CNA

CNA Financial Corporation First Quarter 2024 Results

May 6, 2024

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 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 press release and financial supplement that we have made available in connection with this presentation and our other filings with the Securities and Exchange Commission available at www.cna.com

CNA

First Quarter Overview

- Net income up 14% to $338 million versus $297 million in the prior year quarter; core income up 9% to $355 million, reflecting the best first quarter core income on record, versus $325 million in the prior year quarter.
- P&C core income of $372 million versus $346 million, reflects higher investment income and favorable net prior year development, partially offset by higher catastrophe losses.
- Net investment income up 16% to $609 million pretax, includes a $44 million increase from fixed income securities and other investments to $541 million and a $40 million increase from limited partnerships and common stock to $68 million.
- P&C combined ratio of 94.6%, compared with 93.9% in the prior year quarter, including 3.8 points of catastrophe loss impact compared with 2.4 points in the prior year quarter. P&C underlying combined ratio was 91.0% compared with 90.8% in the prior year quarter. P&C underlying loss ratio was 60.5% and the expense ratio was 30.1%.
- P&C segments, excluding third party captives, generated gross written premium growth of 8% and net written premium growth of 6% for the first quarter of 2024. P&C renewal premium change of +6%, with written rate of +4% and exposure change of +2%.
- Book value per share of $35.62; book value per share excluding AOCI of $45.10, a 2% increase from year-end 2023 adjusting for $2.44 of dividends per share.
- Board of Directors declares regular quarterly cash dividend of $0.44 per share.

Financial Performance

Strong growth in earnings reflecting the best first quarter core income on record

(In millions, except ratios and per share data)	First Quarter		
	2024	2023	Change
Revenues	**$3,444**	$3,152	9 %
Core income	**355**	325	9 %
Net income	**338**	297	14 %
Diluted earnings per common share:			
Core income	**$1.30**	$1.19	9 %
Net income	**1.24**	1.09	14 %
Core ROE	**11.5 %**	10.8 %	0.7 pts

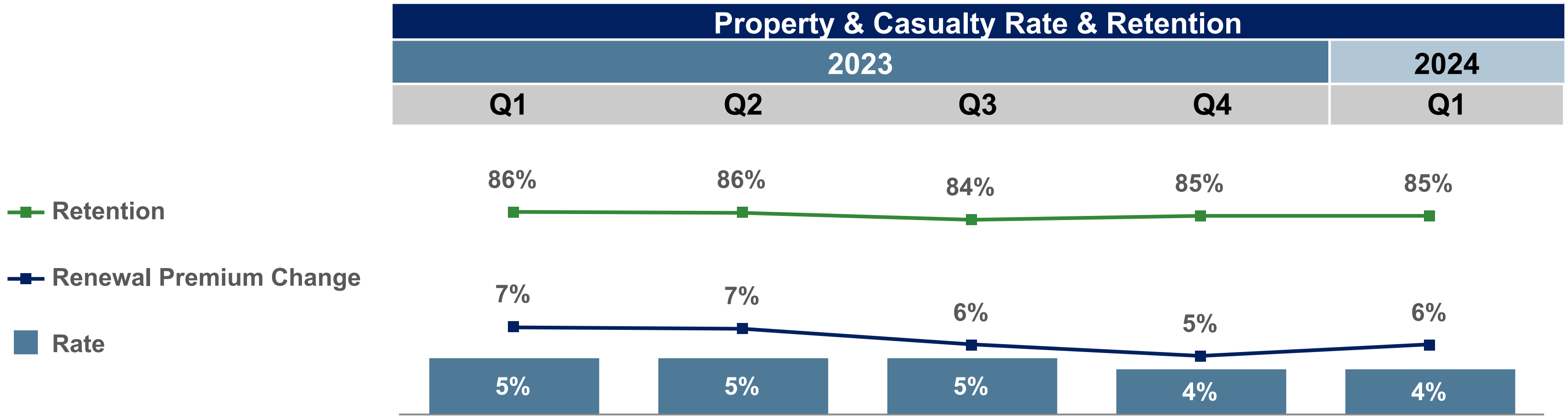
Property & Casualty Operations

Excellent underwriting results despite higher catastrophe losses

(In millions, except ratios)	First Quarter	
	2024	**2023**
GWP ex. 3rd party captives	**$2,936**	$2,724
GWP change (% year over year)	**8 %**	
Net written premium	**$2,390**	$2,247
NWP change (% year over year)	**6 %**	
Net earned premium	**$2,331**	$2,133
NEP change (% year over year)	**9 %**	
Underwriting gain	**$126**	$130
Underlying loss ratio	**60.5 %**	59.8 %
Impact of catastrophes	**3.8 %**	2.4 %
Impact of development-related items	**(0.2)%**	0.7 %
Loss ratio	**64.1 %**	62.9 %
Expense ratio	**30.1 %**	30.7 %
Combined ratio	**94.6 %**	93.9 %
Underlying combined ratio	**91.0 %**	90.8 %

Property & Casualty Production Metrics

Stable retention and an increase in renewal premium change



	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
GWP ex. 3rd party captives ($M)	**$2,724**	**$2,986**	**$2,595**	**$2,974**	**$2,936**
New Business ($M)	**$503**	**$555**	**$475**	**$547**	**$529**
Specialty					
Rate	2%	(1)%	1%	—%	2%
Retention	88%	89%	87%	89%	88%
Commercial					
Rate	7%	8%	8%	7%	6%
Retention	86%	85%	83%	83%	85%
International					
Rate	4%	4%	2%	2%	1%
Retention	83%	83%	84%	83%	82%

CNA

Specialty

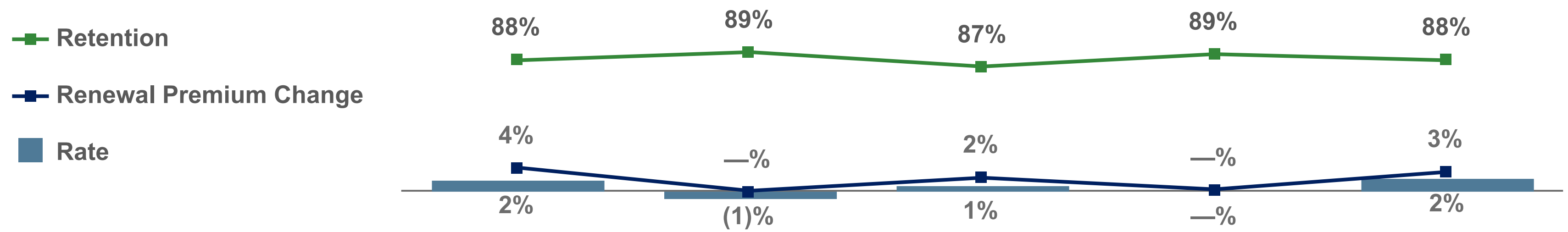
Continued excellent all-in and underlying combined ratio

(In millions, except ratios)	First Quarter	
	2024	**2023**
GWP ex. 3rd party captives	**$880**	$886
GWP change (% year over year)	**(1)%**	
Net written premium	**$792**	$788
NWP change (% year over year)	**1 %**	
Net earned premium	**$814**	$797
NEP change (% year over year)	**2 %**	
Underwriting gain	**$76**	$80
Underlying loss ratio	**59.2 %**	58.4 %
Impact of catastrophes	**— %**	— %
Impact of development-related items	**(0.6)%**	— %
Loss ratio	**58.6 %**	58.4 %
Expense ratio	**31.8 %**	31.4 %
Combined ratio	**90.7 %**	90.0 %
Underlying combined ratio	**91.3 %**	90.0 %

Specialty Production Metrics

Favorable trend in rate and continued strong retentions

Specialty Rate & Retention					
	2023				2024
	Q1	Q2	Q3	Q4	Q1



GWP ex. 3rd party captives ($M)	**$886**	**$961**	**$949**	**$1,004**	**$880**
New Business ($M)	**$108**	**$120**	**$121**	**$132**	**$94**
FI & Mgmt Liability					
Rate	(3)%	(9)%	(4)%	(7)%	(3)%
Retention	89%	91%	88%	91%	90%
Affinity Professional E&O					
Rate	3%	4%	3%	4%	2%
Retention	88%	89%	89%	92%	92%
Medical Malpractice					
Rate	6%	5%	7%	7%	7%
Retention	84%	85%	84%	81%	80%
Surety					
Net Written Premiums	$178	$170	$157	$136	$184
Warranty & Alt. Risks					
Revenues	$460	$460	$460	$448	$461

CNA

Commercial

Record underlying combined ratio and 8th straight quarter of double-digit growth

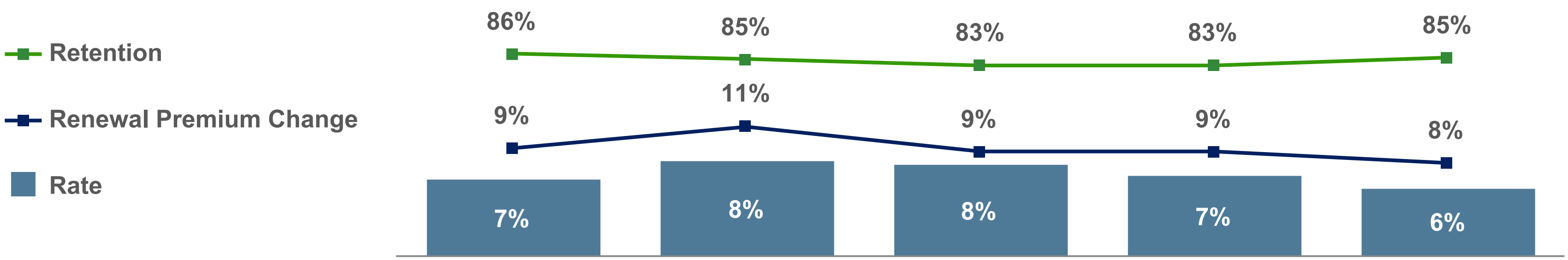
(In millions, except ratios)	First Quarter	
	2024	**2023**
GWP ex. 3rd party captives	**$1,682**	$1,440
GWP change (% year over year)	**17 %**	
Net written premium	**$1,338**	$1,188
NWP change (% year over year)	**13 %**	
Net earned premium	**$1,202**	$1,046
NEP change (% year over year)	**15 %**	
Underwriting gain	**$29**	$41
Underlying loss ratio	**62.0 %**	61.5 %
Impact of catastrophes	**6.8 %**	4.2 %
Impact of development-related items	**— %**	— %
Loss ratio	**68.8 %**	65.7 %
Expense ratio	**28.2 %**	29.8 %
Combined ratio	**97.6 %**	96.0 %
Underlying combined ratio	**90.8 %**	91.8 %

CNA

Commercial Production Metrics

Record new business, continued strong rate and renewal premium change, and increased retention

Commercial Rate & Retention



	2023				2024
	Q1	Q2	Q3	Q4	Q1
GWP ex. 3rd party captives ($M)	**$1,440**	**$1,604**	**$1,340**	**$1,610**	**$1,682**
New Business ($M)	**$310**	**$343**	**$292**	**$352**	**$367**
Middle Market					
Rate	4%	6%	5%	5%	5%
Retention	85%	86%	83%	83%	83%
Construction					
Rate	5%	6%	7%	8%	8%
Retention	86%	84%	85%	85%	86%
National Accounts					
Rate	17%	20%	18%	12%	8%
Retention	90%	84%	80%	85%	87%
Small Business					
Rate	2%	2%	3%	2%	3%
Retention	85%	84%	84%	82%	81%
Marine / Other					
Net Written Premium	$87	$101	$78	$92	$104

CNA

International

Consistently profitable results

(In millions, except ratios)	First Quarter	
	2024	**2023**
Gross written premium	**$374**	$398
GWP change (% year over year)[1]	**(6)%**	
Net written premium	**$260**	$271
NWP change (% year over year)[1]	**(4)%**	
Net earned premium	**$315**	$290
NEP change (% year over year)	**9 %**	
Underwriting gain	**$21**	$9
Underlying loss ratio	**58.1 %**	57.5 %
Impact of catastrophes	**2.0 %**	2.8 %
Impact of development-related items	**— %**	5.1 %
Loss ratio	**60.1 %**	65.4 %
Expense ratio	**33.2 %**	31.8 %
Combined ratio	**93.3 %**	97.2 %
Underlying combined ratio	**91.3 %**	89.3 %

[1] Excluding currency fluctuations, GWP declined 8% and NWP declined 6% for the first quarter of 2024.

Life & Group

Core income reflects strong investment results

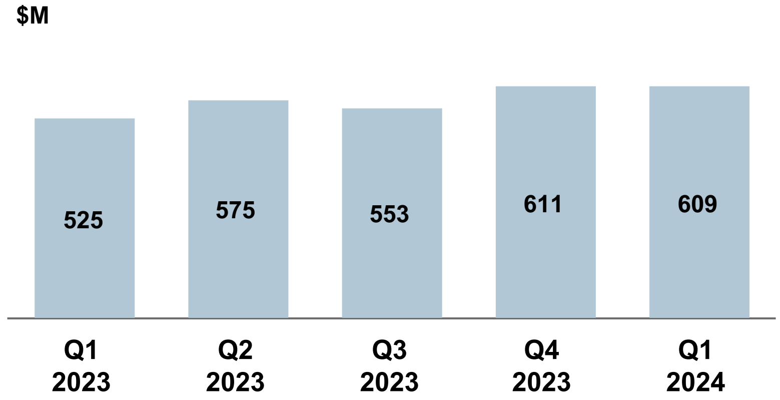
(In millions)	First Quarter	
	2024	2023
Net earned premiums	$110	$115
Net investment income	231	214
Other revenues	—	—
Total operating revenues	**$341**	**$329**
Total claims, benefits and expenses	341	341
Income tax benefit	5	9
Core income (loss)	**$5**	**($3)**

CNA

Pretax Net Investment Income

Strong contributions from limited partnership, common stock and fixed income portfolios

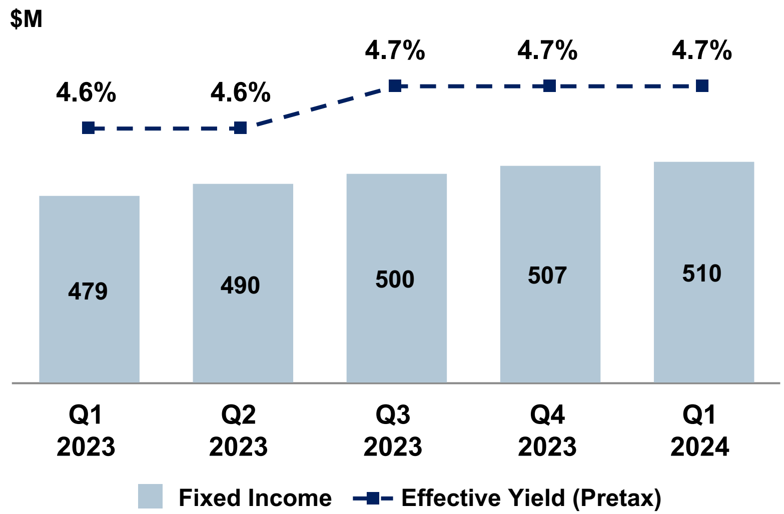
Total CNAF



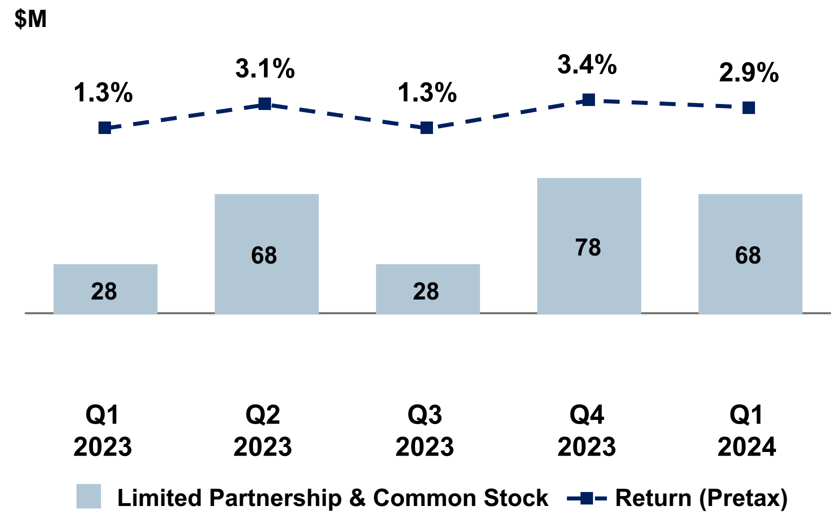
Highlights

- Net investment income of $609M is up 16% year-over-year
- Limited partnership and common stock returns driven by favorable fourth quarter results from our lagged private equity funds
- The effective income yield on fixed income increased to 4.7% from 4.6% year-over-year, driven by the continued impact of higher reinvestment rates

Fixed Income Securities



Limited Partnership & Common Stock



Investment Portfolio

High quality, diversified and liquid investment portfolio

Fixed Maturities by Rating	% of Portfolio
AAA [1]	14%
AA	16%
A	25%
BBB	40%
Investment Grade	**95%**
Below Investment Grade	5%
Total Fixed Maturities	**100%**

Effective Portfolio Duration	
Life & Group	10.0 yrs
P&C and Corporate	4.5 yrs
Total	**6.4 yrs**

Highlights

- 88% of total invested assets are in fixed income securities
- High-quality portfolio with an average credit rating of “A”
- Liquidity supports underlying liability characteristics
- Net unrealized loss increased slightly from year-end primarily driven by rising risk-free rates

[1] AAA includes obligations of the U.S. Government, U.S. Government agencies and U.S. Government-sponsored enterprises.

Financial Strength

Conservative capital and debt profile support business objectives

(In millions, except per share data)	Mar 31, 2024	Dec 31, 2023
Debt	**$3,520**	$3,031
Stockholders' equity	**9,662**	9,893
Total capital	**$13,182**	$12,924
AOCI	**(2,572)**	(2,672)
Capital ex AOCI	**$ 15,754**	$ 15,596
BVPS ex AOCI	**$45.10**	$46.39
Dividends per share (YTD)	**$2.44**	$2.88
Debt-to-capital	**26.7%**	23.5%
Debt-to-capital ex AOCI	**22.3%**	19.4%
Statutory surplus	**10,947**	$10,946
Holding company liquidity [1]	**$1,608**	$1,262

Capital

- Financial strength ratings from all four rating agencies were affirmed in the past year with stable outlooks
- Statutory surplus remains very strong
- Adjusting for dividends, book value per share ex AOCI increased 2%

Leverage

- $500M debt issuance in Q1 in advance of upcoming maturity of $550M in May
- Debt maturity schedule is termed out to effectively manage refinancing

Liquidity

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

[1] Includes $250 million available under credit facility

CNA