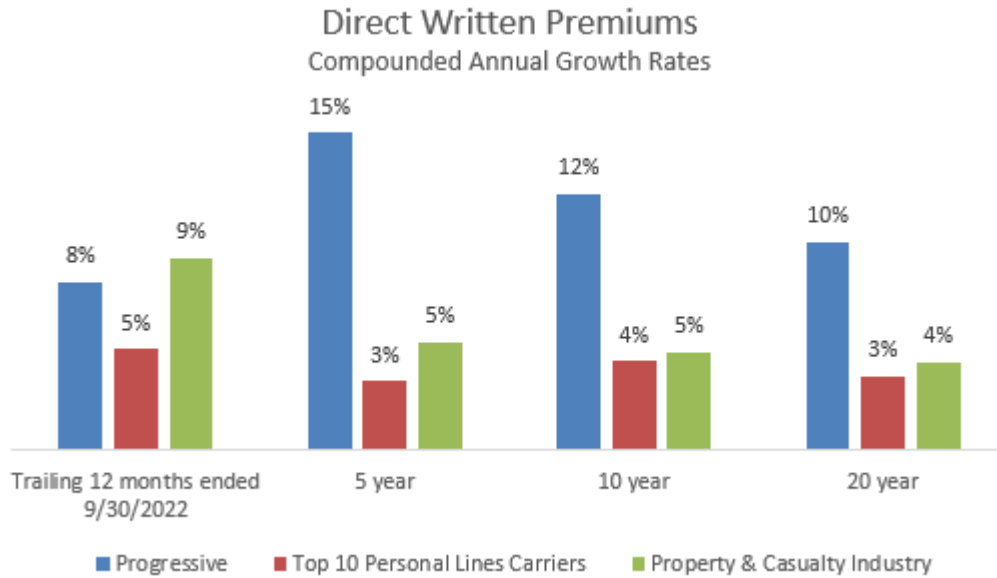


COMMON SHARE DIVIDEND Q&A
(November 2022)

What is Progressive’s capital management philosophy?

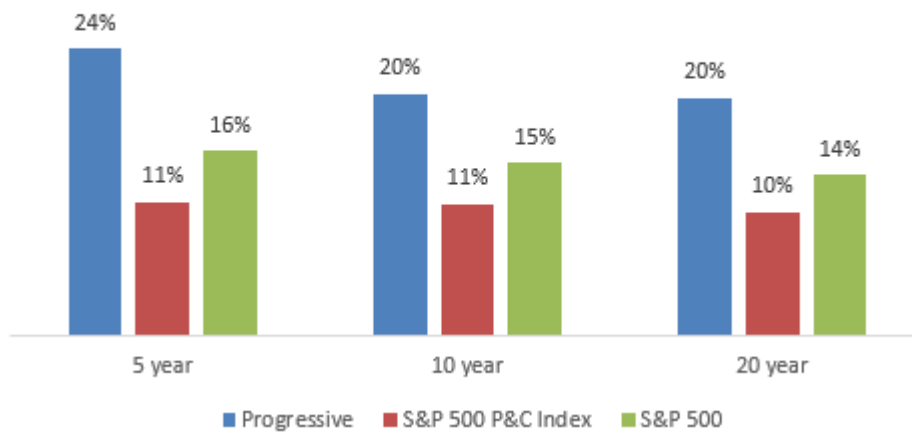
Effective capital management is an important component of our financial brand. When considering how to deploy capital, we look first to invest to support the growth of our current and future earnings power. We seek to run an efficient balance sheet that grows with the business and that delivers a return on equity over time that exceeds our cost of equity. If we have capital beyond what is needed to fund growth and innovation, that is, when we have “underleveraged capital,” we will return it to shareholders. This philosophy has allowed us to achieve industry-leading returns on equity over time.



Note: Top 10 Personal Lines Carriers and Property & Casualty exclude Progressive results. The 5-, 10-, and 20-year growth rates are as of 12/31/2021.

Source: Company reports for Progressive, SNL for Industry and Top 10

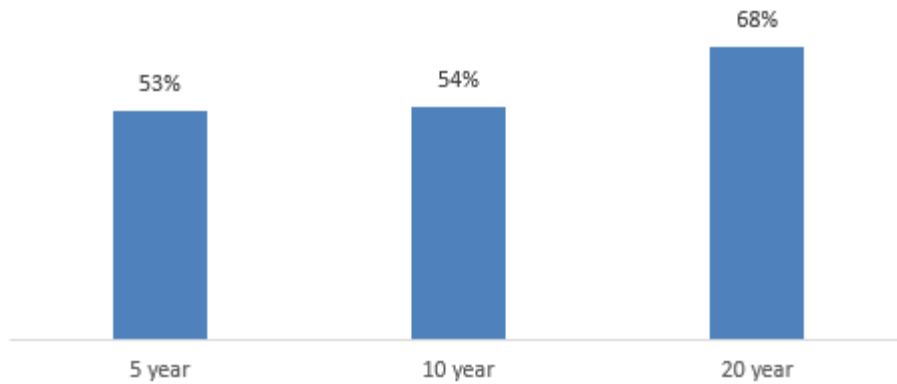
Average Return on Common Equity



Note: Arithmetic average of quarterly annualized returns as of September 30, 2022

Source: Company reports for Progressive, Bloomberg for indices

The Progressive Corporation
Dividends and Share Repurchases
as a Percent of Net Income



Source: Company reports, as of September 30, 2022

The Progressive Corporation
Capital Management Activity (\$ millions)

	Common Share		Total
	Dividends	Repurchases	
5 Year	\$7,830	\$584	\$8,414
10 Year	10,216	1,596	11,812
20 Year	13,695	8,574	22,269

Source: Company reports, as of September 30, 2022

What is the Company's dividend policy?

Our policy is to pay a quarterly common share dividend. In addition to regular quarterly dividends, the Board will consider a common share variable dividend payment at least annually. While the Board has the discretion to implement such a payment at any time, its meeting in December is targeted as the regular time for this discussion. The total amount paid under our dividend policy is determined by the Board after assessing our capital position, existing capital resources, and future capital needs. Among the items that affect our capital needs are:

- Growth and profitability and related regulatory and ratings agency capital requirements
- The performance of our investment portfolios
- The amount of capital already distributed to shareholders in the form of regular quarterly dividends or deployed for common share repurchases
- Other potential uses for our capital, such as share repurchases and strategic investments
- Significant external events or disruptions in capital markets

Does the Board of Directors retain the discretion to modify or suspend the common share dividend to be paid in any given year?

Yes, consistent with best practices in corporate governance, the Board of Directors must make the final decision. Each quarter the Board will decide, based on relevant facts and circumstances, whether or not to declare a dividend and, if the Board determines that a dividend is appropriate, the amount of the

dividend. Although we expect to follow the approach described above, the Board must retain this discretion to act in the best interests of the Company and its shareholders.

Could changes in the taxation of dividends under Federal law change the Company's view of its dividend policy?

Yes. The Company views its dividend policy as an attractive additional way to manage the accumulation of capital and provide a return to shareholders based, in part, on current Federal tax policy. If the Federal tax rules relating to dividends were to change, the Company could reconsider the current dividend policy and would have the discretion to change or terminate the policy at any time.

Will the Company continue to repurchase its shares?

The dividend policy is just one capital management method that the Company has available to deploy when the circumstances are appropriate. Subject to the Board's approval, the Company will continue to have the discretion under our capital management policies to repurchase our shares when warranted in view of the Board's and management's assessment of our capital needs, business prospects and share price. As mentioned above, repurchases of our shares could impact the amount of dividends that the Board ultimately declares. At a minimum, we continue to maintain our financial policy to neutralize dilution from equity-based compensation in the year of issuance through repurchases of our common shares. Our most recent share repurchase authorization of 25 million common shares, authorized in May 2022, has 24.5 million shares remaining as of November 30, 2022.