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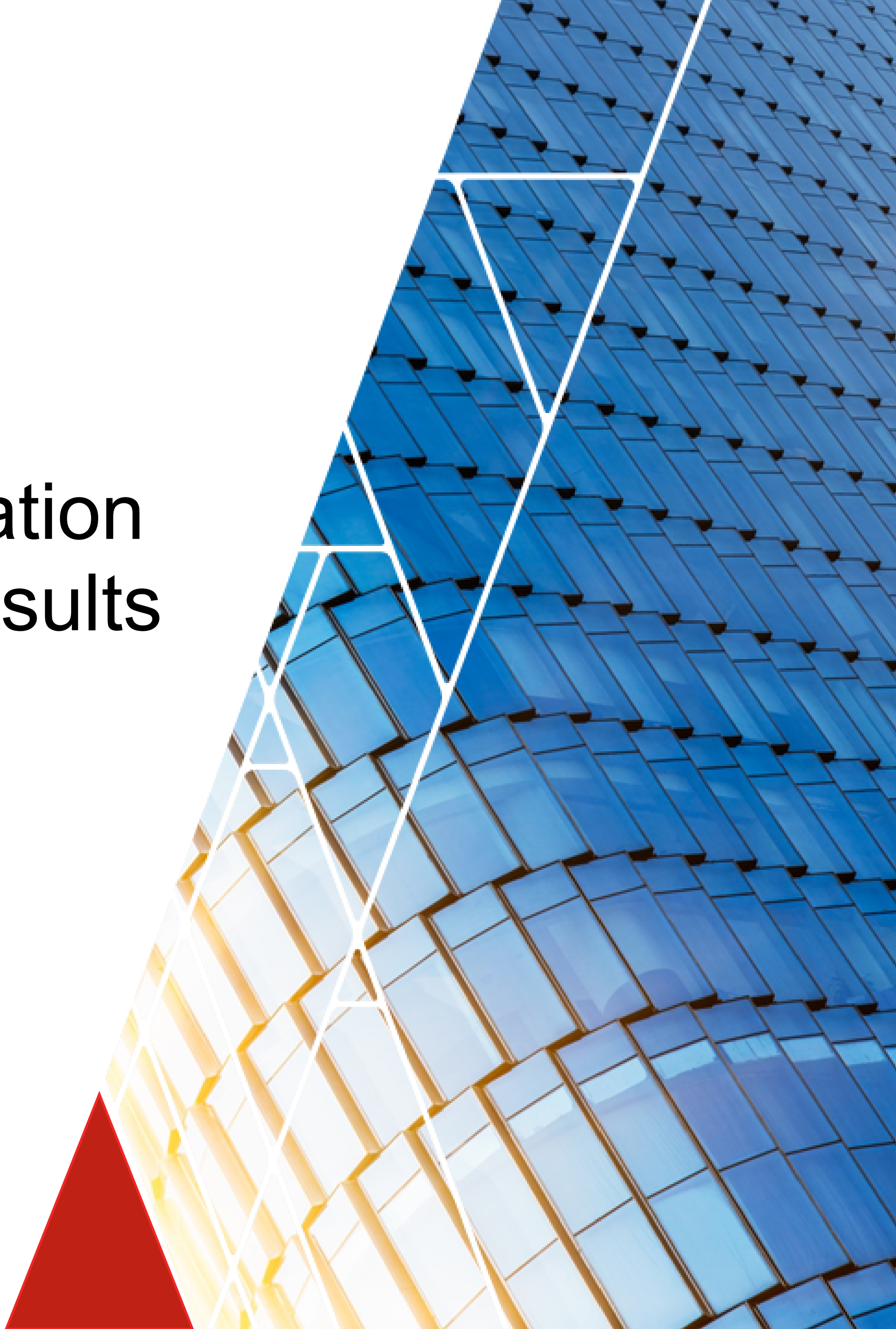
CNA Financial Corporation
Third Quarter 2020 Results

November 2, 2020



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Third Quarter Overview

- Net income of $213 million or $0.79 per share; Core income of $193 million or $0.71 per share.
- Net and core income includes an LTC GPV charge of $59 million after-tax primarily driven by actions taken on discount rate assumptions.
- Catastrophe losses of $160 million pretax were driven by severe weather related events, primarily Hurricanes Laura, Isaias and Sally, and the Midwest derecho. No change to COVID-19 catastrophe loss estimate.
- The third quarter P&C combined ratio was 100.9% compared with 97.6% in the prior year quarter, including 8.7 points of catastrophe loss impact compared with 1.8 points in the prior year quarter.
- The underlying combined ratio was 92.6% compared with 94.6% in the prior year quarter. The underlying loss ratio was 60.5% compared with 61.7% in the prior year quarter and the expense ratio was 31.8% compared with 32.5% in the prior year quarter.
- P&C segments, excluding third party captives, generated gross written premium growth of 9% and net written premium growth of 7%.
- P&C rate change increased to +12% in the third quarter.
- Net investment income of $517 million pretax includes $71 million of income from LPs and common stock, reflecting continued equity market appreciation.

- Book value per share (BVPS) of $44.30; ex. AOCI of $42.78
  - 2% increase from year-end 2019, adjusting for $3.11 dividends per share, ex. AOCI
- Quarterly dividend of $0.37 per share

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Financial Performance

Q3 Core income of $193M reflects strong Net investment income and underlying underwriting performance offset by catastrophe losses and LTC charge.

(In millions, except ratios and per share data)	Third Quarter			Year to Date		
	2020	2019	Change	2020	2019	Change
Revenues	**$2,820**	$2,685	5 %	**$7,877**	$7,990	(1)%
Core income	**193**	102	89 %	**400**	714	(44)%
Net income	**213**	107	99 %	**303**	727	(58)%
Diluted earnings per common share:						
Core income	**$0.71**	$0.37	92 %	**$1.47**	$2.62	(44)%
Net income	**0.79**	0.39	103 %	**1.11**	2.67	(58)%
Core ROE	**6.7 %**	3.4 %	3.3 pts	**4.5 %**	7.9 %	(3.4) pts

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Property & Casualty Operations

Underlying combined ratio of 92.6% is the lowest in over a decade. Combined ratio of 100.9% includes 8.7 points of catastrophe loss impact, related primarily to severe weather related events. Top line results reflect continued premium growth and rate momentum.

(In millions, except ratios)	Third Quarter		Year to Date	
	2020	2019	2020	2019
GWP ex. 3rd party captives	**$2,014**	$1,856	**$6,253**	$5,843
GWP change (% year over year)	**9 %**		**7 %**	
Net written premiums	**$1,821**	$1,708	**$5,614**	$5,388
NWP change (% year over year)	**7 %**		**4 %**	
Underwriting (loss) gain	**($18)**	$42	**($185)**	$151
Loss ratio excl. catastrophes and development	**60.5 %**	61.7 %	**60.1 %**	61.1 %
Impact of catastrophes	**8.7 %**	1.8 %	**10.1 %**	2.5 %
Impact of development-related items	**(0.4)%**	1.2 %	**0.1 %**	(0.2)%
Loss ratio	**68.8 %**	64.7 %	**70.3 %**	63.4 %
Expense ratio	**31.8 %**	32.5 %	**32.9 %**	33.3 %
Combined ratio	**100.9 %**	97.6 %	**103.5 %**	97.1 %
Combined ratio excl. catastrophes and development	**92.6 %**	94.6 %	**93.3 %**	94.8 %

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Specialty

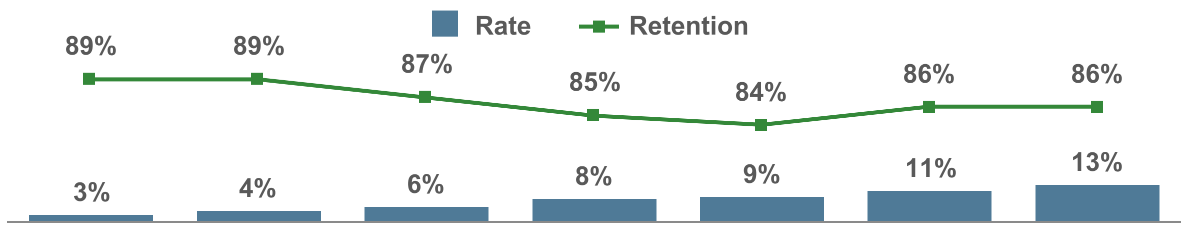
Results reflect very strong growth and continued strong underwriting performance.

(In millions, except ratios)	Third Quarter		Year to Date	
	2020	2019	2020	2019
GWP ex. 3rd party captives	**$861**	$778	**$2,413**	$2,263
GWP change (% year over year)	**11 %**		**7 %**	
Net written premiums	**$795**	$732	**$2,231**	$2,143
NWP change (% year over year)	**9 %**		**4 %**	
Underwriting gain	**$77**	$73	**$106**	$188
Loss ratio excl. catastrophes and development	**60.0 %**	60.1 %	**59.8 %**	60.2 %
Impact of catastrophes	**1.0 %**	0.5 %	**5.7 %**	0.8 %
Impact of development-related items	**(2.0)%**	(2.8)%	**(2.1)%**	(2.9)%
Loss ratio	**59.0 %**	57.8 %	**63.4 %**	58.1 %
Expense ratio	**30.5 %**	31.8 %	**31.5 %**	32.6 %
Combined ratio	**89.5 %**	89.8 %	**95.0 %**	90.9 %
Combined ratio excl. catastrophes and development	**90.5 %**	92.1 %	**91.4 %**	93.0 %

Specialty Production Metrics

Rates continue to increase while maintaining strong retention. New business growth also strong at +14%.

Specialty Rate & Retention



	2019				2020		
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**
GWP ex. 3rd party captives ($M)	**$730**	**$755**	**$778**	**$752**	**$741**	**$811**	**$861**
New Business ($M)	**$86**	**$97**	**$91**	**$93**	**$74**	**$96**	**$104**
Healthcare							
Rate	10%	13%	17%	19%	31%	28%	32%
Retention	85%	83%	79%	68%	63%	74%	76%
Mgmt & Prof Liability							
Rate	1%	2%	4%	5%	5%	8%	8%
Retention	90%	90%	89%	90%	90%	89%	89%
Surety							
Net Written Premiums	$134	$136	$130	$117	$141	$133	$130
Warranty & Alt. Risks							
Revenues	$323	$326	$332	$342	$337	$348	$356

Note: Rate and retention metrics on renewed business are not applicable for Surety and Warranty. Large Warranty Programs & Captives business is mostly reinsured.

Commercial

Strong underlying performance and solid growth. Combined ratio of 111.5% includes 17.0 points of catastrophe loss impact, primarily due to severe weather related events.

(In millions, except ratios)	Third Quarter		Year to Date	
	2020	2019	2020	2019
GWP ex. 3rd party captives	**$915**	$852	**$3,018**	$2,742
GWP change (% year over year)	**7 %**		**10 %**	
Net written premiums	**$804**	$775	**$2,703**	$2,536
NWP change (% year over year)	**4 %**		**7 %**	
Underwriting loss	**($98)**	($13)	**($261)**	($20)
Loss ratio excl. catastrophes and development	**61.0 %**	61.5 %	**60.4 %**	61.8 %
Impact of catastrophes	**17.0 %**	3.0 %	**14.3 %**	4.3 %
Impact of development-related items	**0.6 %**	4.8 %	**2.1 %**	1.5 %
Loss ratio	**78.6 %**	69.3 %	**76.8 %**	67.6 %
Expense ratio	**32.3 %**	31.7 %	**33.2 %**	32.7 %
Combined ratio	**111.5 %**	101.6 %	**110.6 %**	100.9 %
Combined ratio excl. catastrophes and development	**93.9 %**	93.8 %	**94.2 %**	95.1 %

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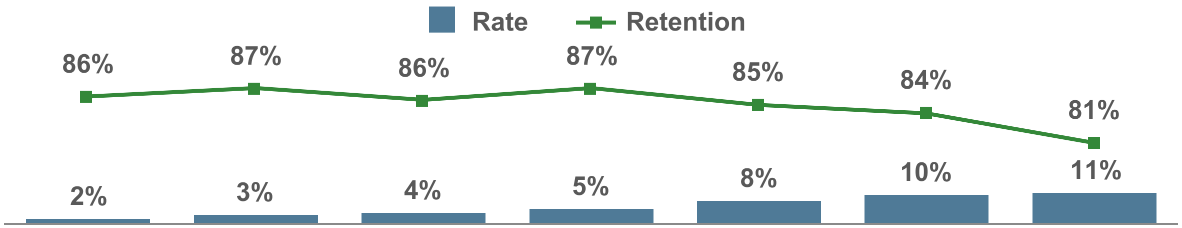
Commercial Production Metrics

Rates continue to accelerate. Retention was impacted by targeted re-underwriting actions.

Commercial Rate & Retention



	2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GWP ex. 3rd party captives ($M)	**$933**	**$958**	**$852**	**$867**	**$1,059**	**$1,044**	**$915**
New Business ($M)	**$163**	**$186**	**$173**	**$161**	**$199**	**$198**	**$168**
Middle Market							
Rate	2%	2%	3%	3%	5%	7%	9%
Retention	85%	87%	86%	86%	86%	82%	81%
Construction [1]							
Rate	2%	3%	4%	5%	6%	8%	10%
Retention	86%	88%	86%	92%	87%	85%	85%
Small Business							
Rate	(3)%	(2)%	(1)%	(1)%	(1)%	(1)%	—%
Retention	84%	84%	85%	84%	85%	88%	85%
Other							
Rate	6%	8%	11%	12%	23%	25%	28%
Retention	87%	86%	85%	82%	84%	82%	77%

[1] Effective January 1, 2020, the Construction line of business is presented separately in the Commercial segment to better align with our underwriting expertise and the manner in which the products are sold. Prior period information has been conformed to the new line of business presentation.

International

Impact of re-underwriting efforts leads to strong positive growth and improved underwriting results.

(In millions, except ratios)	Third Quarter		Year to Date	
	2020	**2019**	**2020**	**2019**
Gross written premiums	**$238**	$226	**$822**	$837
GWP change (% year over year)	**5 %**		**(2)%**	
Net written premiums	**$222**	$201	**$680**	$709
NWP change (% year over year)	**10 %**		**(4)%**	
Underwriting gain (loss)	**$3**	($18)	**($30)**	($17)
Loss ratio excl. catastrophes and development	**60.1 %**	67.3 %	**60.1 %**	61.4 %
Impact of catastrophes	**3.0 %**	1.7 %	**8.9 %**	1.4 %
Impact of development-related items	**0.1 %**	0.4 %	**(0.4)%**	1.9 %
Loss ratio	**63.2 %**	69.4 %	**68.6 %**	64.7 %
Expense ratio	**34.9 %**	38.0 %	**35.6 %**	37.5 %
Combined ratio	**98.1 %**	107.4 %	**104.2 %**	102.2 %
Combined ratio excl. catastrophes and development	**95.0 %**	105.3 %	**95.7 %**	98.9 %

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Life & Group Segment - Overview

Consistent Active Management Approach

- Significant progress in reducing the risk profile of LTC block
- 31% decline in active policies since 2015
- Focused rate increase strategies are making an impact
- Responsible & proactive reserving approach reduces future capital and earnings at risk

Key Changes in Current Reserve Review

- Normative risk free rate[1] reduced by 100bps, grade-in period extended to 10 years with forward curve used for the first 3 years
- Cost of care assumption revised to reflect lower inflation environment
- Mortality assumptions updated to reflect increased mortality rates at older ages
- Rate increase assumptions reflect rate achievement better than 2019 estimates; expected future approvals related to current programs also updated

Financial Impacts

- LTC Active Life reserves strengthened by **$74M** pretax
- LTC claim reserves reduced by **$37M** pretax; 5th consecutive year of favorable LTC claim development
- Structured settlement reserves increased by **$46M** pretax; increase driven by discount rate and mortality assumption updates

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[1] Normative risk free rate reflects the projection of the 10-year U.S. Treasury rate in the long term (in 10 years)

Long Term Care Block Characteristics

Mature Individual block with an average attained age of 80; Group block has more basic benefit features.

		Individual Block[1]	Group Block
Policyholders	# of Active Lives	140k	148k
	Average Age	80 years old	66 years old
Claims	# of Open Claims	14.7k	3.0k
	Average Age of New Claimant	84 years old	76 years old
Benefits	Average Max Daily Benefit (current)	$251	$198
	% of Policies with Lifetime Benefits	39%	1%
	Average Benefit Period (non-lifetime)	3.9 years	4.6 years
	% of Policies with Compound Inflation	45%	14%
	% of Policies with Simple Inflation	27%	1%

[1] Individual statistics do not include CNA's 50% coinsurance of 35k active policies and 2k claims as of Q3 2020

LTC Progress Focused on Active Management

Proactive approach to managing block across all dimensions of the business; well positioned to advance de-risking.

Timeline

2016
- GLTC block closed to new entrants
- First GLTC rate increase

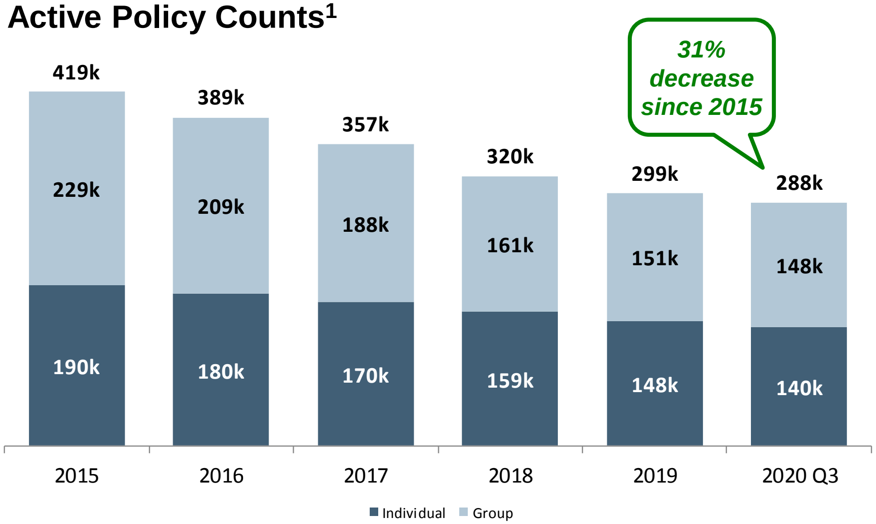
2017
- Initiated differentiated risk based rate increases with Inflation Freeze and Drop benefit reduction option
- Discount rate assumptions updated for tax reform
- Morbidity improvement reduced to 1% for 10 years

2018
- Removed morbidity improvement
- Extended mortality improvement
- Normative risk free rate reduced by 55bps

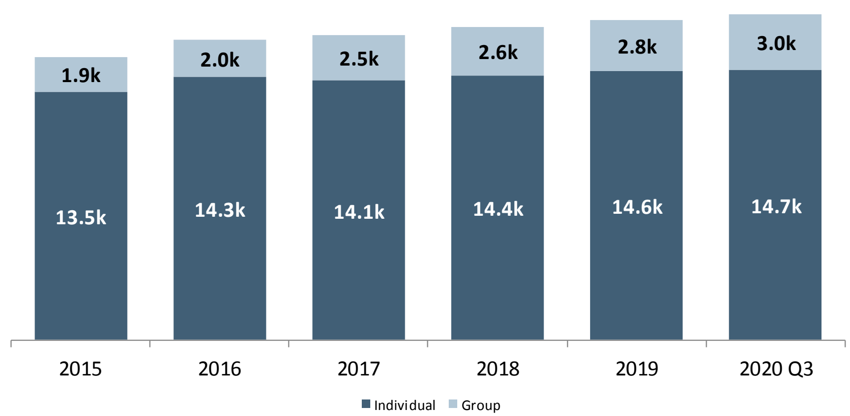
2019
- Introduced benefit reduction mailers
- Normative risk free rate reduced by 50bps

2020
- Normative risk free rate reduced by additional 100bps with grade-in period extended

Active Policy Counts[1]



Reserving Claim Counts[1,2]



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[1] Individual statistics do not include CNA's 50% coinsurance of 35k active policies and 2k claims as of Q3 2020
[2] Reserving claim counts include the number of open claims in addition to IBNR counts

Current Discount Rate Assumption

Responsible & proactive reserving approach reduces future capital and earnings at risk.

- Normative risk free rate (based on 10-year U.S. Treasury) reduced by 100bps (205bps reduction over the past 3 years)
- Updated normative risk free rate of 2.75%
- Grade-in period to normative rate increased from 6 years to 10 years
- First 3 years of the grade-in period use the forward curve, less than 1% rate until 2023
- No material changes to investment portfolio credit quality or credit spread expectations assumed

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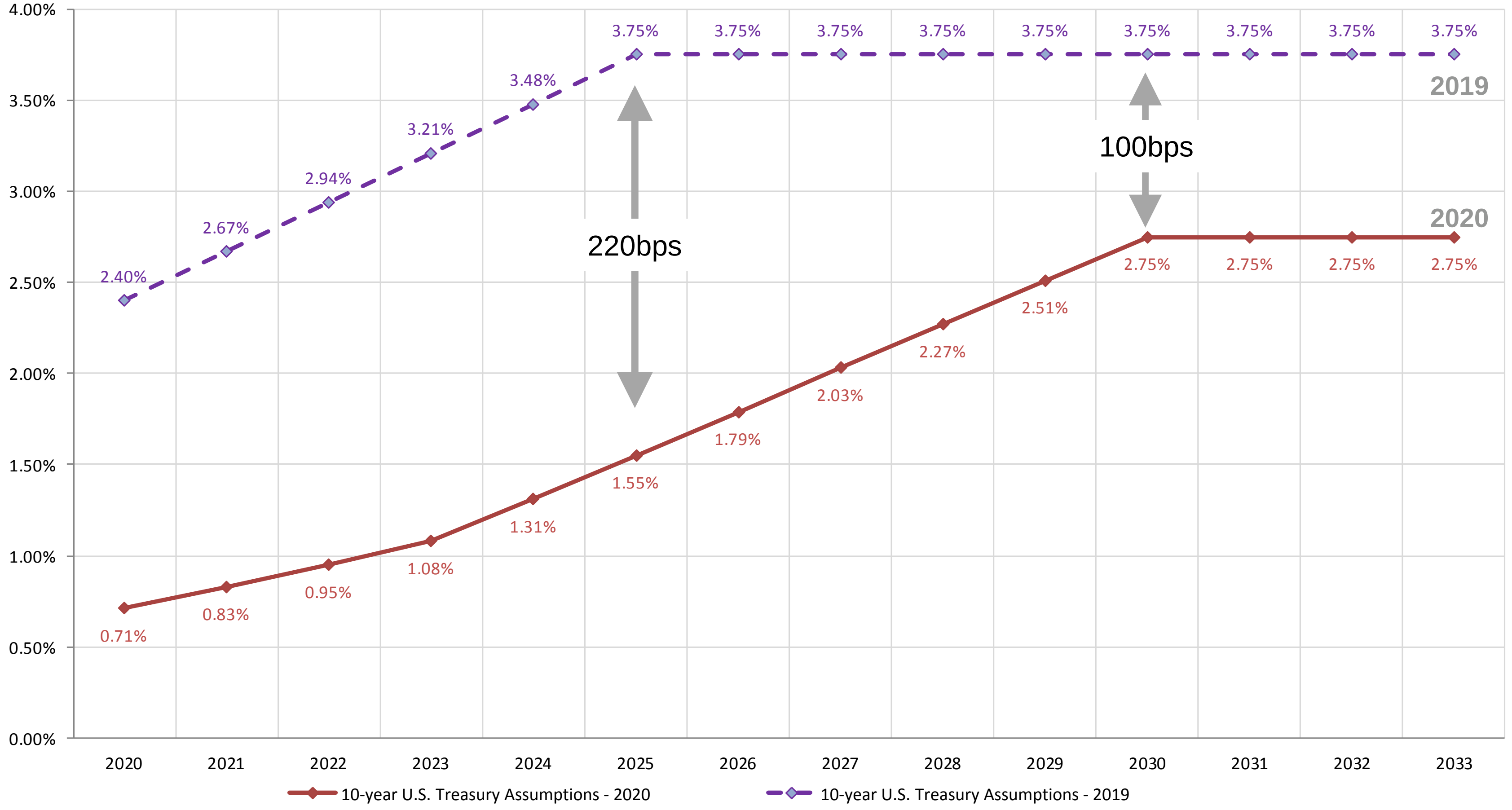
Current Discount Rate Assumption

Decrease in the normative risk free rate of 100bps in 2030 and ~200bps reduction between 2022 and 2026. The 10-year U.S. Treasury is projected to get back to 2.00% in 2027.



Other Key LTC Assumption Changes

- **Morbidity** cost of care assumption revised to reflect lower inflation environment
- **Mortality** assumptions updated to reflect increased mortality rates at older ages; refined attribution of policy terminations between lapse and mortality supportive of revised assumptions
- **Rate increase** premium assumptions updated to reflect rate achievement better than 2019 estimates, substantially driving impact; assumptions related to future approvals on current rate increase programs also updated
  - Weighted average duration to future rate increase approval dates is approximately 1.5 years

2020 L&G Annual Reserve Review Summary

Significant actions on LTC discount rate assumptions, leading to GAAP reserve strengthening of $74M; 5th consecutive year of favorable LTC claim development.

(In millions)

Active Life Reserve Margin at September 30, 2019:			**$0**
Changes in Underlying Assumption of:	**Discount Rate**	Normative risk free rate (10 year tenor) lowered 100bps to 2.75%, grading up over 10 years; no change to normative spread assumptions	(609)
	Morbidity	Cost of care assumption revised to reflect lower inflation environment	+51
	Persistency	Favorable impacts from updates to healthy life mortality rates	+152
	Premium Rate Actions	Favorable impacts substantially due to rate achievement better than 2019 estimates	+318
	Expense & Other	Refinement of operational and overhead expense expectations	+14
LTC Active Life Reserve Deficiency at September 30, 2020:			**($74)**
LTC Claim Reserve Review		Driven by lower claim severity than anticipated in the reserve estimates	+37
LTC Pretax Income Statement Impact:			**($37)**
Structured Settlements Claim Reserve Review		Driven by discount rate and mortality assumption updates	(46)
L&G Pretax Income Statement Impact:			**($83)**

After-Tax Impact

($65)

Life & Group

Results include adverse impact of annual reserve reviews partially offset by favorable operating results, driven by morbidity experience.

(In millions)	Third Quarter		Year to Date	
	2020	2019	2020	2019
Net earned premiums	$127	$130	$380	$390
Net investment income	208	207	622	616
Other revenues	—	(1)	—	—
Total operating revenues	**$335**	$336	**$1,002**	$1,006
Total claims, benefits and expenses	394	506	1,068	1,185
Income tax benefit	24	48	49	74
Core loss	**($35)**	($122)	**($17)**	($105)

Financial Strength

Balance Sheet remains strong; significant increase in operating cash flow.

(In millions, except per share data)	Sep 30, 2020	Dec 31, 2019
Debt	**$2,776**	$2,679
Stockholders' equity	**12,021**	12,215
Total capital	**$14,797**	$14,894
BVPS ex AOCI	**$42.78**	$44.81
Dividends per share (YTD)	**$3.11**	$3.40
Debt-to-capital	**18.8 %**	18.0 %
Holding company cash	**$517**	$522
Total investments	**$49,006**	$47,744
Statutory surplus	**$10,288**	$10,787

Capital

- Continue to maintain strong capital structure
- Capital remains above target levels required for all current ratings
- Adjusting for dividends, book value per share ex AOCI increased 2%

Leverage

- Low debt-to-capital ratio
- Strong demand for $500 million debt refinancing in Q3

Liquidity

- Liquidity profile remains very strong
- $758 million Q3 operating cash flow

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Liquidity Profile

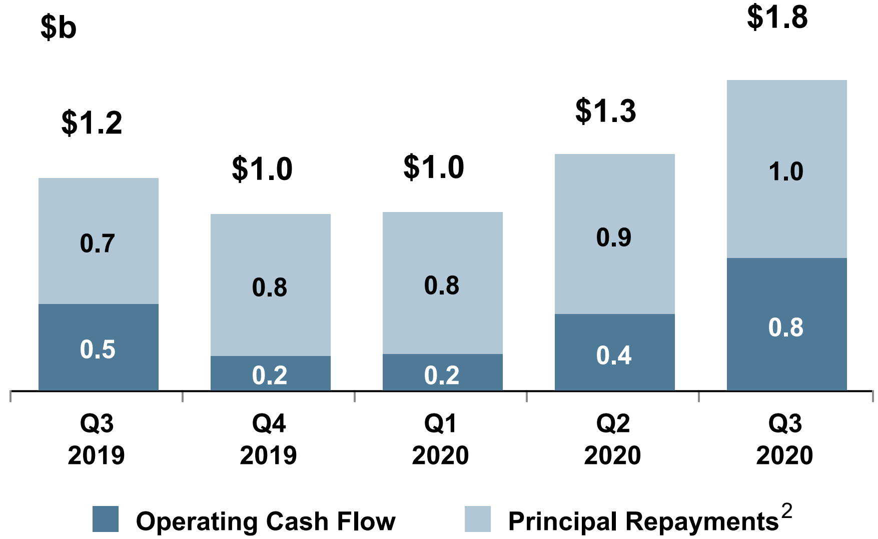
Strong liquidity and cash flow at both the holding company and operating company levels.

Holding Co. Liquidity & Obligations

$M

As of Sep 30, 2020	
2020 Operating company dividend capacity	$1,078
Less: Last twelve months dividends	(980)
Current operating company dividend capacity	98
Holding company cash	517
Availability under credit facility	250
Net corporate sources	**$865**
Interest expense on outstanding debt	$109
Common quarterly dividends (**$0.37**/share)	402
Estimated annual pretax corporate obligations	**$511**

Operating Company Liquidity[1]



[1] Excludes availability under Federal Home Loan Bank facility
[2] Principal repayments from investments include maturities, prepayments from structured securities, calls and bank debt pay-downs

Investment Portfolio

Diversified and liquid investment portfolio.

September 30, 2020	Carrying Value		Net Unrealized G/(L)
Asset Class ($M)	**$**	**%**	**$**
Investment Grade Corp	21,597	44 %	2,931
Tax Exempt Muni	8,335	17 %	1,228
CMBS and ABS	4,204	9 %	72
Agency RMBS	3,649	7 %	123
Taxable Muni	2,889	6 %	537
Below Investment Grade Corp	2,068	4 %	27
Limited Partnerships / Other	1,636	3 %	—
Short Term	1,462	3 %	—
Mortgage Loans	1,088	2 %	—
Preferred Equity	746	2 %	—
Foreign Government	510	1 %	29
US Government	350	1 %	3
Non Agency RMBS	299	1 %	29
Common Equity	173	— %	—
Total Invested Assets	**49,006**	**100 %**	**4,979**
Q3 Change in Net Unrealized G/(L)			***544***

Highlights

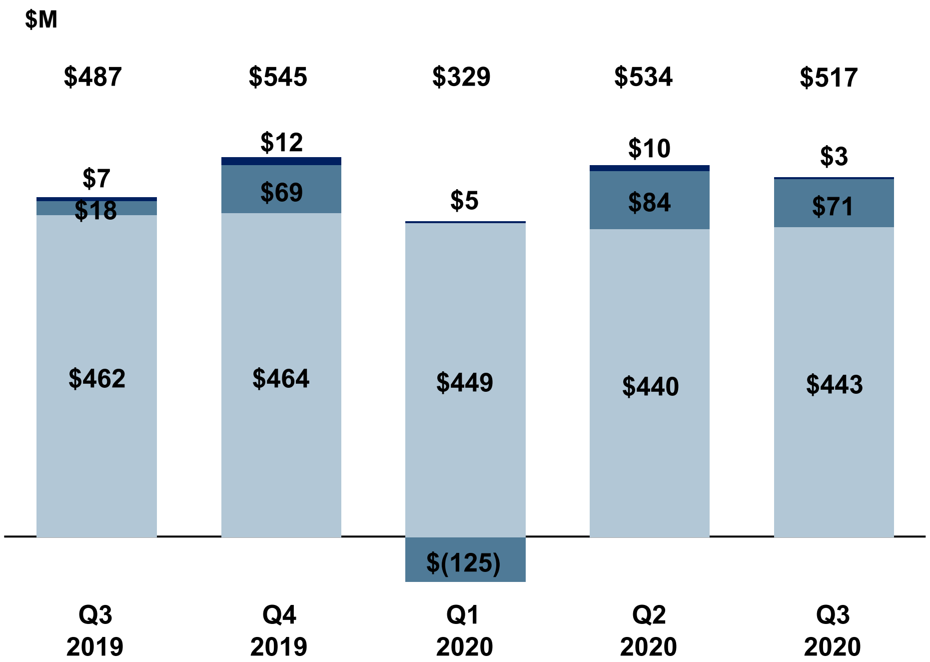
- High-quality portfolio with an average credit rating of “A”
- Liquidity supports underlying liability characteristics
- Net unrealized gain position continues to increase as market yields have fallen

Effective Portfolio Duration		
Life & Group	9.0	yrs
P&C and Corporate	4.5	yrs
Total	**6.3**	**yrs**

Fixed Maturities by Rating	% of Portfolio
AAA	17%
AA	15%
A	22%
BBB	40%
Investment Grade	**94%**
Below Investment Grade	6%
Total Fixed Maturities	**100%**

Pretax Net Investment Income

Limited partnership and common stock income now positive for the year after Q1 market disruption; fixed income contributions remain modestly lower as reinvestment rates decline.



Effective income yield for fixed income securities, pretax:

Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
4.8%	4.7%	4.6%	4.6%	4.5%

Limited partnership and common equities return, pretax:

Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
0.9%	3.7%	(7.0)%	5.0%	4.1%

- Fixed Income
- Limited Partnership & Common Equities
- Other, Net of Investment Expense

Highlights

- Q3 2020 limited partnership and common equity returns driven by continued financial market appreciation
- The fixed income portfolio continues to provide consistent earnings; reinvestment pressure continues given the low rate environment