



FOR IMMEDIATE RELEASE

ParetoHealth to Accelerate Growth with Strategic Investment from Warburg Pincus

Warburg Pincus to join Great Hill Partners in Backing the Leading Employee Benefits Platform

Philadelphia, Pennsylvania – June 5, 2023 - Pareto Health, Inc. (“ParetoHealth” or the “Company”), the employee benefits platform of choice for thousands of businesses, today announced a significant investment from Warburg Pincus, a leading global growth investor. Great Hill Partners, which invested in ParetoHealth in 2019, will retain an equal stake to Warburg Pincus, alongside a significant continuing investment from the current management team. This investment will support ParetoHealth’s mission to make self-insurance accessible for small and mid-sized employers, reduce volatility, and drive down the overall cost of healthcare.

For more than a decade, ParetoHealth has provided employer healthcare benefits solutions that enable small and mid-sized businesses to self-fund their health benefits. The Company harnesses its scale, loyal captive membership, and superior risk and cost management tools to diversify catastrophic claims, reduce stop-loss premiums, and provide excellent and affordable healthcare solutions to employers. The ParetoHealth community has created a virtuous network effect whereby increasing scale enhances its product offerings and then attracts more members.

“ParetoHealth is proudly contrarian. We are a growing community of employers and brokers challenging the status quo and bringing sense back to employer healthcare,” said Andrew Cavenagh, CEO, ParetoHealth. “We are excited to partner with Warburg Pincus, whose proven track record in the healthcare and insurance sectors will further enhance our abilities. We are equally excited to continue working with Great Hill, which has greatly contributed to our growth and innovation.”

“Employers are facing rising costs, increased volatility from things like specialty drugs and gene therapies, and claims that now extend for years. This triple threat combines to make health

insurance one of the most vexing challenges for employers. ParetoHealth's unique platform addresses these challenges and puts the employer back in control," said T.J. Carella, Managing Director and Head of Healthcare, Warburg Pincus. "We look forward to partnering with the Pareto team and Great Hill Partners to drive sustainable growth," added Cem Behmoaram, Principal, Warburg Pincus.

Rafael Cofiño, Managing Director at Great Hill, said, "ParetoHealth's team has shown great leadership in building a unique platform to serve small and midsized businesses. We expect the Company will continue to innovate and lead the market."

Mark Taber, Managing Director at Great Hill, added, "We look forward to continuing our partnership alongside Warburg Pincus. We are confident that combining Great Hill's sector expertise with Warburg Pincus' deep experience will help ParetoHealth achieve their ambitions of helping more and more employers."

TJ Carella and Cem Behmoaram from Warburg Pincus will join the Board along with current Directors Mark Taber and Rafael Cofiño from Great Hill and Andrew Cavenagh and Andrew Clayton (President) of ParetoHealth.

Triple Tree, LLC acted as exclusive financial advisor to ParetoHealth. Goodwin Procter LLP and Kurtz & Revness LLP provided legal advice to the Company and Kirkland & Ellis LLP and William Blair advised Warburg Pincus. Financial terms of the transaction were not disclosed.

About ParetoHealth

ParetoHealth forms and manages employee benefit group captives that mitigate the year-to-year volatility and risk inherent in self-insurance, thereby allowing employers to focus on reducing healthcare costs. Members of ParetoHealth captives gain access to an exclusive platform of risk management and cost-containment initiatives to help them provide high-quality and affordable healthcare to their employees. For more information, visit www.paretohealth.com.

About Great Hill

Founded in 1998, Great Hill Partners is a private equity firm targeting investments of \$100 million to \$500 million in high-growth companies across the software, digital commerce, financial technology, healthcare, and digital infrastructure sectors. With offices in Boston and London, Great Hill has raised over \$12 billion of commitments and invested in more than 95 companies, establishing an extensive track record of building long-term partnerships with entrepreneurs and providing flexible resources to help middle-market companies scale. Great Hill has been recognized for its industry leadership, being ranked #3 on March 9, 2023 in the 2022 HEC Paris-Dow Jones Mid-Market Buyout Performance Ranking (published on March 9, 2023), which evaluated fund performance of 563 leading private equity firms between 2009-2018. In addition to ParetoHealth, Great Hill's portfolio of healthcare companies includes Clearwave, IVX Health, Quantum Health, RetireeFirst, RxBenefits, and Vatica Health. Prior

healthcare investments include bswift, PartsSource, Passport Health Communications, PlanSource, Qualifacts, and SterilMed.

For more information, including a list of all Great Hill investments, please visit www.greathillpartners.com, and follow us on [LinkedIn](#).

About Warburg Pincus

Warburg Pincus LLC is a leading global growth investor. Founded in 1966, Warburg Pincus has raised 21 private equity and 2 real estate funds, which have invested more than \$109 billion in over 1,000 companies in more than 40 countries. The firm has more than \$80 billion in assets under management. Since inception, Warburg Pincus has invested over \$16 billion in more than 180 healthcare companies and over \$21 billion in more than 150 financial services companies. Notable healthcare investments include Alignment Healthcare, Ensemble Health Partners, Global Healthcare Exchange, Modernizing Medicine, Norstell, Quantum Health, Sotera Health, and Summit Health, and notable financial services investments include Aeolus Re, Arch Capital, Edelman Financial Engines, Fetch by The Dodo, Foundation Risk Partners, IntraFi Network, Kestra Holdings, K2 Insurance Services, McGill and Partners, and RenaissanceRe. The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information, please visit www.warburgpincus.com. Follow us on [LinkedIn](#).

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