

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2023 This Form is Open to Public Inspection
--	---	---

Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan LEMONADE, INC. 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 04/13/2018
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) LEMONADE, INC. 5 CROSBY STREET 3RD FLOOR NEW YORK, NY 10013
2b	Employer Identification Number (EIN) 32-0469673
2c	Plan Sponsor's telephone number 844-733-8666
2d	Business code (see instructions) 524290

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.			
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.			
SIGN HERE	Filed with authorized/valid electronic signature.	10/07/2024	JULIO ESTELA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 839
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 750 6a(2) 849 6b 0 6c 304 6d 1153 6e 0 6f 1153 6g(1) 739 6g(2) 1074 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2J 2K 2R 2S 2T 3D 2E 2F 2G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan LEMONADE, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LEMONADE, INC.	D Employer Identification Number (EIN) 32-0469673	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	57817	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

SECURIAN FINANCIAL SERVICES INC

41-1486060

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	31014	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
CALVERT GRTH ALLOC I - DST ASSET M 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ADVISORS CAPITAL SMALL MID CAP INV 100 SALEM ST SMITHFIELD, RI 02917	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ADVISORS CAPITAL US DIVIDEND FD IN 100 SALEM ST SMITHFIELD, RI 02917	0.40%	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II **Information on Participating Plans (to be completed by DFEs, other than DCGs)**

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan LEMONADE, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 LEMONADE, INC.	D Employer Identification Number (EIN) 32-0469673	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	142929	97107
(2) Participant contributions	1b(2)	130674	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	53821	186635
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	235193	511556
(9) Value of interest in common/collective trusts	1c(9)	22089	215616
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	13307809	29426455
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	13892515	30437369
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	13892515	30437369

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2578879	
(B) Participants	2a(1)(B)	5015802	
(C) Others (including rollovers)	2a(1)(C)	1290565	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		8885246
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6633	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	21483	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		28116
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	226	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	540947	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		541173
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	56988	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		180071
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		3292391
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		12983985

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4426619	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		4426619
f Corrective distributions (see instructions)	2f		8237
g Certain deemed distributions of participant loans (see instructions)	2g		8112
h Interest expense	2h		0
i Administrative expenses:			
(1) Salaries and allowances	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Recordkeeping fees.....	2i(3)	57817	
(4) IQPA audit fees.....	2i(4)	0	
(5) Investment advisory and investment management fees	2i(5)	34656	
(6) Bank or trust company trustee/custodial fees	2i(6)	0	
(7) Actuarial fees	2i(7)	0	
(8) Legal fees	2i(8)	0	
(9) Valuation/appraisal fees	2i(9)	0	
(10) Other trustee fees and expenses	2i(10)	0	
(11) Other expenses	2i(11)	0	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		92473
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4535441

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		8448544
l Transfers of assets:			
(1) To this plan	2l(1)		8096310
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **INSERO & CO CPA'S LLP**

(2) EIN: **47-5324570**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	☒	☐	915008
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	☐	☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	☐	☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	☐	☒	
e Was this plan covered by a fidelity bond?	☒	☐	500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	☐	☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	☐	☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	☐	☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒	☐	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	☐	☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐	☒	
l Has the plan failed to provide any benefit when due under the plan?	☐	☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	☒	☐	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	☒	☐	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan LEMONADE, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LEMONADE, INC.	D Employer Identification Number (EIN) 32-0469673	

Part I	Distributions
--------	---------------

All references to distributions relate only to payments of benefits during the plan year.

1	Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	
2	Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3	Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
---------	--

4	Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.				
5	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6	a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
	b Enter the amount contributed by the employer to the plan for this plan year	6b		
	c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.				
7	Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8	If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
----------	------------

9	If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
---	--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
---------	--

10	Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11	a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
	b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12	Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for: a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14a 14b 14c	
15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	
16 Information with respect to any employers who withdrew from the plan during the preceding plan year:		
a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐	
19 If the total number of participants is 1,000 or more, complete lines (a) and (b): a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____% b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation: _____	

Part VII	IRS Compliance Questions
-----------------	---------------------------------

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No 21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2). ☒ Design-based safe harbor method ☐ "Prior year" ADP test ☒ "Current year" ADP test ☐ N/A 22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 30 / 2020</u> (MM/DD/YYYY) and the Opinion Letter serial number <u>Q702438A</u> .	
---	--

LEMONADE, INC. 401(k) PLAN

FINANCIAL REPORT

**For the Year Ended
December 31, 2023**



LEMONADE, INC. 401(k) PLAN

TABLE OF CONTENTS

Independent Auditor's Report	1-4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7-12
Schedule of Assets (Held at End of Year)	13-14
Schedule of Delinquent Participant Contributions	15



INDEPENDENT AUDITOR'S REPORT

To the Trustees and Participants of
Lemonade, Inc. 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of the Lemonade, Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

INSERO & Co. CPAs, LLP

The Highest Standard | (800) 232-9547 | www.inserocpa.com

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter—Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2023, and schedule of delinquent participant contributions for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Respectfully submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2024

LEMONADE, INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Investments		
Registered Investment Companies	\$ 29,176,146	\$ 13,295,770
Self-Directed Brokerage Account	436,944	65,860
Common Collective Trust	215,616	22,089
Investments, at Fair Value	29,828,706	13,383,719
Receivables		
Employer Contributions	97,107	142,929
Participant Contributions	-	130,674
Notes Receivable from Participants	511,556	235,193
Total Receivables	608,663	508,796
Net Assets Available for Benefits	\$ 30,437,369	\$ 13,892,515

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2023

Additions to Net Assets Attributed to:

Investment Income

Net Appreciation in Fair Value of Investments	\$ 3,529,450
Dividend and Interest Income	<u>547,806</u>

Total Investment Income	<u>4,077,256</u>
--------------------------------	-------------------------

Interest Income on Notes Receivable from Participants	<u>21,483</u>
--	----------------------

Contributions

Participant	5,015,802
Employer	2,578,879
Rollover	<u>1,290,565</u>

Total Contributions	<u>8,885,246</u>
----------------------------	-------------------------

Total Additions	<u>12,983,985</u>
------------------------	--------------------------

Deductions from Net Assets Attributed to:

Benefits Paid	4,442,968
Administrative Expenses	<u>92,473</u>

Total Deductions	<u>4,535,441</u>
-------------------------	-------------------------

Net Increase	8,448,544
---------------------	------------------

Transfer in from MetroMile Inc. 401(k) Plan	8,096,310
--	------------------

Net Assets Available for Benefits:

Beginning of Year	<u>13,892,515</u>
End of Year	<u><u>\$ 30,437,369</u></u>

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan**

The following brief description of Lemonade, Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more comprehensive information.

General

The Plan is a defined contribution plan available to all employees of Lemonade, Inc. (the Company or Employer) who are at least 18 years of age and have completed one hour of service as a full-time employee, and interns, part-time, seasonal or temporary employees who are at least 21 years of age and have completed 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Fidelity Management Trust Company (Fidelity) is the recordkeeper, custodian and trustee of the Plan.

Effective July 29, 2022 the company acquired Metromile, Inc. (Metromile). Metromile common stock was converted to Lemonade Inc. common stock upon close of the acquisition.

During 2023, \$8,096,310 of assets from the Metromile Inc 401(k) Plan were transferred into the Plan. Participants of the Metromile's 401(k) plan were eligible for the Plan effective January 1, 2023.

Contributions

Participants are permitted to contribute up to 100% of their pre-tax compensation, subject to certain limitations under the terms of the Plan and the Internal Revenue Code (IRC). The Plan includes an auto enrollment provision whereby all newly eligible employees hired on or after the effective date will be automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation and their contribution invested in a designated target date retirement fund based on their age until changed by the participant.

Additionally, participants are permitted to make after-tax contributions to a Roth account. Contributions are taxed when made, instead of when the funds are withdrawn; investment earnings grow tax-free; and participants pay no taxes or penalties on qualified distributions under current tax laws.

Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also rollover amounts into the Plan representing distributions from other qualified plans.

The Company provides a safe harbor matching contribution equal to 100% of a participants deferral up to 3% of eligible compensation and 50% of a participants deferral up to 2% of eligible compensation.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan - Continued**

Participant Accounts

Each participant's account is credited with the participant's contribution, allocations of the Company's safe harbor matching contributions and investment earnings (losses), and charged with withdrawals and an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is equal to the value of the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions to the Plan, as well as any Company contributions and any earnings thereon.

Benefit Payments

The Plan provides for normal retirement benefits in the form of lump sum distributions upon reaching age 65 and has provisions for early retirement, disability, death, and termination benefits for those participants who are eligible to receive such benefits. In-service withdrawals for hardship and upon attainment of age 59½ are also permitted by the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of (a) 50% of their vested account balance; or (b) \$50,000 reduced by the excess of the highest outstanding loan balance in the previous 12 months. The loans are collateralized by the balance in the participant's account and bear interest at a reasonable rate based on the prevailing interest rates. Principal and interest is paid ratably through payroll deductions. Loans are to be repaid over a period not to exceed five years, or 15 years for the purchase of a primary residence. Participants can only have up to one loan outstanding at any given time.

Administrative Expenses

All expenses of administering the Plan may be paid by the Plan, unless elected to be paid by the Company.

***Note 2* Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Subsequent Events

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through October 3, 2024, the date that the financial statements were available to be issued.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 2* Summary of Significant Accounting Policies - Continued**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants (participant loans) are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as inflation, a pandemic, or international conflict. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in the values of investments securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Payment of Benefits

Benefits are recorded when paid.

Reclassification

Certain investments previously shown as of December 31, 2022 have been re-categorized as of December 31, 2023, to conform to current year presentation.

***Note 3* Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. The guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 3* Investment Valuation and Income Recognition - Continued**

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Registered Investment Companies: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Self-Directed Brokerage Account: The self-directed brokerage account consists primarily of common stock. Common stock is valued at the closing price reported on the investments' respective stock exchange or active market. All investments are classified within level 1 of the valuation hierarchy.

Common Collective Trust: Valued at NAV based on the underlying assets of the trust. The NAV is used as a practical expedient to estimate fair value and is obtained from information provided by the investment advisor using the audited financial statements of the common collective trusts at year end.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

Note 3 Investment Valuation and Income Recognition - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	<u>Investments at Fair Value as of</u> <u>December 31, 2023</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 29,176,146	\$ 29,176,146
Self Directed Brokerage Account	436,944	436,944
Common Collective Trust Measured at NAV ^(a)		215,616
Total Investments, at Fair Value	\$ 29,613,090	\$ 29,828,706

	<u>Investments at Fair Value as of</u> <u>December 31, 2022</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 13,295,770	\$ 13,295,770
Self Directed Brokerage Account	65,860	65,860
Common Collective Trust Measured at NAV ^(a)		22,089
Total Investments, at Fair Value	\$ 13,361,630	\$ 13,383,719

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Note 4 Financial Information Certified by the Custodian

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, the custodian of the Plan, has certified to the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2023 and 2022, the schedule of assets (held at end of year) as of December 31, 2023, and the related investment activity (including dividend and interest income and net appreciation in fair value of investments), and interest income on notes receivable from participants for the investments reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2023.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 5* Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts and the net assets of the Plan will be distributed as prescribed by ERISA.

***Note 6* Tax Status**

The Plan adopted a non-standardized defined contribution pre-approved plan document sponsored by FMR LLC. The Internal Revenue Service (IRS) has determined and informed the pre-approved plan, by a letter dated June 30, 2020, that the plan is designed in accordance with applicable sections of the IRC. The opinion letter has been relied upon by this Plan. The Plan has been amended since the pre-approved plan received the opinion letter. The Plan Administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress.

***Note 7* Party-in-Interest Transactions**

Certain Plan investments are registered investment companies managed by an entity related to Fidelity. Fidelity is the trustee of the Plan and therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

***Note 8* Prohibited Transactions**

During 2023 and 2022, the Company failed to deposit \$392,386 and \$522,622, respectively, of participant deferrals and loan repayments within the required timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. As such, the Plan Sponsor is required to file Form 5330 and pay the applicable excise tax on the delinquent participant deferrals. The excise tax payments will be paid by the Company and not from assets of the Plan. As of the date of the financial statements, the Company has not yet filed the Form 5330 related to delinquent contributions for 2022.

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

Identity of Issuer/Description of Investment	Current Value
Registered Investment Companies	
* Fidelity Investments Freedom Index 2055 Fund IPR	\$ 6,209,363
* Fidelity Investments Freedom Index 2060 Fund IPR	4,368,555
* Fidelity Investments Freedom Index 2050 Fund IPR	4,303,018
* Fidelity Investments 500 Index Fund	3,250,660
* Fidelity Investments Freedom Index 2045 Fund IPR	2,160,951
* Fidelity Investments Freedom Index 2030 Fund IPR	1,220,565
* Fidelity Investments Mid Cap Index Fund	1,142,119
* Fidelity Investments Freedom Index 2035 Fund IPR	1,118,911
* Fidelity Investments Small Cap Index Fund	784,960
* Fidelity Investments Freedom Index 2040 Fund IPR	684,369
* Fidelity Investments Blue Chip Growth K6 Fund	542,566
* Fidelity Investments Freedom Index 2065 Fund IPR	504,493
* Fidelity Investments International Capital Appreciation K6 Fund	369,273
* Fidelity Investments Freedom Index 2025 Fund IPR	251,342
T. Rowe Price Health Sciences Fund I Class	238,563
* Fidelity Investments Freedom Index 2020 Fund IPR	236,630
* Fidelity Freedom Index Inc IPR	195,090
American Funds American Balanced Fund Class R-6	194,282
American Century Sustainable Equity Fund R6 Class	191,677
* Fidelity Investments Equity-Income K6 Fund	178,753
Calvert International Equity Fund Class R6	171,773
Columbia Large Cap Growth Fund Institutional 3 Class	158,738

(Continued)

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

<u>Identity of Issuer/Description of Investment</u>	<u>Current Value</u>
Columbia Select Mid Cap Value Fund Institutional 3 Class	143,940
* Fidelity Investments Small Cap Growth K6 Fund	126,356
* Fidelity Investments Intermediate Treasury Bond Index Fund	50,527
American Funds SMALLCAP World Fund Class R-6	48,783
PGIM Global TOT RTN R6	48,079
Calvert Bond Fund Class R6	47,615
PGIM High Yield Fund- Class R6	46,575
* Fidelity Investments U.S. Bond Index Fund	39,659
Lord Abbett Bond Debenture Fund Class R6	31,988
* Fidelity Government MMKT K6	31,379
RBC Emerging Markets Equity Fund Class R6	27,599
Calvert Growth Allocation Fund I	27,526
Morgan Stanley Institutional Fund Trust Global Strategist Portfolio Class R6	14,879
MFS Massachusetts Investors Trust Class R6	14,590
Total Registered Investment Companies	29,176,146
Common Collective Trust	
GS Stable Value Inv 1	215,616
* Self-Directed Brokerage Account	436,944
* Participant Loans - Interest rates ranging from 3.25% to 8.50% with maturity dates ranging from January 2024 through September 2044	511,556
Total Investments	\$ 30,340,262

* Denotes Party-In-Interest

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2023

EIN: 32-0469673

Plan Number: 001

Plan Year	Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption 2002-51
	Check here if Late Participant Loan Repayments are Included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2023	\$ 392,386	\$ -	\$ 392,386	\$ -	\$ -
2022	\$ 522,622	\$ 522,622	\$ -	\$ -	\$ -
Total	\$ 915,008	\$ 522,622	\$ -	\$ -	\$ -

LEMONADE, INC. 401(k) PLAN

FINANCIAL REPORT

**For the Year Ended
December 31, 2023**



LEMONADE, INC. 401(k) PLAN

TABLE OF CONTENTS

Independent Auditor's Report	1-4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7-12
Schedule of Assets (Held at End of Year)	13-14
Schedule of Delinquent Participant Contributions	15



INDEPENDENT AUDITOR'S REPORT

To the Trustees and Participants of
Lemonade, Inc. 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of the Lemonade, Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

INSERO & Co. CPAs, LLP

The Highest Standard | (800) 232-9547 | www.inserocpa.com

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter—Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2023, and schedule of delinquent participant contributions for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Respectfully submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2024

LEMONADE, INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Investments		
Registered Investment Companies	\$ 29,176,146	\$ 13,295,770
Self-Directed Brokerage Account	436,944	65,860
Common Collective Trust	215,616	22,089
Investments, at Fair Value	29,828,706	13,383,719
Receivables		
Employer Contributions	97,107	142,929
Participant Contributions	-	130,674
Notes Receivable from Participants	511,556	235,193
Total Receivables	608,663	508,796
Net Assets Available for Benefits	\$ 30,437,369	\$ 13,892,515

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2023

Additions to Net Assets Attributed to:

Investment Income

Net Appreciation in Fair Value of Investments	\$ 3,529,450
Dividend and Interest Income	<u>547,806</u>

Total Investment Income	<u>4,077,256</u>
--------------------------------	-------------------------

Interest Income on Notes Receivable from Participants	<u>21,483</u>
--	----------------------

Contributions

Participant	5,015,802
Employer	2,578,879
Rollover	<u>1,290,565</u>

Total Contributions	<u>8,885,246</u>
----------------------------	-------------------------

Total Additions	<u>12,983,985</u>
------------------------	--------------------------

Deductions from Net Assets Attributed to:

Benefits Paid	4,442,968
Administrative Expenses	<u>92,473</u>

Total Deductions	<u>4,535,441</u>
-------------------------	-------------------------

Net Increase	8,448,544
---------------------	------------------

Transfer in from MetroMile Inc. 401(k) Plan	8,096,310
--	------------------

Net Assets Available for Benefits:

Beginning of Year	<u>13,892,515</u>
End of Year	<u><u>\$ 30,437,369</u></u>

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan**

The following brief description of Lemonade, Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more comprehensive information.

General

The Plan is a defined contribution plan available to all employees of Lemonade, Inc. (the Company or Employer) who are at least 18 years of age and have completed one hour of service as a full-time employee, and interns, part-time, seasonal or temporary employees who are at least 21 years of age and have completed 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Fidelity Management Trust Company (Fidelity) is the recordkeeper, custodian and trustee of the Plan.

Effective July 29, 2022 the company acquired Metromile, Inc. (Metromile). Metromile common stock was converted to Lemonade Inc. common stock upon close of the acquisition.

During 2023, \$8,096,310 of assets from the Metromile Inc 401(k) Plan were transferred into the Plan. Participants of the Metromile's 401(k) plan were eligible for the Plan effective January 1, 2023.

Contributions

Participants are permitted to contribute up to 100% of their pre-tax compensation, subject to certain limitations under the terms of the Plan and the Internal Revenue Code (IRC). The Plan includes an auto enrollment provision whereby all newly eligible employees hired on or after the effective date will be automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation and their contribution invested in a designated target date retirement fund based on their age until changed by the participant.

Additionally, participants are permitted to make after-tax contributions to a Roth account. Contributions are taxed when made, instead of when the funds are withdrawn; investment earnings grow tax-free; and participants pay no taxes or penalties on qualified distributions under current tax laws.

Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also rollover amounts into the Plan representing distributions from other qualified plans.

The Company provides a safe harbor matching contribution equal to 100% of a participants deferral up to 3% of eligible compensation and 50% of a participants deferral up to 2% of eligible compensation.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan - Continued**

Participant Accounts

Each participant's account is credited with the participant's contribution, allocations of the Company's safe harbor matching contributions and investment earnings (losses), and charged with withdrawals and an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is equal to the value of the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions to the Plan, as well as any Company contributions and any earnings thereon.

Benefit Payments

The Plan provides for normal retirement benefits in the form of lump sum distributions upon reaching age 65 and has provisions for early retirement, disability, death, and termination benefits for those participants who are eligible to receive such benefits. In-service withdrawals for hardship and upon attainment of age 59½ are also permitted by the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of (a) 50% of their vested account balance; or (b) \$50,000 reduced by the excess of the highest outstanding loan balance in the previous 12 months. The loans are collateralized by the balance in the participant's account and bear interest at a reasonable rate based on the prevailing interest rates. Principal and interest is paid ratably through payroll deductions. Loans are to be repaid over a period not to exceed five years, or 15 years for the purchase of a primary residence. Participants can only have up to one loan outstanding at any given time.

Administrative Expenses

All expenses of administering the Plan may be paid by the Plan, unless elected to be paid by the Company.

***Note 2* Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Subsequent Events

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through October 3, 2024, the date that the financial statements were available to be issued.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 2* Summary of Significant Accounting Policies - Continued**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants (participant loans) are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as inflation, a pandemic, or international conflict. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in the values of investments securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Payment of Benefits

Benefits are recorded when paid.

Reclassification

Certain investments previously shown as of December 31, 2022 have been re-categorized as of December 31, 2023, to conform to current year presentation.

***Note 3* Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. The guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 3* Investment Valuation and Income Recognition - Continued**

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Registered Investment Companies: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Self-Directed Brokerage Account: The self-directed brokerage account consists primarily of common stock. Common stock is valued at the closing price reported on the investments' respective stock exchange or active market. All investments are classified within level 1 of the valuation hierarchy.

Common Collective Trust: Valued at NAV based on the underlying assets of the trust. The NAV is used as a practical expedient to estimate fair value and is obtained from information provided by the investment advisor using the audited financial statements of the common collective trusts at year end.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

Note 3 Investment Valuation and Income Recognition - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	<u>Investments at Fair Value as of</u> <u>December 31, 2023</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 29,176,146	\$ 29,176,146
Self Directed Brokerage Account	436,944	436,944
Common Collective Trust Measured at NAV ^(a)		215,616
Total Investments, at Fair Value	\$ 29,613,090	\$ 29,828,706

	<u>Investments at Fair Value as of</u> <u>December 31, 2022</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 13,295,770	\$ 13,295,770
Self Directed Brokerage Account	65,860	65,860
Common Collective Trust Measured at NAV ^(a)		22,089
Total Investments, at Fair Value	\$ 13,361,630	\$ 13,383,719

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Note 4 Financial Information Certified by the Custodian

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, the custodian of the Plan, has certified to the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2023 and 2022, the schedule of assets (held at end of year) as of December 31, 2023, and the related investment activity (including dividend and interest income and net appreciation in fair value of investments), and interest income on notes receivable from participants for the investments reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2023.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 5* Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts and the net assets of the Plan will be distributed as prescribed by ERISA.

***Note 6* Tax Status**

The Plan adopted a non-standardized defined contribution pre-approved plan document sponsored by FMR LLC. The Internal Revenue Service (IRS) has determined and informed the pre-approved plan, by a letter dated June 30, 2020, that the plan is designed in accordance with applicable sections of the IRC. The opinion letter has been relied upon by this Plan. The Plan has been amended since the pre-approved plan received the opinion letter. The Plan Administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress.

***Note 7* Party-in-Interest Transactions**

Certain Plan investments are registered investment companies managed by an entity related to Fidelity. Fidelity is the trustee of the Plan and therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

***Note 8* Prohibited Transactions**

During 2023 and 2022, the Company failed to deposit \$392,386 and \$522,622, respectively, of participant deferrals and loan repayments within the required timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. As such, the Plan Sponsor is required to file Form 5330 and pay the applicable excise tax on the delinquent participant deferrals. The excise tax payments will be paid by the Company and not from assets of the Plan. As of the date of the financial statements, the Company has not yet filed the Form 5330 related to delinquent contributions for 2022.

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

Identity of Issuer/Description of Investment	Current Value
Registered Investment Companies	
* Fidelity Investments Freedom Index 2055 Fund IPR	\$ 6,209,363
* Fidelity Investments Freedom Index 2060 Fund IPR	4,368,555
* Fidelity Investments Freedom Index 2050 Fund IPR	4,303,018
* Fidelity Investments 500 Index Fund	3,250,660
* Fidelity Investments Freedom Index 2045 Fund IPR	2,160,951
* Fidelity Investments Freedom Index 2030 Fund IPR	1,220,565
* Fidelity Investments Mid Cap Index Fund	1,142,119
* Fidelity Investments Freedom Index 2035 Fund IPR	1,118,911
* Fidelity Investments Small Cap Index Fund	784,960
* Fidelity Investments Freedom Index 2040 Fund IPR	684,369
* Fidelity Investments Blue Chip Growth K6 Fund	542,566
* Fidelity Investments Freedom Index 2065 Fund IPR	504,493
* Fidelity Investments International Capital Appreciation K6 Fund	369,273
* Fidelity Investments Freedom Index 2025 Fund IPR	251,342
T. Rowe Price Health Sciences Fund I Class	238,563
* Fidelity Investments Freedom Index 2020 Fund IPR	236,630
* Fidelity Freedom Index Inc IPR	195,090
American Funds American Balanced Fund Class R-6	194,282
American Century Sustainable Equity Fund R6 Class	191,677
* Fidelity Investments Equity-Income K6 Fund	178,753
Calvert International Equity Fund Class R6	171,773
Columbia Large Cap Growth Fund Institutional 3 Class	158,738

(Continued)

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

<u>Identity of Issuer/Description of Investment</u>	<u>Current Value</u>
Columbia Select Mid Cap Value Fund Institutional 3 Class	143,940
* Fidelity Investments Small Cap Growth K6 Fund	126,356
* Fidelity Investments Intermediate Treasury Bond Index Fund	50,527
American Funds SMALLCAP World Fund Class R-6	48,783
PGIM Global TOT RTN R6	48,079
Calvert Bond Fund Class R6	47,615
PGIM High Yield Fund- Class R6	46,575
* Fidelity Investments U.S. Bond Index Fund	39,659
Lord Abbett Bond Debenture Fund Class R6	31,988
* Fidelity Government MMKT K6	31,379
RBC Emerging Markets Equity Fund Class R6	27,599
Calvert Growth Allocation Fund I	27,526
Morgan Stanley Institutional Fund Trust Global Strategist Portfolio Class R6	14,879
MFS Massachusetts Investors Trust Class R6	14,590
Total Registered Investment Companies	29,176,146
Common Collective Trust	
GS Stable Value Inv 1	215,616
* Self-Directed Brokerage Account	436,944
* Participant Loans - Interest rates ranging from 3.25% to 8.50% with maturity dates ranging from January 2024 through September 2044	511,556
Total Investments	\$ 30,340,262

* Denotes Party-In-Interest

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2023

EIN: 32-0469673

Plan Number: 001

Plan Year	Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption 2002-51
	Check here if Late Participant Loan Repayments are Included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2023	\$ 392,386	\$ -	\$ 392,386	\$ -	\$ -
2022	\$ 522,622	\$ 522,622	\$ -	\$ -	\$ -
Total	\$ 915,008	\$ 522,622	\$ -	\$ -	\$ -

LEMONADE, INC. 401(k) PLAN

FINANCIAL REPORT

**For the Year Ended
December 31, 2023**



LEMONADE, INC. 401(k) PLAN

TABLE OF CONTENTS

Independent Auditor's Report	1-4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7-12
Schedule of Assets (Held at End of Year)	13-14
Schedule of Delinquent Participant Contributions	15



INDEPENDENT AUDITOR'S REPORT

To the Trustees and Participants of
Lemonade, Inc. 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of the Lemonade, Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

INSERO & Co. CPAs, LLP

The Highest Standard | (800) 232-9547 | www.inserocpa.com

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter—Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2023, and schedule of delinquent participant contributions for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Respectfully submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2024

LEMONADE, INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Investments		
Registered Investment Companies	\$ 29,176,146	\$ 13,295,770
Self-Directed Brokerage Account	436,944	65,860
Common Collective Trust	215,616	22,089
Investments, at Fair Value	29,828,706	13,383,719
Receivables		
Employer Contributions	97,107	142,929
Participant Contributions	-	130,674
Notes Receivable from Participants	511,556	235,193
Total Receivables	608,663	508,796
Net Assets Available for Benefits	\$ 30,437,369	\$ 13,892,515

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2023

Additions to Net Assets Attributed to:

Investment Income

Net Appreciation in Fair Value of Investments	\$ 3,529,450
Dividend and Interest Income	<u>547,806</u>

Total Investment Income	<u>4,077,256</u>
--------------------------------	-------------------------

Interest Income on Notes Receivable from Participants	<u>21,483</u>
--	----------------------

Contributions

Participant	5,015,802
Employer	2,578,879
Rollover	<u>1,290,565</u>

Total Contributions	<u>8,885,246</u>
----------------------------	-------------------------

Total Additions	<u>12,983,985</u>
------------------------	--------------------------

Deductions from Net Assets Attributed to:

Benefits Paid	4,442,968
Administrative Expenses	<u>92,473</u>

Total Deductions	<u>4,535,441</u>
-------------------------	-------------------------

Net Increase	8,448,544
---------------------	------------------

Transfer in from MetroMile Inc. 401(k) Plan	8,096,310
--	------------------

Net Assets Available for Benefits:

Beginning of Year	<u>13,892,515</u>
End of Year	<u><u>\$ 30,437,369</u></u>

See Notes to Financial Statements

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan**

The following brief description of Lemonade, Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more comprehensive information.

General

The Plan is a defined contribution plan available to all employees of Lemonade, Inc. (the Company or Employer) who are at least 18 years of age and have completed one hour of service as a full-time employee, and interns, part-time, seasonal or temporary employees who are at least 21 years of age and have completed 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Fidelity Management Trust Company (Fidelity) is the recordkeeper, custodian and trustee of the Plan.

Effective July 29, 2022 the company acquired Metromile, Inc. (Metromile). Metromile common stock was converted to Lemonade Inc. common stock upon close of the acquisition.

During 2023, \$8,096,310 of assets from the Metromile Inc 401(k) Plan were transferred into the Plan. Participants of the Metromile's 401(k) plan were eligible for the Plan effective January 1, 2023.

Contributions

Participants are permitted to contribute up to 100% of their pre-tax compensation, subject to certain limitations under the terms of the Plan and the Internal Revenue Code (IRC). The Plan includes an auto enrollment provision whereby all newly eligible employees hired on or after the effective date will be automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation and their contribution invested in a designated target date retirement fund based on their age until changed by the participant.

Additionally, participants are permitted to make after-tax contributions to a Roth account. Contributions are taxed when made, instead of when the funds are withdrawn; investment earnings grow tax-free; and participants pay no taxes or penalties on qualified distributions under current tax laws.

Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also rollover amounts into the Plan representing distributions from other qualified plans.

The Company provides a safe harbor matching contribution equal to 100% of a participants deferral up to 3% of eligible compensation and 50% of a participants deferral up to 2% of eligible compensation.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 1* Description of Plan - Continued**

Participant Accounts

Each participant's account is credited with the participant's contribution, allocations of the Company's safe harbor matching contributions and investment earnings (losses), and charged with withdrawals and an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is equal to the value of the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions to the Plan, as well as any Company contributions and any earnings thereon.

Benefit Payments

The Plan provides for normal retirement benefits in the form of lump sum distributions upon reaching age 65 and has provisions for early retirement, disability, death, and termination benefits for those participants who are eligible to receive such benefits. In-service withdrawals for hardship and upon attainment of age 59½ are also permitted by the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of (a) 50% of their vested account balance; or (b) \$50,000 reduced by the excess of the highest outstanding loan balance in the previous 12 months. The loans are collateralized by the balance in the participant's account and bear interest at a reasonable rate based on the prevailing interest rates. Principal and interest is paid ratably through payroll deductions. Loans are to be repaid over a period not to exceed five years, or 15 years for the purchase of a primary residence. Participants can only have up to one loan outstanding at any given time.

Administrative Expenses

All expenses of administering the Plan may be paid by the Plan, unless elected to be paid by the Company.

***Note 2* Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Subsequent Events

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through October 3, 2024, the date that the financial statements were available to be issued.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 2* Summary of Significant Accounting Policies - Continued**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants (participant loans) are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as inflation, a pandemic, or international conflict. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in the values of investments securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Payment of Benefits

Benefits are recorded when paid.

Reclassification

Certain investments previously shown as of December 31, 2022 have been re-categorized as of December 31, 2023, to conform to current year presentation.

***Note 3* Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. The guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 3* Investment Valuation and Income Recognition - Continued**

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Registered Investment Companies: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Self-Directed Brokerage Account: The self-directed brokerage account consists primarily of common stock. Common stock is valued at the closing price reported on the investments' respective stock exchange or active market. All investments are classified within level 1 of the valuation hierarchy.

Common Collective Trust: Valued at NAV based on the underlying assets of the trust. The NAV is used as a practical expedient to estimate fair value and is obtained from information provided by the investment advisor using the audited financial statements of the common collective trusts at year end.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

Note 3 Investment Valuation and Income Recognition - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	<u>Investments at Fair Value as of</u> <u>December 31, 2023</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 29,176,146	\$ 29,176,146
Self Directed Brokerage Account	436,944	436,944
Common Collective Trust Measured at NAV ^(a)		215,616
Total Investments, at Fair Value	\$ 29,613,090	\$ 29,828,706

	<u>Investments at Fair Value as of</u> <u>December 31, 2022</u>	
	<u>Level 1</u>	<u>Total</u>
Registered Investment Companies	\$ 13,295,770	\$ 13,295,770
Self Directed Brokerage Account	65,860	65,860
Common Collective Trust Measured at NAV ^(a)		22,089
Total Investments, at Fair Value	\$ 13,361,630	\$ 13,383,719

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Note 4 Financial Information Certified by the Custodian

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, the custodian of the Plan, has certified to the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2023 and 2022, the schedule of assets (held at end of year) as of December 31, 2023, and the related investment activity (including dividend and interest income and net appreciation in fair value of investments), and interest income on notes receivable from participants for the investments reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2023.

LEMONADE, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

***Note 5* Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts and the net assets of the Plan will be distributed as prescribed by ERISA.

***Note 6* Tax Status**

The Plan adopted a non-standardized defined contribution pre-approved plan document sponsored by FMR LLC. The Internal Revenue Service (IRS) has determined and informed the pre-approved plan, by a letter dated June 30, 2020, that the plan is designed in accordance with applicable sections of the IRC. The opinion letter has been relied upon by this Plan. The Plan has been amended since the pre-approved plan received the opinion letter. The Plan Administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress.

***Note 7* Party-in-Interest Transactions**

Certain Plan investments are registered investment companies managed by an entity related to Fidelity. Fidelity is the trustee of the Plan and therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

***Note 8* Prohibited Transactions**

During 2023 and 2022, the Company failed to deposit \$392,386 and \$522,622, respectively, of participant deferrals and loan repayments within the required timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. As such, the Plan Sponsor is required to file Form 5330 and pay the applicable excise tax on the delinquent participant deferrals. The excise tax payments will be paid by the Company and not from assets of the Plan. As of the date of the financial statements, the Company has not yet filed the Form 5330 related to delinquent contributions for 2022.

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

Identity of Issuer/Description of Investment	Current Value
Registered Investment Companies	
* Fidelity Investments Freedom Index 2055 Fund IPR	\$ 6,209,363
* Fidelity Investments Freedom Index 2060 Fund IPR	4,368,555
* Fidelity Investments Freedom Index 2050 Fund IPR	4,303,018
* Fidelity Investments 500 Index Fund	3,250,660
* Fidelity Investments Freedom Index 2045 Fund IPR	2,160,951
* Fidelity Investments Freedom Index 2030 Fund IPR	1,220,565
* Fidelity Investments Mid Cap Index Fund	1,142,119
* Fidelity Investments Freedom Index 2035 Fund IPR	1,118,911
* Fidelity Investments Small Cap Index Fund	784,960
* Fidelity Investments Freedom Index 2040 Fund IPR	684,369
* Fidelity Investments Blue Chip Growth K6 Fund	542,566
* Fidelity Investments Freedom Index 2065 Fund IPR	504,493
* Fidelity Investments International Capital Appreciation K6 Fund	369,273
* Fidelity Investments Freedom Index 2025 Fund IPR	251,342
T. Rowe Price Health Sciences Fund I Class	238,563
* Fidelity Investments Freedom Index 2020 Fund IPR	236,630
* Fidelity Freedom Index Inc IPR	195,090
American Funds American Balanced Fund Class R-6	194,282
American Century Sustainable Equity Fund R6 Class	191,677
* Fidelity Investments Equity-Income K6 Fund	178,753
Calvert International Equity Fund Class R6	171,773
Columbia Large Cap Growth Fund Institutional 3 Class	158,738

(Continued)

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED

DECEMBER 31, 2023

EIN: 32-0469673

Plan Number: 001

Identity of Issuer/Description of Investment	Current Value
Columbia Select Mid Cap Value Fund Institutional 3 Class	143,940
* Fidelity Investments Small Cap Growth K6 Fund	126,356
* Fidelity Investments Intermediate Treasury Bond Index Fund	50,527
American Funds SMALLCAP World Fund Class R-6	48,783
PGIM Global TOT RTN R6	48,079
Calvert Bond Fund Class R6	47,615
PGIM High Yield Fund- Class R6	46,575
* Fidelity Investments U.S. Bond Index Fund	39,659
Lord Abbett Bond Debenture Fund Class R6	31,988
* Fidelity Government MMKT K6	31,379
RBC Emerging Markets Equity Fund Class R6	27,599
Calvert Growth Allocation Fund I	27,526
Morgan Stanley Institutional Fund Trust Global Strategist Portfolio Class R6	14,879
MFS Massachusetts Investors Trust Class R6	14,590
Total Registered Investment Companies	29,176,146
Common Collective Trust	
GS Stable Value Inv 1	215,616
* Self-Directed Brokerage Account	436,944
* Participant Loans - Interest rates ranging from 3.25% to 8.50% with maturity dates ranging from January 2024 through September 2044	511,556
Total Investments	\$ 30,340,262

* Denotes Party-In-Interest

LEMONADE, INC. 401(k) PLAN

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2023

EIN: 32-0469673

Plan Number: 001

Plan Year	Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption 2002-51
	Check here if Late Participant Loan Repayments are Included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2023	\$ 392,386	\$ -	\$ 392,386	\$ -	\$ -
2022	\$ 522,622	\$ 522,622	\$ -	\$ -	\$ -
Total	\$ 915,008	\$ 522,622	\$ -	\$ -	\$ -