

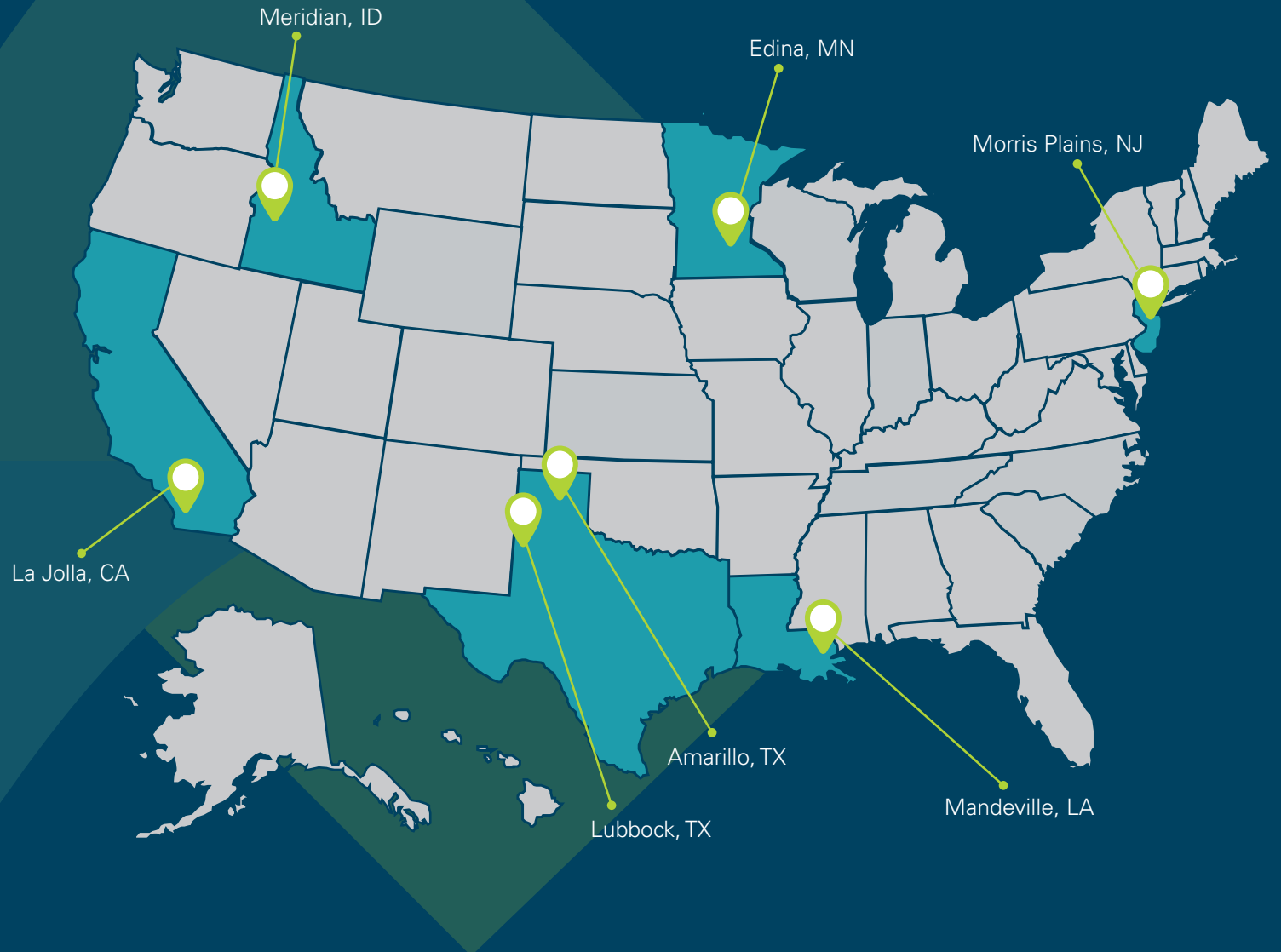


SUSTAINABILITY AND CITIZENSHIP REPORT

2025

Palomar at a Glance

Palomar was founded in 2014 by a team with deep experience across underwriting, analytics, reinsurance and capital markets. Palomar is an innovative specialty insurer serving residential and commercial clients in five product categories: Earthquake, Inland Marine & Property, Casualty, Crop and Surety & Credit. Our underwriting and analytical expertise allow us to concentrate on certain markets that we believe can generate attractive risk-adjusted returns.



Offices State	Offices City
CA	La Jolla
MN	Edina
ID	Meridian
LA	Mandeville
NJ	Morris Plains
TX	Amarillo
TX	Lubbock

A Message From Mac Armstrong

Dear Shareholders,

2025 was an exceptional year for Palomar. We delivered record gross written premium and adjusted net income, acquired three businesses, executed our Palomar 2X strategic imperative and made continued investments throughout the organization that will lead to sustained execution and value creation. Our best-in-class workforce grew substantially, bringing our total headcount to over 500 team members across a national footprint, a direct result of our ability to attract and retain top industry talent as the business has matured.

As outlined in this report, corporate citizenship remains central to how we operate—whether it be the products we offer, the service afforded to our customers or our commitment to building resilient communities. Growing into a national specialty carrier has expanded our responsibility to the markets and communities we serve. Our approach is reflected in how we underwrite and manage risk, develop our talent, support sustainable business practices and act as a trusted partner to all our constituents wherever we operate. This report details our team, our partnerships and our key accomplishments in 2025.

Looking ahead, we are confident in the foundation we have built and what it enables. 2025's efforts and accomplishments reinforce a culture that drives sustained, profitable growth while honoring our responsibilities as an insurer, an employer and a community partner. Our shareholders, our partners and the communities we serve will continue to be at the center of everything we do.



A Message From Daina Middleton

As Chair of the Sustainability Committee, I am proud of the corporate culture we are building across our organization. Sustainability is about anticipating opportunity, not just managing risk. It means creating long-term value by aligning our business practices with the evolving needs of the communities we serve.

This approach enables responsible innovation, stronger relationships and greater resilience in our strategy. Sustainability is a driver of enduring value, helping ensure we perform well today while remaining adaptive, competitive and impactful over the long term. We recognize that building a truly sustainable organization is an ongoing journey, and we are excited to deliver continuous improvement each year.



Mac Armstrong

Chairman & Chief Executive Officer
Palomar Holdings, Inc.



Daina Middleton

Board Member, Chair of the
Sustainability Committee



Sustainability & Partnerships

Sustainability and partnerships are core to how we operate. We work with a range of community, academic and nonprofit organizations to strengthen resilience, expand access to resources and advance insurance risk research and mitigation. The following stories highlight select initiatives and their impact.



Palomar Protects

Insurers like Palomar play a vital role in the chain of resilience that aids in the repair and recovery of communities following a crisis. We understand the importance of collaborating with and supporting other key players in this chain, including government, nonprofit organizations and non-governmental organizations. Whether it's through contributions, volunteer work or strategic partnerships, we are committed to making a positive impact in the communities we serve. Our assistance to these organizations goes beyond just giving back; it's about fostering stronger, more resilient communities for all.



A Shared Goal With San Diego Football Club (SDFC)

In early 2025, we became the official training jersey sponsor and specialty insurance partner of SDFC, San Diego's newest professional sports team and an organization equally committed to creating meaningful change in our community.

In April 2025, SDFC launched its inaugural Woven Into One Planet Month, a charitable campaign presented by Palomar. The campaign included multiple service projects across the city, including an Earth Day activation that added more than 300 native plants to Mission Valley and a two-day Arbor Day restoration event at Colina del Sol Park. Additionally, we partnered with SDFC, Cesar Chavez Elementary School and the Harvey Family Foundation to host a cleanup of Chollas Creek after severe flooding in January 2024 displaced more than 1,200 residents. More than 150 volunteers collected trash and removed large debris to improve water flow and reduce future flood risk.

Our Vice President of Business Development, Ariel Lim, shared, "Our commitment goes beyond the insurance policy transaction. This collaboration to impact our shared community and build a more resilient future was truly rewarding."

As part of Major League Soccer's Greener Goals initiative, we presented these accomplishments on SDFC's Sustainability Night, highlighting the unified effort during a halftime presentation. Other components included a Palomar-branded sustainability jersey, 2,000 recycled matchday posters and 10,000 recycled rally towels.

Woven Into One Planet delivered measurable environmental and community impact, and under a four-year agreement, Sustainability Month initiatives with SDFC will continue annually. We are proud to be a founding partner of an organization aligned with our commitment to supporting the community.





San Diego Padres

San Diego is home to both our headquarters and Petco Park, widely recognized as America's #1 ballpark. Located in the heart of downtown, Petco Park stands as a cornerstone of the city and is considered one of the most successful urban redevelopment projects. Since 2023, Petco Park has ranked highest in Major League Baseball attendance per capacity, a testament to sustained fan engagement driven by the team's success and the venue's ambiance. This dedicated attendance provides a highly visible platform for brand awareness and community connection. This past season, we capitalized on the all-time high in franchise attendance, showcasing our branding to the over three million fans who came to cheer on their team. With a premium outfield wall sign in left field and LED signage rotating around the ballpark, the Palomar name and logo were prominent features for Padres fans. Beyond in-person impressions, our presence was amplified through social media and television, reaching millions more and generating further brand and product awareness. As a company rooted in San Diego, we are proud to be one of the Padres' faithful fans and partners and are eager to continue collaborating with an organization that plays a defining role in the city's cultural and economic fabric.

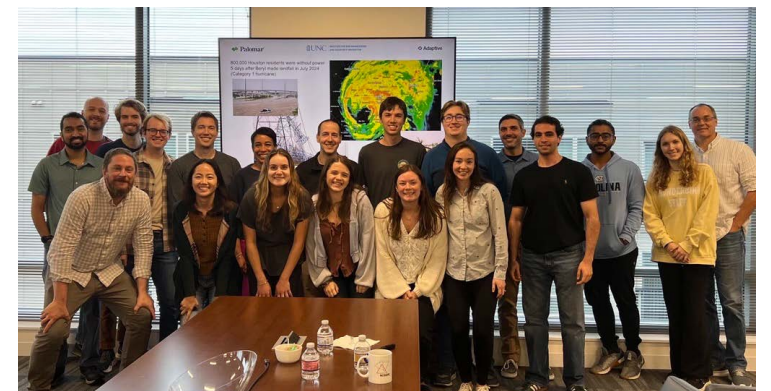


Hammond Climate Solutions Foundation

To support clean, affordable energy sources, we are a proud benefactor of the Hammond Climate Solutions Foundation, a nationwide initiative that provides reliable green energy to nonprofits supporting underserved communities. Through targeted contributions to the Solar Moonshot Program, our involvement benefits charitable organizations seeking access to alternative energy sources, simultaneously advancing their philanthropic missions and slowing the impacts of climate change. Added benefits of these solar panel donations include reduced environmental disparities, improved climate education and stimulated local economies, driven by 63 new clean energy projects funded in 2025. These efforts reflect our broader commitment to innovation, equity and long-term climate resilience.

University of North Carolina at Chapel Hill (UNC-CH) Institute for Risk Management and Insurance Innovation (IRMII)

2025 marks the inaugural year of the Institute for Risk Management and Insurance Innovation at the UNC-CH, with our company serving as a proud partner. In this role, we actively help shape the future of insurance risk research and education by sharing industry expertise and insights to ensure coursework and projects reflect evolving



market trends. Additionally, we have the privilege of connecting personally with students involved in the program, as well as those beyond it, through career fairs, technical seminars, career panels and speaker events or showcases. This collaboration is foundational to our values, as we seek to engage with and inspire the coming generation of industry professionals.

Two specific projects that we take an interest in through IRMII include investigating low water levels along the Mississippi and flood resiliency in coastal North Carolina homes. Low water levels on the Mississippi disrupt barge traffic during peak demand of the crop harvest season, so IRMII researchers developed a river stress index to determine the losses farmers experience during periods of low water. In Eastern North Carolina, researchers are quantifying the financial risks and recovery outcomes of uninsured residential flood damage to inform targeted interventions and innovative insurance solutions that strengthen disaster resilience in the U.S. housing finance system.

These examples represent only a small portion of the impactful research led by IRMII. We are excited to watch the program grow and impact the world of risk management and insurance innovation.

Princeton Research Project

Natural disasters are increasing in both frequency and severity across the United States, making risk assessment and mitigation critical for specialty insurers and the communities they serve. We support Princeton University’s work to improve flood risk modeling through data-driven pattern recognition and prediction. By combining current climate conditions with historical storm data, Princeton’s research produces detailed flood inundation maps that close information gaps and support more effective protection and prevention strategies.

This work enables materially improved preparedness through high-fidelity flood inundation maps with 30-meter resolution. A user-friendly web platform allows communities to view hazard maps across current and future scenarios. Advancing and sharing this research is critical, as it supports quicker, informed decision-making at the community level.

Through our sponsorship of the inland flood research project, we aim to help communities better prepare for and respond to flood risk. The project supports long-term resilience by informing sustainable planning and risk management decisions.

University of California San Diego (UCSD) Earthquake Test

UCSD is home to the world’s largest high-performance shake table and, with our support, directs this research toward building resilience for the communities we serve. The researchers analyze cold-formed steel (CFS) buildings in the context of earthquakes and fires, though this information is applicable to many other types of structures as well. Using a 10-story CFS building and over 700 strategically placed sensors and cameras, the data produced aims to improve building standards and durability. During 18 earthquake tests on the shake table, the building and nonstructural systems performed well, demonstrating promising execution. Utilizing this information will

improve loss predictions and recovery, which we hope will, in turn, assist those we serve by providing a path for stronger structures and prevention against future earthquake damage. Supporting this partnership accomplishes important goals in advancing academic innovation and building a more sustainable, adaptive and resilient future for our communities and industry.

Investment in VETZ


To help and aid United States service members, we support Academy Asset Management (AAM), a service-disabled veteran-owned investment firm located in San Diego. AAM manages the VETZ ETF, an exchange-traded fund that primarily invests in loans to service members, veterans and their family members. This program lowers borrowing costs and donates a portion of the management fee to numerous veteran-centered charities. Additionally, AAM will continue to hire more veterans as the system grows, creating further opportunities and providing quantifiable support. This investment enables us to sponsor AAM’s mission to uplift and financially aid those who have served our country.

Team Rubicon

Our commitment to policyholders and communities extends beyond insurance coverage to proactive, on-the-ground support. In 2025, we continued our partnership with Team Rubicon to advance fire and flood mitigation efforts in high-risk communities. Through this collaboration, team members participated in hands-on projects, including debris removal and risk-reduction work to help safeguard homes and neighborhoods ahead of future events. These initiatives prioritized residents who lacked the physical or financial means to complete the work independently. By reducing immediate hazards and strengthening preparedness, the partnership improved local resilience and reinforced our focus on proactive, community-centered engagement.



People & Community



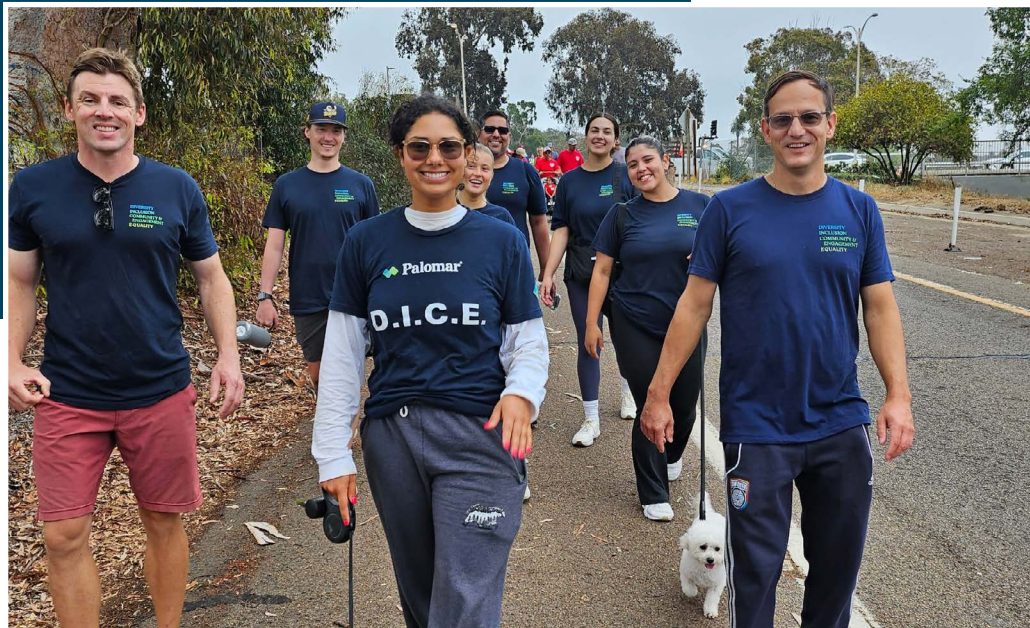
Our performance is driven by our people and the communities where we operate. We invest in talent development, foster an inclusive culture and encourage hands-on community engagement across the organization. Our Diversity, Inclusion, Community Engagement and Equality (D.I.C.E.) group leads volunteer initiatives, aligning team members' involvement with community needs.

The following initiatives reflect how our people contribute to our culture, our communities and our long-term success.

D.I.C.E.

D.I.C.E. champions sustainability and volunteering efforts that strengthen the communities where we live and work. Led by passionate team members, this group turns shared values into action by identifying meaningful opportunities, organizing initiatives and encouraging participation across the organization.

Through hands-on service and community partnerships, the group empowers team members to make a positive, lasting impact. Their leadership fosters a culture of responsibility and connection, showing how collective effort can drive real change, both locally and beyond.



2025 Closing Numbers

(Year-to-date D.I.C.E. Stats)

619

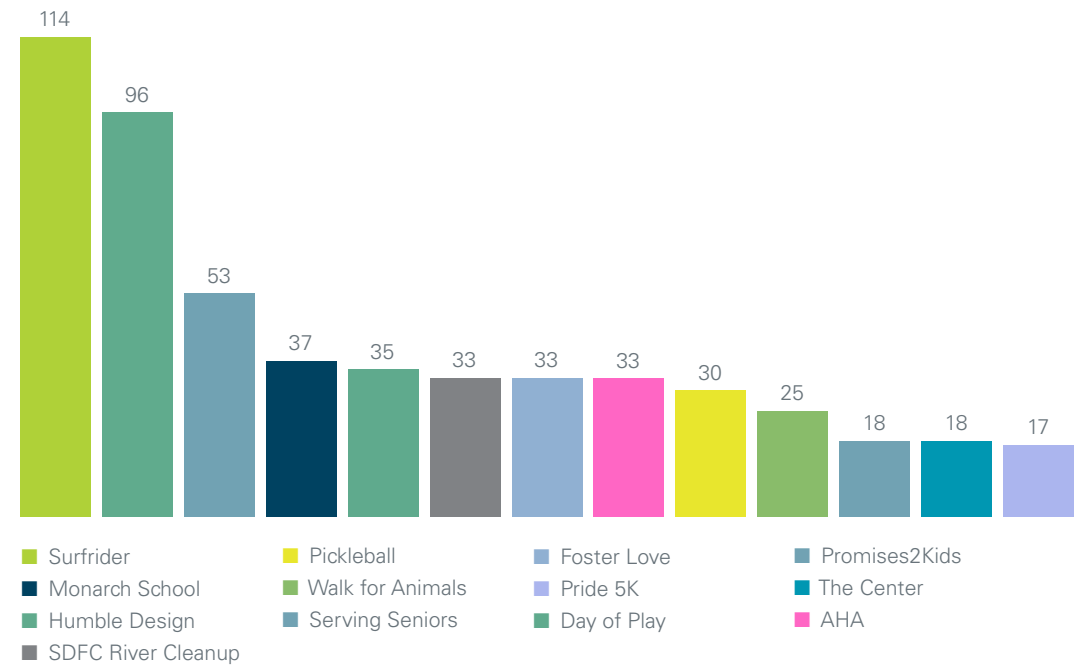
Volunteer Hours

27

Events hosted by D.I.C.E.



2025 Volunteer Hours



This graph does not represent all volunteer hours and organizations.

Top Workplace

We are proud to be named a Top Workplace award winner for the fourth consecutive year, receiving our 2025 award from USA Today. Earning this national honor underscores our unwavering commitment to putting our people first. It's a testament to our core value of Authenticity and demonstrates the collaboration and drive each team member provides our company. With our team's growth and well-being as our priorities, we foster a culture that not only attracts and retains top talent but also empowers us to execute our corporate strategy and deliver impactful solutions to the communities we serve.



Summer Internship Review

Our paid summer internship program aims to prepare the next generation of insurance leaders through a hands-on learning experience. During the 12-week cohorts, college students and recent graduates were welcomed onto our team and engaged in work that provided real impact and measurable results for our company, supporting 15 departments through invaluable, tangible contributions.

In addition to direct involvement with their teams, professionals from each division offered their time and expertise to further inform the aspiring professionals on department operations and the broader insurance industry. These conversations provided a well-rounded foundation of each unique division and cultivated a deeper interest in insurance overall. Further workshops throughout the summer were designed to bring the cohorts together, fostering cross-department collaboration and lasting relationships as interns grew in their communication styles, improved networking abilities and refined their LinkedIn profiles and resumes, among other crucial skills.

Along with structured workshops and professional development sessions, interns were also immersed in our culture through team-building events, community service activities and networking opportunities with senior leadership. These experiences reinforced our commitment to fostering both professional and personal development, ensuring that every intern leaves with a strong sense of purpose, confidence and connection.

These 37 interns represented 26 universities from across the country. Each participant brought a unique skillset and background, strengthening our emphasis on innovation. After a summer of dedicated work and skillful initiative, 12 contributors received full-time offers as of September. The program continues to emphasize the importance of curiosity, adaptability and professional growth, encouraging interns to align their career goals with their values while discovering the many rewarding paths within insurance. We are proud to continue building a strong pipeline of passionate, capable professionals who will shape the future of the insurance industry.

2025 Intern Map

Summer Stats & Schools Represented

37

Interns Participated

9

Team-building Events

29

Hours of Development Workshops

2

Presentation Opportunities

15

Department Functions Supported

39

Impactful Projects Completed



California State University
SAN MARCOS



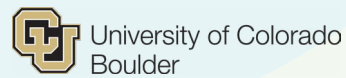
Middlebury
College



SDSU | San Diego State
University



UC San Diego



University |
of San Diego®

UNIVERSITY OF
SAN FRANCISCO





Aztecs Going Pro

As part of our developing partnership with San Diego State University (SDSU), we pledged to reserve internship spots for female athletes. This past summer, as part of its Aztecs Going Pro initiative, one athlete from the women’s basketball team was the first to represent this program.

Our Senior Vice President of People & Talent, Kim Armstrong, visited the SDSU campus to speak on a panel regarding career growth and pathways for the University’s women’s basketball team. In a follow-up event this year, Kim and Angela Grant, our Chief Legal Officer, hosted a “Lunch & Learn” at our La Jolla office to continue the exposure and connection. We hope to expand the partnership with this diverse talent pool, empowering female athletes to explore career growth and transition their college skills into professional life.



Humble Design

In our industry, we witness firsthand the profound role of a home in people’s lives, and more so, the devastating impact of losing that space of comfort, security and identity. This understanding is one of the reasons we are proud to work alongside Humble Design for the second year in a row. For the families Humble Design serves, the donated furnishings create a personalized, warm and dignified living space as they transition out of homelessness.

Our hands-on involvement takes two main forms: Warehouse Days and the Day of Joy. During Warehouse Days, our team unpacks, cleans and repairs donations as they arrive. Volunteers also paint artwork for children’s rooms, organize pieces for upcoming deliveries and support employees wherever hands are needed. The Day of Joy marks the moment a supported family receives their donated goods. Our team then acts as the movers and designers, unloading pieces, constructing furniture, arranging the area and adding decorative flair that fills the empty space with new life. During a reveal-style event, we meet the supported family and see firsthand the impact these transformative moments have on their lives. We also contribute \$5,000 toward moving costs and provide volunteers to assist with the process.



Second Harvest Heartland

This year, our Edina office participated in a volunteer effort with Second Harvest Heartland, a nonprofit dedicated to delivering nutritious food to hungry families while advocating for systemic change to address the root causes of food insecurity. As a constituent of Feeding America, Second Harvest Heartland specifically focuses on assisting areas across Minnesota and western Wisconsin, directly impacting the neighbors and community members of our Edina office. Together, our team members sorted and packed 16,365 meals for local families, including 470 bags of potatoes, 755 bags of cereal and more. In Minnesota, one in five households struggles with nutritional instability, making this effort especially impactful. The Edina team plans to continue supporting Second Harvest Heartland by recreating this event in the future.

What Our Team Members Are Saying About Palomar

“One thing I appreciate about working at Palomar is the support I get from everyone around me. My leaders want to help me grow and develop, and this has unlocked many great opportunities for me to contribute to Palomar in meaningful ways. Everyone I work with is inspired to do what they can to help Palomar succeed, which is a wonderful mentality to be surrounded by every day.”



Kayla Gephart

Actuarial Manager
Edina, Minnesota

“Since joining Palomar in August 2025, I’ve been energized by the strong work ethic and collaborative spirit that define the culture. As a member of the Crop team, I’ve always felt fully supported and connected to the broader organization. It’s a place where people are excited to contribute, grow and move the business forward together.”



Liz Bair

AVP, Agency Success
Edina, Minnesota

“My time at Palomar has been invaluable to me, as I was encouraged to take ownership of my career from the very beginning. Both our leadership and my peers have been exceptionally supportive of my professional growth and development, making me feel that we are all contributing to a greater purpose together.”



Kyle Edwards

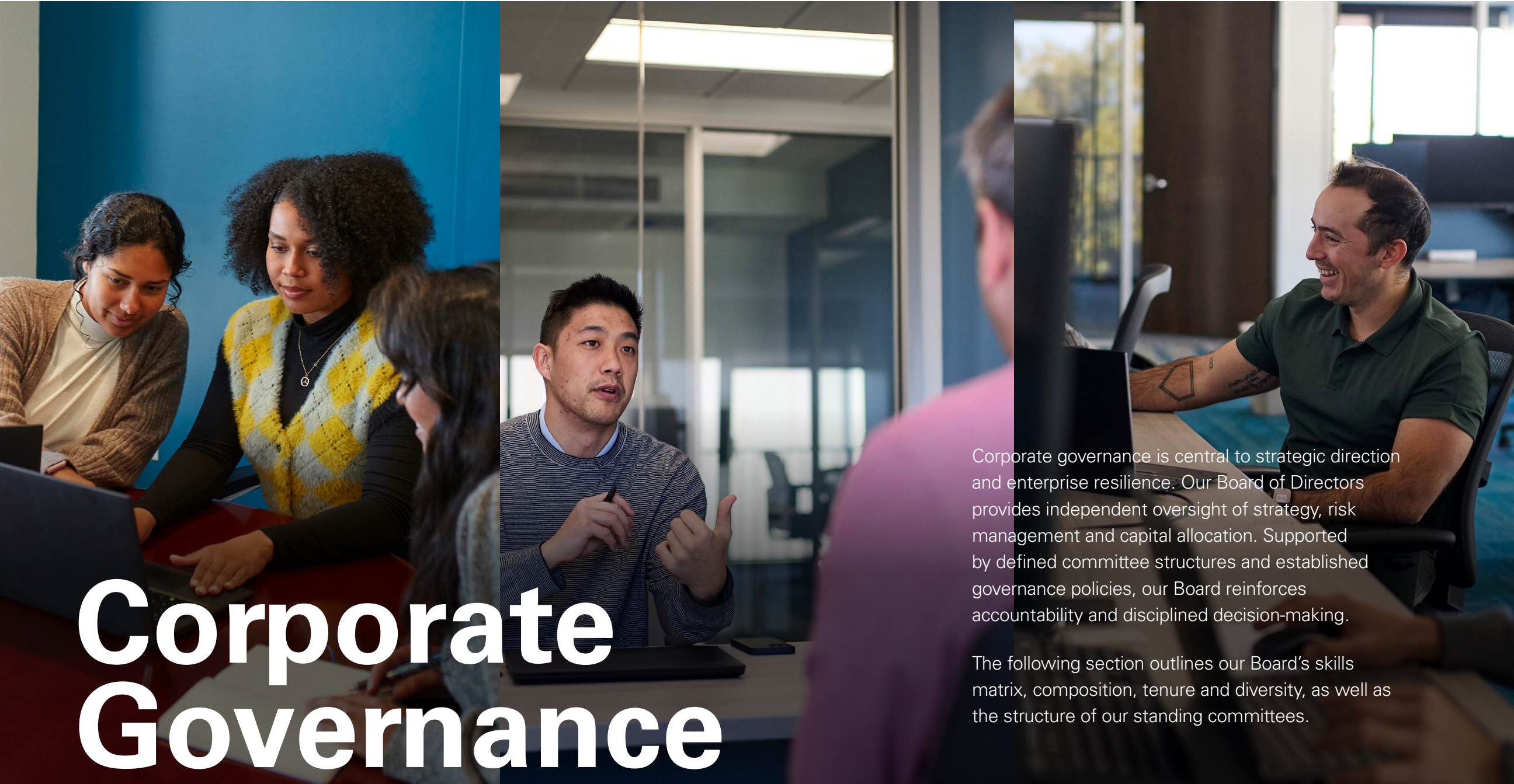
Senior Client Relationship Manager
La Jolla, California

“There are companies out there that will tell you about great things their company has to offer, such as culture, work-life balance and how they care about their team members. I can guarantee that when you hear about it from Palomar, it is the real deal. Leaders and peers care about you here, and it is something you can feel. We are thought of as empowered team members, which reinforces how I am valued. Palomar wants me to have a successful professional life as well as a personal life.”



Trevor Papanmeier

Underwriter
Morris Plains, NJ



Corporate Governance

Corporate governance is central to strategic direction and enterprise resilience. Our Board of Directors provides independent oversight of strategy, risk management and capital allocation. Supported by defined committee structures and established governance policies, our Board reinforces accountability and disciplined decision-making.

The following section outlines our Board's skills matrix, composition, tenure and diversity, as well as the structure of our standing committees.

Our Board of Directors

Our Board of Directors is comprised of accomplished industry veterans who bring decades of experience from their prior roles working in insurance and financial services companies.

Committees and Composition

We have thoughtfully constructed our Board to advance our strategy.

● Member ● Chair



86% Independent 43% Women 60 Years Average Board Age 5 Years Average Board Tenure



Committee	Mac Armstrong	Daryl Bradley	Thomas Bradley	Catriona Fallon	Daina Middleton	Martha Notaras	Richard Taketa
Independent		✓	✓	✓	✓	✓	✓
Audit Committee		●	●	●	●		
Compensation Committee			●		●	●	●
Nominating and Corporate Governance Committee				●		●	●
Sustainability Committee	●	●			●		
Enterprise Risk Management (ERM) Committee	●	●	●			●	
Investment Committee	●		●	●			●

Board Composition

We have thoughtfully constructed our Board to advance our strategy.

Skills	Mac Armstrong	Daryl Bradley	Thomas Bradley	Catriona Fallon	Daina Middleton	Martha Notaras	Richard Taketa
Accounting and Finance	●		●	●	●	●	●
Corporate Governance	●	●	●	●	●	●	●
Cybersecurity Oversight		●		●		●	
Human Capital Management	●	●		●	●		●
Insurance and Financial Services	●	●	●	●		●	●
Investment and Capital Management	●	●	●	●		●	●
Leadership	●	●	●	●	●	●	●
Marketing and Brand Management	●				●		●
Risk Management and Reinsurance	●	●	●				●
Technology				●	●	●	



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