



PROASSURANCE[®]
Treated Fairly

Investor Update

Second Quarter 2023

August 2023

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.

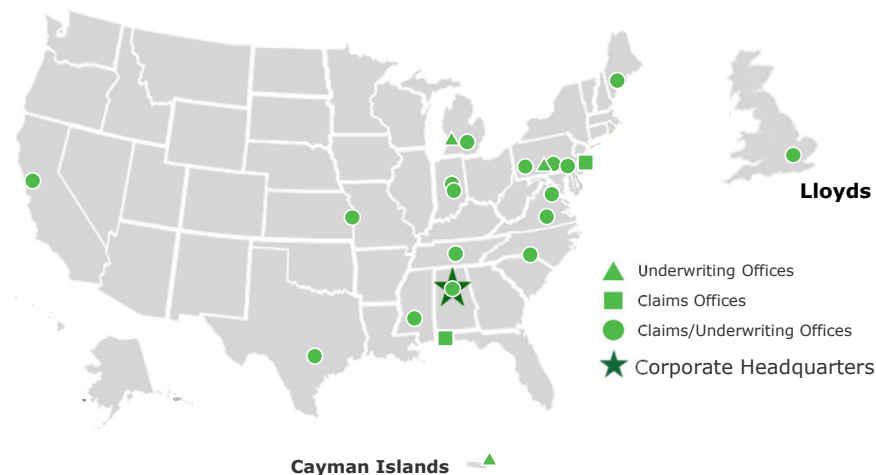
At a Glance

• Healthcare-centric specialty insurance writer

- Specialty Property & Casualty
 - *Healthcare Professional Liability (HCPL)*
 - *Life Sciences and Medical Technology Liability*
 - *Small Business Unit*
- Workers' Compensation Insurance
- Segregated Portfolio Cell (SPC) Reinsurance
- Lloyd's of London Syndicates

- Total Assets: \$5.7 billion
- Shareholders' Equity: \$1.1 billion
- Claims-Paying Ratings
 - A.M. Best: "A" (Excellent)
 - Fitch: "A-" (Strong)
- 19 locations, with operations in three countries
 - 1,090 employees
- Writing in 50 states & DC

Business Unit	Principal Offices	Employees	Lines of Business
HCPL	8	609	Healthcare professional liability
Medmarc	1	34	Medical technology liability
Small Business Unit	1	102	Podiatrists, chiropractors, dentists, and lawyers
Eastern	7	247	Workers' Compensation & captive facilities (all lines)
PRA Corporate	1	98	Corporate functions



All employee and financial data as of 06/30/23.

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*

Executive Team bios available on our website at [Investor.ProAssurance.com/OD](https://investor.proassuranc.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

ProAssurance Brand Profile



Specialty P&C

Healthcare Professional Liability



Medical Technology & Life Sciences Products Liability



Legal Professional Liability



Workers' Comp



Alternative Risk Transfer



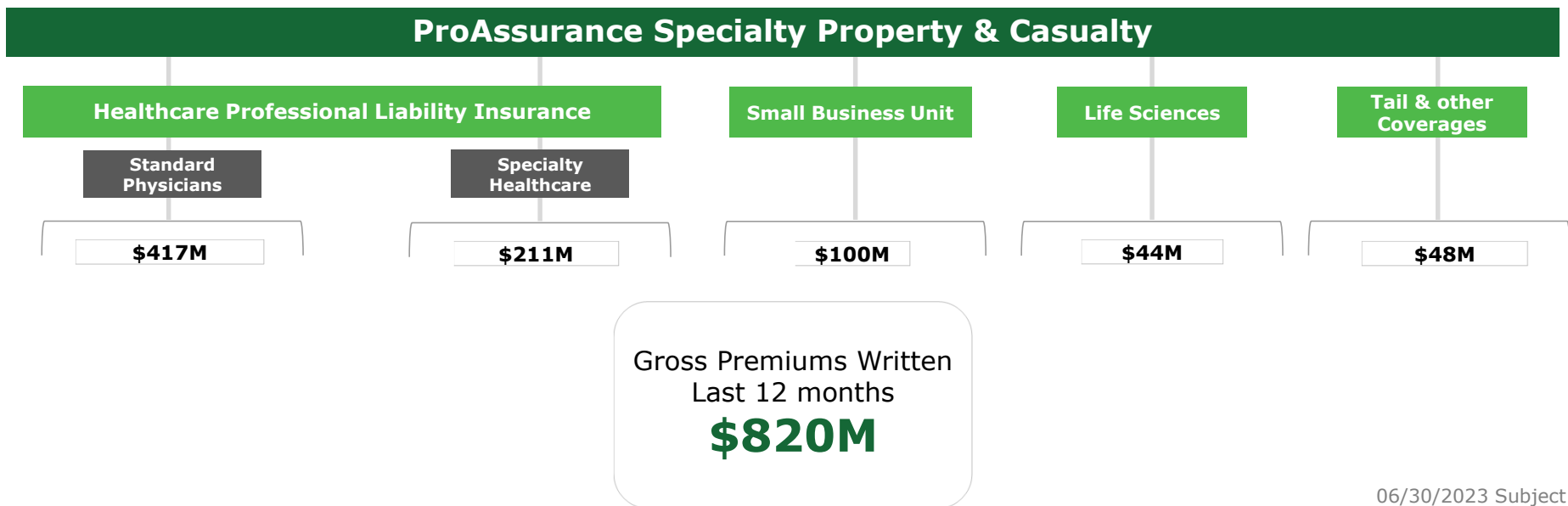
ProAssurance Reports Financial Results in Five Segments



ProAssurance Specialty Property & Casualty	<ul style="list-style-type: none">• 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
Eastern Alliance Workers' Compensation	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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
Lloyd's Syndicates	<ul style="list-style-type: none">• The results from our participation in Lloyd's of London Syndicate 1729 and 6131. Participation in Syndicate 1729 remained unchanged for the 2023 underwriting year at 5% and we ceased participation in Syndicate 6131 beginning with the 2022 underwriting year of account
ProAssurance Corporate	<ul style="list-style-type: none">• 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

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



06/30/2023 Subject to rounding

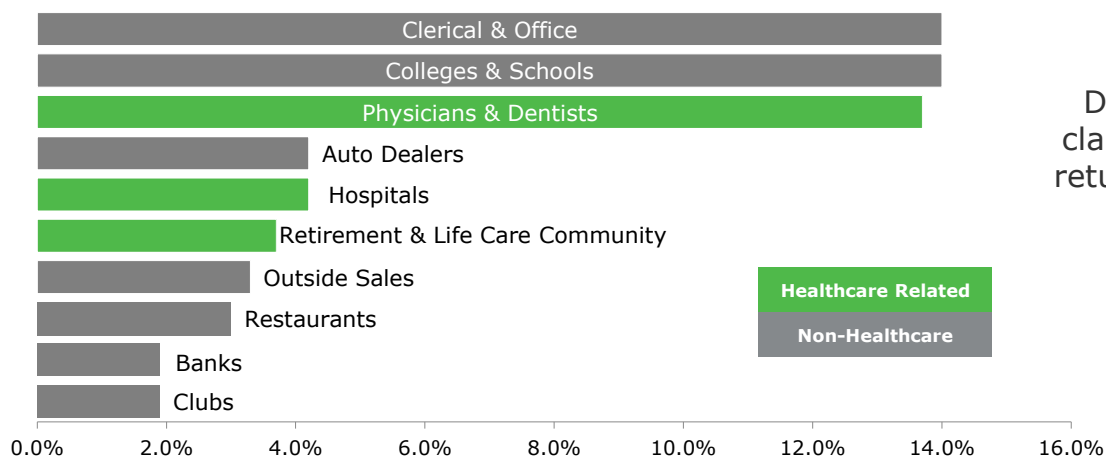
Workers' Compensation Insurance



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 12/31/2022



Dedicated to effective claims management and returning injured workers to wellness

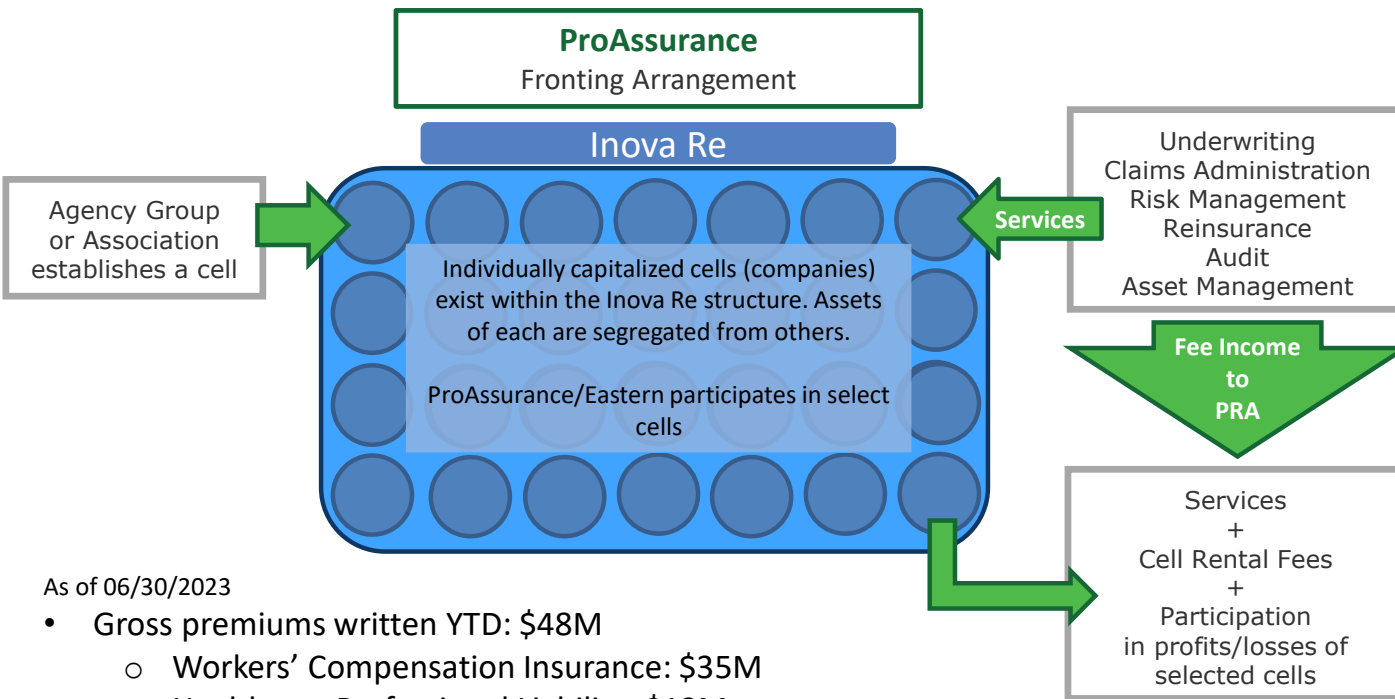


- Wide **diversification** – over 600 class codes and 32 market segments, primarily in rural territories
- Opportunity for **organic growth** outside of Pennsylvania and Indiana
- Proactive claim-closing strategies key to being recognized as a **short-tail writer** of workers' compensation
 - *Between 2013 and 2022, averaged approximately 40% faster claims closure rate than industry*
 - *30 claims open from 2015 and prior, net of reinsurance*
 - *Pharmacy spend as a percent of medical payments of 3.6% compared to the industry average of 14%*
- 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 06/30/2023

- Gross premiums written YTD: \$48M
 - Workers' Compensation Insurance: \$35M
 - Healthcare Professional Liability: \$13M
- 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

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	5/23/2023
Fitch	A-*	10/20/2022
Moody's	A3	7/22/2022

Balance Sheet Highlights 06/30/2023	
Total Assets	\$5,657,412
Total Investments	\$4,315,417
Net Loss Reserves	\$3,420,925
Total Debt (less Issuance Costs)	\$426,026
Shareholders' Equity	\$1,119,714
Book Value per Share	\$21.24

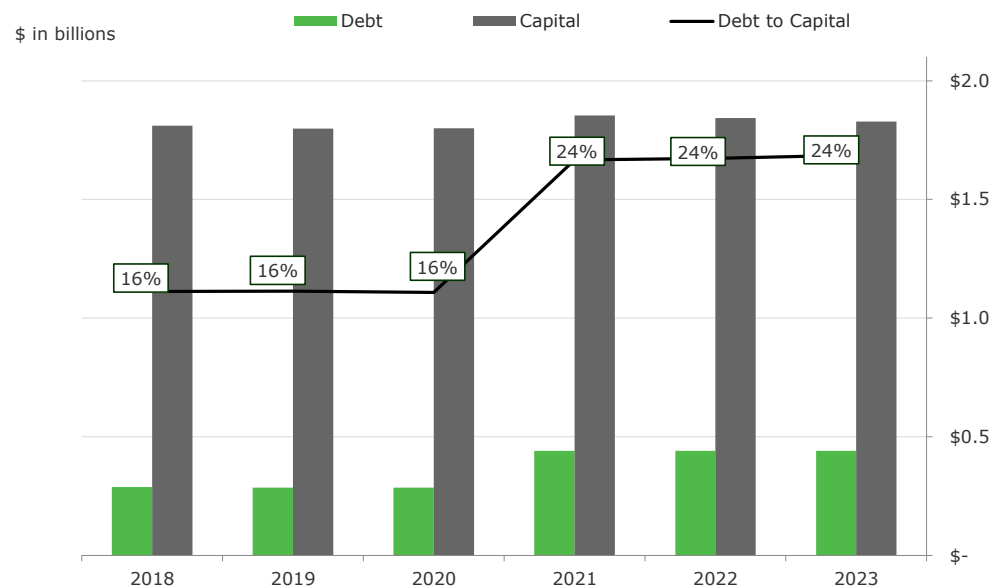
\$ in thousands, except per share data

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

All financial rating information is available on our website: <https://investor.proassurance.com/financial-information/financial-ratings/default.aspx>

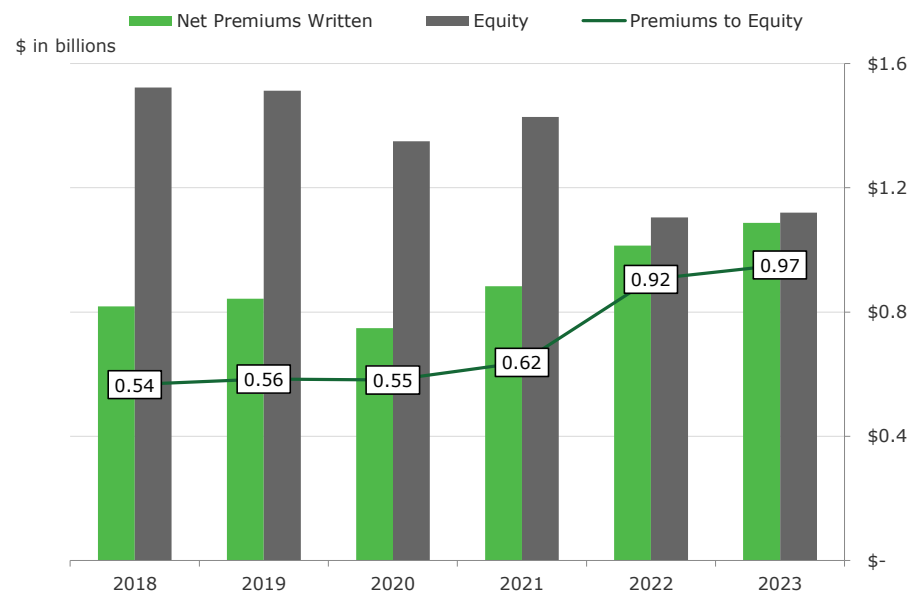
ProAssurance Leverage Update

Financial Leverage – Debt to Capital



- \$428M total debt principal at 06/30/2023
 - \$178M of Contribution Certificates from NORCAL acquisition
 - \$250M 5.3% 10-year notes due 11/15/2023
- \$250M revolving credit facility, \$50M "accordion" option, no outstanding borrowing
- In April 2023, ProAssurance extended the expiration of its Revolving Credit Agreement and agreed to a delayed draw term loan and two interest rate swaps. We plan to use these to refinance the Senior Notes due in November 2023.

Operating Leverage – Premiums to Equity



Targeted Premium to Equity ratio is 0.75:1

Success in Competitive Markets



A Foundation in Excellence

Superior brand identity and reputation in the market



Specialization

- Deep expertise and commitment to our customers throughout the insurance cycles enable us to outperform our peers over time

Experienced & Collaborative Leadership

- Average executive leadership tenure of 20 years with PRA or subsidiaries

History of Successful M&A

- Selective M&A with best-in-class partners, and nearly 20 transactions in our 47 year history

Scope & Scale

- Regional hubs combined with local knowledge of market dynamics and regulatory environments



“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*

2022 Accomplishments



Executing our Strategy

Enterprise-Wide

- Safely and successfully re-opened offices after 2 years of primarily remote work
- AM Best and Fitch ratings moved to Stable outlook in 2022

Specialty Property & Casualty

- Achieved renewal rate increases of 10% for Specialty Healthcare and 7% for Standard Physicians
- Further integrated NORCAL business into legacy operations
- Improved retention in the Specialty P&C segment

Workers' Compensation Insurance

- Reduced combined ratio by 1.6 points for the year
- Closed 62% of 2021 and prior claims during 2022

Corporate Segment

- Increased investment income by over \$25 million for the year
- Streamlined corporate structure by eliminating or merging 5 entities throughout the year

Strategic Initiatives Drive our Competitiveness



2023 Goals / Initiatives

SP&C Innovation and Operational Excellence

- Launch a state-of-the-art workflow solution across the segment
- Build out data science and predictive analytics strategy
- Develop and launch a next generation online portal for customers and agents

SP&C Product and Program Innovation Working Group

- Facilitate continued product innovation to meet our customers' evolving needs
- Evaluate and consult on new product and program ideas and initiatives across Specialty P&C

Workers' Compensation Insurance Strategic Focus

- Implement policy, claims, risk management, and billing system
- Expand market penetration in "Pay as you Go" and *unite* (small business) segments

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

Appendix



Income Statement Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Gross Premiums Written	\$ 237.9	\$ 235.5	\$ 553.7	\$ 571.1
Net Premiums Earned	\$ 247.9	\$ 247.3	\$ 487.6	\$ 513.0
Net Investment Result	\$ 38.3	\$ 27.1	\$ 67.5	\$ 55.2
Net Investment Gains (Losses)	\$ 2.9	\$ (23.9)	\$ 5.9	\$ (37.4)
Total Revenues	\$ 291.8	\$ 255.8	\$ 564.5	\$ 538.9
Net Losses and Loss Adjustment Expenses	\$ 191.1	\$ 177.7	\$ 396.4	\$ 387.1
Underwriting, Policy Acquisition & Operating Expenses	\$ 77.0	\$ 77.3	\$ 144.8	\$ 149.1
Net Income (Loss) (Includes Realized Investment Gains & Losses)	\$ 10.6	\$ (1.7)	\$ 4.5	\$ (5.2)
Non-GAAP Operating Income (Loss)	\$ 8.6	\$ 16.3	\$ 0.5	\$ 24.0
Non-GAAP Operating Income (Loss) per Diluted Share	\$ 0.16	\$ 0.30	\$ 0.01	\$ 0.44

In millions, except per share data | Subject to rounding

Specialty P&C Financial Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Gross Premiums Written	\$ 170.2	\$ 167.8	\$ 409.0	\$ 425.4
Net Premiums Earned	\$ 178.9	\$ 183.5	\$ 358.2	\$ 381.5
Total Revenues	\$ 179.9	\$ 185.5	\$ 360.3	\$ 384.4
Net Losses & Loss Adjustment Expenses	\$ (145.0)	\$ (137.0)	\$ (309.1)	\$ (303.0)
Underwriting, Policy Acquisition & Operating Expenses	\$ (47.4)	\$ (48.1)	\$ (88.4)	\$ (91.0)
Segment Results	\$ (12.6)	\$ 0.4	\$ (37.2)	\$ (9.5)
Current Accident Year Net Loss Ratio	84.7 %	84.1 %	86.0 %	85.0 %
Effect of Prior Accident Year Reserve Development	(3.6%)	(9.5%)	0.3%	(5.6%)
Net Loss Ratio	81.1 %	74.6 %	86.3 %	79.4 %
Underwriting Expense Ratio	26.5 %	26.2 %	24.7 %	23.8 %
Combined Ratio	107.6 %	100.8 %	111.0 %	103.2 %

In millions, except ratios | Subject to rounding

Workers' Compensation Insurance Financial Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Gross Premiums Written	\$ 62.8	\$ 63.6	\$ 136.2	\$ 135.8
Net Premiums Earned	\$ 41.0	\$ 41.7	\$ 81.8	\$ 82.4
Total Revenues	\$ 41.7	\$ 42.2	\$ 83.1	\$ 83.6
Net Losses & Loss Adjustment Expenses	\$ (29.8)	\$ (27.9)	\$ (60.6)	\$ (55.2)
Underwriting, Policy Acquisition & Operating Expenses	\$ (14.4)	\$ (13.7)	\$ (27.4)	\$ (26.7)
Segment Results	\$ (2.5)	\$ 0.6	\$ (4.9)	\$ 1.8
Current Accident Year Net Loss Ratio	72.6 %	71.8 %	72.6 %	71.8 %
Effect of Prior Accident Year Reserve Development	—%	(4.8%)	1.5%	(4.9%)
Net Loss Ratio	72.6 %	67.0 %	74.1 %	66.9 %
Underwriting Expense Ratio	35.1 %	32.8 %	33.5 %	32.4 %
Combined Ratio	107.7 %	99.8 %	107.6 %	99.3 %

In millions, except ratios | Subject to rounding

Segregated Portfolio Cell Reinsurance Financial Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Gross Premiums Written	\$ 25,113	\$ 16,634	\$ 47,994	\$ 45,003
Net Premiums Earned	\$ 24,094	\$ 16,222	\$ 39,394	\$ 35,536
Net Investment Income	603	211	1,024	323
Net Gains (Losses)	1,194	(2,782)	2,355	(3,493)
Other Income (Loss)	1	1	1	1
Net Losses & Loss Adjustment Expenses	(13,816)	(9,272)	(22,238)	(20,763)
Underwriting, Policy Acquisition & Operating Expenses	(6,538)	(5,237)	(11,575)	(9,605)
SPC U.S. Federal Income Tax Expense	(994)	(349)	(1,526)	(991)
SPC Net Results	4,544	(1,206)	7,435	1,008
Segregated Portfolio Cell Dividend (Expense)/Income	(3,747)	854	(5,689)	(1,513)
Segment Results	\$ 797	\$ (352)	\$ 1,746	\$ (505)
Current Accident Year Net Loss Ratio	62.9 %	70.7 %	63.7 %	67.3 %
Effect of Prior Accident Year Reserve Development	(5.6%)	(13.5%)	(7.2%)	(8.9%)
Net Loss Ratio	57.3 %	57.2 %	56.5 %	58.4 %
Underwriting Expense Ratio	27.1 %	32.3 %	29.4 %	27.0 %
Combined Ratio	84.4 %	89.5 %	85.9 %	85.4 %

In thousands, except ratios | Subject to rounding

Lloyd's Syndicates Financial Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Gross Premiums Written	\$ 5.0	\$ 4.1	\$ 8.5	\$ 9.9
Net Premiums Earned	\$ 3.8	\$ 5.8	\$ 8.2	\$ 13.5
Total Revenues	\$ 4.0	\$ 5.6	\$ 8.5	\$ 13.3
Net Losses & Loss Adjustment Expenses	\$ (2.4)	\$ (3.4)	\$ (4.4)	\$ (8.2)
Underwriting, Policy Acquisition & Operating Expenses	\$ (1.4)	\$ (1.5)	\$ (3.2)	\$ (4.2)
Segment Results	\$ 0.2	\$ 0.6	\$ 1.0	\$ 0.8
Current Accident Year Net Loss Ratio	23.8 %	14.1 %	38.4 %	29.9 %
Effect of Prior Accident Year Reserve Development	39.5 %	45.4 %	15.5 %	30.8 %
Net Loss Ratio	63.3 %	59.5 %	53.9 %	60.7 %
Underwriting Expense Ratio	37.3 %	26.0 %	38.5 %	31.2 %
Combined Ratio	100.6 %	85.5 %	92.4 %	91.9 %

In millions, except ratios | Subject to rounding

Corporate Financial Highlights (6/30/23)



	Three Months Ended		Six Months Ended	
	June 30			
	2023	2022	2023	2022
Net investment income	\$ 30.9	\$ 21.6	\$ 60.6	\$ 41.7
Equity in earnings (loss) of unconsolidated subsidiaries	\$ 6.6	\$ 5.2	\$ 5.5	\$ 12.8
Net investment gains (losses)	\$ (0.3)	\$ (20.6)	\$ 0.5	\$ (33.0)
Other income	\$ 2.2	\$ 3.6	\$ 2.5	\$ 5.7
Operating expenses	\$ 8.3	\$ 9.0	\$ 16.5	\$ 17.8
Interest expense	\$ 5.5	\$ 4.9	\$ 11.0	\$ 9.4
Income tax expense / (benefit)	\$ 2.9	\$ (1.8)	\$ 0.8	\$ (3.6)
Segment results	\$ 22.7	\$ (2.4)	\$ 40.9	\$ 3.6

In millions | Subject to rounding

YTD 2023 Net Investment Result and Equity Rollforward

2023	
Beginning Equity	\$1,104,018
Common Shares Required	(19,971)
Employee Stock Transactions	2,788
Earnings	4,453
Dividends	(2,701)
OCI	31,127
Total Equity	\$1,119,714

Data shown in thousands

(\$ in millions)	6/30/2023	6/30/2022	Change
Net Investment Income			
Fixed maturities	\$ 55,278	\$ 43,550	\$ 11,728
Equities	1,912	1,668	244
Short-term investments including Other	7,384	1,153	6,231
BOLI	1,116	214	902
Investment fees and expenses	(3,730)	(4,198)	(468)
Net investment income	61,960	42,387	19,573
Equity in Earnings (Loss) of Unconsolidated Subsidiaries			
All other investments, primarily investment fund LPs/LLCs	7,376	17,035	(9,659)
Tax credit partnerships	(1,865)	(4,236)	2,371
Equity in earnings (loss)	5,511	12,799	(7,288)
Net investment result	\$ 67,471	\$ 55,186	\$ 12,285

Lloyd's of London Syndicates

ProAssurance Funds at Lloyd's (FAL)
\$19.3 Million ¹



Dale Underwriting Partners
Independent, Owner-Managed Syndicate at Lloyd's



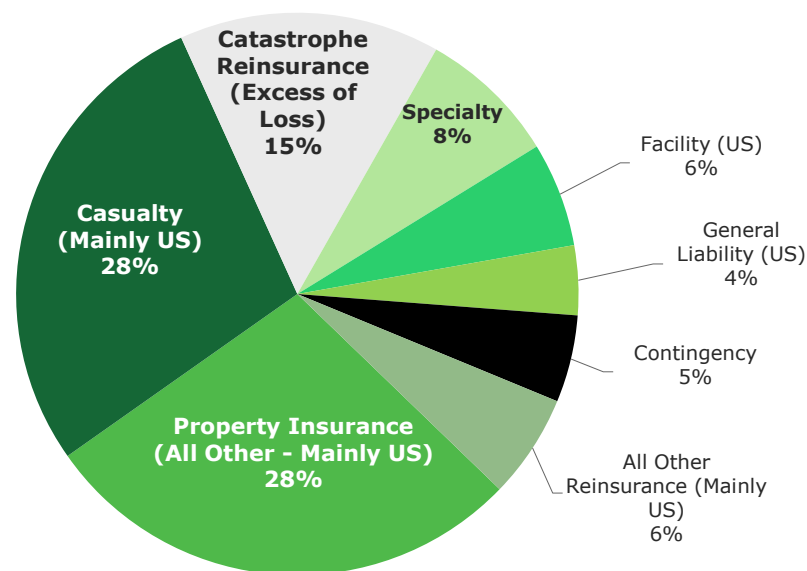
Syndicate	1729
PRA participation	5%
PRA share of 2023 underwriting capacity	\$19M

- Invest alongside a **recognized leader** in Duncan Dale
- Lloyd's provides **universal distribution and licensures**
- Westernization of international healthcare professional liability provides **opportunities in new markets**

2022 Premium Distribution

Subject to rounding

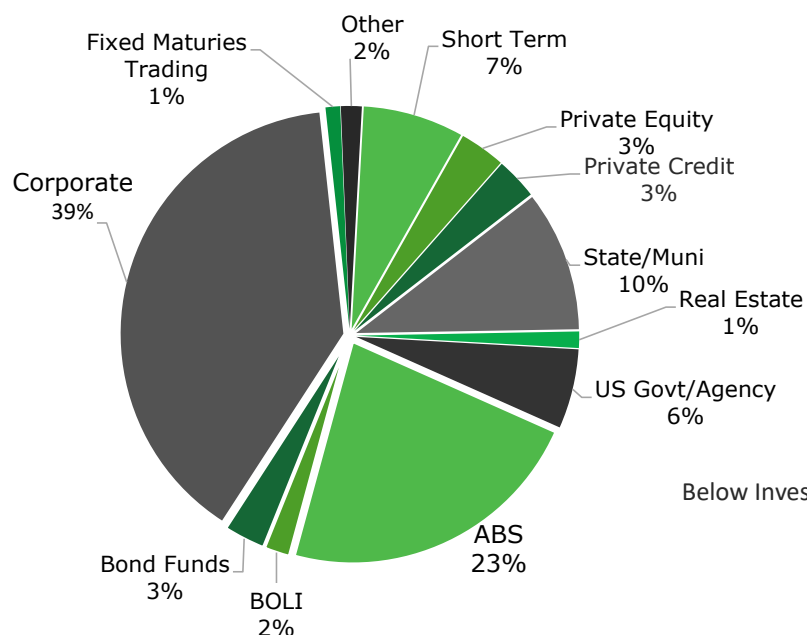
Premium percentages reflect 100% of the Syndicates' premiums written, and not solely ProAssurance's participation.



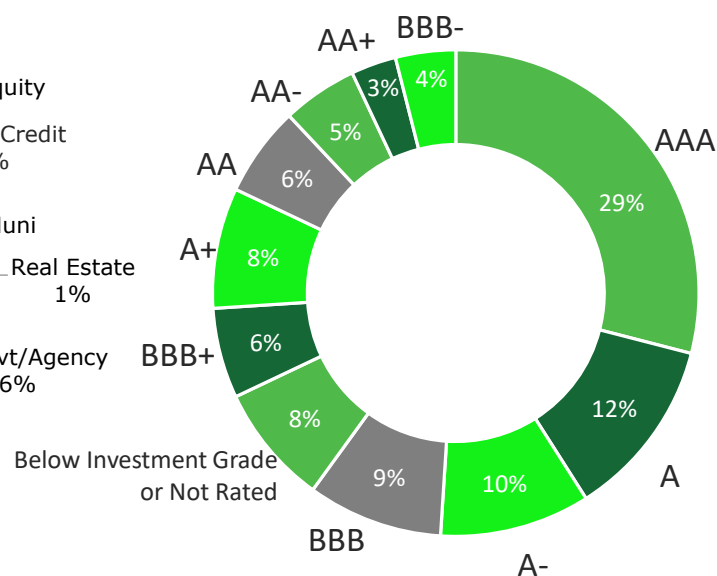
¹ Comprised of investment securities, cash, and cash equivalents deposited with Lloyd's as of 06/30/2023.

Investment Philosophy & Portfolio

Total Investments \$4.32 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

	2Q23	2Q22
Avg Income Yield	3.0%	2.3%
Wtd Avg Duration	3.34	3.74

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
2023	\$ 51,338	(4,796,367)	(141,293)	(1,148,531)	(3,647,836)
2024	\$ 51,338	(855,031)	(36,916)	(216,473)	(638,557)
2025	\$ 41,159	(224,736)	(21,019)	(68,214)	(156,522)
2026	\$ 25,734	(239,471)	(2,368)	(52,657)	(186,814)
2027	\$ -	(365,249)	7	(76,695)	(288,554)
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 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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MAILING ADDRESS:
ProAssurance Corporation
100 Brookwood Place
Birmingham, AL 35209

CONTACT:
Dana Hendricks
EVP, Chief Financial Officer
205.877.4462
DanaHendricks@ProAssurance.com