growth Rate for that Business Line	0.000

(ii) The Target Measure and Maximum Measure for each Business Line is as follows:

Business Line	Target Measure	Maximum Measure
Private Passenger Auto	2 percentage points	3.5 percentage points
Commercial Auto	2 percentage points	3.5 percentage points

(iii) The resulting performance score for each of the Business Lines will then be multiplied by a weighting factor, which shall be a fraction or decimal equivalent, determined by dividing the Earned Premiums generated by such Business Line during the Growth Evaluation Period by the Earned Premiums generated by all of the Business Lines in the aggregate during the Growth Evaluation Period to produce a weighted performance score. Subject to Paragraph 4(e), the sum of these weighted performance scores will be the performance factor (the "Performance Factor"). The number of Restricted Stock Units vesting will be determined by multiplying the Target Award Units (and any Dividend Equivalent Units) by the Performance Factor. In no event will the Performance Factor be more than 2.50. If the Performance Factor is 0.00, none of the Award shall vest, and the Award shall be forfeited in its entirety.

(iv) For purposes of these determinations:

A. Subject to the provisions of Paragraphs 4(c)(iv)B. and 4(c)(iv)C. below:

1. "Earned Premiums" shall mean Direct Premiums Earned, as that term is used in the A.M. Best annual report currently known as the "A2 Report;" and

2. The Company Growth Rate for each Business Line will be the compounded annual rate of growth in Earned Premiums for such Business Line during the Growth Evaluation Period, determined by comparing (a) the annual aggregate Earned Premiums of the Company for such Business Line for 2028, as reported by A.M. Best in its initial annual report currently known as the "A2 Report," with (b) such Earned Premiums of the Company for such Business Line for 2025 as reported in A.M. Best's A2 Report; and

3. The Market Growth Rate for Private Passenger Auto or Commercial Auto, as applicable, will be the compounded annual rate of growth in Earned Premiums during the Growth Evaluation Period, determined by comparing (a) the

aggregate Earned Premiums of the U.S. Private Passenger Auto market or the Commercial Auto market, as applicable, for 2028, as reported in A.M. Best's A2 Report, with (b) such Earned Premiums for 2025 as reported in A.M. Best's A2 Report, but excluding (in each case) the applicable Earned Premiums of the Company for the applicable Business Line; and

B. In making the calculations required under this Agreement, (x) Company Growth Rate for each Business Line, Market Growth Rate and the performance score for each Business Line shall each be rounded to the nearest thousandth of a whole percentage point, (y) the Performance Factor will be rounded to the nearest one-hundredth, and (z) if applicable, the number of Restricted Stock Units vesting shall be rounded to the nearest thousandth of a whole Unit (or, in each case, as otherwise reasonably determined by the Company); and

C. In the event that A.M. Best ceases to publish the A2 Report, or modifies the A2 Report in such a way as to render the comparisons required by this Agreement to be not meaningful, in the Committee's sole judgment, the determinations required above shall be made using such comparable Company and industrywide data as may be then available from A.M. Best in any successor or replacement report or publication, or such comparable data as may be available from another nationally recognized provider of insurance industry data, in each case as the Committee may approve in its sole discretion.

(d) *Exclusions*. For purposes of determining whether the Profitability Requirement is satisfied, the following items will be excluded from, to the extent that any such item would otherwise be included in, the calculation of the Company's combined ratio: (1) the financial results (if such results can be separately determined) attributable to the operations of an entity, business, product line or product that (x) is acquired or disposed of by the Company, or any of its Subsidiaries or Affiliates, during the Performance Period and (y) is not a part of the Company's Earned Premiums for any business line for which premiums are reflected in Private Passenger Auto or Commercial Auto in the A.M. Best A2 Report; and (2) all other items of gain, loss or expense determined to be extraordinary or unusual in nature under GAAP that are recognized or incurred during the period over which the Profitability Requirement is being calculated.

(e) *Committee Discretion*. Notwithstanding anything to the contrary contained in this Agreement, at or prior to the time of vesting, the Committee, in its sole discretion, may reduce the number of Restricted Stock Units that otherwise would vest according to this Agreement, or eliminate the Award in full. The Committee, in its sole discretion, may treat Participant differently than other individuals for these purposes. Any such determination by the Committee shall be final and binding on Participant. Under no circumstances shall the Committee have discretion to increase the award to Participant in excess of the number of Units that would have been awarded at vesting based on this Paragraph 4 (excluding adjustments required by Section 3(c) and/or Section 11 of the Plan).

(f) *Exceptions.* The Award shall vest in accordance with and subject to the foregoing except to the extent that, prior to the Certification Date, the Award has terminated or been forfeited or has been subject to accelerated vesting under the terms and conditions of the Plan or this Agreement.

5. Expiration of Award. Notwithstanding anything to the contrary in this Agreement, if Participant's rights in and to the Award have not vested in accordance with Paragraph 4 of this Agreement on or before the Expiration Date, the Award shall expire at 11:59 p.m. Mayfield Village, Ohio time, on the Expiration Date. Upon such expiration, the Award shall terminate automatically, and Participant shall have no further rights with respect to the Award.

6. Dividend Equivalents. Subject to this Paragraph 6, with respect to dividends for which a record date occurs during the Restriction Period applicable to any Units, Participant shall be credited with a Dividend Equivalent with respect to each outstanding Restricted Stock Unit, with respect to each vested but not yet distributed Restricted Stock Unit (as contemplated by Paragraph 9(b)(i)) and with respect to any Dividend Equivalent Unit (defined below) resulting from prior reinvestments of Dividend Equivalents as provided in this Paragraph. All Dividend Equivalents so credited will be deemed to be reinvested in Restricted Stock Units on the date that the applicable dividend or distribution is made to the Company's shareholders, based on the Target Award Units and any Dividend Equivalent Units resulting from prior reinvestments of Dividend Equivalents, in the number of Units determined by dividing the aggregate value of the Dividend Equivalents by the Fair Market Value of the Stock on such date (rounded to the nearest thousandth of a whole Unit or as otherwise reasonably determined by the Company); provided, however, that if Dividend Equivalents cannot be reinvested in Units due to the operation of Section 3(a) of the Plan, such Dividend Equivalents will be credited to Participant as a cash value based on the Target Award Units and any Dividend Equivalent Units resulting from prior reinvestments of Dividend Equivalents, which cash value shall be held by the Company (without interest) subject to this Agreement. Any Units resulting from the deemed reinvestment of dividends in accordance with this Paragraph 6 are referred to herein as "Dividend Equivalent Units." Dividend Equivalents shall be subject to the same terms and conditions, and shall vest or be forfeited (as applicable) at the same time, upon the same conditions, and in the same proportion, as the Target Award Units set forth in the Award; provided, however, that (x) if the Award vests after the record date for, but before the payment date of, a dividend, then the Dividend Equivalents related to such dividend and to Units vesting on the vesting date will be paid in cash or in Stock, in the sole discretion of the Company, as soon as practicable following the payment date for such dividend, and (y) if Paragraph 9(b)(i) is applicable and a record date for any dividend occurs after the applicable vesting date but before the applicable Delivery Date (as defined in Paragraph 9(e)(i) below), then any Dividend Equivalents related to such dividend will be paid in cash or in Stock, in the sole discretion of the Company, on or as soon as practicable following the Delivery Date.

7. Units Non-Transferable. No Restricted Stock Units (and no Dividend Equivalents) shall be transferable by Participant other than by will or by the laws of descent and distribution. In the event all or any portion of the Award is transferred or assigned pursuant to a court order, such transfer or assignment shall be without liability to the Company, and the Company shall have the right to offset against the Award any expenses (including attorneys' fees) incurred by the Company, or any of its Subsidiaries or Affiliates, in connection with such attempted transfer or assignment.

8. Executive Deferred Compensation Plan. If Participant is eligible, and has made the appropriate election, to defer the Award into the Deferral Plan, and the Award is eligible for deferral under the Deferral Plan, then at the time of vesting, the Restricted Stock Units that would otherwise vest under this Agreement (but not any Dividend Equivalents, which shall be delivered to Participant in accordance with Paragraph 11), instead of being delivered to Participant shall be credited to Participant's account under the Deferral Plan, subject to and in accordance with the terms and conditions of the Deferral Plan and any related deferral agreement.

9. Termination of Employment; Disability Separation.

(a) Except as otherwise provided in the Plan, or in this Paragraph 9, or as otherwise determined by the Committee, if Participant's employment with the Company or any Subsidiary or Affiliate terminates for any reason, the Award and all Restricted Stock Units (and any related Dividend Equivalents) held by Participant that are unvested or subject to restriction at the time of such termination shall be forfeited automatically immediately after such termination.

(b) Notwithstanding Paragraph 9(a), if Participant's employment terminates on or after January 1, 2027 as a result of Participant's death, or if Participant experiences a Disability Separation on or after January 1, 2027, then:

(i) if the termination or separation, as applicable, occurs prior to the end of the Growth Evaluation Period, then one hundred percent (100%) of the Target Award Units (and any related Dividend Equivalent Units) shall vest immediately after such termination or separation, the Performance Factor shall be deemed to be 1.00, and the remainder of the Units that otherwise could have vested under this Agreement shall be forfeited. The Company will process any vesting pursuant to the terms of the immediately preceding sentence within 30 days following, as applicable, (x) its receipt of notice of Participant's death or (y) the date of the Disability Separation; provided, however, in the event of a Disability Separation, if Participant is a "specified employee" within the meaning of Section 409A (as determined in accordance with the methodology established by the Company), then the distribution of Stock deliverable upon such vesting shall not occur until the Delivery Date; and

(ii) if the termination or separation, as applicable, occurs after the end of the Growth Evaluation Period, then the provisions of Paragraph 9(d) will apply.

(c) Notwithstanding Paragraph 9(a), if Participant's termination of employment occurs after the end of the Growth Evaluation Period, but prior to the first opportunity to certify results, for any reason other than (x) as a result of Participant's death, Qualified Retirement or termination for Cause, or (y) Participant having experienced a Disability Separation, then Participant shall be eligible to participate in the vesting of Restricted Stock Units (and any related Dividend Equivalents) under this Agreement only to the extent certified by the Committee at the time of such first opportunity to certify results, but if certification does not occur upon such first opportunity to certify results, the Award shall be forfeited automatically.

(d) Notwithstanding Paragraph 9(a), (x) if Participant's termination of employment occurs as a result of Participant's Qualified Retirement on or after January 1, 2027, or death after the end of the Growth Evaluation Period, or (y) Participant experiences a Disability Separation after the end of the Growth Evaluation Period, then the Award shall remain in effect and shall vest upon the Committee's certification of the achievement of the performance measures identified in Paragraph 4 to the extent provided in Paragraph 4 (unless such performance measures are not achieved prior to the Expiration Date, in which event the Award will terminate, and the Award will be forfeited, as of such Expiration Date).

(e) For purposes of this Paragraph 9:

(i) "Delivery Date" shall mean the date that is six months plus one day after the date of Participant's Disability Separation, or such earlier date as may be permitted by Section 409A.

(ii) "Disability Separation" shall mean a "separation of service," within the meaning of Section 409A, by Participant's employer as a result of Participant's disability, in accordance with the Company's policies and procedures as the same are in effect at the time of such separation.

(iii) the phrase "first opportunity to certify results" means the date which is the earlier to occur of: (A) the last day of the calendar month immediately following the month in which A.M. Best publishes the A2 Report (or, if applicable, the calendar month immediately following the month in which the successor or replacement report or data described in Paragraph 4(c)(iv)(C. above is published) for the third year of the Growth Evaluation Period, or (B) the date on which a meeting of the Committee is held at which such report or data is reviewed (whether or not a certification occurs) or a written action is executed by the Committee in lieu of such a meeting.

(iv) "Qualified Retirement" shall mean any termination of a Participant's employment with the Company or its Subsidiaries or Affiliates for any reason (excluding death, a Disability Separation and any involuntary termination for Cause) that (x) qualifies as a "separation from service" within the meaning of Section 409A, and (y) occurs on or after the first day of the calendar month in which either of the following conditions are scheduled to be satisfied:

A. the Participant is 55 years of age or older and has completed at least 15 years of service as an employee of the Company or one or more of its Subsidiaries or Affiliates; or

B. the Participant is 60 years of age or older and has completed at least 10 years of service as an employee of the Company or one or more of its Subsidiaries or Affiliates.

(f) Nothing in this Paragraph 9 will be interpreted as altering in any way the provisions of Section 11 of the Plan.

10. Disqualifying Activity. Subject to Paragraph 16(c) below, and notwithstanding any other provision of this Agreement, if the Committee determines that Participant is engaging in, or has engaged in, a Disqualifying Activity, the provisions of Section 10(b) of the Plan will apply. A violation by Participant of Paragraph 13, 14 or 15 below, and any violation by Participant of any other non-competition agreement between Participant and the Company or any of its subsidiaries or Affiliates, shall constitute a "material violation" of an "agreement between Participant and the Company" within the meaning of clause (iii) of the definition of Disqualifying Activity, and may also constitute a Disqualifying Activity within the meaning of one or more of the other clauses defining Disqualifying Activity under the Plan.

11. Delivery at Vesting. Subject to the provisions of the Plan and this Agreement (including Paragraph 9(b)(i)), upon vesting of all or part of the Award, the Company shall deliver to Participant one share of Stock in exchange for each such vested Restricted Stock Unit and for each Dividend Equivalent Unit related thereto and cash in the amount of any other related Dividend Equivalents, and all Restricted Stock Units and Dividend Equivalents shall be cancelled. Unless determined otherwise by the Company at any time prior to the applicable delivery, each fractional Restricted Stock Unit (and related Dividend Equivalent Unit) shall vest and be settled in an equal fraction of a share of Stock. The delivery of such shares of Stock shall be on or as soon as practicable following the Certification Date, but in no event later than March 15 of the calendar year following the year in which the Restricted Stock Units vest under Paragraph 4. Notwithstanding any provision of the Plan or this Agreement to the contrary, however, delivery of shares of Stock under this Agreement shall be delayed if the Committee reasonably anticipates, based on notice from the Company, that delivery of Stock will violate Federal securities laws or other applicable laws; provided that the Company shall deliver Stock pursuant to the provisions

of the Plan and this Agreement at the earliest date at which the Committee reasonably believes, based on notice from the Company, that such delivery will not cause such violation.

12. Taxes. No later than the date as of which Taxes become due, Participant shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Taxes and other items of any kind required by law to be withheld with respect to such amount. The obligations of the Company under the Plan and this Agreement shall be conditioned on such payment or arrangements and the Company and its Subsidiaries and Affiliates, to the extent permitted by law, shall have the right to deduct any such Taxes from any payment of any kind otherwise due to Participant. At vesting (or Delivery Date, if applicable), Restricted Stock Units and related Dividend Equivalent Units vesting on such vesting date (or being distributed on such Delivery Date) will be valued at the Fair Market Value of the Company's Stock on such date.

Unless otherwise determined by the Committee, Participant must satisfy the minimum statutory tax withholding obligations resulting from the vesting of Restricted Stock Units and related Dividend Equivalents ("Minimum Withholding Obligations") by surrendering to the Company Restricted Stock Units and/or Dividend Equivalents that are then vesting (or shares of Stock issuable as a result of the vesting) with a value sufficient to satisfy the Minimum Withholding Obligations.

Under no circumstances will Participant be entitled to satisfy any Minimum Withholding Obligations by surrendering Restricted Stock Units that are not then vesting (or being distributed on such Delivery Date) or any Restricted Stock Units that Participant has elected to defer under Paragraph 8 above. Any request by Participant to satisfy Minimum Withholding Obligations by surrendering shares of Stock owned by Participant prior to the date of such satisfaction must be specifically approved in advance by the Committee. All payments and surrenders of Units or shares of Stock and any requests for approval of alternative payment arrangements must be made by Participant in accordance with such procedures as may be adopted by the Company in connection therewith, and subject to such rules as have been or may be adopted by the Committee.

13. Non-Solicitation. In consideration of the Award made to Participant under this Agreement, and in further consideration of the continuation of Participant's at-will employment with the Company or one of its Subsidiaries or Affiliates (collectively, "Progressive"), starting on the Grant Date and ending on the date that is exactly 12 months after Participant's Separation Date (defined below), Participant shall not directly or indirectly recruit or solicit for hire, or assist in any manner in the recruitment or solicitation for hire, any employee or officer of Progressive, in each case involving employment by any individual, business or entity other than Progressive, or in any way induce any such employee or officer to terminate employment with Progressive. For purposes of this Agreement, "Separation Date" means the date on which Participant's employment with Progressive terminates for any reason.

14. Non-Competition. In consideration of the Award made to Participant under this Agreement, and in further consideration of the continuation of Participant's at-will employment with Progressive, starting on the Grant Date and ending on the date that is exactly 12 months after Participant's Separation Date, Participant shall not, directly or indirectly, on Participant's own account or on account of any other person or entity (except in the authorized course of Participant's employment with Progressive), engage in any Competitive Activity.

(a) *Definitions*. For purposes of this Agreement:

(i) "Competitive Activity" means engaging in any activity or providing any products or services that are the same as or similar to, or that may be directed in whole or part to replacing, the actual or proposed activities, products, or services of Progressive's Core Business (as defined below):

A. with respect to which Participant had knowledge of, or access to, Confidential Information (as defined below) during Participant's employment with Progressive; and

B. where, as to any applicable geographic territory, the activities engaged in by Participant, the products or services provided by Participant, or the duties assigned to Participant reasonably could require Participant, in whole or in part, to rely on, use, or disclose Confidential Information of which Participant had knowledge, or to which Participant had access, during Participant's employment with Progressive.

(ii) "Confidential Information" means confidential and/or proprietary information and/or trade secrets which are the property of Progressive, or which Progressive is under an obligation not to disclose, including but not necessarily limited to the following: information regarding Progressive's processes and products, including information relating to research and development, agent or customer data, and/or technologies; product features and/or specifications, tests or investigations; business plans, marketing plans and financials, reports, data, figures, margins, profits, statistics, analyses and other related information; any information that Participant has agreed not to disclose and/or use other than in the course of Participant's employment with Progressive; and any other confidential information of whatever nature which gives Progressive an opportunity to obtain a competitive advantage over its competitors. Confidential Information does not include information that is generally available to the public other than as a result of a breach of a contractual or other duty of confidentiality.

(iii) "Core Business" means activities, products, or services that are related, in whole or in part, to the business of property and casualty insurance or to any other actual or proposed insurance-related activities, products, or services of Progressive.

(b) *Reasonableness of Restriction*. Participant acknowledges and agrees that the covenants contained in this Paragraph 14 are not intended to prevent Participant from earning a living, but rather to protect Progressive's legitimate business interests in its Confidential Information and do not unreasonably interfere with Participant's ability to secure gainful employment following the termination of Participant's employment with Progressive. Participant further acknowledges that in the event Participant's employment with Progressive ends, Participant's knowledge, experience and capabilities are such that Participant can obtain employment in business activities which are of a different and non-competing nature than those performed in the course of Participant's employment with Progressive and that the enforcement of a remedy hereunder by way of injunction will not prevent Participant from earning a reasonable livelihood.

(c) *Tolling of Covenants*. Participant acknowledges and agrees that in the event the Company brings an action for injunctive or other relief against Participant, the Company shall not, as a result of the time involved in obtaining such relief, be deprived of the benefit of the full period of the restrictive covenant. Accordingly, it is hereby further agreed that the restrictive covenants contained in this Paragraph 14 shall be deemed to have the duration specified herein, as computed from the date relief is granted but reduced by the time between the period when the restriction(s) began to run and the date of the first violation of the restrictive covenant(s) by Participant.

15. Non-Disclosure of Confidential Information.

(a) During the course of Participant's employment, Participant may be given access to, help develop, or learn of Confidential Information (as defined above). Participant acknowledges and agrees that Participant has an obligation to maintain the confidentiality of Confidential Information, including any records containing Confidential Information, except as otherwise authorized by law; and Participant's obligation continues at all times during and after Participant's employment. Participant acknowledges that Confidential Information does not become any less confidential or proprietary to Progressive because Participant may commit records to memory or because Participant may otherwise maintain records outside of Progressive's offices, computer systems or data storage repositories.

(b) During the course of Participant's employment, Participant may be given access to confidential information and/or trade secrets of third parties, subject to Progressive's duty to maintain confidentiality of such information and use it only for certain purposes. Participant will not disclose to any person, corporation or entity, and not use for Participant's benefit or the benefit of any other person, corporation or entity, any such third party's confidential information, except as necessary in carrying on work for Progressive consistent with Progressive's agreement with the third party.

(c) Participant will use Participant's best efforts and the utmost diligence to guard and protect Progressive's Confidential Information, and Participant will not, during or after the period of Participant's employment by Progressive, use or disclose, directly or indirectly, any of Progressive's Confidential Information which Participant may develop, obtain or learn about during or as a result of Participant's employment by Progressive, except in the ordinary course of performing duties on behalf of Progressive and/or except as previously authorized by Progressive in writing. Participant acknowledges that the Confidential Information is owned and shall continue to be owned by Progressive and that misuse, misappropriation or unauthorized disclosure of this information will cause irreparable harm and/or other damage to Progressive both during and after the term of Participant's employment.

(d) Notwithstanding anything in this Agreement to the contrary, Participant and the Company acknowledge that Participant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (x) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law. In addition, Participant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Furthermore, in the event Participant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Participant may disclose the trade secret to Participant's attorney and use the trade secret information in the court proceeding, if Participant files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

16. Additional Terms Applicable to Non-Solicitation, Non-Competition and/or Non-Disclosure Provisions.

(a) *Remedies for Breach*. Participant acknowledges and agrees that the damages which may arise from a breach or threatened breach of any of the covenants contained in Paragraph 13, 14 or 15 of this Agreement are irreparable and difficult to measure and that money damages alone would be an inadequate remedy for any such breach. Accordingly, if Participant breaches or threatens to breach any portion of the covenants contained in Paragraph 13, 14 or 15 of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach or threatened breach without showing or proving any actual damage. In the event Participant violates and/or breaches any of the covenants contained in Paragraph 13, 14 or 15, the Company also shall be entitled to an accounting and repayment of all lost profits, compensation, commissions, remuneration or benefits that Participant directly or indirectly has realized or may realize as a result of any such violation or breach; and the Company shall be entitled to recover for all lost sales, profits, commissions, trade secrets, Confidential Information, good will and customers caused by Participant's improper acts, in addition to and not in limitation of any injunctive relief or other rights or remedies that the Company is or may be entitled to at law or in equity or under this Agreement.

(b) *Applicability of Covenants*. Subject to Paragraph 16(g) below:

(i) If, on the Grant Date, Participant is employed or resides in a jurisdiction in which any term or provision of Paragraph 13, 14 or 15 of this Agreement, or part thereof, would be unlawful, void, or otherwise unenforceable as a matter of law, then such term or provision, or part thereof, shall not apply to Participant;

(ii) If Participant is licensed actively as an attorney-at-law in any U.S. state, nothing in Paragraphs 13, 14 or 15 of this Agreement shall prevent Participant from practicing as an attorney-at-law, subject to Participant's compliance with applicable ethical rules governing such practice; and

(iii) The restrictions in Paragraph 14 shall apply to Participant only if, on the Grant Date, Participant's assigned salary grade level is 50 through 53, GNG, ENG or CNG.

(c) *Violation as Disqualifying Activity*. Participant acknowledges and agrees that the remedies identified in Paragraph 16(a) above for a breach of Paragraph 13, 14 or 15 of this Agreement shall be in addition to, and not in lieu of, the consequences of Participant's engagement in a Disqualifying Activity as provided in Paragraph 10 of this Agreement and Section 10(b) of the Plan.

(d) *Attorney's Fees*. If the Company brings a legal action to enforce any covenant contained in Paragraph 13, 14 or 15 of this Agreement, and if the Company is awarded any damages and/or any full or partial injunction due to Participant's acts, then the Company shall be entitled to recover its reasonable costs incurred in conducting the action including, but not limited to, reasonable attorneys' fees and expenses.

(e) *Effect on Other Agreements*. The provisions of Paragraphs 13, 14, and 15 of this Agreement shall be in addition to, and shall not supersede or replace, the provisions of any employment or other agreement between Participant and Progressive that contains similar or additional restrictions on Participant, including but not limited to any such provisions contained in a prior agreement relating to an award of restricted stock units.

(f) *Forum; Jurisdiction*.

(i) Subject to Paragraph 16(f)(ii) below:

A. All claims, actions or proceedings brought in a court of law that arise out of, require the interpretation of, and/or that are in any way related to the subject matter covered in this Agreement shall be brought and litigated exclusively in the state or federal courts located in Cuyahoga County of the State of Ohio, to which courts the parties consent to both personal jurisdiction and service of process in a manner consistent with Ohio law. The only exception to this choice of venue/forum is litigation to enforce any order or judgment rendered by such Ohio state or federal court, in which case such enforcement proceeding may be litigated in another jurisdiction. This consent to personal jurisdiction and choice of venue/forum are intended by the Company and Participant to be mandatory and not permissive in nature. Progressive and Participant hereby waive any right to assert the doctrine of *forum non conveniens* or similar doctrine or to object to venue or jurisdiction with respect to any action or proceeding brought in accordance herewith.

B. The Company and Participant irrevocably consent and agree that the state and federal courts located in Cuyahoga County of the State of Ohio shall have personal jurisdiction over the Company and Participant for the purpose of litigating in court any dispute, controversy, or proceeding with respect to matters described in this Agreement, and each consents to service of process in a manner consistent with Ohio law.

(ii) The provisions of this Agreement, including but not limited to Paragraph 16(f)(i) above and Paragraphs 18 and 19 below, do not and shall not be interpreted to modify, supersede, or replace the terms of any agreement between Participant and Progressive requiring either party to bring claims against the other in binding arbitration. To the extent that Participant and Progressive enter or have entered into an agreement to arbitrate that covers claims that arise out of, require the interpretation of, and/or that are in any way related to the subject matter covered in this Agreement, the terms of such agreement to arbitrate shall remain in full force and effect notwithstanding any other provision of this Agreement.

(g) Participant is encouraged to consult with an attorney before executing this Agreement.

(h) *Severability*. If for any reason any term or provision of Paragraphs 13, 14 or 15 of this Agreement, or part thereof, is held to be unlawful, void, or otherwise unenforceable as a matter of law, unless such invalidity or unenforceability can be cured by reformation or modification of the offending term or provision, or part thereof, including but not limited to as set forth below, all other valid and enforceable terms and provisions, or parts thereof, herein shall remain in full force and effect, and all of the invalid terms or provisions, or parts thereof, of this Agreement shall be deemed to be severable in nature. If for any reason any term or provision of Paragraphs 13, 14 or 15 of this Agreement, or part thereof, is invalid or unenforceable because it is held to cover an area or to be for a length of time or otherwise have a scope that is unreasonable or is otherwise construed to be too broad, such term or provision, or part thereof, shall be reformed and/or modified to provide for a restriction having the maximum enforceable area, time period and/or other scope (not greater than those contained herein) as shall be valid and enforceable under applicable law.

17. Recoupment. The Award shall be subject to the Company's Dodd-Frank Clawback Policy, as may be amended from time to time (collectively, the "Clawback Policy") and recoupment pursuant to the Federal securities laws and rules of the Securities and Exchange Commission and any applicable national securities exchange. The Clawback Policy is incorporated herein by reference. The provisions of this Paragraph 17 are in addition to the rights of the Company as set forth in Section 14(h) of the Plan.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the Award and, except as provided in Paragraphs 13, 14, 15 and 16, supersedes and cancels any other agreement, representation or communication, whether oral or in writing, between the parties relating to the Award, provided that the Agreement shall be at all times subject to the Plan.

19. Choice of Law. This Agreement shall be deemed to be made and executed in Ohio and shall be governed, construed and interpreted under, and in accordance with, the laws of the State of Ohio, without regard to conflict of law provisions.

20. Amendment. The Committee may amend the terms of this Agreement to the fullest extent permitted by Section 12 of the Plan.

21. Acknowledgments. Participant: (x) acknowledges receiving a copy of the Plan description relating to the Plan, and represents that Participant is familiar with all of the material provisions of the Plan, as set forth in such Plan description; (y) accepts this Agreement and the Award subject to all provisions of the Plan and this Agreement; and (z) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee relating to the Plan, this Agreement or the Award.

Participant evidences agreement with the terms and conditions of this Agreement, and intention to be bound by this Agreement, by electronically accepting the Award pursuant to the procedures adopted by the Company. **Upon such acceptance by Participant, this Agreement will be immediately binding and enforceable against Participant and the Company.**

THE PROGRESSIVE CORPORATION

By: __________
Vice President & Secretary

RESTRICTED STOCK UNIT AWARD AGREEMENT
(2026 Special [Time/Performance]-Based Award)

This Agreement (“Agreement”) is made this <Grant Date> (“Grant Date”) by and between <Participant Name> (“Participant”) and The Progressive Corporation (the “Company”).

1. Definitions. Unless otherwise defined or expressly given a different meaning in this Agreement, each capitalized term in this Agreement shall have the meaning given to it in The Progressive Corporation 2024 Equity Incentive Plan (the “Plan”). [INCLUDE IF AWARD IS PERFORMANCE-BASED AND THE FOLLOWING IS APPLICABLE: Financial and operational terms used in this Agreement (e.g., references to business lines, units or segments) are used consistently with the use of those terms in the Company’s Form 10-K (including exhibits and other documents incorporated therein) for the fiscal year ended December 31, 2025 (the “Form 10-K”). It is understood that references herein to any performance results of the Company mean the applicable consolidated operating results of the Company and its Subsidiaries and Affiliates.]

2. Award of Restricted Stock Units. The Company grants to Participant an award (the “Award”) consisting of <# of Units> restricted stock units (the “Restricted Stock Units” or “Units”), pursuant to, and subject to, the terms of the Plan. [INCLUDE IF AWARD IS PERFORMANCE-BASED AND THE FOLLOWING IS APPLICABLE: The Award is based on a target award value of <# of Units> Units (the “Target Award Units”). The number of Restricted Stock Units that are ultimately earned pursuant to the Award (if any) will be determined based on the Target Award Units and the procedures and calculations set forth in this Agreement. Under the calculations set forth below, the maximum potential Award is a number of Units equal to ________ (___) times the sum of Target Award Units plus any related Dividend Equivalent Units (the “Maximum Award Units”).]

3. Condition to Participant’s Rights under this Agreement. This Agreement shall not become effective, and Participant shall have no rights with respect to the Award or any Restricted Stock Units, unless and until Participant has fully executed this Agreement and delivered it to the Company. In the Company’s sole discretion, such execution and delivery may be accomplished through electronic means. [INCLUDE IF APPLICABLE: If this Agreement has not been executed and delivered by Participant by 11:59 p.m., Mayfield Village, Ohio time on [DATE TBD], then the Award shall be forfeited in its entirety.]

4. Restrictions; Vesting.

(a) Subject to the terms and conditions of the Plan and this Agreement, including the provisions of Paragraph __ below [SECTION REGARDING TERMINATION OF EMPLOYMENT], Participant’s rights in and to the Units shall vest, if at all, [on ____________/according to the following schedule]:

[IF AWARD IS TIME-BASED, INCLUDE VESTING SCHEDULE, INCLUDING ANY VESTING UPON SATISFACTION OF QUALIFIED RETIREMENT ELIGIBILITY REQUIREMENTS, ALSO NOTE THE SCHEDULE MAY BE MODIFIED AS NECESSARY OR APPROPRIATE IN THE COMPANY’S SOLE DISCRETION TO ELIMINATE OR MINIMIZE FRACTIONAL UNITS FROM THE VESTING SCHEDULE]

[IF AWARD IS PERFORMANCE-BASED, INCLUDE PERFORMANCE OBJECTIVES THAT ARE PERMITTED BY THE PLAN, PROVISIONS PROVIDING FOR VESTING

UPON CERTIFICATION BY THE COMMITTEE THAT THE OBJECTIVES HAVE BEEN ACHIEVED, PROVISIONS FOR NEGATIVE COMMITTEE DISCRETION, AND RELEVANT CALCULATIONS (AND EXCLUSIONS PERMITTED BY THE PLAN) TO DETERMINE PERFORMANCE AND RELATED FACTORS, IF APPLICABLE]

[INCLUDE IF AWARD IS TIME-BASED: The Restricted Stock Units awarded under this Agreement shall vest in accordance with the provisions set forth above unless, prior to the vesting date set forth or determined in the manner described above, the Award and the applicable Units are forfeited or has been subject to accelerated vesting under the terms and conditions of the Plan or this Agreement.][INCLUDE IF AWARD IS PERFORMANCE-BASED: The Award shall vest in accordance with and subject to the foregoing except to the extent that, prior to the Certification Date, the Award has been forfeited or has been subject to accelerated vesting under the terms and conditions of the Plan or this Agreement.]

__. [INCLUDE IF AWARD IS PERFORMANCE-BASED AND THE LANGUAGE IS APPLICABLE: Expiration of Award. Notwithstanding anything to the contrary in this Agreement, if Participant's rights in and to the Award have not vested in accordance with Paragraph 4 of this Agreement on or before 11:59 p.m., Mayfield Village, Ohio time, on ___________________ (the "Expiration Date"), the Award shall expire at 11:59 p.m. on the Expiration Date. Upon such expiration, the Award shall terminate automatically, and Participant shall have no further rights with respect to the Award.]

__. [INCLUDE IF AWARD IS TIME-BASED AND DIVIDEND EQUIVALENTS ARE INCLUDED: Dividend Equivalents. Subject to this Paragraph __, with respect to dividends for which a record date occurs during the Restriction Period applicable to any Units, Participant shall be credited with a Dividend Equivalent with respect to each outstanding Restricted Stock Unit, [with respect to each vested but not yet distributed Restricted Stock Unit (as contemplated by [PARAGRAPH ADDRESSING 6 MONTH PLUS ONE DAY DELAY REQUIRED BY 409A])], and with respect to any Dividend Equivalent Unit (defined below) resulting from prior reinvestments of Dividend Equivalents as provided in this Paragraph. All Dividend Equivalents so credited will be deemed to be reinvested in Restricted Stock Units on the date that the applicable dividend or distribution is made to the Company's shareholders, in the number of Dividend Equivalent Units determined by dividing the aggregate value of the Dividend Equivalents by the Fair Market Value of the Stock on such date (rounded to the nearest thousandth of a whole Unit or as otherwise reasonably determined by the Company); provided, however, that if Dividend Equivalents cannot be reinvested in Units due to the operation of Section 3(a) of the Plan, such Dividend Equivalents will be credited to Participant as a cash value, which cash value shall be held by the Company (without interest) subject to this Agreement. Any Units resulting from the deemed reinvestment of dividends in accordance with this Paragraph __ are referred to herein as "Dividend Equivalent Units." Dividend Equivalents shall be subject to the same terms and conditions, and shall vest or be forfeited (as applicable) at the same time, as the Restricted Stock Units to which they relate; provided, however, that [(x)] if the Restriction Period for any Restricted Stock Unit ends after the record date for, but before the payment date of, a dividend, then any Dividend Equivalents related to such dividend and to Units for which the Restriction Period is ending will be paid in cash or in Stock, in the sole discretion of the Company, as soon as practicable following the payment date for such dividend[, and (y) if [ANY PARAGRAPH ADDRESSING 6 MONTH PLUS ONE DAY DELAY REQUIRED BY 409A] below is applicable and a record date for any dividend occurs after the applicable vesting date but before the applicable Delivery Date (as defined in Paragraph 8(d)(i) below), then any Dividend Equivalents related to such dividend will be paid in cash or in Stock, in the sole discretion of the Company, on or as soon as practicable following the Delivery Date].

__. [INCLUDE IF AWARD IS PERFORMANCE-BASED AND DIVIDEND EQUIVALENTS ARE INCLUDED: Dividend Equivalents. Subject to this Paragraph __, with respect to dividends for which a record date occurs during the Restriction Period applicable to any Units, Participant shall be credited with a Dividend Equivalent with respect to each outstanding Restricted Stock Unit, [with respect to each vested but not yet distributed Restricted Stock Unit (as contemplated by [SECTION REFERRING TO A POTENTIAL 6 MONTH PLUS ONE DAY DELAY IN DISTRIBUTION)]] and with respect to any Dividend Equivalent Unit (defined below) resulting from prior reinvestments of Dividend Equivalents as provided in this Paragraph. All Dividend Equivalents so credited will be deemed to be reinvested in Restricted Stock Units on the date that the applicable dividend or distribution is made to the Company's shareholders, based on the Target Award Units and any Dividend Equivalent Units resulting from prior reinvestments of Dividend Equivalents, in the number of Units determined by dividing the aggregate value of the Dividend Equivalents by the Fair Market Value of the Stock on such date (rounded to the nearest thousandth of a whole Unit or as otherwise reasonably determined by the Company); provided, however, that if Dividend Equivalents cannot be reinvested in Units due to the operation of Section 3(a) of the Plan, such Dividend Equivalents will be credited to Participant as a cash value based on the Target Award Units and any Dividend Equivalent Units resulting from prior reinvestments of Dividend Equivalents, which cash value shall be held by the Company (without interest) subject to this Agreement. Any Units resulting from the deemed reinvestment of dividends in accordance with this Paragraph __ are referred to herein as "Dividend Equivalent Units." Dividend Equivalents shall be subject to the same terms and conditions, and shall vest or be forfeited (as applicable) at the same time, upon the same conditions, and in the same proportion, as the Target Award Units set forth in the Award; provided, however, that [(x)] if the Award vests after the record date for, but before the payment date of, a dividend, then the Dividend Equivalents related to such dividend and to Units vesting on the vesting date will be paid in cash or in Stock, in the sole discretion of the Company, as soon as practicable following the payment date for such dividend [and (y) if [SECTION REFERRING TO A POTENTIAL 6 MONTH PLUS ONE DAY DELAY IN DISTRIBUTION] is applicable and a record date for any dividend occurs after the applicable vesting date but before the applicable Delivery Date (as defined in [APPLICABLE SECTION] below), then any Dividend Equivalents related to such dividend will be paid in cash or in Stock, in the sole discretion of the Company, on or as soon as practicable following the Delivery Date].]

__. Units Non-Transferable. No Restricted Stock Units (and no Dividend Equivalents) shall be transferable by Participant other than by will or by the laws of descent and distribution. In the event all or any portion of the Award is transferred or assigned pursuant to a court order, such transfer or assignment shall be without liability to the Company, and the Company shall have the right to offset against the Award any expenses (including attorneys' fees) incurred by the Company, or any of its Subsidiaries or Affiliates, in connection with such attempted transfer or assignment.

__. Termination of Employment. Except as otherwise provided in the Plan or in this Paragraph __, or as otherwise determined by the Committee, if Participant's employment with the Company or any Subsidiary or Affiliate terminates for any reason, the Award and all Restricted Stock Units (and any related Dividend Equivalents) held by Participant that are unvested or subject to restriction at the time of such termination shall be forfeited automatically immediately after such termination. [DESCRIBE ANY EXCEPTIONS, INCLUDING THOSE RESULTING FROM DEATH, DISABILITY OR RETIREMENT.] Nothing in this Paragraph __ will be interpreted as altering in any way the provisions of Section 11 of the Plan.

__. Delivery at Vesting. Subject to the provisions of the Plan and this Agreement [including, without limitation, [ANY SECTION REFERRING TO A POTENTIAL 6 MONTH PLUS ONE DAY DELAY], upon vesting of all or part of the Award, the Company shall deliver to Participant one share of

Stock in exchange for each such vested Restricted Stock Unit and for each Dividend Equivalent Unit related thereto and cash in the amount of any other related Dividend Equivalents, and the applicable Restricted Stock Units (and any related Dividend Equivalents) shall be cancelled. Unless determined otherwise by the Company at any time prior to the applicable delivery, each fractional Restricted Stock Unit (and related Dividend Equivalent Unit) shall vest and be settled in an equal fraction of a share of Stock. [INCLUDE THE FOLLOWING SENTENCE IF THE AWARD IS TIME-BASED: Notwithstanding the foregoing, as to any Participant who is a "specified employee" as defined in Section 409A of the Code, any delivery of Common Shares will be delayed for six months plus one day after the vesting date if, and to the extent, that such delay is required by Section 409A.] [INCLUDE THE FOLLOWING SENTENCE IF THE AWARD IS PERFORMANCE-BASED: The delivery of such shares of Stock shall be on or as soon as practicable following the Certification Date, but in no event later than March 15 of the calendar year following the year in which the Certification Date occurred.] Notwithstanding any provision of the Plan or this Agreement to the contrary, however, delivery of shares of Stock under this Agreement shall be delayed if the Committee reasonably anticipates, based on notice from the Company, that delivery of Stock will violate Federal securities laws or other applicable laws; provided that the Company shall deliver Stock pursuant to the provisions of the Plan and this Agreement at the earliest date at which the Committee reasonably believes, based on notice from the Company, that such delivery will not cause such violation.

__. Disqualifying Activity. Notwithstanding any other provision of this Agreement, if the Committee determines that Participant is engaging in, or has engaged in, a Disqualifying Activity, the provisions of Section 10(b) of the Plan will apply. A violation by Participant of Paragraph __, and any violation of any non-competition agreement between Participant and the Company or any of its subsidiaries or Affiliates, shall constitute a "material violation" of an "agreement between the Participant and the Company" within the meaning of clause (iii) of the definition of Disqualifying Activity, and may also constitute a Disqualifying Activity within the meaning of one or more of the other clauses defining Disqualifying Activity under the Plan. [NOTE: MODIFY SECTION AS NECESSARY TO ADDRESS INTERPLAY WITH ANY RESTRICTIVE COVENANTS INCLUDED ELSEWHERE IN THE AGREEMENT.]

__. Taxes. No later than the date as of which [Taxes become due], Participant shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Taxes and other items of any kind required by law to be withheld with respect to such amount. The obligations of the Company under the Plan and this Agreement shall be conditioned on such payment or arrangements and the Company and its Subsidiaries and Affiliates, to the extent permitted by law, shall have the right to deduct any such Taxes from any payment of any kind otherwise due to Participant. At vesting [(or Delivery Date, if applicable)] of any Award Installment, Restricted Stock Units and any related Dividend Equivalent Units vesting on such vesting date [(or being distributed on such Delivery Date)] will be valued at the Fair Market Value of the Company's Stock on such date.

[INCLUDE IF THE AWARD IS PERFORMANCE-BASED: Unless otherwise determined by the Committee, Participant must satisfy the minimum statutory tax withholding obligations resulting from the vesting of Restricted Stock Units and related Dividend Equivalents ("Minimum Withholding Obligations") by surrendering to the Company Restricted Stock Units and/or Dividend Equivalents that are then vesting (or shares of Stock issuable as a result of the vesting) with a value sufficient to satisfy the Minimum Withholding Obligations.]

[INCLUDE IF THE AWARD IS TIME-BASED: Unless otherwise determined by the Committee, Participant must satisfy the minimum statutory tax withholding obligations resulting from the vesting of Restricted Stock Units and related Dividend Equivalents ("Minimum Withholding Obligations") either (a) by surrendering to the Company Restricted Stock Units that are then vesting or being distributed (or shares of Stock issuable upon [such event/vesting]) with a value sufficient to satisfy the Minimum Withholding Obligations, or (b) by paying to the Company the appropriate amount in cash or, if acceptable to the Company, by check or other instrument. Unless Participant advises the Company of Participant's election to use an alternative payment method, Participant shall be deemed to have elected to surrender to the Company Restricted Stock Units that are then vesting or being distributed (or shares of Stock issuable upon [such event/vesting]) with a value sufficient to satisfy the Minimum Withholding Obligations.]

Under no circumstances will Participant be entitled to satisfy any Minimum Withholding Obligations by surrendering Restricted Stock Units that are not then vesting [or being distributed on such Delivery Date/or any Restricted Stock Units that Participant has elected to defer under Paragraph _ above]. Any request by Participant to satisfy Minimum Withholding Obligations by surrendering shares of Stock owned by Participant prior to the date of such satisfaction must be specifically approved in advance by the Committee. All payments and surrenders of Units or shares of Stock and any requests for approval of alternative payment arrangements must be made by Participant in accordance with such procedures as may be adopted by the Company in connection therewith, and subject to such rules as have been or may be adopted by the Committee.

__. [INCLUDE THE FOLLOWING IF AWARD IS PERFORMANCE-BASED: Recoupment. The Award shall be subject to the Company's Dodd-Frank Clawback Policy, as may be amended from time to time (collectively, the "Clawback Policy") and recoupment pursuant to the Federal securities laws and rules of the Securities and Exchange Commission and any applicable national securities exchange. The Clawback Policy is incorporated herein by reference. The provisions of this Paragraph __ are in addition to the rights of the Company as set forth in Section 14(h) of the Plan.]

[ANY ADDITIONAL OR MODIFIED TERMS, NOT INCONSISTENT WITH THE PLAN, INCLUDING PROVISIONS ADDRESSING NON-SOLICITATION, NON-COMPETITION AND NON-DISCLOSURE OF INFORMATION.]

__. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the Award, and supersedes and cancels any other agreement, representation or communication, whether oral or in writing, between the parties relating to the Award, provided that the Agreement shall be at all times subject to the Plan. [NOTE: ALTER AS NECESSARY TO EXCLUDE OTHER AWARD, AGREEMENTS AND PROVISIONS NOT INTENDED TO BE SUPERSEDED.]

__. Amendment. The Committee may amend the terms of this Agreement to the fullest extent permitted by Section 12 of the Plan.

__. Choice of Law. This Agreement shall be deemed to be made and executed in Ohio and shall be governed, construed, and interpreted under, and in accordance with, the laws of the State of Ohio, without regard to conflict of law provisions.

__. Acknowledgments. Participant: (i) acknowledges receiving a copy of the Plan description relating to the Plan, and represents that Participant is familiar with all of the material provisions of the Plan, as set forth in such Plan description; (ii) accepts this Agreement and the Award subject to all provisions of the Plan and this Agreement; and (iii) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee relating to the Plan, this Agreement or the Award.

Participant evidences agreement with the terms and conditions of this Agreement, and intention to be bound by this Agreement, by electronically accepting the Award pursuant to the procedures adopted by the Company. **Upon such acceptance by Participant, this Agreement will be immediately binding and enforceable against Participant and the Company.**

THE PROGRESSIVE CORPORATION

By: ___________

Vice President & Secretary

Exhibit 31.1

CERTIFICATION

I, Susan Patricia Griffith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Progressive Corporation;

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 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: May 4, 2026

/s/ Susan Patricia Griffith
Susan Patricia Griffith
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, John P. Sauerland, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Progressive Corporation;

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 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: May 4, 2026

/s/ John P. Sauerland
John P. Sauerland
Vice President and Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION

I, Susan Patricia Griffith, President and Chief Executive Officer of The Progressive Corporation (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2026 (the “Report”), which this certification accompanies, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

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

/s/ Susan Patricia Griffith
Susan Patricia Griffith
President and Chief Executive Officer
May 4, 2026

Exhibit 32.2

SECTION 1350 CERTIFICATION

I, John P. Sauerland, Chief Financial Officer of The Progressive Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2026 (the "Report"), which this certification accompanies, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

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

/s/ John P. Sauerland
John P. Sauerland
Vice President and Chief Financial Officer
May 4, 2026

Exhibit 99

Letter to Shareholders
First Quarter 2026

The first quarter 2026 brought continued strong growth and profitability. The companywide combined ratio (CR) for the quarter was 86.4 with 6% net premiums written (NPW) growth and 9% policies in force (PIF) growth, compared to the same period last year. A terrific start to the year, after two solid years of incredible results. The industry is very competitive, and shopping continues, which is fantastic for consumers and trusted brands, and we have done quite well in the past in these market environments.

Personal Lines (personal auto, special lines, and personal property) delivered strong growth and profitability to start the year, increasing PIFs 9% and NPW 7% year over year (YOY) while sustaining a CR of 86.0—well below our established target. Our personal vehicle business continues to demonstrate sustained growth in the face of increasing competition, while personal property remains focused on repositioning our book to deliver profitable growth in areas with less volatile weather.

During the quarter, we capitalized on seasonal consumer shopping by investing in advertising and using targeted agent incentives to drive new applications and retain in-force policies. These actions helped generate a 10% increase in total Personal Lines applications during the first quarter 2026, compared with the same period last year. Total media spending increased 20% versus last year, and we plan to continue to invest across media platforms and our agencies to support ongoing growth and retention as long as our media spend remains efficient. At the same time, we remain focused on operational efficiency and expense discipline, delivering a 0.4 point improvement in the Personal Lines vehicle non-acquisition expense ratio versus the prior year.

Personal Lines auto PIFs increased 11% YOY for the first quarter 2026, building on the 22% YOY increase delivered in the first quarter last year, and contributed an additional $1.3 billion of premiums written. We advanced segmentation and risk selection by expanding the personal auto product model 9.0 to 14 states that represented 44% of our countrywide trailing 12-month personal auto NPW as of quarter end. We believe our rates remain highly competitive, as evidenced by conversion being at the highest level in over 20 years. While overall rates have been relatively stable, we continue to take targeted decreases in states and markets where margin allows to further accelerate growth. Special lines continued to grow across each product, while performing below seasonal combined ratio expectations.

In personal property, we continued to execute on our “Blueprint for the Future” strategy by prioritizing lower-risk properties, reducing exposure in more catastrophe-prone markets, and emphasizing bundled homeowners’ policies. PIFs grew nearly 2% for the quarter in property, compared to the first quarter last year, driven by strong renters’ growth that was partially offset by actions we took to intentionally moderate growth in our homeowners’ products. We ended the quarter with $693 million in personal property NPW and a CR of 78.3. Given the success of Blueprint restoring the health of our property products in most states, we are now selectively increasing availability while maintaining disciplined risk selection.

Our Commercial Lines (CL) business finished the first quarter 2026 with modest NPW growth of 3% YOY, at an 89.0 CR. Premium growth in the transportation network company (TNC) business was the driver of overall CL NPW growth during the quarter. The TNC growth is attributable to the renewal of certain TNC policies that included an increase in projected mileage, which is the basis for computing premiums, and an increase in the percentage of premiums retained. Excluding the TNC business, our total CL NPW for the quarter would have decreased 1%, compared to the first quarter 2025.

Core commercial auto NPW growth was flat for the quarter, despite having positive PIF growth, compared to the first quarter last year, due to a shift in the mix of business to lower average written premium business market targets (BMT) and a shift to a greater mix of policies with 6-month terms, compared to 12-month terms, in our contractor and business auto BMTs.

Based on data from S&P Global Market Intelligence, the commercial auto industry, excluding Progressive, ended 2025 with an estimated CR of approximately 105, underscoring continued profitability challenges across the market. In response, we believe competitors are increasing rates and taking other underwriting actions. Industry data, including fourth quarter 2025 survey results from the Council of Insurance Agents & Brokers, shows commercial auto rate increases were the highest among all commercial lines, reaching mid-single digits.

We have a long track record of identifying and responding to profitability pressures ahead of the broader industry. While this approach can temporarily moderate our growth as competitors delay action, it has consistently positioned us well as market pricing adjusts. As the commercial auto industry rate levels rise, we expect our pricing to become more competitive. Early indications suggest these competitor actions are already influencing customer shopping behavior. Increased quote activity in the first quarter, particularly within commercial trucking, points to higher shopping levels, which we believe are being driven in part by competitor rate increases and tighter underwriting.

We continue to invest in product segmentation with the roll out of our newest core commercial auto product offering, model 8.3, which brings new external data that we expect will improve segmentation and better match rate to risk. As of the end of the first quarter 2026, the 8.3 model was elevated in 16 states that represent 52% of our countrywide trailing 12-month core commercial auto NPW. We also completed development of our next product model, which we expect to launch in the first state in the third quarter of this year.

Our significant capital generation was on display in the first quarter, as we were able to produce $2 billion in comprehensive income. On top of that, we took the opportunity to raise an aggregate of $1.5 billion in 5- and 10-year senior notes in March. With our financial leverage continuing to trend lower, we felt that this was an appropriate time to raise additional debt capital. Even after this transaction, our debt-to-total capital ratio remains well below our 30% threshold. As we have mentioned before, Progressive will repurchase shares when we have excess capital and we believe that the market valuation is trading below our view of long-term fair or intrinsic value. In the first quarter, we repurchased $478 million of our common shares and we expect share repurchases will remain amongst our options for redeploying our excess capital, along with supporting business growth, corporate development, investment risk, and dividends.

In the first quarter of 2026, our investment portfolio saw a return of 0.1%, with a fixed income portfolio return of 0.3% and a common stock portfolio return of (4.1)%. Geopolitical risk, among other factors, caused significant volatility across both fixed income and equity markets during the quarter.

In the spirit of spreading good news and celebrating National Volunteer Month in April, I want to share a few stories that reflect the heart of Progressive. Across the company, employees are using their time, talents, and personal experiences to make a meaningful difference in their communities.

I'll start with Alexzandrea, a medical claims representative whose volunteer efforts help empower children and families in lasting ways.

Alexzandrea's story

"I grew up in a single-parent household with a teen mom," Alexzandrea shares. "Money was tight, and I experienced firsthand how something as simple as a haircut can make a big difference in how a child feels about themselves." Motivated by those experiences, Alexzandrea pursued cosmetology alongside her full-time career. Over the past few years, she's organized free haircut events at schools, churches, and community fairs—partnering with local stylists to serve families in need. At one event alone, her team provided more than 200 haircuts in a single day.

"When kids feel good about themselves, it changes how they participate in class, how they make friends, and how they see themselves," she explains. "But for me, it's also about the parents. Seeing their relief when one stress is taken off their plate—that's what keeps me going." Her efforts have created a ripple effect in the community, fostering confidence, connection, and belonging.

"We all have the power to make a difference, and I'm grateful to be part of a company that encourages us to do just that," she says. "I encourage everyone to look internally and think of one skill or talent you have—maybe you're handy and can help hang shelves, or you can assist someone with their car. You never know the impact you might make."

Michelle’s story

Commercial Lines specialist Michelle teaches donation-based yoga classes in local Cleveland parks to create access to self-care, healing, and connection—regardless of someone’s financial situation.

Michelle’s yoga journey began in 2017, when her husband encouraged her to attend a beginner class with him. Although the class proved much harder than expected, she quickly fell in love with yoga and the lessons it offered. By 2018, she decided to become a certified instructor.

A few months later, Michelle was invited by another instructor to help lead a class on Edgewater Beach in Cleveland. After excitedly accepting, she soon began teaching her own sessions in local parks and beaches, with attendance ranging from fewer than 10 participants to nearly 70.

Michelle chose to make her classes donation-based to keep them inclusive and accessible. She initially focused on true beginner sessions so first-time students would feel welcomed and supported.

“I don’t know everyone’s financial situation,” says Michelle. “Teaching yoga isn’t about making money for me.” “I speak to all attendees of my class very softly and let them know it’s OK to leave their emotional baggage here,” Michelle explains. “Some have left the class in tears due to the emotional relief they experienced during the session.”

Creating space for calm and connection is something Michelle believes in beyond her yoga classes. She often shares simple poses and exercises students and coworkers can practice at home to help manage stress and anxiety. “Even though I’m not working from an office, I still feel like I can showcase who I truly am,” Michelle shares. “I’ve even started leading desk yoga sessions during a portion of my team meetings.”

Kim’s story

After her mother passed away, Kim, a claims supervisor, began looking for ways to give back and honor her mother’s passion for helping people experiencing homelessness. When she learned about Progressive’s partnership with Family Promise on the intranet, she knew she had found the right cause.

Family Promise is a national leading nonprofit dedicated to preventing and ending family homelessness through proven strategies such as emergency shelter, permanent housing, and stabilization services. As a result, approximately 80% of families sheltered by Family Promise find and maintain stable housing.

Kim discovered she could use her love of cooking and baking to support Family Promise by preparing and delivering meals to families staying at their shelters. “I pull out all my cooking equipment once a month and make everything from spaghetti, pasta primavera, beef stir fry, shepherd’s pie, and desserts to box up and deliver to the families at Family Promise shelters,” Kim explains. “One family told me they haven’t had one of my dishes since their grandmother made it for them years ago, and it brought them to happy tears when they received it.”

Once a month, Kim uses one of her days off to make the 40-minute drive to the facility, where she enjoys meeting families, making them feel important, and offering encouragement. “I know what it’s like to not have a place to call my own, because I once experienced that,” says Kim. “Being able to offer support to the families at Family Promise brings my experience full circle.” Kim also used her Volunteer Time Off (VTO) hours to be featured in a Family Promise video highlighting her volunteer work and inspiring others to give back.

“I’ve found my passion volunteering for Family Promise,” Kim says. “After my mother passed, I found myself in a very dark place. Having this opportunity that Progressive provides to give back helps me feel as if I can move forward and live fully in my own life, too.” “Had it not been for Progressive, I would have missed out on a great opportunity to help these families,” Kim says. “I feel like I found my purpose.”

As we head into the second quarter and think about the challenging competitive dynamics, I often reflect on the first line of one of our Core Values, “Objectives,” and while we have one overarching companywide objective to grow as fast as we can at or below a 96 CR, the first line of the Objective Core Value sums up how we do it: “We set ambitious goals and evaluate our performance by measuring what we achieve and how we achieve it.”

We often say that it’s relatively easy to either grow or be profitable, but doing both consistently is extraordinarily difficult, especially doing so time and time again like we have at Progressive. It takes every one of us to achieve this success and we welcome the current challenges with open arms.

Stay well and be kind to others,

/s/ Tricia Griffith
Tricia Griffith
President and Chief Executive Officer