



PROASSURANCE[®]
Treated Fairly

Investor Update

Fourth Quarter 2023
Accurate as of March 2024



ProAssurance Overview

The ProAssurance Mission
We **Protect Others.**

Corporate Values
Integrity | Leadership | Relationships | Enthusiasm

Our Brand Promise
We will honor these values in the execution of **treated fairly** to
perform our mission and realize our vision.

At a Glance

Healthcare-centric specialty insurance writer

- Specialty Property & Casualty
 - Healthcare Professional Liability (HCPL)
 - Life Sciences and Medical Technology Liability
 - Small Business Unit
 - Lloyd's of London Syndicates
- Workers' Compensation Insurance
- Segregated Portfolio Cell (SPC) Reinsurance
- Total Assets: \$5.6 billion
- Shareholders' Equity: \$1.1 billion
- Claims-Paying Ratings
 - A.M. Best: "A" (Excellent)
 - Fitch: "A-" (Strong)
- 19 locations, with operations in three countries
 - 1,094 employees
- Writing in 50 states & DC

Business Unit	Principal Offices	Employees	Lines of Business
HCPL	8	600	Healthcare professional liability
Medmarc	1	34	Medical technology liability
Small Business Unit	1	104	Podiatrists, chiropractors, dentists, and lawyers
Eastern	7	254	Workers' Compensation & captive facilities (all lines)
PRA Corporate	1	102	Corporate functions



All employee and financial data as of 12/31/23.

ProAssurance Executive Leadership



Ned Rand - President & Chief Executive Officer

Mr. Rand became President and CEO in 2019, after serving as COO, CFO, Executive VP, and Senior VP of Finance at ProAssurance since joining the company in 2004. Prior to joining ProAssurance, he served in a number of financial roles for insurance companies.

Mr. Rand is a CPA and graduate of Davidson College (B.A., Economics)



Noreen Dishart
*Executive Vice President &
Chief Human Resources Officer*



Rob Francis
*President
Healthcare Professional Liability*



Dana Hendricks
*Executive Vice President
& Chief Financial Officer*



Jeff Lisenby
*Executive Vice President
& General Counsel*



Karen Murphy
*President
Life Sciences*



Kevin Shook
*President, Workers'
Compensation & Segregated
Portfolio Cell Reinsurance*



Ross Taubman
*President
Small Business Unit
Retiring March 31, 2024*

Executive Team bios available on our website at Investor.ProAssurance.com/OD

ProAssurance Board of Directors



A - Audit Committee **C** - Compensation Committee **E** - Executive Committee
N/C - Nominating/Corporate Governance Committee Underlined - Chair



Bruce D. Angiolillo
Independent Chair
E



Kedrick D. Adkins, Jr.
A



Fabiola Cobarrubias, MD
A



Samuel A. Di Piazza, Jr.
A, E



Maye Head Frei
C



M. James Gorrie
N/C



Ziad R. Haydar, MD
C



Edward L. Rand, Jr.
E



Frank A. Spinosa, DPM
N/C



Scott C. Syphax
C



Katisha T. Vance, MD
N/C



Thomas A.S. Wilson, Jr, MD
N/C

Director bios available on our website at [Investor.ProAssurance.com/OD](https://investor.proassurance.com/OD)

ProAssurance Brand Profile



Specialty P&C

Healthcare Professional Liability



Medical Technology & Life Sciences Products Liability



Legal Professional Liability



Workers' Comp



Alternative Risk Transfer



Operating and Reportable Segments Update

Q3 2023 Event

- ProAssurance decided to discontinue participation in the results of Lloyd's Syndicate 1729 effective December 31, 2023
 - Results from our participation in Syndicate 1729 from open underwriting years prior to 2024 will continue to earn out pro rata over the entire policy period of the underlying business.

Resulting Segment Consolidation*

- As a result of the ceased participation in Syndicate 1729 for the 2024 underwriting year, we changed our segment reporting
 - Underwriting results from our participation in Lloyd's will now be reported in the Specialty P&C segment.
 - Investment results of assets allocated to the Syndicate and U.K. income taxes are now reported in the Corporate segment.

*All prior period segment information has been recast to conform with our current segment reporting structure

Q4 2023 Discussion Points

Significant Positives

- 👉 Strong New Business Gains at rates that meet our pricing goals and underwriting criteria
- 👉 Strong Retention
 - 👉 Earning New Business and Retaining Existing Insureds While Maintaining Pricing and Underwriting Discipline

Workers' Compensation

- 👉 Increase in Full Year Loss Ratio Due to the Continuation of Higher Than Anticipated Loss Trends
 - 👉 Medical Inflation Became More Evident in Q3 and has Continued into Q4
 - 👉 We Anticipate This Trend Will Affect the Broader Work Comp market and *Should* Lead to More Favorable Market Conditions.

*All prior period segment information has been recast to conform with our current segment reporting structure

ProAssurance Reports Financial Results in Four Segments



ProAssurance Specialty Property & Casualty

- Healthcare Professional Liability (HCPL) insures healthcare providers and facilities, including E&S coverages
- The Small Business Unit insures podiatrists, chiropractors, dentists, and lawyers
- Medmarc insures medical technology and life sciences companies that manufacture or distribute products and those conducting clinical trials
- Includes the underwriting results from our participation in Lloyd's of London Syndicate 1729 and 6131

Eastern Alliance Workers' Compensation

- Specialty underwriter of workers' compensation products and services
- Focused in the East, South, and Midwest regions of the United States
- Guaranteed cost, policyholder dividend, retro-rated, deductible, and alternative solutions policies available

Inova Re/Eastern Re SPC Reinsurance

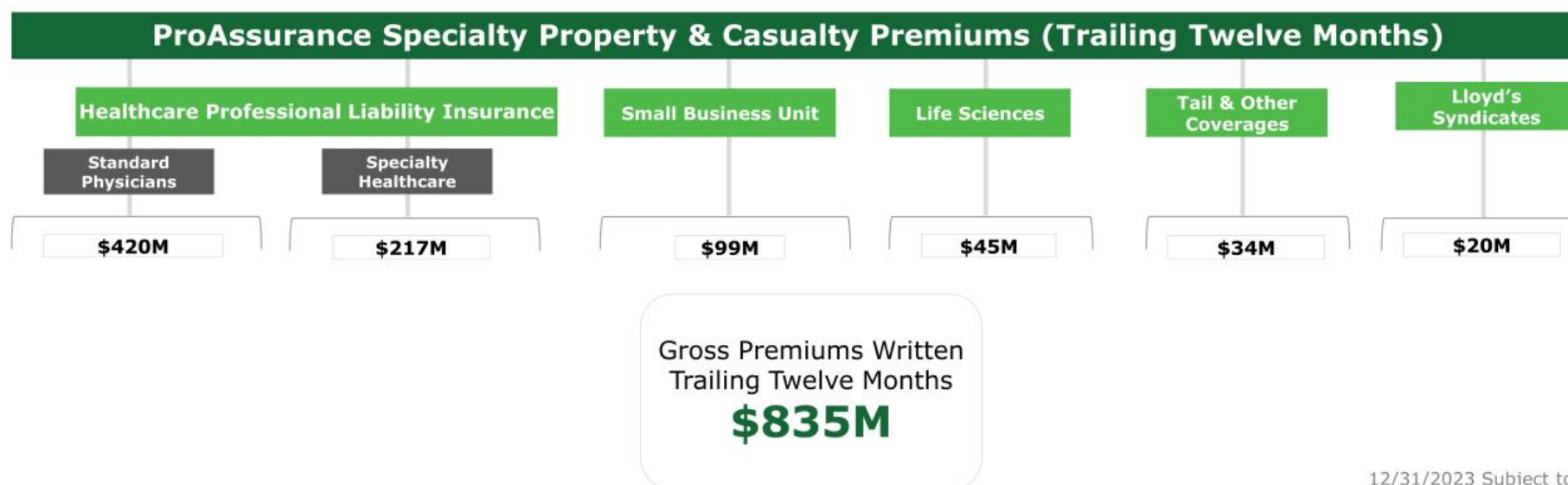
- Segregated Portfolio Company structure
- Workers' compensation and healthcare professional liability coverage in a Cayman-based captive
- Industries include healthcare, forestry, staffing, construction, petroleum, marine and recreation, and social services

ProAssurance Corporate

- Reports our investment results, interest expense, and U.S. income taxes
- Includes corporate expenses and includes non-premium revenues generated outside of our insurance entities
- Company-wide administrative departments reside in ProAssurance Corporate
- Includes Investment results and assets solely allocated to our Lloyd's Syndicate operations, net of U.K. income tax expense

Specialty Property & Casualty

- Deep **expertise** and broad product spectrum in healthcare and related sciences
- Consolidation in HCPL → demand for **comprehensive insurance solutions**
- Small Business Unit → deliver products and services efficiently to the **small business healthcare community** and related businesses
- Life Sciences → offer liability solutions to companies that develop, test, and deliver **healthcare products** in the U.S. and worldwide



12/31/2023 Subject to rounding

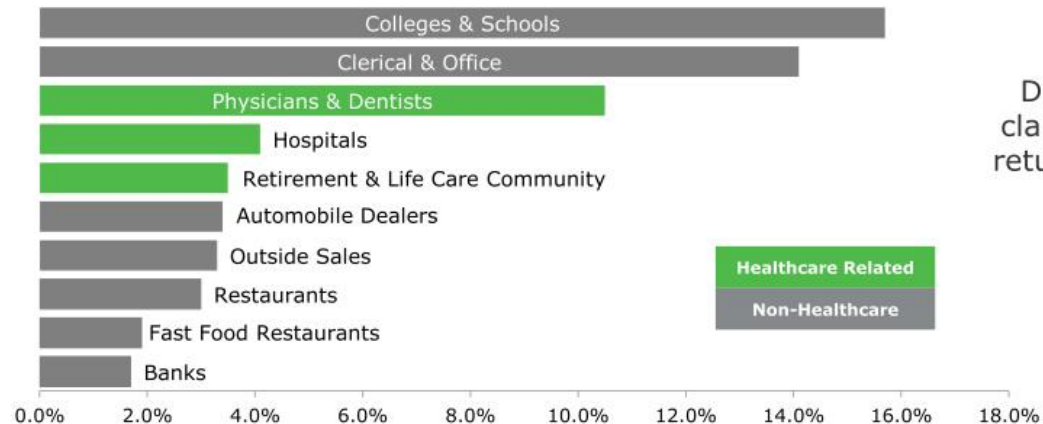
Workers' Compensation Insurance



Disciplined individual account underwriting with focus on rate adequacy in rural territories

- Guaranteed Cost Policies
- Loss-Sensitive Dividend Plans
- Deductible Plans
- Retrospective Rating Plans
- ParallelPay—"Pay as you Go"
- Specialty Risk (high hazard)
- Claims Administration and Risk Management

Top 10 Classes of Business by Payroll Exposure
(Traditional Business*)
as of 12/31/2023



Dedicated to effective claims management and returning injured workers to wellness

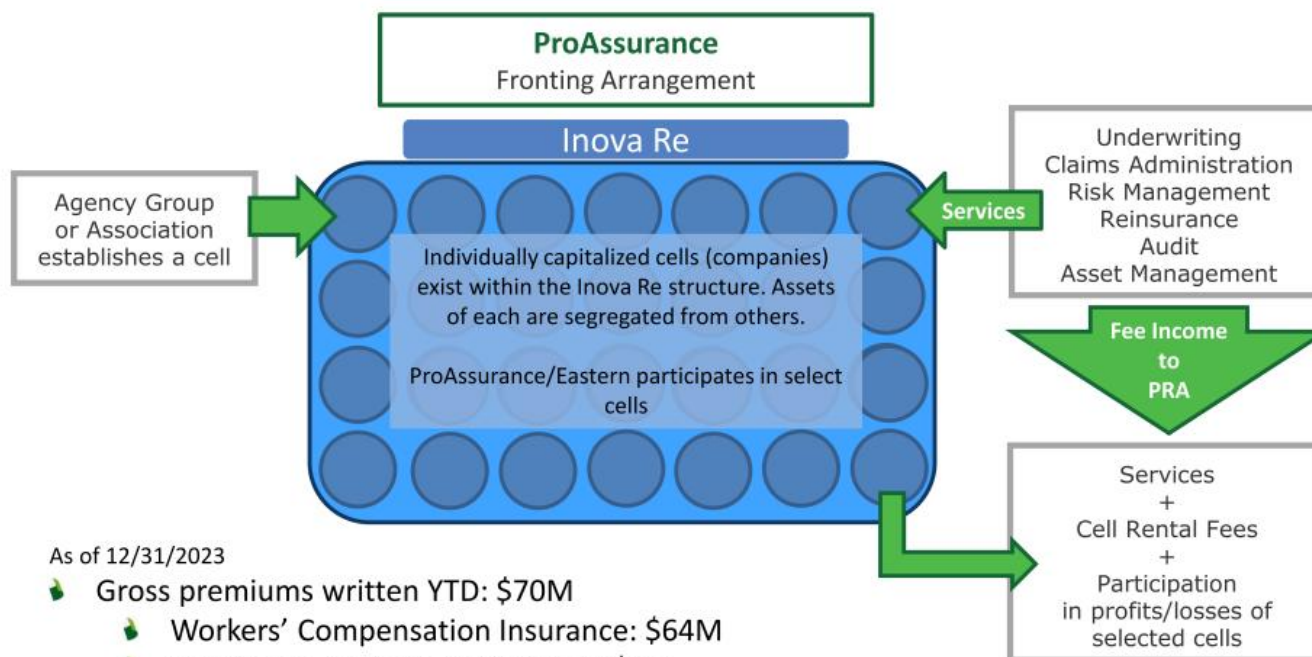


- Wide **diversification** – over 600 class codes and 32 market segments, primarily in rural territories
- Opportunity for **organic growth** outside of Pennsylvania and Indiana
- Proactive claim-closing strategies key to being recognized as a **short-tail writer** of workers' compensation
 - Between 2013 and 2022, averaged approximately 40% faster claims closure rate than industry
 - 36 claims open from 2016 and prior, net of reinsurance
 - Pharmacy spend as a percent of medical payments of 3.4% compared to the industry average of 7%
- Value-added risk management services and claims/underwriting expertise cement **brand loyalty**

*Excludes alternative markets business ceded to the Segregated Portfolio Cell Reinsurance segment

Segregated Portfolio Cell Reinsurance

- HCPL and workers' compensation **captive insurance solutions** through Inova Re (Cayman Islands)
- SPCs are a **high ROE product** with favorable retention results
- Low capital requirement



As of 12/31/2023

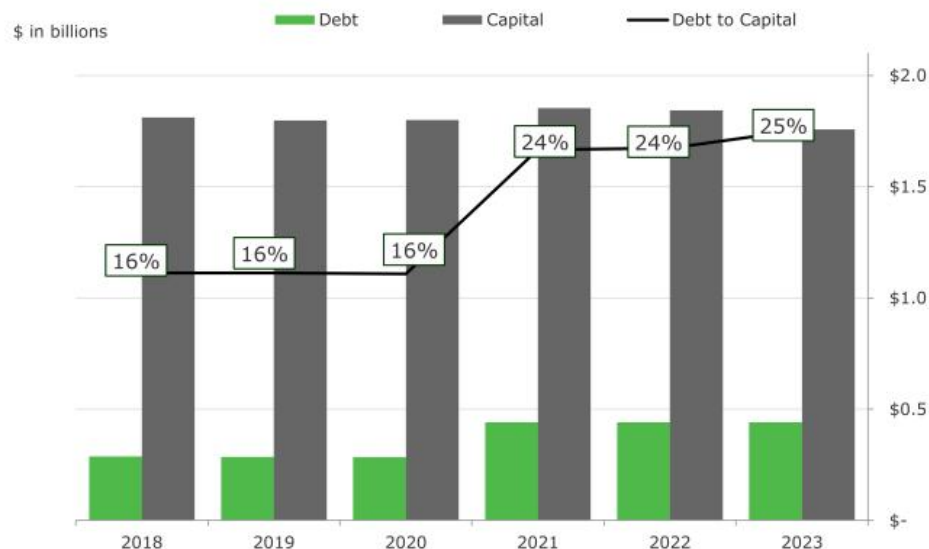
- Gross premiums written YTD: \$70M
 - Workers' Compensation Insurance: \$64M
 - Healthcare Professional Liability: \$6M
- 23 active cells



- Strategic partnerships with select independent agencies looking to manage controllable expenses
- Alternative market solutions are in high demand
- Value-added risk management services and claims/underwriting expertise

ProAssurance Leverage Update

Financial Leverage – Debt to Capital



- \$429M total debt principal at 12/31/2023
 - \$179M of Contribution Certificates from NORCAL acquisition
 - \$125M Revolving Credit Agreement
 - \$125M Term Loan

- On November 15, 2023, ProAssurance refinanced its \$250M Senior Notes with a \$125M draw on its revolver and a \$125M term loan with a total interest rate of 5.3% and 5.5%, respectively, as of December 31, 2023. The interest rates include a base rate of 3.2% which is effectively fixed by utilizing two interest rate swaps, plus a variable margin of 2.1% and 2.3%, respectively, that's based on ProAssurance's debt to cap ratio as of 9/30/23. The term loan is repayable in equal quarterly installments and any unpaid amounts under both facilities are due April 2028.

Operating Leverage – Premiums to Equity



Targeted Premium to Equity ratio is 0.75:1

Financial Ratings & Balance Sheet Highlights



- ProAssurance is recognized for our **financial strength** by top rating agencies
- We maintain a balance sheet that ensures **stability and security** for our customers
- Our **conservative reserving philosophy** enables success over the insurance cycles

Rating Agency	Financial Strength Rating	Date
AM Best	A	6/6/2023
Fitch	A ⁻¹	10/20/2022
All Public Debt Retired on November 15, 2023 ²		

¹ Excludes NORCAL Group, which has not yet been rated by Fitch

² On November 15, 2023, ProAssurance refinanced its \$250M Senior Notes with a \$125M draw on its revolver and a \$125M term loan with a total interest rate of 5.3% and 5.5%, respectively, as of December 31, 2023. The interest rates include a base rate of 3.2% which is effectively fixed by utilizing two interest rate swaps, plus a variable margin of 2.1% and 2.3%, respectively, that's based on ProAssurance's debt to cap ratio as of 9/30/23. The term loan is repayable in equal quarterly instalments and any unpaid amounts under both facilities are due April 2028.

All financial rating information is available on our website:

<https://investor.proassurance.com/financial-information/financial-ratings/default.aspx>

Balance Sheet Highlights 12/31/2023	
Total Assets	\$5,631,925
Total Investments	\$4,349,781
Net Loss Reserves	\$3,401,281
Total Debt (less Issuance Costs)	\$427,133
Shareholders' Equity	\$1,111,980
Book Value per Share	\$21.82

\$ in thousands, except per share data

Operational Discipline Designed for Ultimate Success in Competitive Markets



A Foundation in Excellence

Superior brand identity and reputation in the market



“From our earliest days, we have operated with a strategy both responsive to near-term challenges and proactive to long-term opportunity.”

*-Ned Rand
President & CEO*

Strategic Initiatives Drive our Competitiveness

Current Strategic Initiatives

SP&C Innovation and Operational Excellence

- 👉 Launch a state-of-the-art workflow solution across the segment
- 👉 Develop and launch a next generation online portal for customers and agents to provide superior service for our agency partners and insureds
- 👉 Begin filing a new standard policy form and underwriting manual to facilitate service and automation

SP&C Product and Program Innovation Working Group

- 👉 Build out data science and predictive analytics strategy
- 👉 Continue implementation of predictive underwriting model for select specialties
- 👉 Develop and launch of straight through processing technologies for homogeneous account types
- 👉 Evaluate and consult on new product and program ideas and initiatives across Specialty P&C

Strategic Initiatives Drive our Competitiveness

Current Strategic Initiatives

Workers' Compensation Insurance Strategic Focus

- 👉 Implementing new integrated policy, claims, risk management, and billing system.
- 👉 Capitalize on InsurTech investments, including underwriting and claims data analytics to guide and support operational decisions, to enhance profitability, productivity and efficiency.
- 👉 Continue to evaluate and further strengthen medical care and cost management strategies to minimize the impact of medical inflation.

Corporate Segment

- 👉 Increase investment income through investment leverage and reinvesting of portfolio maturities
- 👉 Execute a defined statutory consolidation strategy
- 👉 Manage talent-acquisition and retention strategies to build and maintain high-quality talent

Returning to Sustained Profitability is Our Highest Priority



Operationally

- Reflecting challenging market realities in our drive for rate and through our rigorous underwriting
 - New and renewal business is being written at rates we believe will ultimately perform better than the business we are non-renewing
 - We are not afraid to walk away from under priced business
 - We will not grow for growth's sake—better to shrink to profitability

Corporately

- We recognize the need for higher ROE
- Our strategies for returning to profitability will drive us to higher ROE and, in turn, should positively affect the price of our stock
- Capital management is constantly evaluated
 - Suspended our cash dividend in May 2023
 - \$27 million in cash dividend paid between January 1, 2021 and May 31, 2023
 - Share repurchases have totaled \$50.5 million since May 2023
 - **We continue to believe there is value embedded in our shares and will consider repurchasing shares opportunistically.**

Appendix



Income Statement Highlights (12/31/23)



	Three Months Ended		Year Ended	
	December 31			
	2023	2022	2023	2022
Gross Premiums Written	\$ 208.8	\$ 224.5	\$ 1,082.3	\$ 1,104.0
Net Premiums Earned	\$ 247.3	\$ 258.2	\$ 977.4	\$ 1,029.6
Net Investment Result	\$ 35.0	\$ 27.8	\$ 135.2	\$ 100.9
Net Investment Gains (Losses)	\$ 10.7	\$ 12.5	\$ 13.8	\$ (33.2)
Total Revenues	\$ 297.0	\$ 294.7	\$ 1,137.2	\$ 1,106.7
Net Losses and Loss Adjustment Expenses	\$ 195.2	\$ 191.6	\$ 800.5	\$ 776.8
Underwriting, Policy Acquisition & Operating Expenses	\$ 82.0	\$ 77.6	\$ 300.7	\$ 307.3
Goodwill impairment	\$ —	\$ —	\$ 44.1	\$ —
Net Income (Loss) (Includes Investment Gains & Losses)	\$ 6.4	\$ 13.9	\$ (38.6)	\$ (0.4)
Non-GAAP Operating Income (Loss)	\$ (2.5)	\$ 7.6	\$ (7.3)	\$ 22.9
Non-GAAP Operating Income (Loss) per Diluted Share	\$ (0.05)	\$ 0.14	\$ (0.14)	\$ 0.42

In millions, except per share data | Subject to rounding

Specialty P&C Financial Highlights (12/31/23)



	Three Months Ended		Year Ended	
	December 31			
	2023	2022	2023	2022
Gross Premiums Written	\$ 161.8	\$ 176.6	\$ 835.4	\$ 856.9
Net Premiums Earned	\$ 193.6	\$ 199.9	\$ 755.8	\$ 793.4
Total Revenues	\$ 195.2	\$ 200.8	\$ 760.5	\$ 798.5
Net Losses & Loss Adjustment Expenses	\$ (148.6)	\$ (156.4)	\$ (624.8)	\$ (626.0)
Underwriting, Policy Acquisition & Operating Expenses	\$ (54.4)	\$ (51.5)	\$ (195.3)	\$ (199.8)
Segment Results	\$ (7.8)	\$ (7.0)	\$ (59.6)	\$ (27.3)
Current Accident Year Net Loss Ratio	77.5 %	78.6 %	82.6 %	81.7 %
Effect of Prior Accident Year Reserve Development	(0.7%)	(0.4%)	0.1%	(2.8%)
Net Loss Ratio	76.8 %	78.2 %	82.7 %	78.9 %
Underwriting Expense Ratio	28.1 %	25.8 %	25.8 %	25.2 %
Combined Ratio	104.9 %	104.0 %	108.5 %	104.1 %

In millions, except ratios | Subject to rounding

Workers' Compensation Insurance Financial Highlights (12/31/23)

	Three Months Ended		Year Ended	
	December 31			
	2023	2022	2023	2022
Gross Premiums Written	\$ 47.0	\$ 47.8	\$ 246.9	\$ 247.1
Net Premiums Earned	\$ 38.3	\$ 41.9	\$ 160.0	\$ 166.4
Total Revenues	\$ 38.6	\$ 42.4	\$ 161.9	\$ 168.6
Net Losses & Loss Adjustment Expenses	\$ (37.5)	\$ (28.1)	\$ (139.3)	\$ (111.4)
Underwriting, Policy Acquisition & Operating Expenses	\$ (14.1)	\$ (13.9)	\$ (55.1)	\$ (54.7)
Segment Results	\$ (13.0)	\$ 0.3	\$ (32.5)	\$ 2.4
Current Accident Year Net Loss Ratio	97.9 %	71.8 %	81.3 %	71.8 %
Effect of Prior Accident Year Reserve Development	—%	(4.8%)	5.8%	(4.8%)
Net Loss Ratio	97.9 %	67.0 %	87.1 %	67.0 %
Underwriting Expense Ratio	36.9 %	33.2 %	34.4 %	32.9 %
Combined Ratio	134.8 %	100.2 %	121.5 %	99.9 %



In millions, except ratios | Subject to rounding

Segregated Portfolio Cell Reinsurance Financial Highlights (12/31/23)



	Three Months Ended		Year Ended	
	December 31			
	2023	2022	2023	2022
Gross Premiums Written	\$ 14,335	\$ 16,055	\$ 70,259	\$ 78,937
Net Premiums Earned	\$ 15,390	\$ 16,463	\$ 61,546	\$ 69,810
Net Investment Income	664	412	2,289	1,029
Net Investment Gains (Losses)	1,850	1,159	3,680	(3,067)
Other Income (Loss)	2	1	5	2
Net Losses & Loss Adjustment Expenses	(9,120)	(7,141)	(36,363)	(39,310)
Underwriting, Policy Acquisition & Operating Expenses	(5,213)	(5,114)	(20,457)	(20,316)
SPC U.S. Federal Income Tax Expense	(278)	(335)	(1,629)	(1,759)
SPC Net Results	3,295	5,445	9,071	6,389
Segregated Portfolio Cell Dividend (Expense)/Income	(3,064)	(4,976)	(6,234)	(6,673)
Segment Results	\$ 231	\$ 469	\$ 2,837	\$ (284)
Current Accident Year Net Loss Ratio	68.0 %	58.2 %	65.5 %	65.3 %
Effect of Prior Accident Year Reserve Development	(8.7%)	(14.8%)	(6.4%)	(9.0%)
Net Loss Ratio	59.3 %	43.4 %	59.1 %	56.3 %
Underwriting Expense Ratio	33.9 %	31.1 %	33.2 %	29.1 %
Combined Ratio	93.2 %	74.5 %	92.3 %	85.4 %

In thousands, except ratios | Subject to rounding

Corporate Financial Highlights (12/31/23)



	Three Months Ended		Year Ended	
	December 31			
	2023	2022	2023	2022
Net investment income	\$ 33.0	\$ 28.4	\$ 126.1	\$ 94.9
Equity in earnings (loss) of unconsolidated subsidiaries	\$ 1.3	\$ (1.1)	\$ 6.8	\$ 4.9
Net investment gains (losses)	\$ 8.3	\$ 2.3	\$ 5.1	\$ (39.1)
Other income	\$ 3.0	\$ (4.2)	\$ 8.3	\$ 6.2
Operating expenses	\$ 9.2	\$ 8.1	\$ 34.0	\$ 34.7
Interest expense	\$ 6.7	\$ 5.5	\$ 23.2	\$ 20.4
Income tax expense / (benefit)	\$ 3.4	\$ 0.8	\$ (0.5)	\$ (5.4)
Segment results	\$ 26.5	\$ 11.2	\$ 89.8	\$ 17.3

In millions | Subject to rounding

YTD 2023 Net Investment Result and Equity Rollforward

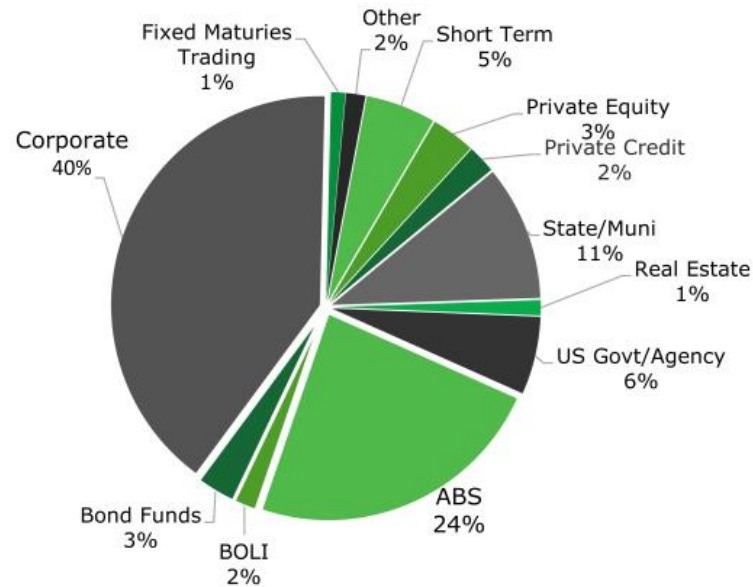
2023	
Beginning Equity	\$1,104,018
Common Shares Required	(50,488)
Employee Stock Transactions	5,637
Earnings	(38,604)
Dividends	(2,701)
OCI	94,118
Total Equity	\$1,111,980

Data shown in thousands

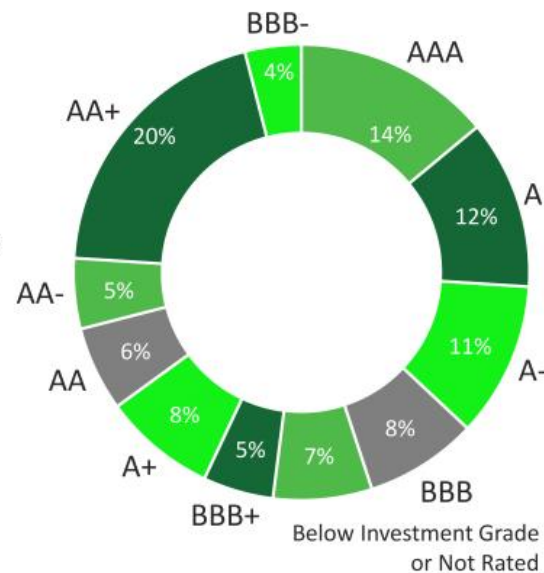
(\$ in thousands)	12/31/2023	12/31/2022	Change
Net Investment Income			
Fixed maturities	\$ 113,721	\$ 93,736	\$ 19,985
Equities	4,610	3,706	904
Short-term investments including Other	15,476	5,681	9,795
BOLI	2,489	1,141	1,348
Investment fees and expenses	(7,877)	(8,292)	(415)
Net investment income	128,419	95,972	32,447
Equity in Earnings (Loss) of Unconsolidated Subsidiaries			
All other investments, primarily investment fund LPs/LLCs	9,196	11,954	(2,758)
Tax credit partnerships	(2,405)	(7,066)	4,661
Equity in earnings (loss)	6,791	4,888	1,903
Net investment result	\$ 135,210	\$ 100,860	\$ 34,350

Investment Philosophy & Portfolio (12/31/23)

Total Investments \$4.35 Billion



Fixed Maturity Credit Quality



Commentary

- Effective stewardship of capital ensures a position of financial strength through turbulent market cycles
- Optimizing our allocations for better risk-adjusted returns. Ensures non-correlation of returns
- Ongoing analysis of holdings to ensure lasting quality and profitability

Portfolio Statistics

	4Q23	4Q22
Avg Income Yield	3.1%	2.5%
Wtd Avg Duration	3.25	3.50

Details of our investment portfolio are available on our website at <https://investor.proassurance.com/financial-information/quarterly-investment-supplements/default.aspx>

Combined Tax Credits Portfolio Detail & Projections



The total credits column represents our current estimated schedule of tax credits that we expect to receive from our tax credit partnerships. The actual amounts of credits provided by the tax credit partnerships may prove to be different than our estimates. These tax credits are included in our Tax Expense (Benefit) on our Income Statement (below the line) and result in a Tax Receivable (or a reduction to a Tax Liability) on our Balance Sheet.

Year	Capital Contributions	GAAP Income/(Loss) from Operations, Disposition & Impairment	Total Credits	Tax Provision after Impairment	Impact on Earnings
2024	\$ 51,338	(1,153,559)	(37,180)	(279,427)	(874,132)
2025	\$ 41,159	(632,619)	(21,302)	(154,152)	(478,466)
2026	\$ 25,734	(239,471)	(2,368)	(52,657)	(186,814)
2027	\$ -	(365,249)	7	(76,696)	(288,553)
2028	\$ -	-	-	-	-

IMPORTANT SAFE HARBOR & NON-GAAP NOTICES

Forward Looking Statements

This presentation contains Forward Looking Statements and other information designed to convey our projections and expectations regarding future results.

There are a number of factors which could cause our actual results to vary materially from those projected in this presentation. The principal risk factors that may cause these differences are described in various documents we file with the Securities and Exchange Commission, such as our Current Reports on Form 8-K, and our regular reports on Forms 10-Q and 10-K, particularly in "Item 1A, Risk Factors." Please review this presentation in conjunction with a thorough reading and understanding of these risk factors.

Non-GAAP Measures

This presentation contains Non-GAAP measures, and we may reference Non-GAAP measures in our remarks and discussions with investors.

The primary Non-GAAP measure we reference is Non-GAAP operating income (loss), a Non-GAAP financial measure that is widely used to evaluate performance within the insurance sector. In calculating Non-GAAP operating income (loss), we have excluded the after-tax effects of net realized investment gains or losses, foreign currency exchange gains or losses and guaranty fund assessments or recoupments that do not reflect normal operating results. We believe Non-GAAP operating income presents a useful view of the performance of our insurance operations, but should be considered in conjunction with net income (loss) computed in accordance with GAAP. A reconciliation of these measures to GAAP measures is available in our regular reports on Forms 10-Q and 10-K and in our latest quarterly news release, all of which are available in the Investor Relations section of our website, Investor.ProAssurance.com.



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