



INVESTOR PRESENTATION

MARCH 2024

LEGAL DISCLAIMERS



Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “may,” “will,” “intend,” “expect,” “anticipate,” “estimate,” “target,” and similar expressions, or the negative thereof, among others, identify forward-looking statements. All forward-looking statements are based on assumptions, expectations and other information currently available to management. Although SKWD believes that the expectations reflected in forward-looking statements have a reasonable basis, it can give no assurance that these expectations will prove to be correct. Such forward-looking statements are subject to certain risks and uncertainties that could cause the Company’s actual results to differ materially from those projected, anticipated or implied. The most significant of these risks and uncertainties are described in SKWD’s most recently filed Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission, and include (but are not limited to) legislative changes at both the state and federal level, state and federal regulatory rule making promulgations and adjudications, class action litigation involving the insurance industry and judicial decisions affecting claims, policy coverages and the general costs of doing business, the potential loss of key members of our management team or key employees and our ability to attract and retain personnel, the impact of competition on products and pricing, inflation in the costs of the products and services insurance pays for, product development, geographic spread of risk, weather and weather-related events, other types of catastrophic events, our ability to obtain reinsurance coverage at prices and on terms that allow us to transfer risk and adequately protect our company against financial loss, and losses resulting from reinsurance counterparties failing to pay us on reinsurance claims. Except to the extent required by law, SKWD undertakes no obligation to update or revise any forward-looking statements.

Non-GAAP Financial Measures

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes certain non-GAAP financial measures. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included in the Appendix to this presentation. This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

WE ARE A DISTINCTIVE SPECIALTY P&C INSURER



Skyward Specialty is a rapidly growing specialty insurance company, delivering commercial P&C products and solutions on a non-admitted and admitted basis. The Company operates through eight underwriting divisions –Accident & Health, Captives, Global Property & Agriculture, Industry Solutions, Professional Lines, Programs, Surety and Transactional E&S. All of our insurance company subsidiaries are group rated and have a financial strength rating of “A-” (Excellent) with positive outlook from A.M. Best Company.

We approach insurance differently. Our specialty insurance experts dig deeper to customize solutions to help brokers and agents deliver impactful solutions to their clients. We operate at the complex end of the specialty market and leverage technology to bring unique, innovative insurance solutions to market.

WE ARE MISSION & VALUES LED



OUR MISSION

to spark potential by smartly shifting risk to a safer place

OUR VISION

to be the specialty insurance company where great people want to work, the best partners and customers bring their business and top-tier performance ensues

OUR VALUES

Grow personally and professionally

We are committed to bettering ourselves and each other, and we have fun doing it.

Rise above the usual

We go farther to gain the insight it takes to find better answers and create the right solutions

Engage in inclusion

We avidly seek a rich diversity of thought, backgrounds and perspectives

Act in good faith

We are transparent, honest and accountable to ourselves and each other, no matter what

Transcend the self

We are high achieving individuals who are humble enough to know that teamwork takes us even higher

PROFITABLE GROWTH AND STRONG MOMENTUM

2023 FINANCIAL HIGHLIGHTS




Gross Written Premium	\$1,460 M
Combined Ratio	90.7%
Net Income	\$86 M
Return on Equity	15.9%
Return on Tangible Equity ⁽¹⁾	19.0%
Growth in Book Value ⁽²⁾	24%

(1) See "Reconciliations of Non-GAAP Financial Measures" included in the Appendix


(2) Fully Diluted Book Value per share of \$15.96 at December 31, 2023 compared to \$12.87 at December 31, 2022.

HIGHLY EXPERIENCED LEADERSHIP TEAM

Andrew Robinson
Chief Executive Officer

Joined Skyward in **2020**
30+ Years of Experience




Mark Haushill
Chief Financial Officer

Joined Skyward in **2015**
30+ Years of Experience




John Burkhart
President, Specialty Lines

Joined Skyward in **2021**
30+ Years of Experience




Kirby Hill
President, Industry Solutions, Programs & Captives

Joined Skyward in **2010**
30+ Years of Experience




Sean Duffy
Chief Claims Officer

Joined Skyward in **2019**
25+ Years of Experience




Sandip Kapadia
EVP, Chief Actuary & Analytics Officer

Joined Skyward in **2020**
20+ Years of Experience




Tom Schmitt
Chief Administrative Officer & Chief People Officer

Joined Skyward in **2020**
30+ Years of Experience




Dan Bodnar
Chief Information & Technology Officer

Joined Skyward in **2017**
20+ Years of Experience




Doug Davies
Senior Vice President, Global Property Division

Joined Skyward in **2013**
20+ Years of Experience




Leslie Shaunty
General Counsel

Joined Skyward in **2013**
25+ Years of Experience

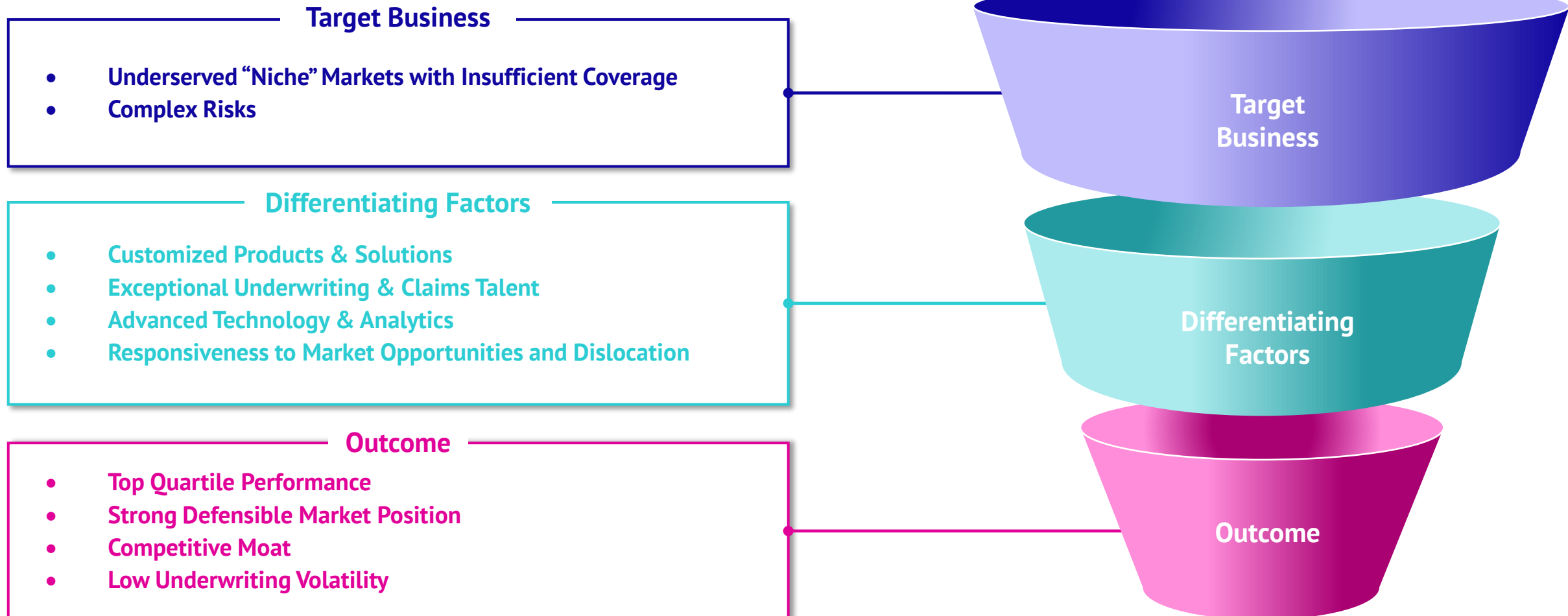


Experienced and entrepreneurial leadership with proven track record to build and lead top-tier organizations

RULE OUR NICHE STRATEGY



Focused on creating a competitive moat, winning in chosen niches, and delivering top quartile performance



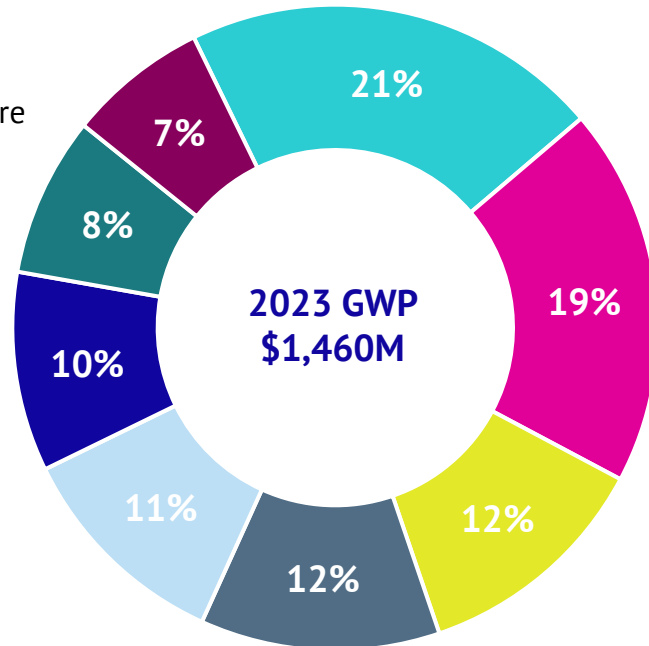
OUR UNDERWRITING SUCCESS



EIGHT UNDERWRITING DIVISIONS

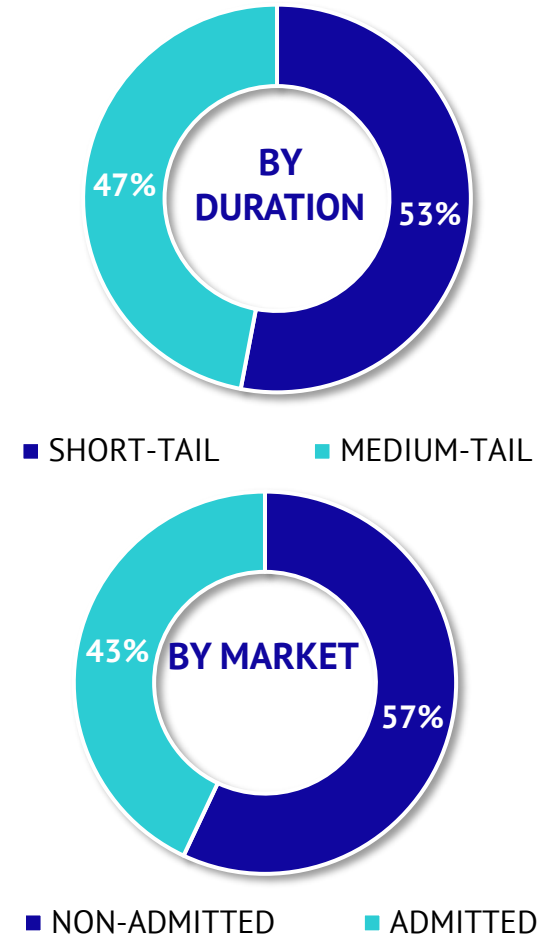
We operate through eight underwriting divisions, each of which are now producing more than \$100 million. Each division is now at a scale that can sustainably contribute to the Company's earnings.

- Industry Solutions
- Global Property & Agriculture
- Programs
- Captive
- Professional Lines
- Accident & Health
- Transactional E&S
- Surety



BALANCED BUSINESS MIX

Our balanced portfolio strengthens our market position and stabilizes our revenue streams, demonstrating our commitment to sustainable, long-term growth within the industry.



MAGNET FOR TOP TALENT



Skyward Specialty Adds Seven in Strategic Move to Reach New Surety Markets

Skyward Specialty Appoints Global Agriculture Expert James Tran to Spearhead Entry into Market

Skyward Specialty Launches New Inland Marine Underwriting Unit Led By Havis Wright

Skyward Specialty Enters Media Liability With Addition of New Team

Skyward Specialty Expands Capabilities Recruits Top Talent to Serve SBA Market, Provide Judicial & Fiduciary Bonds

- 45% of our 134 new hires in 2023 were from employee referrals
- 7% Voluntary Turnover
- Our latest engagement survey revealed:
 - 95% of employees agreed/strongly agreed with the statements “I am proud to work for this organization” and “I understand the importance of how my role impacts company success”
 - Overall net promoter score (positive responses minus negative responses) of over 80%

WE ARE TECHNOLOGY POWERED



Technology and Analytics

Core Operating Platform

Flexible platform designed to accelerate speed to market and enhance scalability in a **cost-efficient manner**

Superior Business Intelligence Platform

Foundation for **reporting, business intelligence, analytics** and **advanced** data capabilities

Predictive Analytics

Use of predictive analytics including artificial intelligence for **superior risk selection, pricing** and **claims handling**

SkyBI Provides Us with Real Time Intelligence



Overview

- Single, comprehensive enterprise-wide repository that provides real-time intelligence in an easy to consume visualized format



Behind SkyBI

- Powered by multiple data sources: production data, pricing / retention metrics, claims data, actuarial and select third-party data
- Data can be filtered by distributor, customer segment, LOB, industry, underwriting segmentation and specific-risk feature among others



Impact on Decision Making

- Enables high level business review and in-depth analyses
- Daily and monthly updates allow for a quicker response time
- Better risk selection, improved pricing and stronger claims outcomes

Advanced technology and data analytics amplify our underwriting and claims capabilities

INDUSTRY RECOGNITION OF OUR TALENT & TECHNOLOGY LEADERSHIP



Business Insurance
Best Places to Work in Insurance 2023



Datos Insights, formerly AiteNovarica,
Impact Award winner 2023
SkyVUE Underwriting Workbench



Elite 50 Internships 2022 Winner
Elite 50 Internships 2023 Winner



Insurance Marketing and Communications Assoc.
Showcase Winner 2023 – Silver Award



Captive Review
Professional of the Year 2022 Nominee
Professional of the Year 2023 Nominee



5- Star Winner 2023 - Professional
Liability Provider
by Insurance Business America

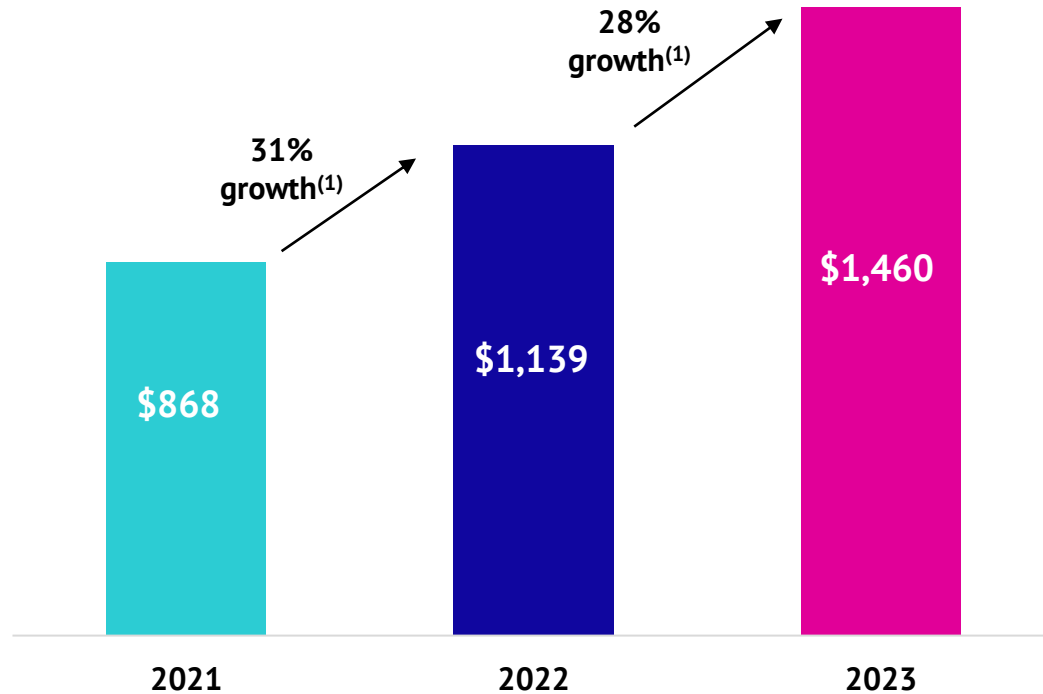


2021 Property Casualty 360
Insurance Innovator
SkyDrive Technology

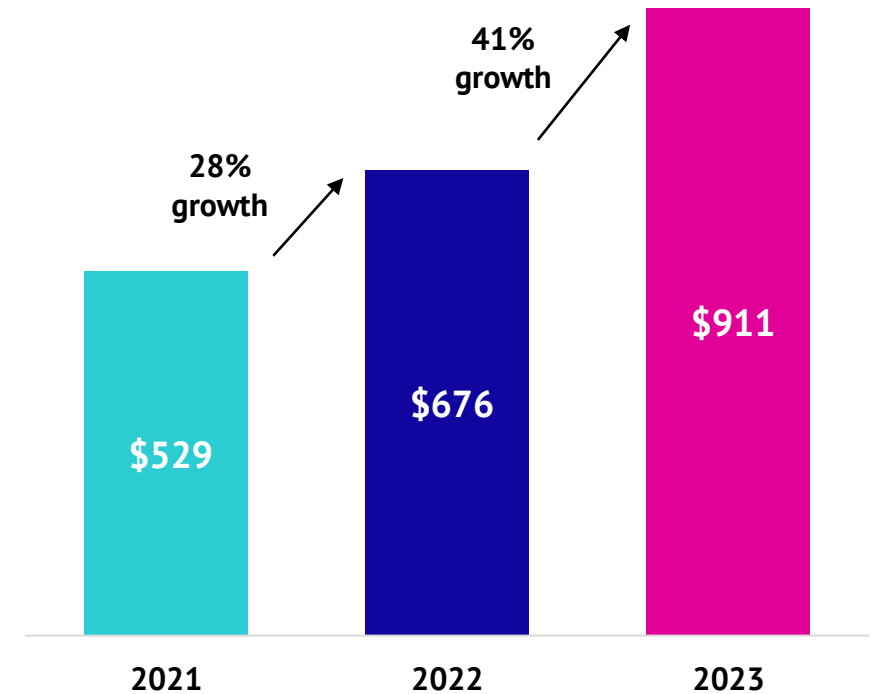
OUTSTANDING GROWTH



Gross Written Premiums (\$ in millions)



Net Written Premiums (\$ in millions)

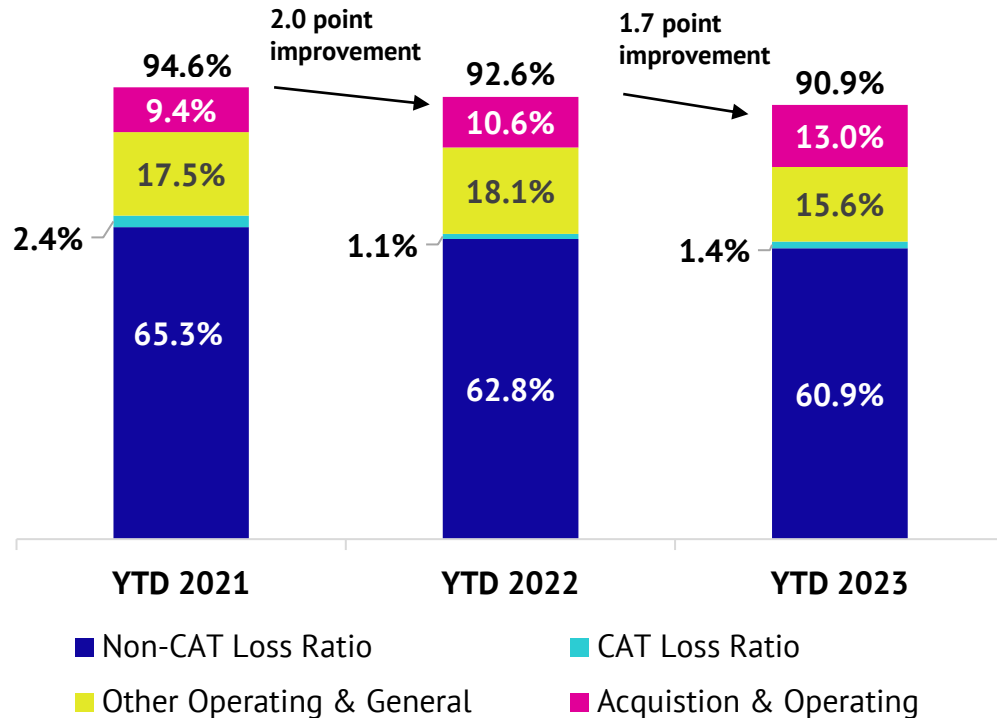


(1) Growth rates for continuing business (e.g. excluding exited lines) for each respective period.

STRONG & IMPROVING UNDERWRITING RESULTS



Adjusted Combined Ratio⁽¹⁾



- **Continued loss ratio improvement**

- Shifting business mix towards more profitable lines
- Rate increases above loss cost inflation
- Run-off of exited business

- **Low CAT exposure limits underwriting volatility**

- CAT losses as % of premium were only 1.4 loss ratio points and amongst the lowest of our peer group.

- **Expense ratio in line with target of sub-30**

- Higher earned premiums
- Acquisition and operating increased as expected due to shifting mix of business (e.g. growth in surety)

Positioned for underwriting profitability across P&C cycles

(1) See "Reconciliations of Non-GAAP Financial Measures" included in the Appendix

HIGH QUALITY INVESTMENT PORTFOLIO



Key tenets of our investment strategy include capital preservation and a balanced risk-reward approach

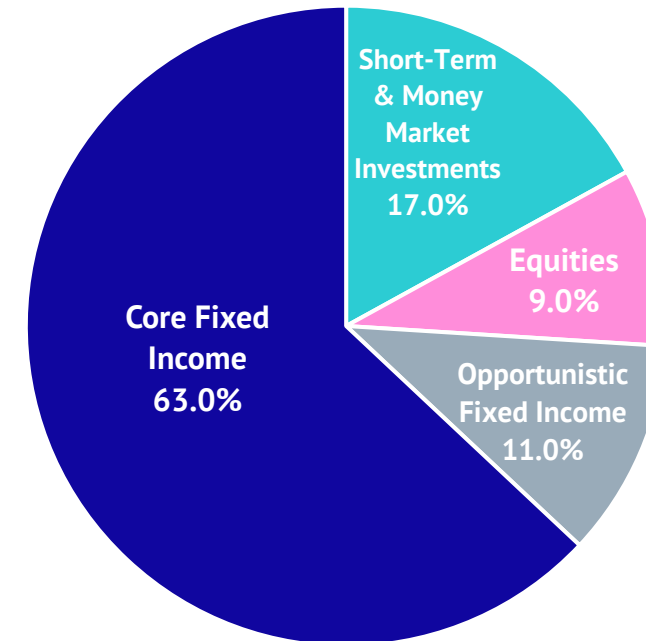
Investment Portfolio as of 12/31/2023

Total Invested Assets: **\$1.6 Billion**

2023 Core Fixed Income Yield⁽¹⁾: **4.5%**

Duration⁽²⁾: **3.2 years**

Weighted Average Credit Quality⁽³⁾: **"AA-"**



We are strategically increasing our allocation to Core Fixed Income as interest rates increase

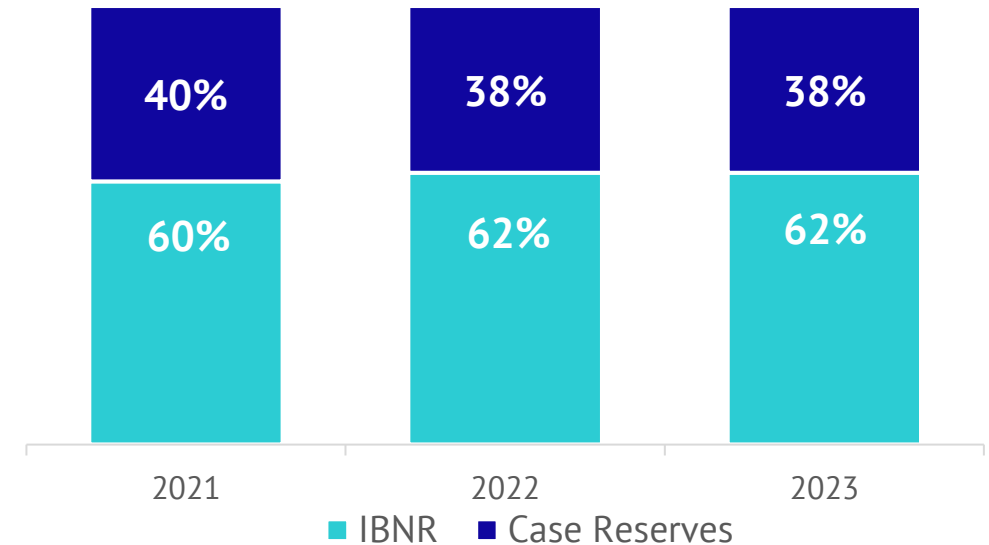
- (1) Core fixed income book yield at December 31, 2023.
- (2) Duration shown for our core and opportunistic fixed income portfolios at December 31, 2023.
- (3) Weighted average credit quality of our Core Fixed Income portfolio.

CONSERVATIVE RESERVE PROFILE



- Reserves set by experienced claims professionals and actuaries
- Seek to identify and set reserves to expected ultimate loss early
- Promote collaboration between underwriting, claims and actuarial
- We have high confidence in the strength of our reserves
- Maintaining conservative loss picks despite strong pricing trends with rate increases above loss trends

Overall Net Reserves



12/31/2023 Total Net Loss & LAE Reserves: ~\$859M

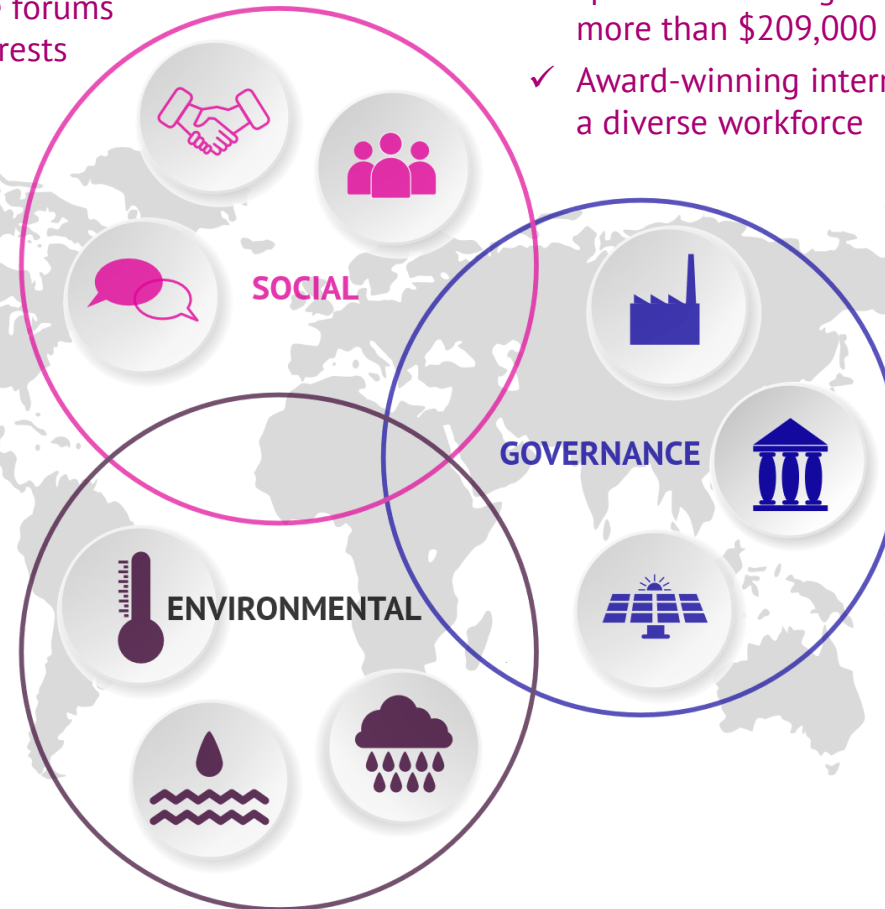
Committed to a conservative loss reserve position

ESG EFFORTS IN PRACTICE



- ✓ 28% of employees are persons of color
- ✓ 34% of leadership are females | 19% of leadership are persons of color
- ✓ 25% of IPO syndicate made up of diversity firms
- ✓ Employee-led Resource Groups (ERG) supporting Race & Ethnicity, LGBTQI+, and Mental Health & Wellness provide forums for employees with shared experiences and interests

- ✓ 60% of staff works fully remotely with the balance on hybrid schedules
- ✓ Regular company-sponsored environmental clean-up efforts in partnership with Texas Conservation Fund in 2022 and 2023
- ✓ Environmental causes, including waterway protection and reforestation, are a key focus for our charitable giving and outreach
- ✓ Broad company focus on renewable energy solutions in surety (solar), construction (renewable energy contractors) and global property (wind + solar + hydro) | simultaneously managing traditional energy-related gross premium (gross premium of company less than the proportion of national GDP)



- ✓ Employee-led Social Awareness, Inclusion & Diversity (SAID) team facilitates education and develops Company initiatives to promote & celebrate Skyward Specialty diversity
- ✓ Philanthropic and social initiatives selected by Employees are sponsored through the Skyward Foundation. The Foundation donated more than \$209,000 in 2023
- ✓ Award-winning internship to hire and invest in the development of a diverse workforce

- ✓ Refreshed Board | five new members added since 2022 | three of eight members are female + one person of color
- ✓ Exemplary BOD oversight (financial, enterprise risk management, cyber security, succession planning, policy and charter review, board and committees' performance, compensation, etc.)
- ✓ Ethics and compliance hotline in place
- ✓ Robust compliance policies and training practices (securities trading, conflicts of interest, code of business conduct policies, etc.)

SKYWARD IS WELL POSITIONED FOR PROFITABLE GROWTH



WE'RE GOING SKYWARD



APPENDIX

BALANCE SHEET



<i>(\$ in thousands)</i>	December 31 2023	December 31 2022
Assets		
Total investments	\$ 1,613,687	\$ 1,082,367
Total cash and restricted cash	100,336	125,011
Premiums receivable, net	179,235	139,215
Reinsurance recoverables, net	596,334	581,359
Ceded unearned premiums	186,121	157,645
Deferred policy acquisition costs	91,955	68,938
Deferred income taxes	21,991	36,188
Goodwill & intangible assets, net	88,435	89,870
Other assets	75,341	82,846
Total assets	\$ 2,953,435	\$ 2,363,439
Liabilities and Stockholders' Equity		
Liabilities:		
Reserves for losses and loss adjustment expenses	1,314,501	1,141,757
Unearned premiums	552,532	442,509
Deferred ceding commission	37,057	29,849
Reinsurance and premium payable	150,156	113,696
Funds held for others	58,588	36,858
Accounts payable and accrued liabilities	50,880	48,499
Notes payable	50,000	50,000
Subordinated debt, net of debt issuance costs	78,690	78,609
Total liabilities	\$ 2,292,404	\$ 1,941,777
Total stockholders' equity	661,031	421,662
Total liabilities and stockholders' equity	\$ 2,953,435	\$ 2,363,439

INCOME STATEMENT



(\$ in thousands)	December 31,	
	2023	2022
Revenues		
Net earned premiums	\$ 829,143	\$ 615,994
Commission and fee income	6,064	5,199
Net investment income	40,322	36,931
Net investment gains (losses)	11,072	(15,705)
Other (loss) income	(632)	1
Total revenues	885,969	642,420
Expenses:		
Losses and loss adjustment expenses	515,237	402,512
Underwriting, acquisition and insurance expenses	243,444	182,171
Interest expense	10,024	6,407
Amortization expense	1,798	1,547
Other expenses	5,364	-
Total expenses	775,867	592,637
Income before income taxes	110,102	49,783
Income tax expense	24,118	10,387
Net income	\$ 85,984	\$ 39,396

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ADJUSTED LOSSES AND COMBINED RATIO



(\$ in thousands)	December 31	
	2023	2022
Net earned premiums	\$ 829,143	\$ 615,994
Losses and LAE	515,237	402,512
Less: Pre-tax net impact of LPT	(1,427)	8,572
Adjusted Losses and LAE	\$ 516,664	\$ 393,940
Loss and LAE ratio	62.1%	65.3%
Net impact of LPT	(0.2)%	1.4%
Adjusted loss and LAE ratio	62.3%	63.9%
Combined ratio	90.7%	94.0%
Net impact of LPT	(0.2)%	1.4%
Adjusted combined ratio	90.9%	92.6%

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ADJUSTED OPERATING INCOME (LOSS)



	December 31			
	2023		2022	
	Before income taxes	After income taxes	Before income taxes	After income taxes
<i>(\$ in thousands)</i>				
Income as reported	\$ 110,102	\$ 85,984	\$ 49,783	\$ 39,396
Less (Add):				
Net impact of loss portfolio transfer	1,427	1,127	(8,572)	(6,772)
Net investment gains (losses)	11,072	8,747	(15,705)	(12,407)
Other (loss) income	(632)	(499)	1	1
Other expenses	(5,364)	(4,238)	-	-
Adjusted operating income	\$ 103,599	\$ 80,847	\$ 74,059	\$ 58,574

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ROTE, ADJUSTED ROE AND ROTE



(\$ in thousands)	December 31	
	2023	2022
Adjusted Return on Equity		
Numerator: adjusted operating income	\$ 80,847	\$ 58,574
Denominator: average stockholders' equity	\$ 541,347	\$ 423,871
Adjusted return on equity	14.9%	13.8%
Adjusted Return on Tangible Equity		
Stockholders' equity	\$ 661,031	\$ 421,662
Less: goodwill and intangible assets	88,435	89,870
Tangible stockholders' equity	\$ 572,596	\$ 331,792
Numerator: adjusted operating income	\$ 80,847	\$ 58,574
Denominator: average tangible stockholders' equity	\$ 452,194	\$ 333,268
Adjusted return on tangible equity	17.9%	17.6%
Return on Tangible Equity		
Numerator: net income	\$ 85,984	\$ 39,396
Denominator: average tangible stockholders' equity	\$ 452,194	\$ 333,268
Return on tangible equity	19.0%	11.8%

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: UNDERWRITING INCOME



(\$ in thousands)	December 31	
	2023	2022
Income before federal income taxes	\$ 110,102	\$ 49,783
Add:		
Interest expense	10,024	6,407
Amortization expense	1,798	1,547
Other expenses	5,364	-
Less (Add):		
Net investment income	40,322	36,931
Net investment gains (losses)	11,072	(15,705)
Other (loss) income	(632)	1
Underwriting income	\$ 76,526	\$ 36,510