CNA Financial Corporation Fourth Quarter 2021 Results

February 7, 2022

Notices and Disclaimers

Forward Looking Statements
The statements made in the course of this presentation and/or contained in the presentation materials may include statements that relate to anticipated future events (forward-looking statements) rather than actual present conditions or historical events. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and generally include words such as “believes,” “expects,” “intends,” “anticipates,” “estimates” and similar expressions. Forward-looking statements, by their nature, are subject to a variety of inherent risks and uncertainties that could cause actual results to differ materially from the results projected. Many of these risks and uncertainties cannot be controlled by CNA. For a detailed description of these risks and uncertainties, please refer to CNA’s most recent annual report on Form 10-K and our quarterly report on Form 10-Q on file with the Securities and Exchange Commission available at www.cna.com. Any forward-looking statements and other financial information contained in this presentation speak only as of the date hereof. Further, CNA does not have any obligation to update or revise any forward-looking statement made in the course of this presentation and/or contained in the presentation materials even if CNA’s expectations or any related events, conditions or circumstances change.

Available Information and Risk Factors
CNA files annual, quarterly and current reports and other information with the SEC. The SEC filings are available on the CNA website (www.cna.com) and at the SEC's website (www.sec.gov). These filings describe some of the more material risks we face and how these risks could lead to events or circumstances that may have a material adverse effect on our business, financial condition, results of operations or cash flows. You should review these filings as they contain important information about CNA and its business.

Non-GAAP Measures
This presentation, along with the presentation materials, may also reference or contain financial measures that are not in accordance with generally accepted accounting principles (GAAP). For reconciliations of non-GAAP measures to the most comparable GAAP measures and other information, please refer to CNA's filings with the Securities and Exchange Commission available at www.cna.com

CNA

Fourth Quarter Overview

- Net income of $266 million or $0.98 per share; core income of $265 million or $0.97 per share, includes a non-economic charge related to asbestos and environmental pollution of $48 million after-tax
- P&C segments produced core income of $353 million, consistent with the prior year quarter. Higher catastrophe losses were more than offset by favorable current accident year underwriting results.
- The P&C combined ratio was 92.9%, the lowest in five years, compared with 93.4% in the prior year quarter, including 2.0 points of catastrophe loss impact compared with 0.8 points in the prior year quarter.
- The underlying combined ratio was 91.2% compared with 92.6% in the prior year quarter. The underlying loss ratio was 60.1% compared with 60.4% in the prior year quarter and the expense ratio was 30.8% compared with 32.0% in the prior year quarter.
- Net catastrophe losses were $40 million pretax versus $14 million in the prior year quarter.
- P&C segments, excluding third party captives, generated gross written premium growth of 16% driven by rate and new business growth of 28%. Net written premium growth was 11% in the quarter.
- P&C written rate of +8% and earned rate of +10% for the quarter.

CNA

Full Year Overview

- Net income of $1,202 million or $4.41 per share; record core income of $1,106 million or $4.06 per share.
- The P&C combined ratio was 96.2%, the lowest in five years, compared with 100.1% in the prior year, including 5.1 points of catastrophe loss impact compared with 7.7 points in the prior year.
- The underlying combined ratio was a record low 91.4% compared with 93.1% in the prior year. The underlying loss ratio was 60.0% compared with 60.2% in the prior year and the expense ratio was 31.1% compared with 32.6% in the prior year.
- Net catastrophe losses were $397 million pretax versus $550 million in the prior year.
- P&C segments, excluding third party captives, generated gross written premium growth of 10% driven by rate and new business growth of 19%. Net written premium growth was 5% in the year.
- P&C written rate of +9% and earned rate of +11% for the year.
- Net investment income of $2,159 million pretax compared with $1,935 million in the prior year.

Shareholders' Equity

- Book value per share (BVPS) of $47.20; ex. AOCI of $46.02.
    - 10% increase from year-end 2020, adjusting for $2.27 dividends per share, ex. AOCI.
- Increased quarterly dividend 5% to $0.40 per share; special dividend of $2.00 per share.

Financial Performance

Record core income of $1,106M for the full year; core income of $265M for the quarter

(In millions, except ratios and per share data)	Fourth Quarter			Year to Date		
	2021	2020	Change	2021	2020	Change
Revenues	**$3,054**	$2,931	4 %	**$11,908**	$10,808	10 %
Core income	**265**	335	(21)%	**1,106**	735	50 %
Net income	**266**	387	(31)%	**1,202**	690	74 %
Diluted earnings per common share:						
Core income	**$0.97**	$1.23	(21)%	**$4.06**	$2.70	50 %
Net income	**0.98**	1.42	(31)%	**4.41**	2.53	74 %
Core ROE	**8.5 %**	11.4 %	(2.9) pts	**9.1 %**	6.1 %	3.0 pts

CNA

Property & Casualty Operations

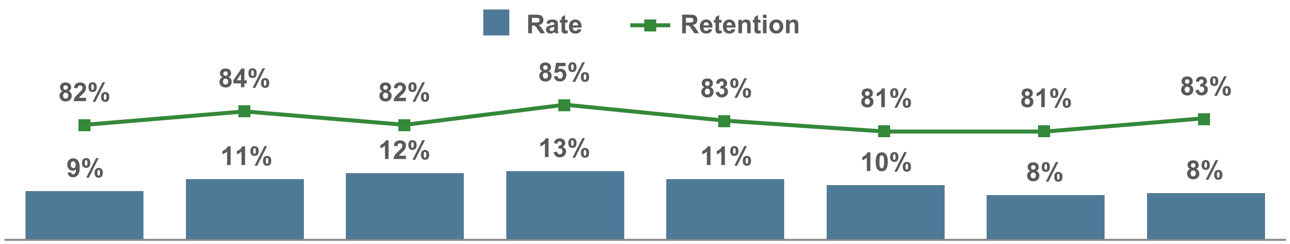
Outstanding growth and profitability for the quarter and full year

(In millions, except ratios)	Fourth Quarter		Year to Date	
	2021	2020	2021	2020
GWP ex. 3rd party captives	**$2,513**	$2,169	**$9,303**	$8,422
GWP change (% year over year)	**16 %**		**10 %**	
Net written premium	**$2,166**	$1,952	**$7,921**	$7,566
NWP change (% year over year)	**11 %**		**5 %**	
Underwriting gain (loss)	**$142**	$126	**$290**	($3)
Loss ratio excl. catastrophes and development	**60.1 %**	60.4 %	**60.0 %**	60.2 %
Impact of catastrophes	**2.0 %**	0.8 %	**5.1 %**	7.7 %
Impact of development-related items	**(0.3)%**	— %	**(0.3)%**	(0.7)%
Loss ratio	**61.8 %**	61.2 %	**64.8 %**	67.2 %
Expense ratio	**30.8 %**	32.0 %	**31.1 %**	32.6 %
Combined ratio	**92.9 %**	93.4 %	**96.2 %**	100.1 %
Combined ratio excl. catastrophes and development	**91.2 %**	92.6 %	**91.4 %**	93.1 %

Property & Casualty Production Metrics

Continued strong rate increases; higher new business and retention

Property & Casualty Rate & Retention								
	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



GWP ex. 3rd party captives ($M)	**$2,107**	**$2,132**	**$2,014**	**$2,169**	**$2,270**	**$2,296**	**$2,224**	**$2,513**
New Business ($M)	**$340**	**$356**	**$327**	**$372**	**$394**	**$393**	**$405**	**$478**
Specialty								
Rate	10%	12%	13%	13%	10%	12%	10%	11%
Retention	83%	86%	87%	87%	86%	85%	80%	83%
Commercial								
Rate	8%	10%	11%	10%	10%	8%	6%	5%
Retention	86%	84%	82%	84%	83%	80%	82%	84%
International								
Rate	9%	15%	17%	18%	14%	14%	13%	13%
Retention	70%	74%	69%	81%	75%	77%	79%	82%

CNA

Specialty

Six consecutive quarters of double-digit GWP growth and consistent excellent profitability

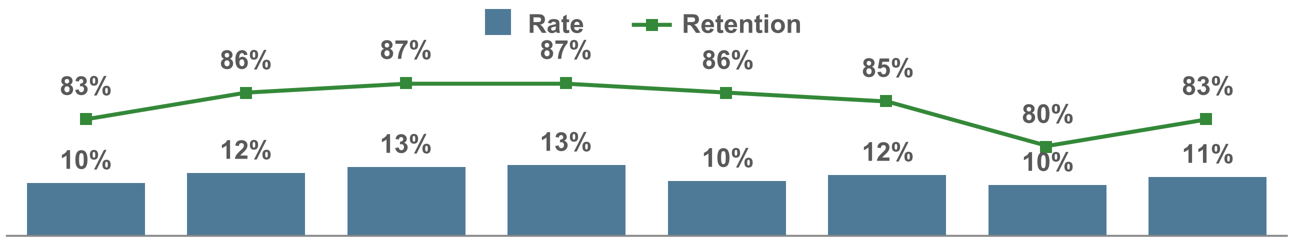
(In millions, except ratios)	Fourth Quarter		Year to Date	
	2021	**2020**	**2021**	**2020**
GWP ex. 3rd party captives	**$1,016**	$883	**$3,672**	$3,296
GWP change (% year over year)	**15 %**		**11 %**	
Net written premium	**$875**	$809	**$3,225**	$3,040
NWP change (% year over year)	**8 %**		**6 %**	
Underwriting gain	**$81**	$81	**$347**	$187
Loss ratio excl. catastrophes and development	**59.1 %**	60.0 %	**59.1 %**	59.9 %
Impact of catastrophes	**0.4 %**	0.7 %	**0.4 %**	4.3 %
Impact of development-related items	**(0.6)%**	(1.9)%	**(1.4)%**	(2.1)%
Loss ratio	**58.9 %**	58.8 %	**58.1 %**	62.1 %
Expense ratio	**30.9 %**	30.4 %	**30.5 %**	31.3 %
Combined ratio	**89.9 %**	89.4 %	**88.7 %**	93.5 %
Combined ratio excl. catastrophes and development	**90.1 %**	90.6 %	**89.7 %**	91.3 %

CNA

Specialty Production Metrics

Higher rate increases, retention and new business

	Specialty Rate & Retention							
	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
GWP ex. 3rd party captives ($M)	**$741**	**$811**	**$861**	**$883**	**$816**	**$897**	**$943**	**$1,016**
New Business ($M)	**$74**	**$96**	**$105**	**$114**	**$103**	**$121**	**$147**	**$180**
FI & Mgmt Liability								
Rate	12%	16%	18%	21%	16%	17%	17%	20%
Retention	89%	88%	88%	86%	89%	88%	87%	85%
Affinity Professional E&O								
Rate	1%	—%	1%	3%	2%	2%	2%	3%
Retention	93%	93%	94%	94%	93%	93%	92%	92%
Medical Malpractice								
Rate	20%	19%	21%	19%	18%	14%	8%	8%
Retention	69%	77%	80%	80%	76%	72%	61%	66%
Surety								
Net Written Premiums	$141	$133	$130	$121	$136	$133	$129	$126
Warranty & Alt. Risks								
Revenues	$337	$348	$356	$371	$381	$407	$406	$430

CNA

Commercial

Strong growth in the quarter; continued underlying combined ratio improvement driven by expense ratio

(In millions, except ratios)	Fourth Quarter		Year to Date	
	2021	2020	2021	2020
GWP ex. 3rd party captives	**$1,158**	$975	**$4,334**	$3,993
GWP change (% year over year)	**19 %**		**9 %**	
Net written premium	**$973**	$862	**$3,595**	$3,565
NWP change (% year over year)	**13 %**		**1 %** [1]	
Underwriting gain (loss)	**$47**	$37	**($112)**	($168)
Loss ratio excl. catastrophes and development	**61.4 %**	60.7 %	**61.0 %**	60.4 %
Impact of catastrophes	**2.9 %**	0.5 %	**10.0 %**	10.7 %
Impact of development-related items	**(0.2)%**	1.7 %	**0.5 %**	0.5 %
Loss ratio	**64.1 %**	62.9 %	**71.5 %**	71.6 %
Expense ratio	**30.4 %**	32.7 %	**31.1 %**	33.0 %
Combined ratio	**94.9 %**	95.8 %	**103.1 %**	105.1 %
Combined ratio excl. catastrophes and development	**92.2 %**	93.6 %	**92.6 %**	93.9 %

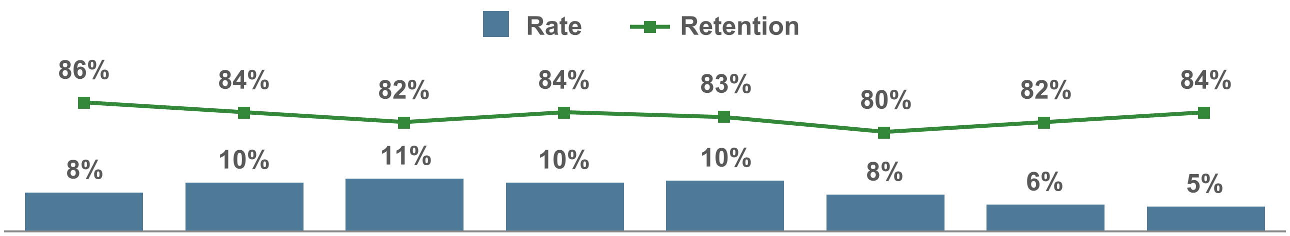
[1] Excluding the impact of the June 1, 2021 one-time catch-up related to a new property quota share reinsurance treaty, net written premiums grew 4% as compared to the prior year to date.

CNA

Commercial Production Metrics

Increased retention and new business growth

Commercial Rate & Retention							
2020				2021			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4
GWP ex. 3rd party captives ($M)	**$1,059**	**$1,044**	**$915**	**$975**	**$1,111**	**$1,060**	**$1,005**	**$1,158**
New Business ($M)	**$198**	**$198**	**$168**	**$197**	**$211**	**$201**	**$204**	**$228**
Middle Market								
Rate	5%	7%	8%	8%	8%	5%	4%	4%
Retention	86%	82%	80%	82%	82%	77%	83%	85%
Construction								
Rate	7%	8%	10%	10%	10%	10%	7%	6%
Retention	87%	88%	84%	90%	84%	87%	83%	85%
National Accounts								
Rate	26%	30%	31%	28%	24%	16%	12%	10%
Retention	80%	81%	79%	79%	81%	73%	80%	83%
Small Business								
Rate	—%	(1)%	—%	—%	1%	1%	1%	3%
Retention	85%	88%	86%	84%	84%	84%	84%	83%
Marine / Other								
Net Written Premium	$55	$65	$59	$60	$63	$66	$62	$72

CNA

International

Excellent profitability in the quarter and full year, with strong growth

(In millions, except ratios)	Fourth Quarter		Year to Date	
	2021	2020	2021	2020
Gross written premium	**$339**	$311	**$1,297**	$1,133
GWP change (% year over year)	**9 %**		**14 %**	
Net written premium	**$318**	$281	**$1,101**	$961
NWP change (% year over year)	**13 %**		**15 %**	
Underwriting gain (loss)	**$14**	$8	**$55**	($22)
Loss ratio excl. catastrophes and development	**58.5 %**	60.1 %	**59.0 %**	60.1 %
Impact of catastrophes	**4.1 %**	2.1 %	**2.6 %**	7.1 %
Impact of development-related items	**(0.2)%**	(0.3)%	**0.1 %**	(0.3)%
Loss ratio	**62.4 %**	61.9 %	**61.7 %**	66.9 %
Expense ratio	**32.4 %**	35.0 %	**33.1 %**	35.5 %
Combined ratio	**94.8 %**	96.9 %	**94.8 %**	102.4 %
Combined ratio excl. catastrophes and development	**90.9 %**	95.1 %	**92.1 %**	95.6 %

CNA

Life & Group

Strong limited partnership returns drove earnings; favorable morbidity also contributed to full year results

(In millions)	Fourth Quarter		Year to Date	
	2021	2020	2021	2020
Net earned premiums	$122	$124	$491	$504
Net investment income	242	229	966	851
Other revenues	1	—	—	—
Total operating revenues	**$365**	**$353**	**$1,457**	**$1,355**
Total claims, benefits and expenses	371	334	1,352	1,402
Income tax benefit	12	7	21	56
Core income	**$6**	**$26**	**$126**	**$9**

Financial Strength

Conservative capital and debt profile support business objectives

(In millions, except per share data)	Dec 31, 2021	Dec 31, 2020
Debt	**$2,779**	$2,776
Stockholders' Equity	**12,809**	12,707
Total capital	**$15,588**	$15,483
BVPS ex AOCI	**$46.02**	$43.86
Dividends per share (YTD)	**$2.27**	$3.48
Debt-to-capital	**17.8%**	17.9%
Holding company cash	**$686**	$522
Total investments	**$50,328**	$50,293
Statutory surplus	**$11,321**	$10,708

Capital

- Capital remains above target levels required for all current ratings
- Adjusting for dividends, book value per share ex AOCI increased 10%

Leverage

- Debt maturity schedule is termed out to effectively manage refinancing
- Next debt maturity in 2023

Liquidity Profile

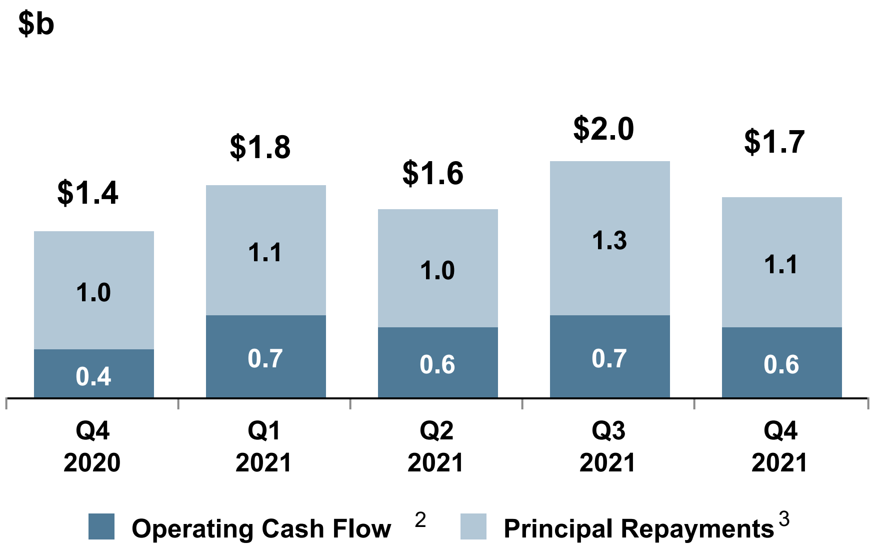
Ample liquidity at both holding and operating company levels to meet obligations

Holding Co. Liquidity & Obligations

$M

As of Dec 31, 2021	
2021 Operating company dividend capacity	$1,070
Less: Last twelve months dividends	(880)
Current operating company dividend capacity	190
Holding company cash	686
Availability under credit facility	250
Net corporate sources	**$1,126**
Interest expense on outstanding debt	$109
Common quarterly dividends ($0.40/share)	434
Estimated annual pretax corporate obligations	**$543**

Operating Company Liquidity[1]



[1] Excludes availability under Federal Home Loan Bank Facility
[2] Q1 2021 excludes a $640M payment resulting from the Loss Portfolio Transfer (LPT) of a legacy portfolio of excess workers' compensation policies
[3] Principal repayments from investments include maturities, repayments from structured securities, calls and bank debt pay-downs

Investment Portfolio

Diversified and liquid investment portfolio

December 31, 2021	Carrying Value		Net Unrealized G/(L)
Asset Class ($M)	**$**	**%**	**$**
Investment Grade Corp	22,181	44 %	2,620
Municipals	11,943	24 %	1,585
CMBS and ABS	4,629	9 %	88
Agency RMBS	2,468	5 %	44
Short Term	1,990	4 %	—
Below Investment Grade Corp	1,958	4 %	79
Limited Partnerships / Other	1,950	4 %	—
Mortgage Loans	973	2 %	—
Preferred Equity	802	2 %	—
Foreign Government	583	1 %	13
Non Agency RMBS	488	1 %	19
Common Equity	233	— %	—
US Government	130	— %	(2)
Total Invested Assets	**50,328**	**100 %**	**4,446**
Q4 Change in Net Unrealized G/(L)			***(313)***

Highlights

- High-quality portfolio with an average credit rating of “A”
- Liquidity supports underlying liability characteristics

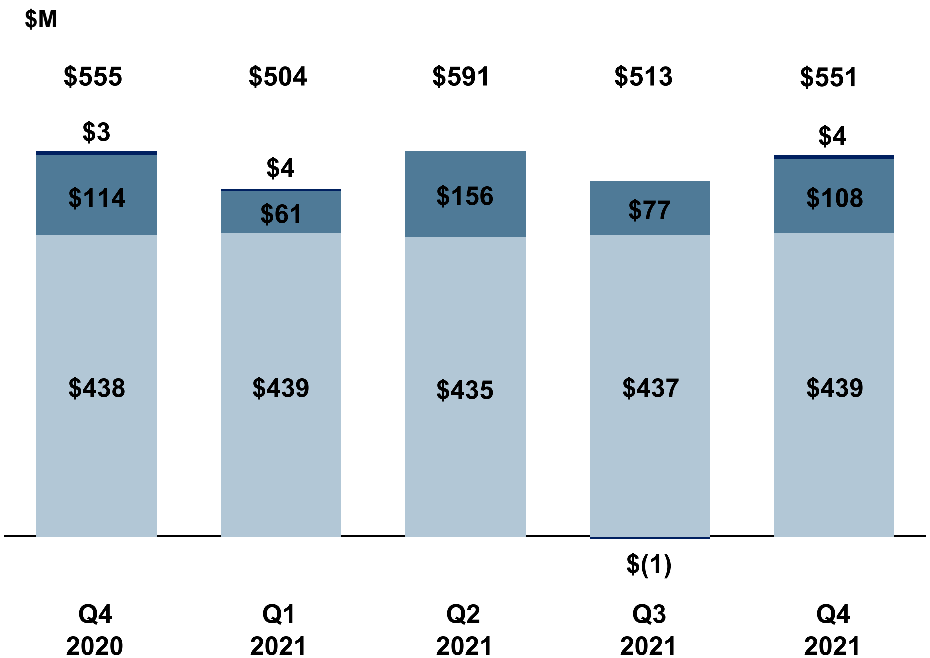
Effective Portfolio Duration	
Life & Group	9.2 yrs
P&C and Corporate	4.9 yrs
Total	**6.6 yrs**

Fixed Maturities by Rating	% of Portfolio
AAA	15%
AA	17%
A	21%
BBB	42%
Investment Grade	**95%**
Below Investment Grade	5%
Total Fixed Maturities	**100%**

CNA

Pretax Net Investment Income

Continued strong limited partnership returns and consistent fixed income earnings



Effective income yield for fixed income securities, pretax:				
4.4%	4.4%	4.3%	4.3%	4.3%
Limited partnership and common stock return, pretax:				
6.5%	3.4%	8.3%	3.8%	5.1%

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

Highlights

- Limited partnership and common stock returns significantly driven by lagged private equity results from the third quarter
- As a result of portfolio re-balancing, 68% of limited partnerships now report on a 1-3 month lag and 32% on a real-time basis
- Fixed income portfolio continues to provide consistent earnings; strong operating cash flows offset headwinds from lower rate environment