



CNA Financial: Our Path to Underwriting Excellence

Investor Presentation

Q4 2023



CNA Today



One of the largest U.S. commercial lines insurers
with roots going back to 1897
Net written premium: **\$9.4b¹**
Gross written premium ex captives: **\$11.3b¹**



Core Business Segments:
Commercial
Specialty
International



Specialized underwriting
capabilities with industry
segment focus



Meaningful presence in
U.S., Canada,
UK and Europe



Financial
Strength
Ratings

S&P: **A+**
A.M. Best: **A**
Moody's: **A2**
Fitch: **A+**



Evolution to top quartile
underpinned by
underwriting discipline

Consistently stronger operating performance, high degree of financial stability, robust financial strength ratings



1. For the full year 2023

CNA Story: Improved quality and consistency of earnings

Effective portfolio management through increased specialization

Meaningful expense ratio reduction

Top quartile loss ratio

Continued investment in talent, technology, analytics and security

Strong value creation for shareholders



Confidently Maintaining Top Quartile Performance with an Intense Focus on our Vectors of Success

Sustaining a deep underwriting culture

Optimizing distribution engagement

Attracting, developing & retaining top talent

Institutionalizing deep specialization



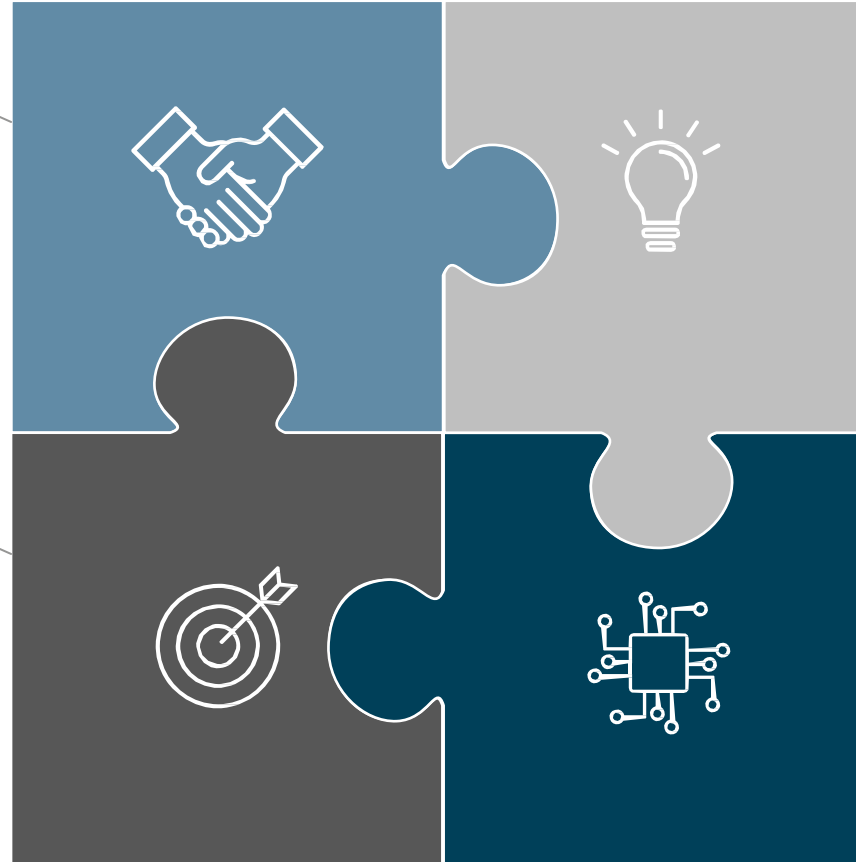
Continuing to Focus on Partnerships, Underwriting, Talent, and Technology & Analytics

Strategic Partnerships

- Strengthened Branch and Business Unit alignment to drive growth
- Enhanced relationships to expand share of wallet with key brokers
- Senior leadership engagement across the distribution network

Underwriting Excellence

- Strong governance framework across every line of business and geography
- All P&C Business Units generating strong profitability
- Enhanced reinsurance protection



Talent & Learning

- Continue to attract experienced industry talent in support of our specialization strategy
- Building a “Company of Allies”, with a culture that promotes Diversity, Equity & Inclusion (DEI)

Technology & Analytics

- Investing in technologies to advance risk assessment capabilities
- Improving operational efficiency through AI/ML solutions
- Harnessing data in the Cloud to shape insights and inform better decision making

A Strong and Experienced Team

CNA Management



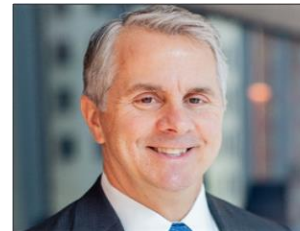
Dino E. Robusto
Chairman & Chief
Executive Officer



Doug Worman
EVP & Global Head
of Underwriting



Scott Lindquist
EVP & Chief
Financial Officer



Daniel Franzetti
EVP & Chief
Administrative Officer



Jane Possell
EVP & Chief
Information Officer,
Analytics, Operations



Bob Hopper
EVP & Chief Actuary



Jalil Rehman
President & Chief
Executive Officer, UK
& Europe



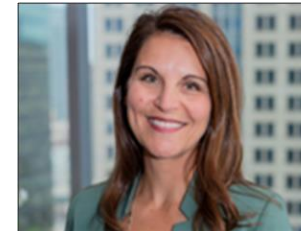
Nick Creatura
President & Chief
Executive Officer,
Canada



Susan Stone
EVP & General
Counsel



Mark James
EVP & Chief Risk
& Reinsurance Officer



Liz Aguinaga
EVP & Chief Human
Resources Officer



Michael Costonis
Global Head of
Marketing, Strategy &
Innovation

Broad Property & Casualty Portfolio

Core P&C Portfolio – \$9.4b Net Written Premium in 2023

Commercial (52%)

- P&C products and services to small, middle-market and large businesses
- Business Units include:
 - Middle Market
 - Construction
 - Small Business
 - Marine
 - National Accounts Casualty
 - National Accounts Property

Specialty (35%)

- Professional, financial and other specialty products and services
- Business Units include:
 - Affinity
 - Financial & Management Liability
 - Surety
 - Healthcare
 - Warranty

International (13%)

- P&C and Specialty products and services
- Operates across four platforms:
 - Canada
 - UK
 - Lloyd's
 - Continental Europe

Sustaining Improved Performance on Strong Capital Base

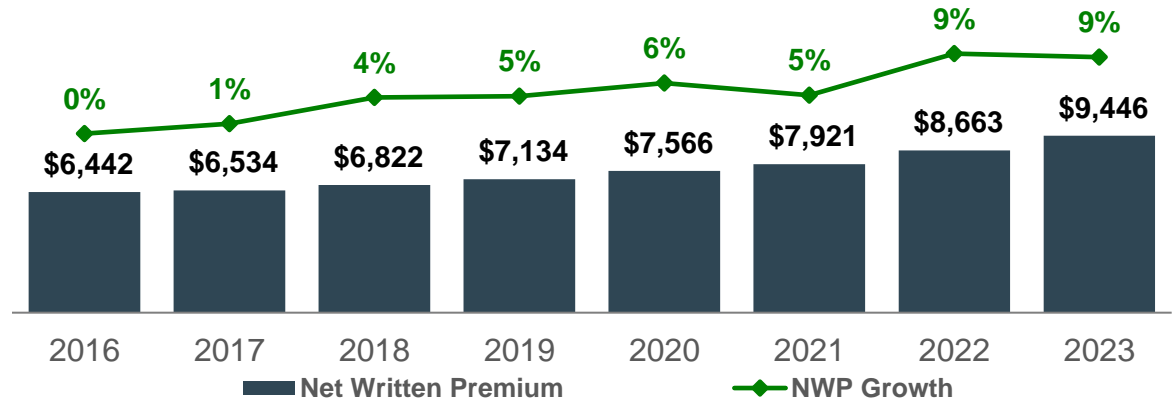
Summary

- Achieving strong growth in core P&C business
- Continuing improvement in underlying combined ratio, with 7pts improvement since 2016
- Delivering a top quartile underlying loss ratio
- Significantly improved expense ratio is 4.2pts lower than in 2016
- Maintaining a robust balance sheet and conservative capital structure

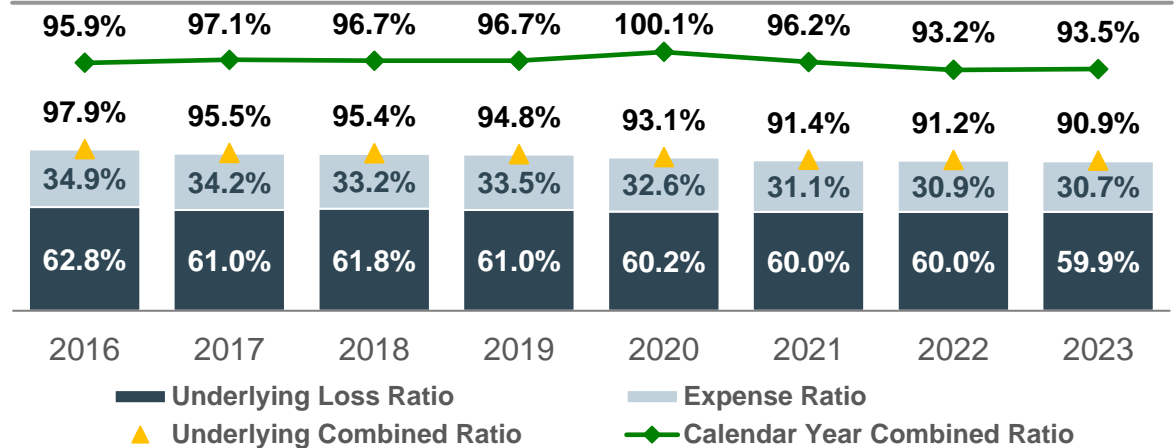
Capital Structure *(as of 12/31/2023)*

Equity	\$9.9b	19.4% Debt-to-Capital ex. AOCI
Equity ex. AOCI	\$12.6b	
Debt ¹	\$3.0b	
Total Capital	\$12.9b	
Total Capital ex. AOCI	\$15.6b	
Statutory Surplus	\$10.9b	

P&C premium, \$m

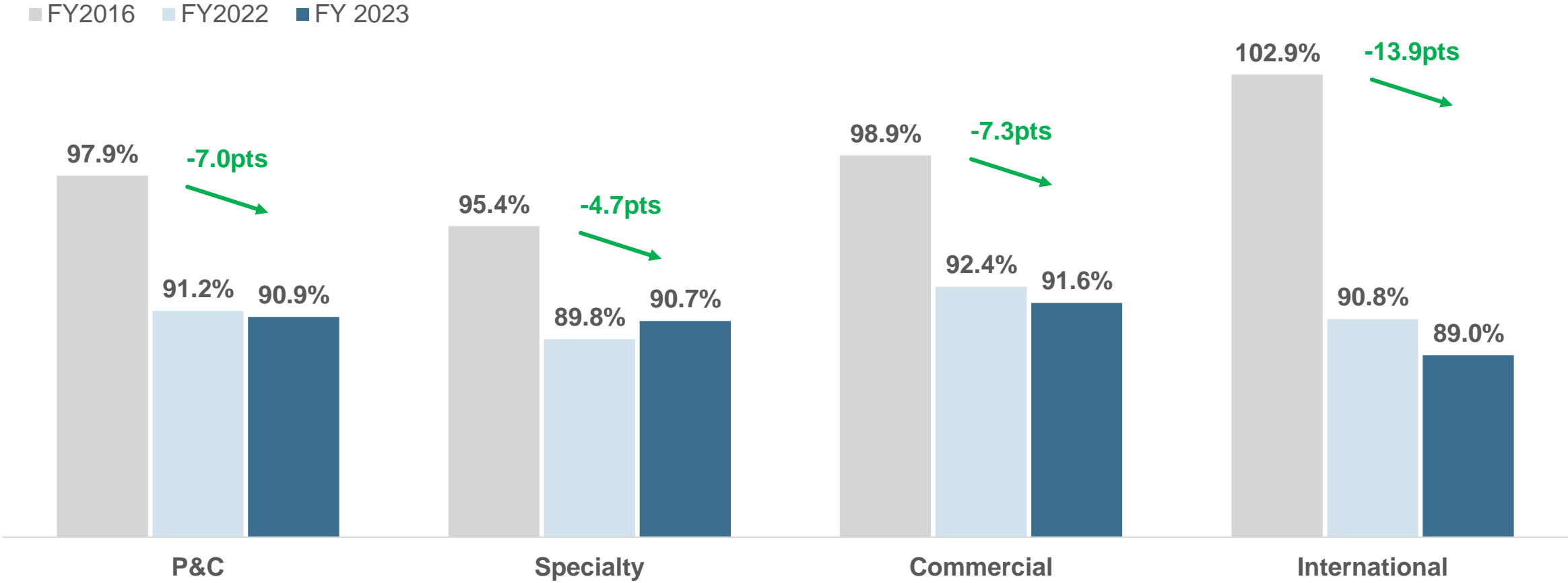


P&C Combined Ratios²



1. 2023 Debt balance includes recent new issuance of \$400m in Q2 and \$100m in Q3, as well as upcoming maturity of \$550m in May 2024. | 2. Underlying combined ratio excludes catastrophe losses and prior year development. Underlying and calendar year combined ratios include dividends (not shown).

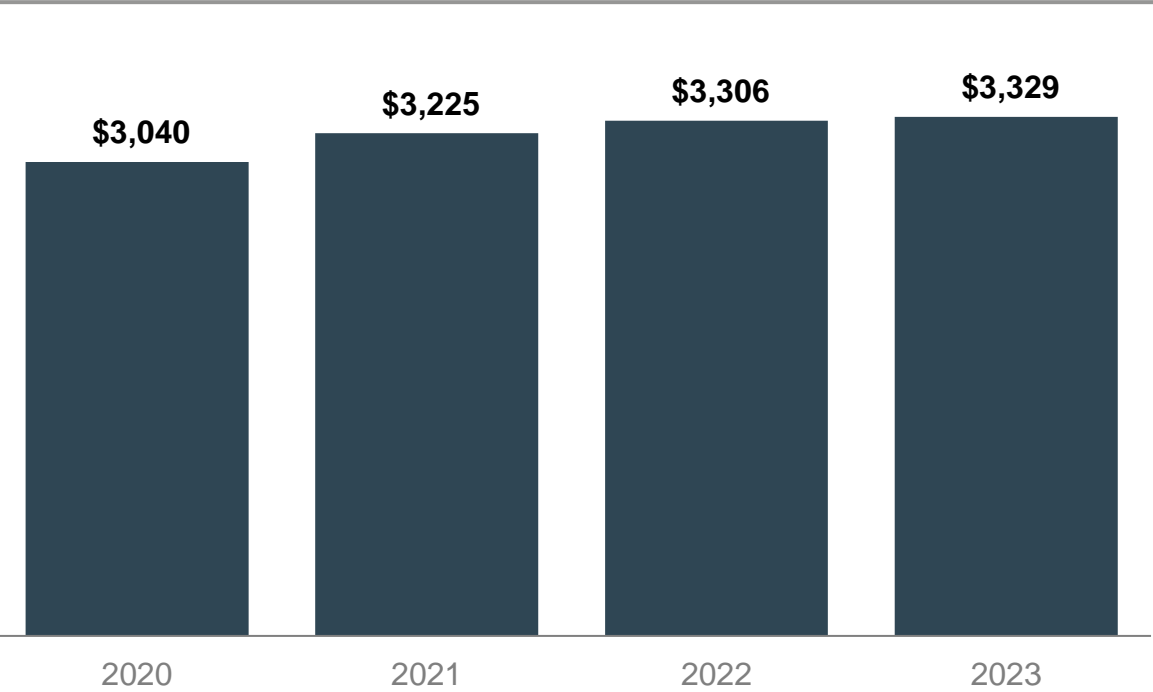
Meaningfully Improved Underlying Combined Ratios Have Been Sustained in Each of Our P&C Segments



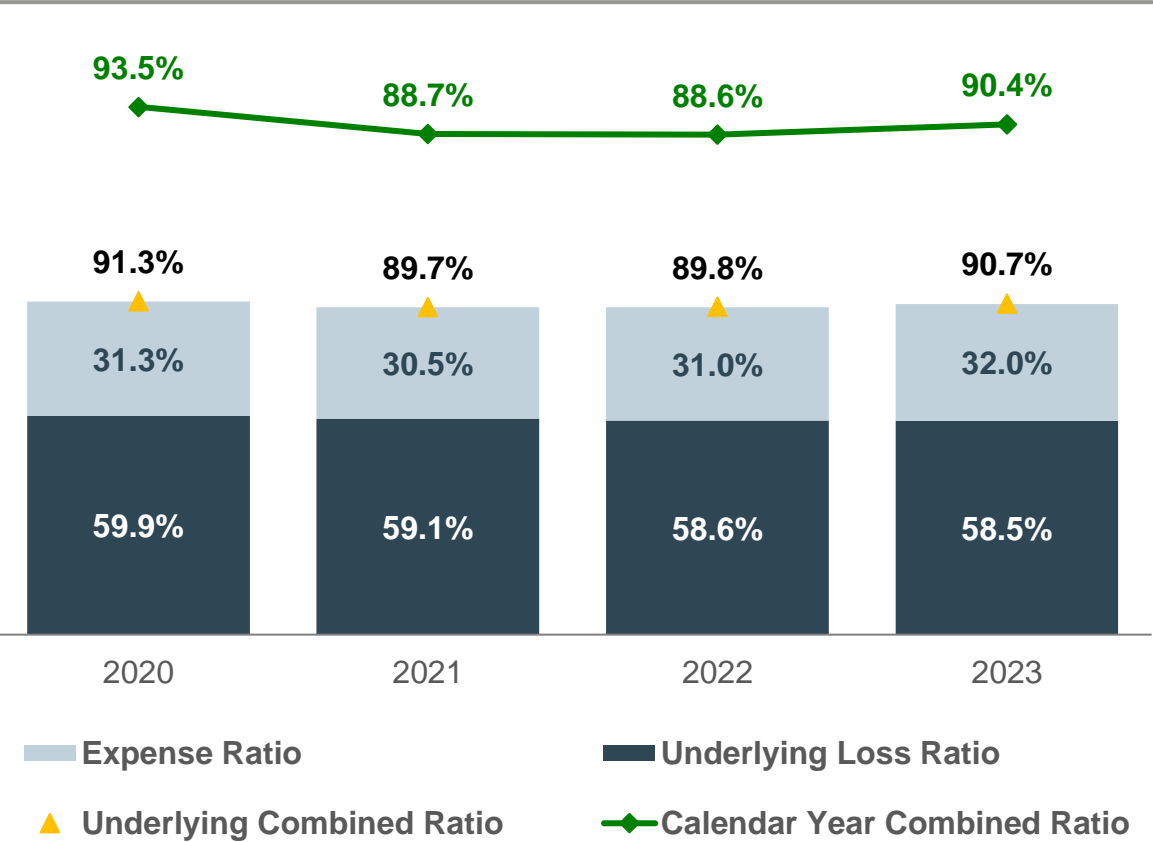
Specialty

Continues to generate consistent underwriting results

Net Written Premium, \$m



Combined Ratios¹

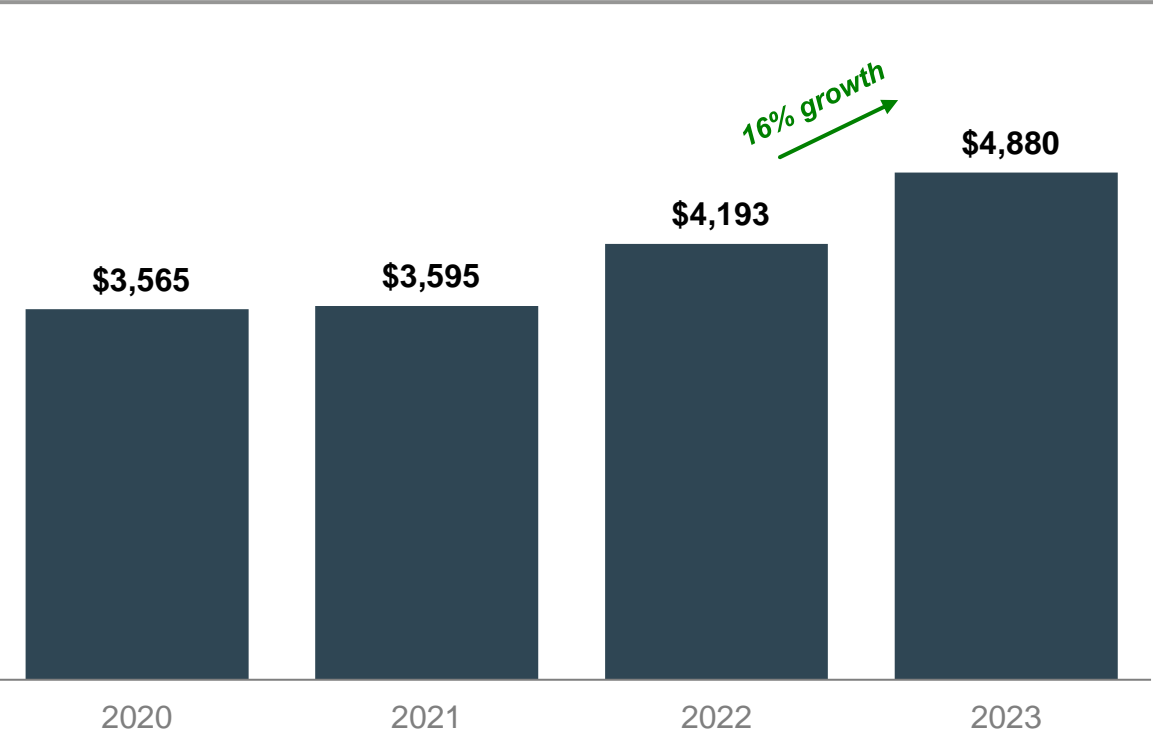


1. Underlying combined ratio excludes catastrophe losses and prior year development. Underlying and calendar year combined ratios include dividends (not shown).

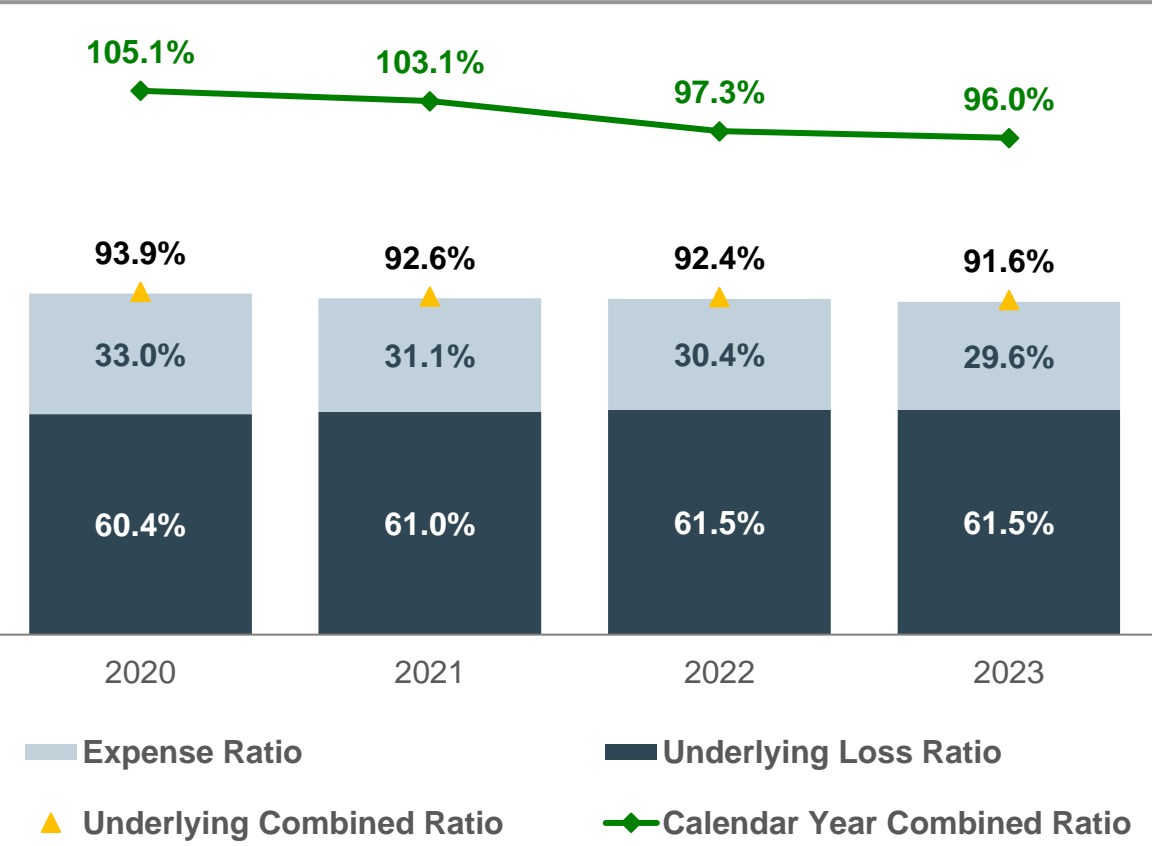
Commercial

Growing with increasingly consistent underwriting profitability following several years of targeted portfolio management actions

Net Written Premium, \$m



Combined Ratios¹

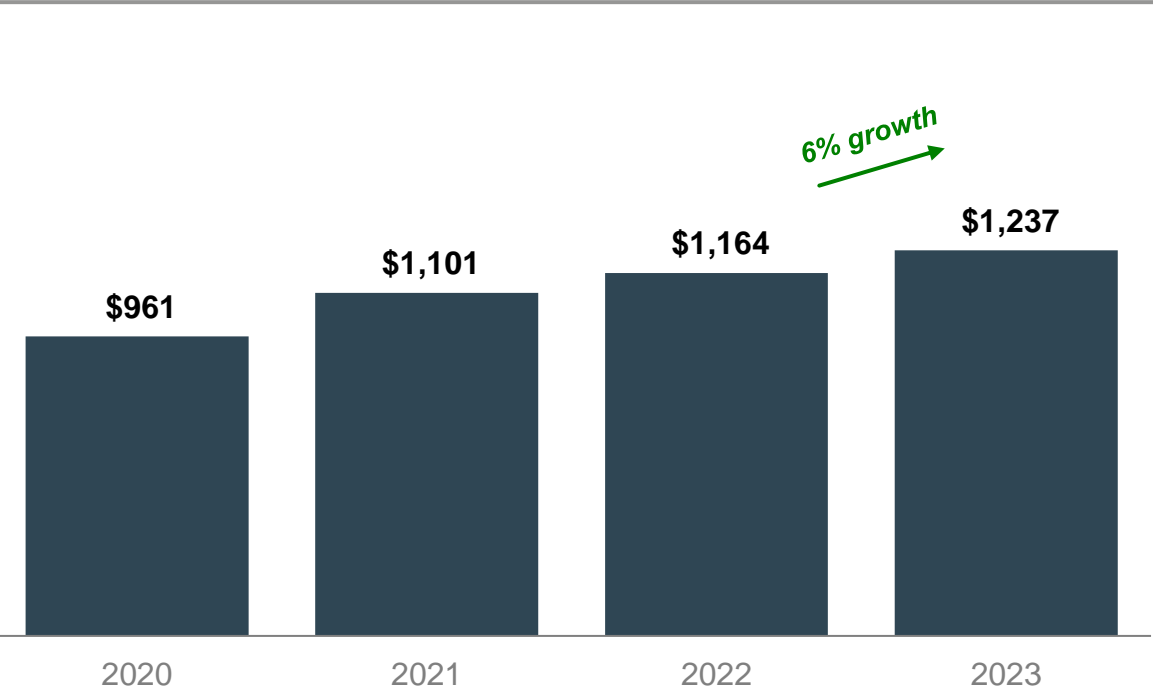


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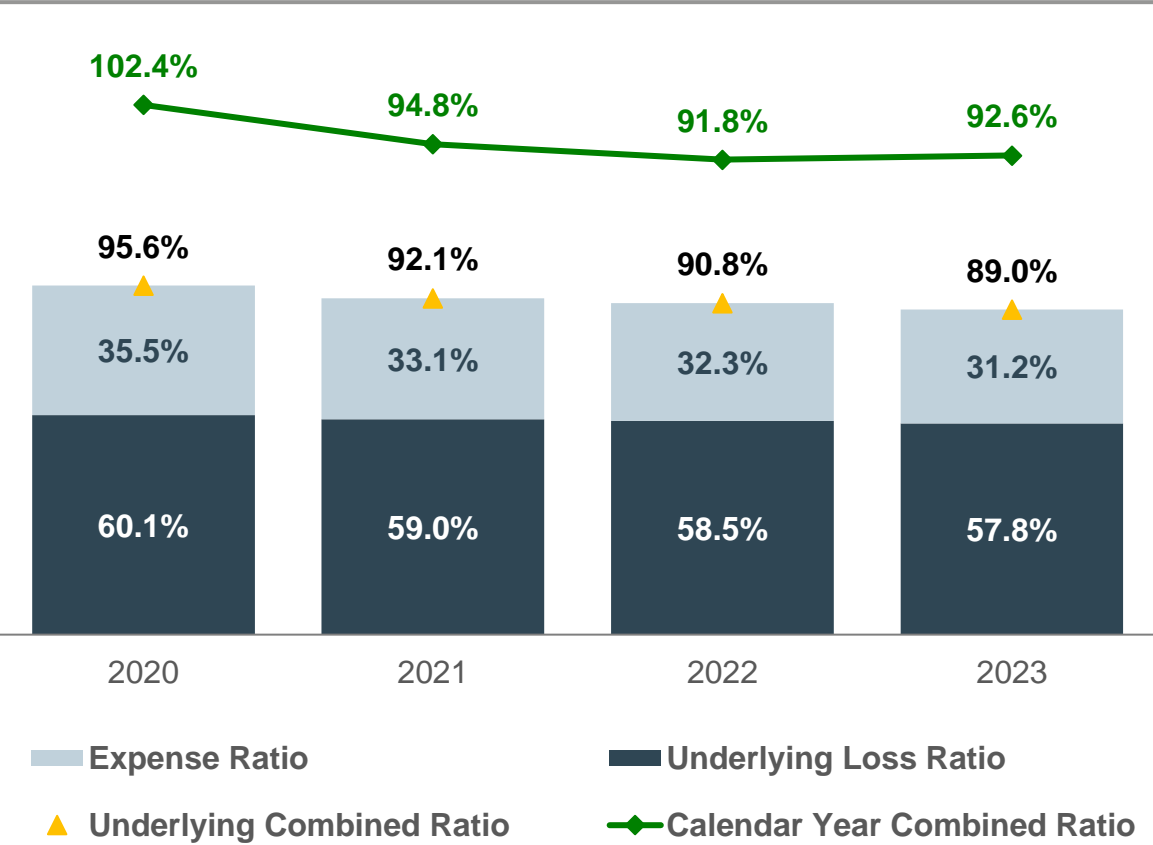
International

Portfolio management actions have meaningfully improved underwriting profitability and reduced volatility

Net Written Premium, \$m



Combined Ratios¹



1. Underlying combined ratio excludes catastrophe losses and prior year development. Underlying and calendar year combined ratios include dividends (not shown).

LTC Progress Focused on Active Management

Proactive approach to managing block across all dimensions of the business

Significantly improved runoff Long Term Care business compared to 2015

- Individual LTC block closed in 2004; Group LTC block closed to new accounts in 2004 and closed to new enrollees in 2016
- ~40% reduction in individual policy counts, ~45% reduction in group policy counts since 2015
- Premium rates are ~45% higher than in 2015 & ~80k policyholders have reduced coverage since 2017
- Normative 10 year risk free rate assumption of 2.75% compared to 2015's assumption of 4.80%

Material progress made recently

- 31 rate increase approvals in 2023 with an average rate increase amount of 36%
- Approximately 6,600 policy buyouts, totaling approximately \$193M in cash payments for the full year 2023
- Increased the fixed-income duration for the Long Term Care portfolio to 10.2 years as of December 31, 2023, up by 1 year from 2021, taking advantage of the higher interest rate environment
- Successful transition of business to single third party administrator and 10-year contract gives price certainty, stability, and foundation to further invest in claim innovation

Ability to withstand stresses

- Conservative reserving assumptions (no morbidity improvement, 10 years of mortality improvement, minimal future rate actions, ultimate 10 year treasury rate of 2.75%)
- \$1.3b of Statutory reserve margin as of September 30, 2023, following 2023 annual assumption review



Note: All disclosures as of 9/30/2023 unless otherwise specified

Long Term Care Block Characteristics

Total LTC policies have declined by over 40% since 2015

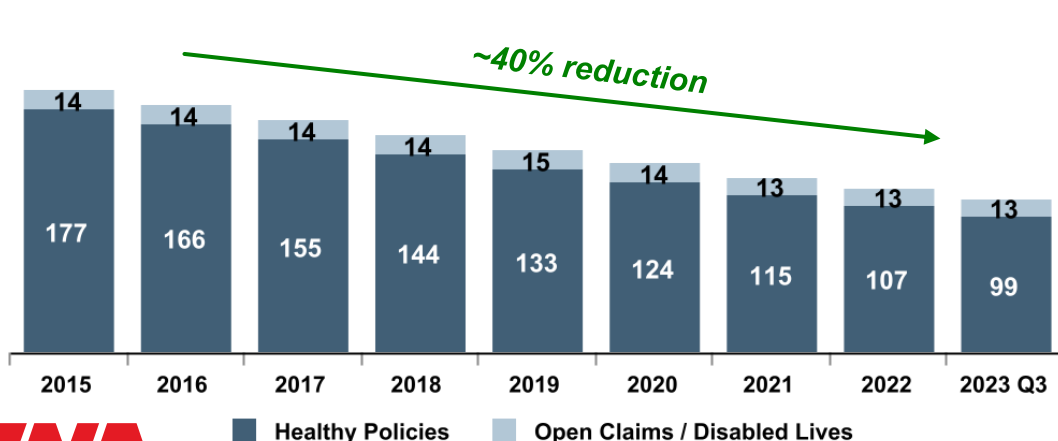
Block Characteristics (as of Q3 2023)

	ILTC	GLTC
Benefits	Average Age	81 years old
	Average Max Daily Benefit	\$277
	% of policies with Lifetime Benefits	39%
	Average Benefit Period (non-lifetime)	3.9 years
	% of policies with Compound Inflation	44%
	% of policies with Simple Inflation	24%
Claims	# of Open Claims	13.0k
	Average Age of New Claimant	85 years old

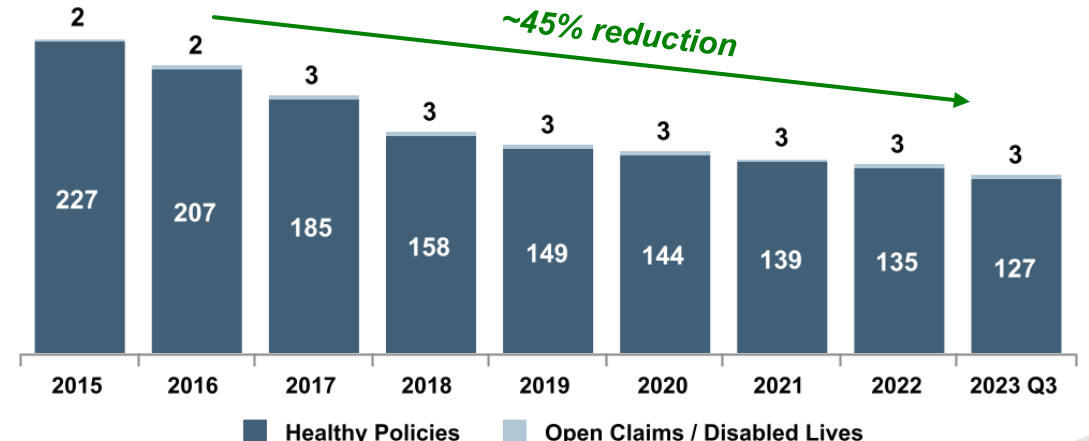
Commentary

- De-risking of the more mature ILTC block with richer policy benefits is well underway; ILTC reserves have reached inflection point
- Less rich benefit and better priced Group block, with peak reserves expected to be significantly below ILTC peak reserves

Total Inforce ILTC Policies¹ (In thousands)



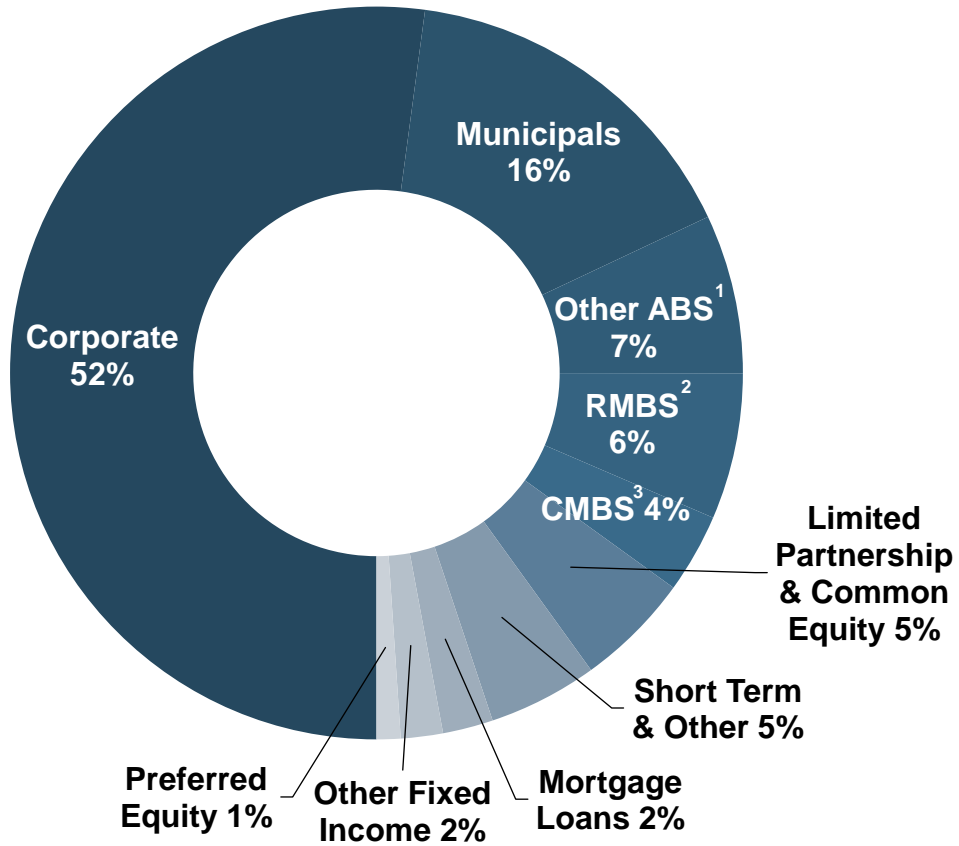
Total Inforce GLTC Policies² (In thousands)



Note: All disclosures as of 9/30/2023 unless otherwise specified

1. ILTC metrics do not include CNA's 50% coinsurance business (29k healthy policies and 2k claims as of Q3 2023). Healthy policies do not include 9k non-forfeiture limited benefit policies as of Q3 2023. | 2. Healthy policies do not include 86k non-forfeiture limited benefit policies as of Q3 2023.

High-quality, Well Diversified and Liquid Investments



Percentage of Total Fixed Maturity Securities by Rating

US Gov.	AAA	AA	A	BBB	Non-IG
7%	7%	16%	24%	41%	5%

- \$46.6 billion in carrying value
- 88% of total invested assets are in fixed income securities
- High-quality portfolio with an average “A” credit rating
- Higher yields on fixed income securities continue to be a significant earnings tailwind
- Separate P&C and L&G investments portfolios to focus on duration management; L&G duration lengthened to 10.2 years at Q4 2023 from 8.9 years at Q1 2022, which reflects strategic repositioning to capitalize on higher rates and reduce reinvestment risk, and better matches duration of investment portfolio to liability duration
- Commercial real estate exposure primarily comprised of high quality, well diversified holdings in fixed income CMBS³ and REITs⁴, as well as direct mortgage loans⁵



Note: As of Q4 2023

1. Other asset-backed securities | 2. Residential mortgage-backed securities | 3. Commercial mortgage-backed securities. | 4. Real estate investment trusts | 5. For additional detail defer to the Appendix

Maintaining a Robust Balance Sheet and Consistent Value Creation for Shareholders

Capital Management Philosophy

- Hold capital to withstand material stresses
- Growth opportunities (organic and inorganic) are assessed based on potential contribution and alignment to CNA's strategic objectives

Financial Strength and Liquidity

- Consistent earnings have created a strong capital base
- Total capital excluding AOCI of \$15.6b as of December 31, 2023
 - GAAP equity of \$9.9b, or \$12.6b excluding AOCI
 - \$3.0b debt (includes \$500m of new issuance in 2023, as well as an upcoming maturity of \$550m in May 2024)
 - 19.4% debt-to-capital ratio ex AOCI
- Well-balanced debt maturity profile
- Ample liquidity to meet obligations at both holding and operating company levels
- Resilient cash flow with \$2.3b of annual operating cash flow in 2023
- Additional liquidity through bank credit facility and FHLB membership

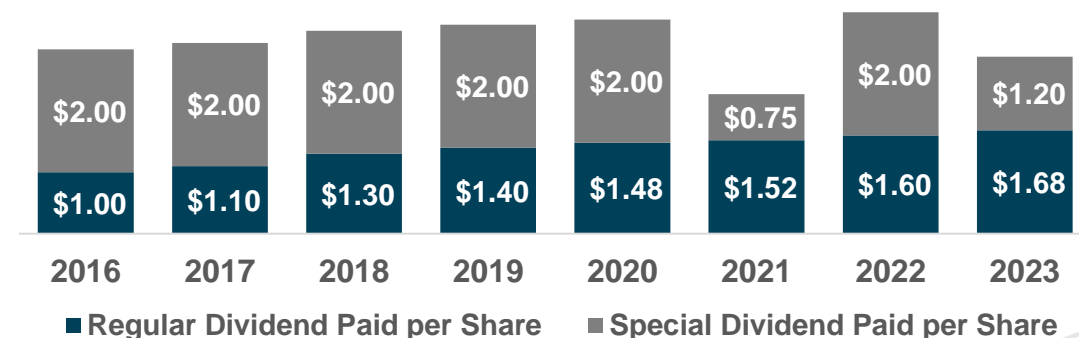


Robust Financial Strength & Debt Ratings

Rating Agency	Financial Strength	CNAF Senior Debt	Outlook
S&P	A+	A-	Stable
Moody's	A2	Baa2	Stable
Fitch	A+	BBB+	Stable
AM Best	A	bbb+	Stable

Strong Track Record of Returning Capital to Shareholders

Returned over \$6.7b to shareholders from 2016 through 2023



CNA Highlights

- ✓ **Confidently maintaining Top Quartile performance with an intense focus on our Vectors of Success**
- ✓ **Meaningfully improved underlying combined ratios have been sustained in each of our P&C segments**
- ✓ **P&C operations' earnings power continues to grow, with record high annual underwriting income in 2023**
- ✓ **Meaningful reduction in LTC exposures and risk profile through active management**
- ✓ **Highly experienced management team**
- ✓ **High-quality, well diversified and liquid investment portfolio**
- ✓ **Financial strength driven by conservative capital structure, strong liquidity profile and solid regulatory capital**
- ✓ **Consistent value creation for shareholders**

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