CNA

2025
Annual Report

CNA Financial Corporation

2025 Financial Highlights

Net Written Premium

$11.1 B

Net Income

$1.3 B

Earnings per Share

$4.69

Dividends Paid

$1.0 B

Shareholders' Equity

$11.6 B

Book Value per Share
Excluding Accumulated Other Comprehensive Income

10%
Increase

From Year-End 2024, Adjusted for $3.84 Dividends Paid in 2025

2025 Shareholder Letter

Dear Fellow Shareholders,

In 2025, CNA advanced with purpose and precision. We executed our strategy with rigor, strengthened our underwriting results, and continued building capabilities that enable durable, long-term growth.

Our achievements reflect the clarity of our direction and the unwavering commitment of our people to deliver consistent, high-quality outcomes. They also reflect the core advantages that define CNA: a deep underwriting culture, strong collaboration with distribution partners, specialized expertise, a focus on attracting, developing, and retaining exceptional talent, and disciplined financial stewardship that supports strong performance.

Together, these foundational principles guide how we operate and reinforce the resilience of our business.

Even in a complex market environment, we executed with consistency and clarity. I am proud of our employees and appreciate the collaborative partnership of our agents and brokers around the world.

Performance Anchored in Expertise

Throughout the year, we sharpened risk selection, refined pricing precision, and elevated underwriting discipline through ongoing training, enhanced governance, and expanded analytics.

This focus translated into meaningful financial results. We delivered a P&C combined ratio of 94.7% and our underlying combined ratio was below 92% for the fifth consecutive year. Crucially, we achieved this while upholding our prudent approach to underlying loss ratio selection.

We managed expenses with discipline by leveraging the scale and efficiency of our operating model. The P&C expense ratio improved to 29.7%, the lowest since 2008, driven by productivity gains and thoughtful expense management even as we invest in technology and talent.

The 2025 industry dynamics provided an opportunity to highlight CNA's underwriting discipline in our approach to growth. New business grew to a record-high level, even as we remained highly selective and executed nuanced strategies in a diversified market, driving 5% growth in P&C net written premium.

Each P&C operating segment – Commercial, Specialty, and International – contributed to our underwriting profitability, which led to a record P&C underlying underwriting gain of $855 million for the year. The momentum we continue to build is reflected in CNA's 2025 earnings in which we achieved core income of $1,342 million, marking the third consecutive year of record core income. These accomplishments are evidence of the durability of our operating model and long-term strategy.

Financial Strength

In 2025, AM Best upgraded our financial strength rating to A+ (Superior) with a stable outlook. This recognition underscores our reliably strong operating performance, the quality of our balance sheet and operating platform, and our sophisticated enterprise risk management capabilities.

We remain committed to maintaining the credit fundamentals underpinning our capital position: a prudent reserving philosophy, a conservative capital structure, a high-quality, well-diversified investment portfolio, and excellent liquidity. Our consistent and growing earnings have created a solid capital base, and our $2.5 billion operating cash flow is another reflection of our underwriting and investment performance.

Our sound reserve position is underpinned by a disciplined approach to loss ratio selection and a reserving philosophy that emphasizes timely recognition of adverse development while exercising caution with favorable trends. Our actions throughout the year underscore our ongoing commitment to these principles.

As we entered 2026, CNA's demonstrated earnings power and the strength of our capital position enabled us to again increase our regular quarterly dividend to $0.48 per share and return additional capital to shareholders in the form of a special dividend of $2 per share. At the time of announcement, the regular and special dividend represented an attractive dividend yield of approximately 8%.

Advancing Specialization

Specialization remains central to how CNA competes and wins. We deliver tailored, multi-line insurance solutions to clients across key industry segments including construction, healthcare, manufacturing, technology, and life sciences, ensuring each receives the expertise and precision their risks demand.

We remain deeply committed to our core industries while strategically broadening our offerings to meet evolving client needs. In 2025, our private equity practice delivered significant growth, demonstrating the effectiveness of our model: deep sector knowledge, differentiated insurance solutions, and the high-touch responsiveness private equity clients expect.

We also expanded our footprint in excess and surplus lines with the launch of Cardinal E&S, a CNA brand. This dedicated channel further advanced our position in the wholesale market where we are already a trusted partner and affirmed our commitment to delivering solutions to the market with speed and precision.

These strategic investments reinforce our long-term focus. Specialization enhances underwriting discipline, accelerates informed decision-making, and advances our competitive position in both domestic and international markets. It remains one of our most important and enduring sources of advantage.

Distribution Engagement & Robust Capabilities

Our distribution partners are fundamental to our success, and we recognize that enhancing our partnerships drives value and improves risk outcomes. We are focused on deepening our relationships through transparency, consistency, and clear alignment on where CNA creates the greatest value.

We engage with agents and brokers by meeting them where they are – globally, regionally, and locally, aligning with them to ensure that CNA is coordinated with multinational programs, responsive in key regions, and embedded in local markets. We expanded opportunities across retail and wholesale channels, and advanced our operations in Canada, the UK, and Europe. Today, CNA operates from 59 offices in 11 countries, with global reach spanning more than 200 countries and territories.

Our capabilities are enhanced by continued improvements to the broker and customer experience, including streamlined processes, targeted technology investments, and greater underwriting alignment across geographies.

This work positions CNA as a dependable, long-term partner – easy to do business with, clear about our commitments, and focused on results.

> "The momentum we continue to build is reflected in CNA's 2025 earnings in which we achieved core income of $1,342 million, marking the **third consecutive year of record core income.**"

Modernization, Culture & Talent

Artificial intelligence has quickly become an integral part of CNA, and we are integrating it with intentionality, purpose, and clarity. At CNA, we leverage AI to elevate our expertise and expand what our teams can accomplish.

In 2025, we deployed AI solutions across underwriting, claims, and operations, and introduced enterprise-wide tools to create better experiences for brokers, customers, and employees. Our approach is pragmatic and ROI-driven: to streamline workflows, enhance risk selection, and amplify insights.

We believe that investments in modernization are most powerful when paired with a distinctive culture and exceptional talent. CNA's culture remains one of our greatest assets, rooted in accountability, expertise, inclusion, and commitment to high-quality outcomes. During the year, we expanded training and development programs that advance underwriting and claims knowledge, deepen leadership capabilities, and build a pipeline of successors prepared to advance our strategy.

This same culture extends beyond our business to our communities. Employees contributed nearly 22,000 volunteer hours, benefiting more than 1,700 nonprofit organizations worldwide, and combined contributions from corporate giving, employee donations, and our Matching Gift Program exceeded $1 million. Supporting resilient communities and preparing the next generation of insurance leaders is fundamental to who we are.

Looking Ahead with Confidence

CNA enters 2026 with momentum and a bold outlook.

We have a resilient foundation, a clear strategy, and a culture energized by the pursuit of excellence. As the industry evolves, we are focused on the opportunities ahead – deepening specialization, advancing technology, enhancing distribution alignment, developing exceptional talent, and further strengthening our financial results.

Our strategic priorities provide a powerful platform for future performance, allowing us to anticipate emerging risks and deliver differentiated solutions for our agents, brokers, and customers around the world. CNA is adaptive, capable, and energized to lead in an increasingly dynamic environment.

I want to thank our employees, agents, and brokers for their expertise, collaboration, and dedication. Their work continues to elevate CNA and deliver meaningful results for our customers and shareholders.

We look forward to building on our progress and shaping an even stronger future.

Douglas M. Worman
Chairman and Chief Executive Officer
CNA Financial Corporation
February 10, 2026

Directors

Douglas M. Worman[1]
Chairman of the Board
and Chief Executive Officer
CNA Financial Corporation

Michael A. Bless[2]
Retired President and Chief Executive Officer
Century Aluminum Company

Jose O. Montemayor[2]
Retired Principal of Black Diamond Capital Partners I, LP and Former Insurance Commissioner for the State of Texas

Don M. Randel[2]
Retired President, University of Chicago and Retired President, The Andrew W. Mellon Foundation

André Rice[2]
Founder and President
Muller & Monroe Asset Management, LLC

Kenneth I. Siegel
Senior Vice President
Loews Corporation

Andrew H. Tisch
Director Emeritus of the Board
Loews Corporation

Benjamin J. Tisch
President and Chief Executive Officer
Loews Corporation

James S. Tisch
Chairman of the Board
Loews Corporation

Jane J. Wang
Senior Vice President and
Chief Financial Officer
Loews Corporation

Management

Douglas M. Worman[1]
Chairman and Chief Executive Officer
CNA Financial Corporation

Scott R. Lindquist
Executive Vice President and
Chief Financial Officer
CNA Financial Corporation

Elizabeth A. Aguinaga
Executive Vice President and
Chief Human Resources Officer
CNA Insurance Companies

Daniel P. Franzetti
Executive Vice President and
Chief Administrative Officer
CNA Financial Corporation

David M. Haas[3]
President Global Specialty
CNA Insurance Companies

Robert J. Hopper
Executive Vice President and
Chief Actuary
CNA Insurance Companies

Mark S. James
Executive Vice President, Chief Risk
and Reinsurance Officer
CNA Insurance Companies

Song M. Kim[3]
President Global Commercial Industry
Segments, CNA Insurance Companies

Troy M. Mette
Head of Global Distribution
CNA Insurance Companies

Michael A. Nardiello[3]
President Global Property & Casualty
CNA Insurance Companies

Jane E. Possell
Executive Vice President and
Chief Information Officer
CNA Insurance Companies

Jalil U. Rehman
President and Chief Executive Officer,
UK and Europe
CNA Insurance Companies

Catherine Roe[4]
President and Chief Agent, CNA Canada
CNA Insurance Companies

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Independent Auditors:
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Transfer Agent:
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Brentwood, NY 11717
shareholder.broadridge.com/cna
Phone U.S. and Canada: 877-456-5752
Outside U.S. and Canada: 1-720-414-6894
shareholder@broadridge.com

Shareholder Information:
The common stock of CNA Financial Corporation is listed on the New York Stock Exchange and NYSE Texas. Its trading symbol is CNA.

Investor Relations:
Ralitza K. Todorova
Vice President, Investor Relations and Rating Agencies
151 North Franklin Street
Chicago, IL 60606
investor.relations@cna.com

1 Assumed Chairman role on January 1, 2026 | **2** Member of Audit and Compensation Committees | **3** Assumed expanded role on August 19, 2025 | **4** Assumed new role on November 10, 2025

CNA

2025

Form 10-K

CNA Financial Corporation

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-5823

CNA FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**36-6169860**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
151 N. Franklin	**60606**
Chicago, Illinois	(Zip Code)
(Address of principal executive offices)	

(312) 822-5000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par value $2.50	"CNA"	New York Stock Exchange
		NYSE Texas

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of February 6, 2026, 270,673,371 shares of common stock were outstanding. The aggregate market value of the common stock held by non-affiliates of the registrant as of June 30, 2025 was approximately $998 million based on the closing price of $46.53 per share of the common stock on the New York Stock Exchange on June 30, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the CNA Financial Corporation Proxy Statement prepared for the 2026 annual meeting of shareholders, pursuant to Regulation 14A, are incorporated by reference into Part III of this report.

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PART I

ITEM 1. BUSINESS

CNA Financial Corporation (CNAF) was incorporated in 1967 and is an insurance holding company. References to “CNA,” “the Company,” “we,” “our,” “us” or like terms refer to the business of CNAF and its subsidiaries. CNA's property and casualty and remaining life and group insurance operations are primarily conducted by Continental Casualty Company (CCC), The Continental Insurance Company, Western Surety Company, CNA Insurance Company Limited, Hardy Underwriting Bermuda Limited and its subsidiaries (Hardy), and CNA Insurance Company (Europe) S.A. Loews Corporation (Loews) owned approximately 92% of our outstanding common stock as of December 31, 2025.

Our insurance products primarily include commercial property and casualty coverages, including surety. Our services include warranty, risk management information services and claims administration. Our products and services are primarily marketed through independent agents, retail and wholesale brokers and managing general underwriters to a wide variety of customers, including small, medium and large businesses, insurance companies, associations, professionals and other groups. The property and casualty insurance industry is highly competitive, both as it relates to rate and service. We compete with a large number of stock and mutual insurance companies, as well as other entities, for both distributors and customers.

Our commercial property and casualty underwriting operations presence in the United States of America (U.S.) consists of field underwriting locations and centralized processing operations which handle policy processing, billing and collection activities and also act as call centers to optimize service. Our claim operations in the U.S. consists of primary locations where we handle multiple claim types and key business functions, as well as regional claim offices which are aligned with our underwriting field structure. We also have property and casualty underwriting operations in Canada, the United Kingdom (U.K.) and Continental Europe, as well as access to business placed at Lloyd's of London through Syndicate 382.

Our commercial property and casualty insurance operations are managed and reported in three business segments: Specialty, Commercial and International, which we refer to collectively as Property & Casualty Operations. Our operations outside of Property & Casualty Operations are managed and reported in two business segments: Life & Group and Corporate & Other. Discussion of each segment, including the products offered, customers served and distribution channels used, is set forth in the Management's Discussion and Analysis (MD&A) included under Item 7 and in Note N to the Consolidated Financial Statements included under Item 8.

Current Regulation

The insurance industry is subject to comprehensive and detailed regulation and supervision. Regulatory oversight by applicable agencies is exercised through review of submitted filings and information, examinations (both financial and market conduct), direct inquiries and interviews. Each domestic and foreign jurisdiction has established supervisory agencies with broad administrative powers relative to licensing insurers and agents, approving policy forms, establishing reserve requirements, prescribing the form and content of statutory financial reports and regulating capital adequacy and the type, quality and amount of investments permitted. Such regulatory powers also extend to premium rate regulations requiring rates not be excessive, inadequate or unfairly discriminatory. In addition to regulation of dividends by insurance subsidiaries, intercompany transfers of assets or payments may be subject to prior notice or approval by insurance regulators, depending on the size of such transfers and payments in relation to the financial position of the insurance subsidiaries making the transfer or payments.

As our insurance operations are conducted in both domestic and foreign jurisdictions, we are subject to a number of regulatory agency requirements applicable to a portion, or all, of our operations. These include but are not limited to, the State of Illinois Department of Insurance (which is our global group-wide supervisor), the U.K. Prudential Regulatory Authority (PRA) and Financial Conduct Authority (FCA), the Office of Superintendent of Financial Institutions (OSFI) in Canada, the Luxembourg insurance regulator Commissariat aux Assurances (CAA) and the Bermuda Monetary Authority (BMA).

Domestic insurers are also required by state insurance regulators to provide coverage to certain insureds who would not otherwise be considered eligible by the insurers. Each state dictates the types of insurance and the level of coverage that must be provided to such involuntary risks. Our share of these involuntary risks is mandatory and generally a function of our respective share of the voluntary market by line of insurance in each state.

Further, domestic insurance companies are subject to state guaranty fund and other insurance-related assessments. Guaranty funds are governed by state insurance guaranty associations which levy assessments to meet the funding needs of insolvent insurer estates. Other insurance-related assessments are generally levied by state agencies to fund various organizations, including disaster relief funds, rating bureaus, insurance departments and workers' compensation second injury funds, and by industry organizations that assist in the statistical analysis and ratemaking process, and we have the ability to recoup certain of these assessments from policyholders.

Although the U.S. federal government does not currently directly regulate the business of insurance, federal legislative and regulatory initiatives can affect the insurance industry. These initiatives and legislation include proposals relating to terrorism and natural catastrophe exposures, federal financial services reforms and certain tax reforms.

Hardy, a specialized Lloyd's of London (Lloyd's) underwriter, is also supervised by the Council of Lloyd's, which is the franchisor for all Lloyd's operations. The Council of Lloyd's has wide discretionary powers to regulate Lloyd's underwriting, such as establishing the capital requirements for syndicate participation. In addition, the annual business plan of each syndicate is subject to the review and approval of the Lloyd's Franchise Board, which is responsible for business planning and monitoring for all syndicates.

Capital adequacy and risk management regulations, referred to as Solvency II, apply to our European Union (E.U.) operations and are enacted by the European Commission. Our operations in the U.K. have been subject to the same regulations but are transitioning to a tailored version of Solvency II, known as Solvency UK, developed by the PRA. Additionally, the International Association of Insurance Supervisors (IAIS) continues to develop capital requirements as more fully discussed below.

Regulation Outlook

The IAIS has adopted a Common Framework (ComFrame) for the supervision of Internationally Active Insurance Groups (IAIGs), which is focused on the group-wide supervision of IAIGs, such as CNA. Elements of ComFrame have been incorporated into regulatory guidelines issued by the National Association of Insurance Commissioners (NAIC) for application by regulators in the U.S. These additions were adopted for the purpose of streamlining group-wide supervision, further leveraging existing risk and solvency measures and applying them on a group-wide basis.

The NAIC developed an approach to group capital regulation and solvency-monitoring activities using the Group Capital Calculation (GCC). While historically the U.S. regulatory regime was primarily based on legal entity regulation, the GCC quantifies risk across the insurance group. The GCC was adopted by the NAIC along with model legislative language and attendant regulations, which have been adopted in a number of U.S. states where IAIGs are domiciled, including Illinois. Alongside the GCC, the NAIC has also developed the Aggregation Method (AM) approach to assessing group capital as an alternative to the Insurance Capital Standard (ICS) developed by the IAIS. The AM is influenced by the GCC and calculated in a similar manner. In 2024, the IAIS concluded that the AM provides comparable outcomes to the ICS. While as of December 31, 2025 the AM continues to undergo further refinement as a part of the implementation process, the finding of comparability by the IAIS represents recognition of existing U.S. solvency regulation.

In addition, the U.S. and foreign regulatory environment in which we operate is continuously evolving, with both existing and prospective regulations that implicate aspects of our corporate governance, public disclosures and risk management, climate change, artificial intelligence and cybersecurity practices.

Human Capital

As of December 31, 2025, we had approximately 6,600 employees. We seek to create a culture of inclusion that engages our employees and offers them opportunities to learn, grow and achieve their career goals. We believe this will facilitate our ability to continue to attract and retain a highly talented workforce.

Talent, Recruitment and Development

We focus on attracting, developing and retaining top-tier talent to reflect the specialist nature of our business.

We aim to continually build on the expertise of our workforce. At entry levels, we have implemented trainee and internship programs and we continue to leverage relationships with colleges to attract talent. We seek to promote the development of employees, both to optimize current performance and to develop skills for future career growth. We have implemented programs designed for our employees to grow their technical expertise, collaborate with one another and achieve their career goals. We offer a wide range of learning and development opportunities, including mentorship programs, apprenticeship programs, tuition reimbursement, technical training and specialized leadership development programs.

CNA leaders engage regularly with our employees on their performance and professional development. We gather employee feedback through pulse surveys and routine dialogue with our employee groups and leaders from across the enterprise. Our annual talent and succession planning process culminates in a review with leadership of key talent retention and promotion, as well as a review of our succession plans.

We believe that employing individuals with different backgrounds and experiences helps meet the diverse needs of our stakeholders.

Employee Benefits

We offer comprehensive compensation and benefits packages to eligible employees including a 401k plan, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, employee wellness programs and certain family assistance programs.

Available Information

We file annual, quarterly and current reports, proxy statements and other documents with the Securities and Exchange Commission (SEC) under the Securities Exchange Act of 1934 (Exchange Act). The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers, including CNA. The public can obtain any documents that we file with the SEC at sec.gov.

We also make available free of charge on or through our internet website at cna.com our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Information on or accessible through our website is not incorporated by reference into this Report.

ITEM 1A. RISK FACTORS

Our business faces many risks and uncertainties. These risks and uncertainties could lead to events or circumstances that have a material adverse effect on our results of operations, equity, business, financial condition and insurer financial strength and corporate debt ratings. We have described below material risks that we face. There may be additional risks that we do not yet know of or that we do not currently perceive to be material that may also affect our business. You should carefully consider and evaluate all of the information included in this report and any subsequent reports we may file with the SEC or make available to the public before investing in any securities we issue.

Insurance Risks

If we determine that our recorded insurance reserves are insufficient to cover our estimated ultimate unpaid liability for claim and claim adjustment expenses, we may need to increase our insurance reserves which would result in a charge to our earnings.

We maintain insurance reserves to cover our estimated ultimate unpaid liability for claim and claim adjustment expenses, including the estimated cost of the claims adjudication process, for reported and unreported claims. Insurance reserves are not an exact calculation of liability but instead are complex management estimates developed utilizing a variety of actuarial reserve estimation techniques as of a given reporting date. The reserve estimation process involves a high degree of judgment and variability and is subject to a number of factors which are highly uncertain. These factors can be affected by both changes in internal processes and external events. Key variables include frequency of claims, claim severity, mortality, morbidity, discount rates, economic, social and medical inflation, claim handling policies and procedures, case reserving approach, underwriting and pricing policies, changes in the legal and regulatory environment and the lag time between the occurrence of an insured event and the time of its ultimate settlement. Mortality is the relative incidence of death. Morbidity is the frequency and severity of injury, illness, sickness and diseases contracted.

There is generally a higher degree of variability in estimating required reserves for long-tail coverages, such as long-term care, workers' compensation, general liability and professional liability, as they require a relatively longer period of time for claims to be reported and settled. The impact of changes in economic and social inflation, and medical costs are also more pronounced for long-tail coverages due to the longer settlement period. Certain risks and uncertainties associated with our insurance reserves are outlined in the Critical Accounting Estimates and the Reserves - Estimates and Uncertainties sections of MD&A in Item 7.

We are subject to the uncertain effects of emerging and potential claims and coverage issues that arise as industry practices and legal, judicial, social, economic, geopolitical and other environmental conditions change. The impact of social inflation continues to be significant, and the trajectory of its future impact remains uncertain. In addition, passage of reviver statutes that extend, or eliminate, the statute of limitations for the reporting of claims, including statutes passed in certain states with respect to sexual molestation and sexual abuse, increase the uncertainty of the frequency of claims, and the impact of social inflation has, and may continue to, increase the severity of these claims. Further, broader economic and geopolitical conditions, including the imposition of significant tariffs by the U.S., as well as any related retaliatory tariffs, may result in considerable increases in certain costs that would increase loss costs. These issues have had, and may continue to have, a negative effect on our business, results of operations and financial condition by either extending coverage beyond the original underwriting intent or by increasing the number or size of claims, resulting in further increases in our reserves. The effects of unforeseen emerging or potential claim and coverage issues are extremely difficult to predict and may be material.

In light of the many uncertainties associated with establishing the estimates and making the judgments necessary to establish reserve levels, we continually review and change our reserve estimates in a regular and ongoing process as experience develops from the actual reporting and settlement of claims and as the legal, regulatory and economic environment evolves. When our recorded reserves are insufficient for any reason, the required increase in reserves is recorded as a charge against our earnings in the period in which reserves are determined to be insufficient. These charges have been and in the future could be substantial.

Our actual experience could vary from the key assumptions used to determine future policy benefit reserves for long-term care policies.

Our future policy benefit reserves for long-term care policies are based on our best estimate actuarial assumptions, which are assessed quarterly and updated at least annually. Key actuarial assumptions include morbidity, persistency, premium rate actions and expenses. The adequacy of the reserves is contingent upon actual experience and our future expectations related to these key assumptions. If actual or expected future experience differs from these assumptions, the reserves may not be adequate, requiring us to increase reserves. The required increase in reserves is recorded as a charge against our earnings in the period in which reserves are determined to be insufficient. These charges have been and in the future could be substantial. The reserves are discounted using upper-medium grade fixed income instrument yields as of each reporting date. Discount rates are subject to interest rate and market volatility. See the Life & Group Policyholder Reserves portion of Reserves - Estimates and Uncertainties section of MD&A in Item 7 for more information.

Morbidity and persistency experience can be volatile and may be negatively affected by many factors including policyholder behavior, judicial decisions regarding policy terms, socioeconomic factors, cost of care inflation, changes in health trends and advances in medical care.

A prolonged period during which investment returns remain at low levels could result in shortfalls in investment income on assets supporting our obligations under long-term care policies. This risk may be more significant for our long-term care products when the long potential duration of the policy obligations exceeds the duration of the supporting investment assets. In addition, we may not receive regulatory approval for the level of premium rate increases we request. Any adverse deviation between the level of premium rate actions approved and the level included in our reserving assumptions may require an increase to our reserves. Further, and as noted in the previous risk factor, the increasingly adverse impact of social inflation, particularly with respect to legal activity and judicial decisions, may impact our long-term care portfolio and reserves.

We are vulnerable to material losses from natural and man-made disasters.

Catastrophe losses are an inevitable part of our business. Various events can cause catastrophe losses. These events can be natural or man-made, and may include hurricanes, tornadoes, windstorms, earthquakes, hail, severe winter weather, droughts, fires, floods, riots, strikes, civil unrest, cyber-attacks, pandemics and acts of terrorism. The frequency and severity of these catastrophe events are inherently unpredictable. Exposure to cyber risk is increasing systematically due to greater digital dependence, which increases the potential for, and the potential losses due to, a catastrophic cyber event. Catastrophic cyber-attack scenarios are not bound by time or geographic limitations and cyber-related catastrophic perils don’t have well-established definitions or fundamental physical properties. In addition, longer-term natural catastrophe trends may be changing and new types of, and heightened, catastrophe losses may be developing due to climate change, its associated extreme weather events linked to rising temperatures and its effects on global weather patterns, greenhouse gases, sea, land and air temperatures, sea levels, rain, drought, hail and snow. Climate studies by government agencies, academic institutions, catastrophe modeling organizations and other groups indicate that climate change may be altering the frequency and/or severity of catastrophic weather events, such as hurricanes, tornadoes, windstorms, earthquakes, hail, severe winter weather, droughts, fires and floods.

The extent of our losses from catastrophes is a function of the total amount of our insured exposures in the affected areas, the frequency and severity of the events themselves, the level of our reinsurance coverage, reinsurance reinstatement premiums and state residual market assessments, if any. It can take a long time for the ultimate cost of any catastrophe losses to us to be finally determined, as a multitude of factors contribute to such costs, including evaluation of general liability and pollution exposures, infrastructure disruption, business interruption and reinsurance collectability. Further, significant catastrophic events or a series of catastrophic events have the potential to impose financial stress on the reinsurance industry, which could impact our ability to collect amounts owed to us by reinsurers, thereby resulting in higher net incurred losses.

Reinsurance coverage for "unconventional" terrorism events (such as nuclear, biological, chemical or radiological attacks) is provided only in limited circumstances. Our principal reinsurance protection against these large-scale terrorist attacks is the coverage currently provided through the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA) through December 31, 2027. However, such coverage is subject to a mandatory deductible and other limitations. It is also possible that future legislation could change or eliminate the program, which could adversely affect our business by increasing our exposure to terrorism losses, or by lowering our business volume through efforts to avoid that exposure. For a further discussion of TRIPRA, see Part II, Item 7, MD&A - Catastrophes and Related Reinsurance.

As a result of the items discussed above, catastrophe losses are particularly difficult to estimate, could cause us to exhaust our available reinsurance limits, could lead to large losses and could adversely affect the cost and availability of reinsurance. Accordingly, catastrophic events could have a material adverse effect on our business, results of operations, financial condition and liquidity.

We have exposures related to asbestos and environmental pollution (A&EP) claims, which could result in material losses.

Our property and casualty insurance subsidiaries have exposures related to A&EP claims. Our experience has been that establishing claim and claim adjustment expense reserves for casualty coverages relating to A&EP claims is subject to uncertainties that are greater than those presented by more traditional property and casualty claims. Additionally, traditional actuarial methods and techniques employed to estimate the ultimate cost of claims for more traditional property and casualty exposures are less precise in estimating claim and claim adjustment expense reserves for A&EP. As a result, estimating the ultimate cost of both reported and unreported A&EP claims is subject to a higher degree of variability. On August 31, 2010, we completed a retroactive reinsurance transaction under which substantially all of our legacy A&EP liabilities were ceded to National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Inc., subject to an aggregate limit of $4 billion (Loss Portfolio Transfer). The cumulative amount ceded under the Loss Portfolio Transfer as of December 31, 2025 was $3.9 billion. If the other parties to the Loss Portfolio Transfer do not fully perform their obligations, net losses incurred on A&EP claims covered by the Loss Portfolio Transfer exceed the aggregate limit of $4 billion, or we determine we have exposures to A&EP claims not covered by the Loss Portfolio Transfer, we may need to increase our recorded net reserves which would result in a charge against our earnings. These charges could be substantial. Additionally, if the A&EP claims exceed the limit of the Loss Portfolio Transfer, we will need to assess whether to purchase additional limit or to reassume claim handling responsibility for A&EP claims from an affiliate of NICO. Any additional reinsurance premium or future claim handling costs would also reduce our earnings.

We are exposed to, and may face adverse developments related to, mass tort claims that could arise from, among other things, our insureds' sale or use of potentially harmful products or substances, claims of sexual abuse and molestation against our insureds and changes to the social and legal environment, such as those related to abuse reviver statutes, issues related to altered interpretation of coverage and other new and emerging claim theories.

We face potential exposure to various types of existing, new and emerging mass tort claims, including those related to exposure to potentially harmful products or substances, such as glyphosate, lead paint, per- and polyfluoroalkyl substances (PFAS) and opioids, sexual abuse and molestation claims, claims arising from changes that expand the right to sue, remove limitations on recovery, extend the statutes of limitations or otherwise repeal or weaken tort reforms, such as those related to abuse reviver statutes; and claims related to new and emerging theories of liability, such as those related to global warming and climate change. Evolving judicial interpretations, increased participation by plaintiff's lawyers in insurance claims, rising litigation activity, higher monetary verdicts, abusive litigation practices, the growth of third-party litigation financing and new legislation regarding the application of various tort theories and defenses, including application of various theories of joint and several liability, as well as the application of insurance coverage to these claims, give rise to new and potentially more severe claim activity. For example, we have recorded, and may continue to record, increases in our mass tort reserves, driven substantially by abuse reviver statutes that have resulted in increased claims. Similar and continuing mass tort claim activity, including activity based on changing judicial interpretations and recent and proposed legislation, could have a material adverse effect on our business, results of operations and financial condition.

Strategic Risks

We face intense competition in our industry; we may be adversely affected by the cyclical nature of the property and casualty business and by the evolving landscape of our distribution network.

All aspects of the insurance industry are highly competitive and we must continuously allocate resources to refine and improve our insurance products and services to remain competitive. We compete with a large number of stock and mutual insurance companies and other entities, some of which may be larger or have greater financial or other resources than we do, for both distributors and customers. This includes agents, brokers and managing general underwriters who may increasingly compete with us, including as a result of markets continuing to provide them with direct access to providers of capital seeking exposure to insurance risk. Insurers compete on the basis of many factors, including products, price, services, ratings and financial strength. The competitor landscape has evolved substantially in recent years, with significant consolidation and new market entrants, such as insurtech firms, resulting in increased pressures on our ability to remain competitive, particularly in obtaining pricing that is both attractive to our customer base and risk-appropriate to us.

In addition, the property and casualty market is cyclical and has experienced periods characterized by relatively high levels of price competition, resulting in less restrictive underwriting standards and relatively low premium rates, followed by periods of relatively lower levels of competition, more selective underwriting standards and relatively high premium rates. We may lose business to competitors offering competitive insurance products at lower prices. As a result, our premium levels and expense ratio could be materially adversely impacted.

We market our insurance products worldwide primarily through independent insurance agents, insurance brokers, and managing general underwriters who also promote and distribute the products of our competitors, and in certain cases their own products. Any change in our relationships with our distribution network agents, brokers or managing general underwriters, including as a result of consolidation or their increased promotion and distribution of our competitors' or their own products, could adversely affect our ability to sell our products. As a result, our business volume and results of operations could be materially adversely impacted.

Our underwriting strategies currently rely on the effectiveness of reinsurance arrangements and we accordingly face risks relating to reinsurance, including obtaining reinsurance at a cost or on terms and conditions we deem acceptable, reinsurance counterparty risk and ineffective reinsurance coverage.

A primary reason we purchase reinsurance is to manage our exposure to risk, thereby facilitating our underwriting strategies in certain key areas. Under our ceded reinsurance arrangements, a reinsurer assumes a specified portion of our exposure in exchange for a specified portion of policy premiums. The availability and cost of the reinsurance protection we purchase, which affects the volatility and profitability of our business, as well as the level and types of risk we retain, is determined by many factors, including general economic conditions and conditions in the reinsurance market, such as the occurrence of significant reinsured events or unexpected adverse trends, including those associated with climate change. If we are unable to obtain sufficient reinsurance at a cost or on terms and conditions we deem acceptable, our risk exposure will not be mitigated to the degree desired or we may forego such increased risk, thereby adversely impacting our underwriting strategies. In addition, use of reinsurance exposes us to credit risk of the reinsurers, as the reinsurance arrangements do not relieve us of the liability to the customer. If a reinsurer is unable to meet its financial obligations under a reinsurance arrangement, we will remain obligated under the original policies issued to our customers. Furthermore, while we use various risk management methods, including the use of reinsurance, to effectively manage risk, there is the possibility that one or more natural catastrophes and/or terrorism or other events could result in claims substantially exceeding expectations, thereby making the reinsurance strategy significantly less effective. Such reinsurance-related risks could have a material adverse effect on our business, results of operations and financial condition and adversely affect our underwriting strategies in certain lines of business.

We may be adversely affected by technological changes or disruptions in the insurance marketplace.

Technological changes in the way insurance transactions are completed in the marketplace, and our ability to react effectively to such change, may present significant competitive risks. For example, more insurers are utilizing or may begin utilizing "big data" analytics or artificial intelligence (AI) to make underwriting or other decisions that impact product design and pricing. If such utilization by our industry peers is more effective than how we use our data and information, including through our own use of AI, we will be at a competitive disadvantage. There can be no assurance that we will continue to compete effectively with our industry peers due to technological changes; accordingly, this may have a material adverse effect on our business, results of operations and financial condition.

In addition, agents and brokers, technology companies, or other third parties may create alternate distribution channels for commercial business that may adversely impact product differentiation and pricing. For example, they may create a digitally enabled distribution channel that may adversely impact our competitive position. Our efforts or the efforts of agents and brokers with respect to new products or alternate distribution channels, as well as changes in the way agents and brokers utilize greater levels of data and technology, including AI, could adversely impact our business relationship with independent agents and brokers who currently market our products, resulting in a lower volume and/or profitability of business generated from these sources.

Further, our business could be affected as our policyholders adopt AI technologies. Policyholder use of AI could introduce novel exposures that may result in new or increased claims. Widespread adoption of AI could fundamentally disrupt entire industries, which could impact the demand for certain products.

We face considerable competition within our industry for qualified, specialized talent and any significant inability to attract and retain talent may adversely affect the execution of our business strategies.

The successful execution of our business strategies depends on our ability to attract and retain qualified talent. Due to the intense competition in our industry and from businesses outside the industry for qualified employees, especially those in key positions and those possessing highly specialized knowledge and industry experience in areas such as underwriting, data and analytics and technology, we may encounter obstacles to our ability to attract and retain such employees, which could materially adversely affect our business, results of operations and financial condition.

We are controlled by a single stockholder which could result in potential conflicts of interest.

Loews beneficially owned approximately 92% of our outstanding shares of common stock as of December 31, 2025, and is in a position to control actions that require the consent of stockholders, including the election of directors, amendment of our Restated Certificate of Incorporation and any merger or sale of substantially all of our assets. In addition, as of January 1, 2026 three officers of Loews, including the CEO of Loews (who is also a director of Loews), along with one additional director of Loews (who is also the Chairman of the Board of Loews) and one director emeritus of Loews, serve on our Board of Directors. We have also entered into services agreements and a registration rights agreement with Loews, and we may in the future enter into other agreements with Loews. It is possible that potential conflicts of interest could arise in the future for our directors who are also officers and/or directors of Loews with respect to a number of areas relating to the past and ongoing relationships of Loews and us, including tax and insurance matters, financial commitments and sales of common stock pursuant to registration rights or otherwise.

Financial Risks

We may incur significant realized and unrealized investment losses and volatility in net investment income arising from changes in the financial markets.

Our investment portfolio is exposed to various risks, such as interest rate, credit spread, issuer default, equity prices and foreign currency, which are unpredictable. Financial markets are highly sensitive to changes in economic conditions, monetary policies, tariff policies, tax policies, interest rates, domestic and international geopolitical issues and many other factors. Changes in financial markets, including fluctuations in interest rates, credit, equity prices and foreign currency prices, and many other factors beyond our control can adversely affect the value of our investments, the realization of investment income and the rate at which we discount certain liabilities. Our investment portfolio is also subject to increased valuation uncertainties when investment markets are illiquid. The valuation of investments is more subjective when markets are illiquid, thereby increasing the risk that the estimated fair value (i.e., the carrying amount) of the portion of our investment portfolio that is carried at fair value in our financial statements is not reflective of the prices at which actual transactions could occur.

We have significant holdings in fixed maturity investments that are sensitive to changes in interest rates. A decline in interest rates may reduce the returns earned on new fixed maturity investments, thereby reducing our net investment income, while an increase in interest rates may reduce the value of our existing fixed maturity investments, which could increase our net unrealized losses or reduce our net unrealized gains included in Accumulated other comprehensive income (AOCI). The value of our fixed maturity investments is also subject to risk that certain investments may default or become impaired due to deterioration in the financial condition of issuers of the investments we hold or in the underlying collateral of the security.

In addition, we invest a portion of our assets in limited partnerships and common stock which are subject to greater market volatility than our fixed maturity investments. Limited partnership investments generally provide a lower level of liquidity than fixed maturity or equity investments, which may also limit our ability to withdraw funds from these investments. The timing and amount of income or losses on such investments is inherently variable and can contribute to volatility in reported earnings.

Further, we hold a portfolio of commercial mortgage loans. We are subject to risk related to the recoverability of loan balances, which is influenced by declines in the estimated cash flows from underlying property leases, fair value of collateral, refinancing risk and the creditworthiness of tenants of credit tenant loan properties, where lease payments directly service the loan. Any changes in actual or expected collections would result in a charge to earnings.

As a result of these factors, we may not earn an adequate return on our investments, may be required to write down the value of our investments and may incur losses on the disposition of our investments all of which could materially adversely affect our business, results of operations and financial condition.

Operational Risks

We use analytical models to assist our decision making in key areas such as pricing, reserving, catastrophe risks and capital modeling and may be adversely affected if actual results differ materially from the model outputs and related analyses.

We use various modeling techniques and data analytics (e.g. scenarios, predictive, stochastic and forecasting) to analyze and estimate exposures, loss trends and other risks associated with our assets and liabilities. This includes both proprietary and third-party modeled outputs and related analyses to assist us in decision-making related to underwriting, pricing, capital allocation, reserving, investing, reinsurance and catastrophe risk, among other things. We incorporate numerous assumptions and forecasts about the future level and variability of policyholder behavior, loss frequency and severity, interest rates, equity markets, inflation, capital requirements, and currency exchange rates, among others. The modeled outputs and related analyses from both proprietary models and third parties are subject to various assumptions, uncertainties, model design errors and the inherent limitations of any statistical analysis. Further, climate change may make modeled outcomes less certain or produce new, non-modeled risks.

In addition, the effectiveness of any model can be degraded by operational risks, including the improper use of the model, input errors, data errors and human error. As a result, actual results may differ materially from our modeled results. Our profitability and financial condition substantially depends on the extent to which our actual experience is consistent with assumptions we use in our models and ultimate model outputs. If, based upon these models or other factors, we misprice our products or fail to appropriately estimate the risks we are exposed to, our business, results of operations and financial condition may be materially adversely affected.

Any significant interruption in the operation of our business functions, facilities or systems or our vendors' facilities or systems could result in a materially adverse effect on our operations.

Our business is highly dependent upon our ability to perform, in an efficient and uninterrupted manner, through our employees or vendor relationships and using our and their facilities and systems, necessary business functions, such as providing internet support and 24-hour call centers, processing new and renewal business, providing customer service, processing and paying claims and other obligations and issuing financial statements.

Our, or our vendors', facilities and systems could become unavailable, inoperable, or otherwise impaired from a variety of causes, including natural events, such as hurricanes, tornadoes, windstorms, earthquakes, severe winter weather and fires, or other events, such as explosions, terrorist attacks, computer security breaches or cyber-attacks, riots, hazardous material releases, medical epidemics or pandemics, utility outages, interruptions of data processing and storage systems or unavailability of communications facilities or systems. Likewise, we could experience a significant failure, interruption or corruption of one or more of our or our vendors' information technology, telecommunications, or other systems for various reasons, including significant failures or interruptions that might occur as existing systems are replaced or upgraded. The shut-down or unavailability of one or more of our or our vendors' systems or facilities for these or any other reasons could significantly impair our ability to perform critical business functions on a timely basis.

In addition, because our and our vendors' information technology, telecommunications and other systems interface with and depend on third-party systems, we could experience service denials if demand for such service exceeds capacity or a third-party system fails or experiences an interruption. If sustained or repeated, such events could result in a deterioration of our ability to perform necessary business functions.

The foregoing risks could expose us to monetary and reputational damages. Potential additional exposures relating to significant interruptions to our operations may include substantially increased compliance costs, as well as increased costs relating to investments in computer system and security-related upgrades, and such costs may not be recoverable under our relevant insurance coverage. We have made, and continue to make, investments to improve our security and infrastructure.

If our business continuity plans or system security do not sufficiently address these risks, they could have a material adverse effect on our business, results of operations and financial condition.

Any significant breach in our data security infrastructure or our vendors' facilities or systems could disrupt business, cause financial losses and damage our reputation, and insurance coverage may not be available for claims related to a breach.

A significant breach of our data security infrastructure may result from actions by our employees, vendors, third-party administrators, or unknown third parties or through cyber-attacks. The risk of a breach can exist whether software services are in our or third party administered data centers or are cloud-based software services. The sophistication of cybersecurity threats continues to escalate, and the measures we take to mitigate the risk of cyber incidents and to safeguard our systems and data may be insufficient. Further, the increasing use of AI within our systems and those of our vendors and third-party administrators to achieve operational efficiencies and within threat actors' attack strategies, may further expose our systems or those of our vendors and third-party administrators to the risk of cyber-attacks. Breaches have occurred, and may occur again, in our systems and in the systems of our vendors and third-party administrators, both current and former, in that past vendors and third-party administrators may still retain certain confidential and sensitive information in their systems. During the fourth quarter of 2025, we were notified of a data breach impacting a vendor of a business associate of our current employee health insurance administrator. The breach was traced to compromised credentials leveraged by a threat actor, with the impacted vendor shutting down and rebuilding the affected environment upon discovery of the breach. Following a forensics analysis, it was determined that a substantial number of our employees (and dependents of employees) were impacted. We understand that the subject vendor will be providing required breach notifications to all impacted individuals.

Breaches that affect our data security infrastructure or our vendors' facilities or systems, may cause a failure to protect the personal information of our customers, claimants or employees, or sensitive and confidential information regarding our business or policyholders and may result in operational impairments and financial losses, significant harm to our reputation and the loss of business with existing or potential customers. The breach of confidential information also could give rise to legal liability and regulatory action under data protection and privacy laws, as well as evolving regulation in this regard. While we do not believe breaches that have occurred and resultant actions will have a material adverse effect on our business, these or similar incidents, or any other breach of our or our vendors' data security infrastructure could have a material adverse effect on our business, results of operations and financial condition.

Although we maintain cybersecurity insurance coverage insuring against costs resulting from cyber-attacks, we do not expect the amount available under our coverage policy to cover all potential losses from cyber-attacks. In addition, potential disputes with our insurers about the availability of insurance coverage could occur.

Further, should we experience future cyber incidents, or should industry trends drive rate increases resulting from growth in volume and significance of cyber incidents broadly, we may incur higher costs for cybersecurity insurance coverage.

The risks relating to future breaches in our, or our vendors', data security infrastructure or systems, including in connection with cyber incidents, could have a material adverse effect on our business, results of operations or financial condition or may result in significant operational impairments and financial losses, as well as significant harm to our reputation.

Inability to detect and prevent significant employee or third-party service provider misconduct, inadvertent errors and omissions, or exposure relating to functions performed on our behalf could result in a materially adverse effect on our business, results of operations and financial condition.

We may incur losses which arise from employees or third-party service providers engaging in intentional, negligent or inadvertent misconduct, fraud, errors and omissions, failure to comply with internal guidelines, including with respect to underwriting authority, or failure to comply with regulatory requirements. Our or our third-party service providers' controls may not be able to detect all possible circumstances of such noncompliant activity and the internal structures in place to prevent this activity may not be effective in all cases. When new technologies, such as AI, are incorporated into our or our third-party service providers' processes, they may introduce additional complexity and present greater risk to the effectiveness of these controls. For example, generative AI systems may "hallucinate" producing inaccurate or misleading information, and model performance may degrade over time, leading to flawed recommendations. AI models may perpetuate or amplify biases present in underlying data, which could result in discriminatory or unfair outcomes in areas such as underwriting and claims. The potential for employees or third-party service providers, through intentional or inadvertent actions, to enable AI models to be trained on our data or our insureds' data introduces risks of unauthorized use or disclosure of sensitive information and erosion of data privacy. AI may also be used to perpetuate fraud, or to manipulate or evade monitoring and detection controls.

Portions of our insurance business is underwritten and serviced by third parties. With respect to underwriting, our contractual arrangements with third parties will typically grant them limited rights to write new and renewal policies, subject to contractual restrictions and obligations, including requiring them to underwrite within the terms of our licenses. Should these third parties issue policies that exceed these contractual restrictions, we could be deemed liable for such policies and subject to regulatory fines and penalties for any breach of licensing requirements. It is possible that in such circumstance we might not be fully indemnified for such third parties' contractual breaches.

Additionally, we rely on certain third-party claims administrators, including the administrator of our long-term care claims, to handle policyholder services and perform significant claim administration and claim adjudication functions. Any failure by such administrator to properly perform service functions may result in losses as a result of over-payment of claims, legal claims against us and adverse regulatory enforcement exposure.

We have also licensed certain systems from third parties. We cannot be certain that we will have access to these systems or that our information technology or application systems will continue to operate as intended.

These risks could adversely impact our reputation and client relationships and have a material adverse effect on our business, results of operations and financial condition.

Loss of key vendor relationships and issues relating to the transitioning of vendor relationships could compromise our ability to conduct business.

In the event that one or more of our vendors suffers a bankruptcy, is sold to another entity, sustains a significant business interruption or otherwise becomes unable to continue to provide products or services at the requisite level, we may be adversely affected. We may suffer operational impairments and financial losses associated with failure by vendors to properly perform service functions, transferring business to a new vendor, assisting a vendor with rectifying operational difficulties or assuming previously outsourced operations ourselves. Our inability to provide for appropriate servicing if a vendor becomes unable to fulfill its contractual obligations to us, either through transitioning to another service provider temporarily or permanently or assuming servicing internally, may have a materially adverse effect on our business, results of operations and financial condition.

We are subject to capital adequacy requirements and, if we are unable to maintain or raise sufficient capital to meet these requirements, regulatory agencies may restrict or prohibit us from operating our business.

Insurance companies such as ours are subject to capital adequacy standards set by regulators to help identify companies that merit further regulatory attention. In the U.S., these standards apply specified risk factors to various asset, premium and reserve components of our legal entity statutory basis of accounting financial statements. For IAIGs, such as CNA, the standards also seek to quantify risk across the insurance group in order to assess group capital. Current rules, including those promulgated by insurance regulators and specialized markets, such as Lloyd's, require companies to maintain statutory capital and surplus at a specified minimum level determined using the applicable jurisdiction's regulatory capital adequacy formula. If we do not meet these minimum requirements, we may be restricted or prohibited from operating our business in the applicable jurisdictions and specialized markets. If we are required to record a material charge against earnings in connection with a change in estimated insurance reserves, or the occurrence of a catastrophic event or otherwise, or if we incur significant losses related to our investment portfolio, which severely deteriorates our capital position, we may violate these minimum capital adequacy requirements unless we are able to raise sufficient additional capital. We may be limited in our ability to raise significant amounts of capital on favorable terms or at all.

Our insurance subsidiaries, upon whom we depend for dividends in order to fund our corporate obligations, are limited by insurance regulators in their ability to pay dividends.

We are a holding company and are dependent upon dividends, loans and other sources of cash from our subsidiaries in order to meet our obligations. Ordinary dividend payments, or dividends that do not require prior approval by the insurance subsidiaries' domiciliary insurance regulator, are generally limited to amounts determined by formulas that vary by jurisdiction. If we are restricted from paying or receiving intercompany dividends, by regulatory rule or otherwise, we may not be able to fund our corporate obligations and debt service requirements or pay our stockholders dividends from available cash. As a result, we would need to pursue other sources of capital which may be more expensive or may not be available at all.

Rating agencies may downgrade their ratings of us, thereby adversely affecting our ability to write insurance at competitive rates or at all and increasing our cost of capital.

Ratings are an important factor in establishing the competitive position of insurance companies. Our insurance company subsidiaries, as well as our public debt, are rated by rating agencies, including, A.M. Best Company (A.M. Best), Moody's Investors Service, Inc. (Moody's), Standard & Poor's (S&P) and Fitch Ratings, Inc. (Fitch). Ratings reflect the rating agency's opinions of an insurance company's or insurance holding company's financial strength, capital adequacy, enterprise risk management practices, operating performance, strategic position and ability to meet its obligations to policyholders and debt holders, and may also reflect opinions on other areas such as information security and climate risk.

The rating agencies may take action to lower our ratings in the future as a result of any significant financial loss or changes in the methodology or criteria applied by the rating agencies. The severity of the impact on our business is dependent on the level of downgrade and, for certain products, which rating agency takes the rating action. Among the adverse effects in the event of such downgrades would be the inability to obtain a material volume of business from certain major insurance brokers, the inability to sell a material volume of our insurance products to certain markets and the required collateralization of certain future payment obligations or reserves. Further, if one or more of our corporate debt ratings were downgraded, we may find it more difficult to access the capital markets and we may incur higher borrowing costs.

In addition, it is possible that a significant lowering of the corporate debt ratings of Loews by certain of the rating agencies could result in an adverse effect on our ratings, independent of any change in our circumstances.

For further discussion of our ratings, see the Ratings subsection within the Liquidity and Capital Resources section of MD&A in Item 7.

We are subject to extensive existing state, local, federal and foreign governmental regulations that restrict our ability to do business and generate revenues; additional regulation or significant modification to existing regulations or failure to comply with regulatory requirements may have a materially adverse effect on our business, results of operations and financial condition.

The insurance industry is subject to comprehensive and detailed regulation and supervision. Most insurance regulations are designed to protect the interests of our policyholders and third-party claimants, rather than our investors. Each jurisdiction in which we do business has established supervisory agencies that regulate the manner in which we do business. Any changes in regulation could impose significant burdens on us. In addition, the Lloyd's marketplace sets rules under which its members, including our Hardy syndicate, operate.

These rules and regulations relate to, among other things, the standards of solvency (including risk-based capital measures), government-supported backstops for certain catastrophic events (including terrorism), investment restrictions, accounting and reporting methodology, establishment of reserves and potential assessments of funds to settle covered claims against impaired, insolvent or failed private or quasi-governmental insurers. In addition, rules and regulations are being introduced, or are being considered, in the areas of AI, information security and climate change, which may also affect our business. We also are subject to numerous regulations governing the protection of personal and confidential information of our customers and employees, including medical records, credit card data and financial information. These laws and regulations, including regulations related to cybersecurity protocols (which continue to evolve in breadth, sophistication and maturity in response to an ever-evolving threat landscape), are increasing in complexity and number, change frequently, sometimes conflict, and could expose us to significant monetary damages, regulatory enforcement actions, fines and/or criminal prosecution in one or more jurisdictions. Regulators at the federal, state and international level have adopted or may adopt new regulations related to, among other matters, climate change and greenhouse emissions, and could impose new regulations requiring disclosure of underwriting or investment in certain industry sectors.

Regulatory powers also extend to premium rate regulations which require that rates not be excessive, inadequate or unfairly discriminatory. State jurisdictions ensure compliance with such regulations through market conduct exams, which may result in losses to the extent non-compliance is ascertained, either as a result of failure to document transactions properly, failure to comply with internal guidelines or otherwise. The jurisdictions in which we do business may also require us to provide coverage to persons whom we would not otherwise consider eligible or restrict us from withdrawing from unprofitable lines of business or unprofitable market areas. Each jurisdiction dictates the types of insurance and the level of coverage that must be provided to such involuntary risks. Our share of these involuntary risks is mandatory and generally a function of our respective share of the voluntary market by line of insurance in each jurisdiction.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

CNA's information security and data privacy programs are designed to protect the confidentiality of nonpublic, sensitive personal and business information and the integrity and security of our information systems. These programs include processes that provide guidance for information security decision-making and risk management, and include standards to promote understanding and compliance with applicable laws and regulations. Administrative and technical safeguards that seek to mitigate cybersecurity threats and secure the Company's information assets are also addressed on a risk-based basis. We have designed our enterprise-wide information security programs consistent with industry standards using the National Institute of Standards and Technology Cybersecurity Framework. These programs include processes implemented within our third-party risk management unit designed to identify, mitigate and monitor cybersecurity risk relating to vendors, suppliers and external partners who have access to our confidential information or our information systems. CNA engages both internal auditors and third-party information security experts in connection with reviewing the foregoing processes.

CNA monitors information security metrics globally. To elevate this information within the organization, our Chief Risk & Reinsurance Officer (CRRO) and Chief Compliance Officer (CCO) present cybersecurity reports and metrics to the Audit Committee of our Board of Directors every quarter. Reports address security events, third-party risk and vulnerabilities, including material risks from cybersecurity threats, and any significant unauthorized occurrences. These discussions are part of our overall enterprise risk management and also take place on at least an annual basis with the full Board of Directors, which is responsible for overseeing material risks, including cybersecurity risk, on an enterprise-wide basis.

At the senior management level, our Global Chief Security Officer (CSO) oversees CNA's information security and data privacy programs and is responsible for establishing and implementing the security strategy alongside the Chief Information Officer (CIO), to whom the CSO reports directly. The CIO serves on the Enterprise Risk Committee, which is chaired by the CRRO.

The CSO leads the Information Security group within Information Technology, which manages the controls designed to identify, detect, protect against, respond to and recover from cybersecurity threats and cybersecurity incidents. This group includes a cyber defense team that is responsible for information technology security monitoring and incident response activities, including the response coordination to cyber-attacks. The Company engages in a continuous risk monitoring process that seeks to identify the likelihood and impact of internal and external threats to our information security systems and data, and assesses the sufficiency of the controls in place to mitigate these threats to acceptable levels on a risk-based basis. The CSO and CIO together lead efforts to design, implement and operate controls deemed necessary, commensurate with the materiality and criticality of identified risks and the sensitivity of the information assets and systems used throughout the organization. Our current CSO has a bachelor's degree in Computer Information Systems and a master's degree in Cybersecurity, and has over 20 years of experience building and executing information and cybersecurity strategies. Prior to joining CNA, our CIO served in a variety of roles at another major U.S. insurance company, both in business and technology, and has over 20 years of experience working with major U.S. Property & Casualty insurers.

Threats of security incidents and the impact of actual security incidents are initially assessed and managed by the CSO and CIO. CNA has further implemented response plans that provide the basis for appropriate response to an unauthorized occurrence from a technical perspective, as well as from disclosure and regulatory perspectives.

These response plans also set forth the processes for internal reporting of a substantive unauthorized occurrence. The CSO reports such matters to the CIO and CCO, who is responsible for convening a team of cross-enterprise leaders to ensure comprehensive responsiveness to an occurrence. This group also analyzes unauthorized occurrences affecting CNA's or third parties' IT systems or sensitive information, and directs the activities of CNA in responding to such incidents.

In addition, the group, under the leadership of the CCO, undertakes the appropriate internal notifications of any such occurrence, and responsive activities, to the General Counsel, Chief Executive Officer, Chief Financial Officer and Board of Directors, with executive management involvement in the same to the extent appropriate in the context of the nature of such occurrence.

To date, no risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect the Company. Please refer to "Any significant interruption in the operation of our business functions, facilities or systems or our vendors' facilities or systems could result in a materially adverse effect on our operations" and "Any significant breach in our data security infrastructure or our vendors' facilities or systems could disrupt business, cause financial losses and damage our reputation, and insurance coverage may not be available for claims related to a breach" under Item 1A Risk Factors.

ITEM 2. PROPERTIES

We lease our principal executive offices in Chicago, Illinois, as well as other offices throughout the U.S., including in New York. We also lease offices in Canada, the U.K., Belgium, Denmark, France, Germany, Italy, Luxembourg and the Netherlands.

We consider our properties to be in generally good condition and suitable to carry on our business.

ITEM 3. LEGAL PROCEEDINGS

Information on our legal proceedings is set forth in Note G to the Consolidated Financial Statements included under Item 8.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

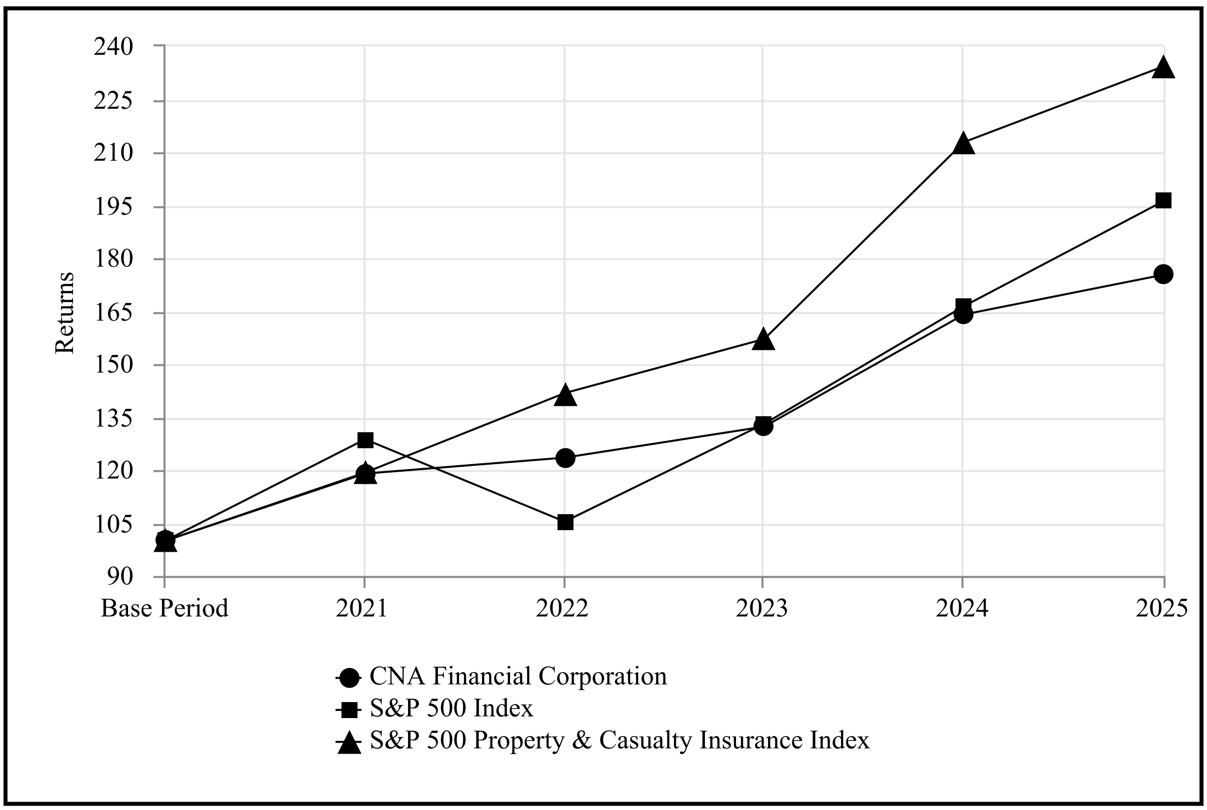
Our common stock is listed on the New York Stock Exchange and the NYSE Texas under the symbol CNA.

As of February 6, 2026, we had 270,673,371 shares of common stock outstanding and approximately 92% of our outstanding common stock was owned by Loews. We had 698 stockholders of record as of February 6, 2026 according to the records maintained by our transfer agent.

Our Board of Directors has approved an authorization to purchase, in the open market or through privately negotiated transactions, our outstanding common stock, as our management deems appropriate. No repurchases of our common stock were made in the three months ended December 31, 2025.

The following graph compares the five-year total return of our common stock, the Standard & Poor's 500 (S&P 500) Index and the S&P 500 Property & Casualty Insurance Index. The graph assumes that the value of the investment in our common stock and each index was $100 at the base period, January 1, 2021, and that dividends, if any, were reinvested in the stock or index.

Company / Index	Base Period	2021	2022	2023	2024	2025
CNA Financial Corporation	$ 100.00	$ 119.00	$ 123.52	$ 132.31	$ 164.05	$ 175.31
S&P 500 Index	100.00	128.71	105.40	133.10	166.40	196.16
S&P 500 Property & Casualty Insurance Index	100.00	119.28	141.79	157.12	212.86	234.32



ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

2024 Compared with 2023

This section of this Form 10-K generally discusses 2025 and 2024 results and year-to-year comparisons between 2025 and 2024. A discussion of changes in our results of operations from 2024 to 2023 has been omitted from this Form 10-K, but may be found in "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Form 10-K for the year ended December 31, 2024, filed with the SEC on February 11, 2025.

Index to this MD&A

Management's discussion and analysis of financial condition and results of operations is comprised of the following sections:

OVERVIEW

The following discussion should be read in conjunction with Part I, Item 1A Risk Factors and Part II, Item 8 Financial Statements and Supplementary Data of this Form 10-K.

CRITICAL ACCOUNTING ESTIMATES

The preparation of Consolidated Financial Statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the amount of revenues and expenses reported during the period. Actual results may differ from those estimates.

Our Consolidated Financial Statements and accompanying notes have been prepared in accordance with GAAP applied on a consistent basis. We continually evaluate the accounting policies and estimates used to prepare the Consolidated Financial Statements. In general, our estimates are based on historical experience, evaluation of current trends, information from third-party professionals and various other assumptions that are believed to be reasonable under the known facts and circumstances.

The accounting estimates discussed below are considered by us to be critical to an understanding of our Consolidated Financial Statements as their application places the most significant demands on our judgment. Note A to the Consolidated Financial Statements included under Item 8 should be read in conjunction with this section to assist with obtaining an understanding of the underlying accounting policies related to these estimates. Due to the inherent uncertainties involved with these types of judgments, actual results could differ significantly from our estimates and may have a material adverse impact on our results of operations, financial condition, equity, business, and insurer financial strength and corporate debt ratings.

Insurance Reserves

Insurance reserves are established for both short and long-duration insurance contracts. Short-duration contracts are primarily related to property and casualty insurance policies where the reserving process is based on actuarial estimates of the amount of loss, including amounts for known and unknown claims. Long-duration contracts are primarily related to long-term care policies and the reserves are recorded as Future policy benefits reserves as discussed below. The reserve for unearned premiums represents the portion of premiums written related to the unexpired terms of coverage. If our recorded reserves are insufficient to cover our estimated ultimate unpaid liability, we may need to increase our insurance reserves. The reserving process is discussed in further detail in the Reserves - Estimates and Uncertainties section below.

Long-Term Care Reserves

Future policy benefits reserves for our long-term care policies are based on certain actuarial assumptions, including morbidity, persistency, premium rate actions and expenses. The adequacy of the reserves is contingent upon actual experience and our future expectations related to these key assumptions. If actual or expected future experience differs from these assumptions, the reserves may not be adequate, requiring us to increase reserves. The reserves are discounted using upper-medium grade fixed income instrument yields as of each reporting date. The reserving process is discussed in further detail in the Reserves - Estimates and Uncertainties section below.

Valuation of Investments and Impairment of Securities

Our fixed maturity and equity securities are carried at fair value on the balance sheet. Fair value represents the price that would be received in a sale of an asset in an orderly transaction between market participants on the measurement date, the determination of which may require us to make a significant number of assumptions and judgments. Securities with the greatest level of subjectivity around valuation are those that rely on inputs that are significant to the estimated fair value and that are not observable in the market or cannot be derived principally from or corroborated by observable market data. These unobservable inputs are based on assumptions consistent with what we believe other market participants would use to price such securities. Further information on our fair value measurements is in Note C to the Consolidated Financial Statements included under Item 8.

Our fixed maturity securities are subject to market declines below amortized cost that may result in the recognition of impairment losses in earnings. Factors considered in the determination of whether or not an impairment loss is recognized in earnings include a current intention or need to sell the security or an indication that a credit loss exists. Significant judgment is required in the determination of whether a credit loss has occurred for a security. We consider all available evidence when determining whether a security requires a credit allowance to be recorded, including the financial condition and expected near-term and long-term prospects of the issuer, whether the issuer is current with interest and principal payments, credit ratings on the security or changes in ratings over time, general market conditions, industry, sector or other specific factors and whether we expect to receive cash flows sufficient to recover the entire amortized cost basis of the security.

Our mortgage loan portfolio is subject to the expected credit loss model, which requires immediate recognition of estimated credit losses over the life of the asset and the presentation of the asset at the net amount expected to be collected. Significant judgment is required in the determination of estimated credit losses and any changes in our expectation of the net amount to be collected are recognized in earnings.

Further information on our process for evaluating impairments and expected credit losses is in Note A to the Consolidated Financial Statements included under Item 8.

RESERVES - ESTIMATES AND UNCERTAINTIES

The level of reserves we maintain represents our best estimate, as of a particular point in time, of what the ultimate settlement and administration of claims will cost based on our assessment of facts and circumstances known at that time. Reserves are not an exact calculation of liability but instead are complex estimates that we derive, generally utilizing a variety of actuarial reserve estimation techniques, from numerous assumptions and expectations about future events, both internal and external, many of which are highly uncertain. As noted below, we review our reserves for each segment of our business periodically, and any such review could result in the need to increase reserves in amounts which could be material and could adversely affect our results of operations, equity, business and insurer financial strength and corporate debt ratings. Further information on reserves is provided in Note E and F to the Consolidated Financial Statements included under Item 8.

Property and Casualty Claim and Claim Adjustment Expense Reserves

We maintain loss reserves to cover our estimated ultimate unpaid liability for claim and claim adjustment expenses, including the estimated cost of the claims adjudication process, for claims that have been reported but not yet settled (case reserves) and claims that have been incurred but not reported (IBNR). IBNR includes a provision for development on known cases as well as a provision for late reported incurred claims. Claim and claim adjustment expense reserves are reflected as liabilities and are included on the Consolidated Balance Sheets under the heading “Insurance Reserves.” Adjustments to prior year reserve estimates, if necessary, are reflected in results of operations in the period that the need for such adjustments is determined. The carried case and IBNR reserves as of each balance sheet date are provided in the Segment Results section of this MD&A and in Note E to the Consolidated Financial Statements included under Item 8.

As discussed in the Risk Factors discussion within Item 1A, there is a risk that our recorded reserves are insufficient to cover our estimated ultimate unpaid liability for claims and claim adjustment expenses. Unforeseen emerging or potential claims and coverage issues are also difficult to predict and could materially adversely affect the adequacy of our claim and claim adjustment expense reserves and could lead to future reserve increases.

In addition, our property and casualty insurance subsidiaries also have actual and potential exposures related to A&EP claims, which could result in material losses. To mitigate the risks posed by our exposure to A&EP claims and claim adjustment expenses, we completed a transaction with NICO under which substantially all of our legacy A&EP liabilities were ceded to NICO effective January 1, 2010. See Note E to the Consolidated Financial Statements included under Item 8 for further discussion about the transaction with NICO, its impact on our results of operations and the deferred retroactive reinsurance gains and the amount of remaining reinsurance limit.

Establishing Property & Casualty Reserve Estimates

In developing claim and claim adjustment expense reserve estimates, our actuaries perform detailed reserve analyses that are staggered throughout the year. The data is organized at a reserve group level. A reserve group typically can be a line of business covering a subset of insureds such as commercial automobile liability for small or middle market customers or it can be a particular type of claim such as construction defect. Every reserve group is reviewed at least once during the year, but most are reviewed more frequently. The analyses generally review losses gross of ceded reinsurance and apply the ceded reinsurance terms to the gross estimates to establish estimates net of reinsurance. In addition to the detailed analyses, we review actual loss emergence for all products each quarter.

Most of our business can be characterized as long-tail. For long-tail business, it will generally be several years between the time the business is written and the time when all claims are settled. Our long-tail exposures include commercial automobile liability, workers' compensation, general liability, medical professional liability, other professional liability and management liability coverages, assumed reinsurance run-off and products liability. Short-tail exposures include property, commercial automobile physical damage, marine, surety and warranty. Specialty, Commercial and International contain both long-tail and short-tail exposures. Corporate & Other contains run-off long-tail exposures.

Various methods are used to project ultimate losses for both long-tail and short-tail exposures.

The paid development method estimates ultimate losses by reviewing paid loss patterns and applying them to accident or policy years with further expected changes in paid losses. Selection of the paid loss pattern may require consideration of several factors, including the impact of economic, social and medical inflation on claim costs, the rate at which claims professionals make claim payments and close claims, the impact of judicial decisions, the impact of underwriting changes, the impact of large claim payments and other factors. Claim cost inflation itself may require evaluation of changes in the cost of repairing or replacing property, changes in the cost of medical care, changes in the cost of wage replacement, judicial decisions, legislative changes and other factors. Because this method assumes that losses are paid at a consistent rate, changes in any of these factors can affect the results. Since the method does not rely on case reserves, it is not directly influenced by changes in their adequacy.

For many reserve groups, paid loss data for recent periods may be too immature or erratic for accurate predictions. This situation often exists for long-tail exposures. In addition, changes in the factors described above may result in inconsistent payment patterns. Finally, estimating the paid loss pattern subsequent to the most mature point available in the data analyzed often involves considerable uncertainty for long-tail products such as workers' compensation.

The incurred development method is similar to the paid development method, but it uses case incurred losses instead of paid losses. Since the method uses more data (case reserves in addition to paid losses) than the paid development method, the incurred development patterns may be less variable than paid patterns. However, selection of the incurred loss pattern typically requires analysis of all of the same factors described above. In addition, the inclusion of case reserves can lead to distortions if changes in case reserving practices have taken place, and the use of case incurred losses may not eliminate the issues associated with estimating the incurred loss pattern subsequent to the most mature point available.

The loss ratio method multiplies earned premiums by an expected loss ratio to produce ultimate loss estimates for each accident or policy year. This method may be useful for immature accident or policy periods or if loss development patterns are inconsistent, losses emerge very slowly or there is relatively little loss history from which to estimate future losses. The selection of the expected loss ratio typically requires analysis of loss ratios from earlier accident or policy years or pricing studies and analysis of inflationary trends, frequency trends, rate changes, underwriting changes and other applicable factors.

The Bornhuetter-Ferguson method using paid loss is a combination of the paid development method and the loss ratio method. This method normally determines expected loss ratios similar to the approach used to estimate the expected loss ratio for the loss ratio method and typically requires analysis of the same factors described above. This method assumes that future losses will develop at the expected loss ratio level. The percent of paid loss to ultimate loss implied from the paid development method is used to determine what percentage of ultimate loss is yet to be paid. The use of the pattern from the paid development method typically requires consideration of the same factors listed in the description of the paid development method. The estimate of losses yet to be paid is added to current paid losses to estimate the ultimate loss for each year. For long-tail lines, this method will react very slowly if actual ultimate loss ratios are different from expectations due to changes not accounted for by the expected loss ratio calculation.

The Bornhuetter-Ferguson method using incurred loss is similar to the Bornhuetter-Ferguson method using paid loss except that it uses case incurred losses. The use of case incurred losses instead of paid losses can result in development patterns that are less variable than paid patterns. However, the inclusion of case reserves can lead to distortions if changes in case reserving have taken place, and the method typically requires analysis of the same factors that need to be reviewed for the loss ratio and incurred development methods.

The frequency times severity method multiplies a projected number of ultimate claims by an estimated ultimate average loss for each accident or policy year to produce ultimate loss estimates. Since projections of the ultimate number of claims are often less variable than projections of ultimate loss, this method can provide more reliable results for reserve groups where loss development patterns are inconsistent or too variable to be relied on exclusively. In addition, this method can more directly account for changes in coverage that affect the number and size of claims. However, this method can be difficult to apply to situations where very large claims or a substantial number of unusual claims result in volatile average claim sizes. Projecting the ultimate number of claims may require analysis of several factors, including the rate at which policyholders report claims to us, the impact of judicial decisions, the impact of underwriting changes and other factors. Estimating the ultimate average loss may require analysis of the impact of large losses and claim cost trends based on changes in the cost of repairing or replacing property, changes in the cost of medical care, changes in the cost of wage replacement, judicial decisions, legislative changes and other factors.

Stochastic modeling produces a range of possible outcomes based on varying assumptions related to the particular reserve group being modeled. For some reserve groups, we use models which rely on historical development patterns at an aggregate level, while other reserve groups are modeled using individual claim variability assumptions supplied by the claims department. In either case, multiple simulations using varying assumptions are run and the results are analyzed to produce a range of potential outcomes. The results will typically include a mean and percentiles of the possible reserve distribution which aid in the selection of a point estimate.

For many exposures, especially those that can be considered long-tail, a particular accident or policy year may not have a sufficient volume of paid losses to produce a statistically reliable estimate of ultimate losses. In such a case, our actuaries typically assign more weight to the incurred development method than to the paid development method. As claims continue to settle and the volume of paid loss increases, the actuaries may assign additional weight to the paid development method. For most of our products, even the incurred losses for accident or policy years that are early in the claim settlement process will not be of sufficient volume to produce a reliable estimate of ultimate losses. In these cases, we may not assign much, if any, weight to the paid and incurred development methods. We may use the loss ratio, Bornhuetter-Ferguson and/or frequency times severity methods. For short-tail exposures, the paid and incurred development methods can often be relied on sooner, primarily because our history includes a sufficient number of years to cover the entire period over which paid and incurred losses are expected to change. However, we may also use the loss ratio, Bornhuetter-Ferguson and/or frequency times severity methods for short-tail exposures.

For other more complex reserve groups where the above methods may not produce reliable indications, we use additional methods tailored to the characteristics of the specific situation.

Periodic Reserve Reviews

The reserve analyses performed by our actuaries result in point estimates. Each quarter, the results of the detailed reserve reviews are summarized and discussed with senior management to determine the best estimate of reserves. Senior management considers many factors in making this decision. Our recorded reserves reflect our best estimate as of a particular point in time based upon known facts and circumstances, consideration of the factors cited above and our judgment. The carried reserve differs from the actuarial point estimate as discussed further below.

Currently, our recorded reserves are modestly higher than the actuarial point estimate. For Commercial, Specialty and International, the difference between our reserves and the actuarial point estimate is primarily driven by uncertainty with respect to immature accident years, claim cost inflation, changes in claims handling, changes to the tort environment which may adversely affect claim costs and the effects from the economy. For Corporate & Other, the difference between our reserves and the actuarial point estimate is primarily driven by the potential tail volatility of run-off exposures.

The key assumptions fundamental to the reserving process often vary for different reserve groups and accident or policy years. Some of these assumptions are explicit and required by specific methods, while most are implicit and cannot be precisely quantified. An example of an explicit assumption is the pattern used in the paid or incurred development method. However, this pattern is based on several implicit assumptions, such as the impact of inflation on claim costs and the rate at which claim professionals make claim payments and close claims. Consequently, the effect of changes in assumptions on reserve estimates typically cannot be specifically quantified, and these changes cannot be tracked over time.

Our recorded reserves are management's best estimate. To indicate the variability associated with our recorded reserves, the following discussion provides a sensitivity analysis showing the approximate estimated impact of variations in significant factors affecting our reserve estimates for particular types of business. These significant factors are those we believe could most likely materially affect the reserves. This discussion covers the major types of business for which we believe a material deviation in our reserves is reasonably possible. There can be no assurance that actual experience will be consistent with the current assumptions or with the variation indicated in the discussion. Additionally, there can be no assurance that other factors and assumptions will not have a material impact on our reserves.

The areas for which we believe a significant deviation to our recorded reserves is reasonably possible are (i) medical professional liability; (ii) other professional liability and management liability; (iii) general liability; (iv) workers' compensation, and (v) commercial automobile liability.

Medical professional liability, other professional liability and management liability, and general liability all have long development patterns with relatively immature paid data. This requires considerable judgment regarding development to ultimate losses and inherent risks due to economic, social and medical inflation, as well as legal fees, judicial decisions, legislative changes and other factors. The following table reflects the impact on our recorded reserves (which could be favorable or unfavorable) of changing the ultimate losses by one percentage point in the long-tail development:

	As of December 31, 2025	Impact	
	Recorded Reserve (In billions)	**Amount (+/-)** (In millions)	**Percent (+/-)**
Medical Professional Liability	$ 1.5	$ 120	8.0 %
Other Professional Liability and Management Liability	4.1	240	6.0
General Liability	4.8	280	6.0

Workers' compensation also requires considerable judgment given its long development pattern and the impacts of medical inflation, the cost of wage replacement, expected claimant lifetimes, judicial decisions, legislative changes and other factors. Adjusting the ultimate losses by one percentage point change in the long-tail development would increase or decrease the recorded reserve of $3.5 billion as of December 31, 2025 by approximately $240 million, or 7% of the recorded reserves.

Commercial automobile liability is also considered long-tail; however, the frequency of claims and severity of loss assumptions for the latest few accident years are significantly influenced by social and economic inflation, driving habits and attorney involvement. If these trends accelerate beyond expectations, there may be significant deviation in our recorded reserves. Our recorded reserves for commercial automobile liability were $1.6 billion as of December 31, 2025. The following table reflects the impact on our recorded reserves of increasing the frequency and severity assumptions in the ultimate commercial automobile liability losses on the three most recent accident years:

(In millions, except frequency and severity assumptions)	Severity		
Frequency	**2.5%**	**5.0%**	**7.5%**
—%	$ 50	$ 90	$ 140
1.0%	70	110	160
2.0%	90	130	180

Given the factors described above, it is not possible to quantify precisely the ultimate exposure represented by claims and related litigation. As a result, we regularly review the adequacy of our reserves and reassess our reserve estimates as historical loss experience develops, additional claims are reported and settled and additional information becomes available in subsequent periods. In reviewing our reserve estimates, we make adjustments in the period that the need for such adjustments is determined. These reviews have resulted in our identification of information and trends that have caused us to change our reserves in prior periods and could lead to our identification of a need for additional material increases or decreases in claim and claim adjustment expense reserves, which could materially affect our results of operations, equity, business and insurer financial strength and corporate debt ratings positively or negatively. See discussion within Note E to the Consolidated Financial Statements included under Item 8 for additional information about reserve development and the Ratings section of this MD&A for further information regarding our financial strength and corporate debt ratings.

Life & Group Policyholder Reserves

Our Life & Group segment includes our run-off long-term care business as well as structured settlement obligations not funded by annuities related to certain property and casualty claimants. Long-term care policies may provide benefits for nursing homes, assisted living facilities and home health care subject to various daily and lifetime caps. Generally, policyholders must continue to make periodic premium payments to keep the policy in force and we have the ability to increase policy premiums, subject to state regulatory approval.

We maintain future policy benefit reserves for our long-term care policies. Future policy benefit reserves for long-term care policies relate to policyholders that are currently receiving benefits, including claims that have been incurred but are not yet reported, as well as policyholders that are not yet receiving benefits. In developing the future policy benefit reserves, our actuaries perform a reserve review on an annual basis. During the annual review, historical policyholder morbidity, persistency, premium rate actions and expense experience is reviewed and compared to the current best estimate actuarial assumption set for potential revision. On a quarterly basis, our actuaries perform experience studies that monitor the appropriateness of best estimate actuarial assumptions against emerging experience to assess whether any updates to those assumptions are warranted. The determination of these reserves requires management to make estimates and assumptions about expected policyholder experience over the remaining life of the policies. Since policies may be in force for several decades, these assumptions are subject to significant estimation risk. Future policy benefit reserves are discounted as discussed in Note A to the Consolidated Financial Statements included under Item 8.

In addition, claim and claim adjustment expense reserves are maintained for our structured settlement obligations. In developing the claim and claim adjustment expense reserve estimates for our structured settlement obligations, our actuaries monitor mortality and expense experience on an annual basis. Our recorded claim and claim adjustment expense reserves reflect management's best estimate after incorporating the results of the most recent reviews. Claim and claim adjustment expense reserves for structured settlement obligations are discounted as discussed in Note A to the Consolidated Financial Statements included under Item 8.

The actuarial assumptions related to future policy benefit reserves for long-term care policies that management believes are subject to the most variability are morbidity, persistency and premium rate actions. Morbidity is the frequency and severity of injury, illness, sickness and diseases contracted. Persistency is the percentage of policies remaining in force and can be affected by policy lapses, benefit reductions and death. Premium rate actions are generally subject to regulatory approval, and therefore the exact timing and size of the approved rate increases are unknown. As a result of this variability, our long-term care reserves may be subject to material increases if actual experience develops adversely to our expectations.

The table below summarizes the estimated pretax impact on our results of operations from various hypothetical revisions to our liability for future policyholder benefits (LFPB) reserve assumptions. We have assumed that revisions to such assumptions would occur in each policy type, age and duration within each long-term care product. The impact of each sensitivity is discrete and does not reflect the impact one factor may have on another or the mitigating impact from management actions, which may include additional premium rate actions. Although such hypothetical revisions are not currently required or anticipated, we believe they could occur based on past variances in experience and our expectations of the ranges of future experience that could reasonably occur. Any actual adjustment would be dependent on the specific policies affected and, therefore, may differ from the estimates summarized below. The estimated impacts to results of operations in the table below are after consideration of any net premium ratio impacts.

Hypothetical revisions (In millions)		**Estimated reduction to pretax income**
Morbidity:		
2.5% increase in morbidity	$	300
5% increase in morbidity		620
Persistency:		
5% decrease in active life mortality and lapse	$	180
10% decrease in active life mortality and lapse		350
Premium Rate Actions:		
25% decrease in anticipated future premium rate increases	$	30
50% decrease in anticipated future premium rate increases		50

As part of the annual reserve review completed in the third quarter of each year, statutory long-term care reserve adequacy is evaluated via premium deficiency testing, by comparing carried statutory reserves with our best estimate reserves, which incorporates best estimate discount rate and liability assumptions in its determination. Statutory margin is the excess of carried reserves over best estimate reserves. As of September 30, 2025, statutory long-term care margin increased to $1.5 billion from $1.4 billion.

CATASTROPHES AND RELATED REINSURANCE

Various events can cause catastrophe losses. These events can be natural or man-made, including hurricanes, tornadoes, windstorms, earthquakes, hail, severe winter weather, fires, floods, riots, strikes, civil unrest, cyber-attacks, pandemics and acts of terrorism that produce unusually large aggregate losses. In most, but not all cases, our catastrophe losses from these events in the United States of America (U.S.) are defined consistent with the definition of the Property Claims Service (PCS). PCS defines a catastrophe as an event that causes damage of $25 million or more in direct insured losses to property and affects a significant number of policyholders and insurers. For events outside of the U.S., we define a catastrophe as an industry recognized event that generates an accumulation of claims amounting to more than $1 million for the International segment.

Catastrophes are an inherent risk of the property and casualty insurance business and have contributed to material period-to-period fluctuations in our results of operations and/or equity. We reported catastrophe losses, net of reinsurance, of $240 million and $358 million for the years ended December 31, 2025 and 2024. Catastrophe losses for the years ended December 31, 2025 and 2024 were driven by severe weather related events, including $64 million for the California wildfires in 2025 and $71 million for Hurricane Helene and $33 million for Hurricane Milton in 2024.

We use various analyses and methods, including using one of the industry standard natural catastrophe models, to estimate hurricane and earthquake losses at various return periods and to inform underwriting and reinsurance decisions designed to manage our exposure to catastrophic events. We generally seek to manage our exposure through the purchase of catastrophe reinsurance and utilize various reinsurance programs to mitigate catastrophe losses, including excess-of-loss occurrence and aggregate treaties covering property and workers' compensation, a property quota share treaty and the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA), as well as individual risk agreements that reinsure from losses from specific classes or lines of business. We conduct an ongoing review of our risk and catastrophe reinsurance coverages and from time to time make changes as we deem appropriate.

The following discussion summarizes our most significant catastrophe reinsurance coverage at January 1, 2026.

Group North American Property Treaty

We purchased corporate catastrophe excess-of-loss treaty reinsurance covering our U.S. states and territories and Canadian property exposures underwritten in our North American and European companies. The treaty has a term of June 1, 2025 to June 1, 2026 and provides coverage for the accumulation of covered losses from catastrophe occurrences above our per occurrence retention of $275 million up to $1.4 billion for all losses. Losses stemming from terrorism events are covered unless they are due to a nuclear, biological, chemical or radiation event. All layers of the treaty provide for one full reinstatement.

Group Workers' Compensation Treaty

We also purchased corporate workers' compensation catastrophe excess-of-loss treaty reinsurance for the period January 1, 2026 to January 1, 2027 providing $275 million of coverage for the accumulation of covered losses related to natural catastrophes above our per occurrence retention of $25 million. The treaty also provides $775 million of coverage for the accumulation of covered losses related to terrorism events above our per occurrence retention of $25 million. Of the $775 million in terrorism coverage, $200 million is provided for nuclear, biological, chemical and radiation events. All layers of the treaty provide for one full reinstatement.

Terrorism Risk Insurance Program Reauthorization Act of 2019

Our principal reinsurance protection against large-scale terrorist attacks, including nuclear, biological, chemical or radiation events, is the coverage currently provided through TRIPRA which runs through the end of 2027. TRIPRA provides a U.S. government backstop for insurance-related losses resulting from any "act of terrorism," which is certified by the Secretary of Treasury in consultation with the Secretary of Homeland Security and the U.S. Attorney General for losses that exceed a threshold of $200 million industry-wide for the calendar year 2026. Under the current provisions of the program, in 2026, the federal government will reimburse 80% of our covered losses in excess of our applicable deductible up to a total industry program cap of $100 billion. Our deductible is based on eligible commercial property and casualty earned premiums for the preceding calendar year. Based on 2025 earned premiums, our estimated deductible under the program is

$1.4 billion for 2026. If an act of terrorism or acts of terrorism result in covered losses exceeding the $100 billion annual industry aggregate limit, Congress would be responsible for determining how additional losses in excess of $100 billion will be paid.

CONSOLIDATED OPERATIONS

Results of Operations

The following table includes the consolidated results of our operations including our financial measure, core income (loss). For more detailed components of our business operations and a discussion of the core income (loss) financial measure, see the Segment Results section within this MD&A. For further discussion of Net investment income and Net investment gains or losses, see the Investments section of this MD&A.

Years ended December 31 (In millions)	**2025**	**2024**
Operating Revenues		
Net earned premiums	$ 10,900	$ 10,211
Net investment income	2,557	2,497
Non-insurance warranty revenue	1,577	1,609
Other revenues	36	34
Total operating revenues	15,070	14,351
Claims, Benefits and Expenses		
Net incurred claims and benefits (re-measurement loss of $104 and $125)	8,258	7,704
Policyholders' dividends	36	34
Amortization of deferred acquisition costs	1,898	1,798
Non-insurance warranty expense	1,526	1,547
Insurance related administrative expenses	1,349	1,275
Interest expense	135	133
Other expenses	167	197
Total claims, benefits and expenses	13,369	12,688
Income tax expense on core income	(359)	(347)
Core income	1,342	1,316
Net investment losses	(81)	(81)
Income tax benefit on net investment losses	17	17
Net investment losses, after tax	(64)	(64)
Pension settlement transaction losses	—	(371)
Income tax benefit on pension settlement transaction losses	—	78
Pension settlement transaction losses, after tax	—	(293)
Net income	$ 1,278	$ 959

2025 Compared with 2024

Net income was $1,278 million for 2025 as compared with $959 million for 2024, which included a $293 million after-tax loss from pension settlement transactions. Pension settlement transactions are further discussed in Note J to the Consolidated Financial Statements included under Item 8. Core income increased $26 million in 2025 as compared with 2024. Core income for our Property & Casualty Operations increased $115 million driven by improved current accident year underwriting results and higher net investment income partially offset by unfavorable net prior period development. Core loss for our Life & Group segment increased $21 million, while core loss for our Corporate & Other segment increased $68 million.

Catastrophe losses were $240 million and $358 million for 2025 and 2024. Catastrophe losses for 2025 and 2024 were driven by severe weather related events, including $64 million for the California wildfires in 2025 and $71 million for Hurricane Helene and $33 million for Hurricane Milton in 2024. Unfavorable net prior year loss reserve development of $185 million and $48 million was recorded in 2025 and 2024 related to our Specialty, Commercial, International and Corporate & Other segments. Further information on net prior year loss reserve development is in Note E to the Consolidated Financial Statements included under Item 8.

SEGMENT RESULTS

The following discusses the results of operations for our business segments.

Our property and casualty commercial insurance operations are managed and reported in three business segments: Specialty, Commercial and International, which we refer to collectively as Property & Casualty Operations. Specialty provides management and professional liability and other coverages through property and casualty products and services using a network of retail and wholesale brokers, independent agents and managing general underwriters. Commercial works with a network of retail and wholesale brokers and independent agents to market a broad range of property and casualty insurance products to all types of insureds targeting small business, construction, middle market and other commercial customers. The International segment underwrites property and casualty coverages on a global basis through a branch operation in Canada, a European business consisting of insurance companies based in the U.K. and Luxembourg and Hardy, our Lloyd's syndicate.

Our operations outside of Property & Casualty Operations are managed and reported in two segments: Life & Group and Corporate & Other. Life & Group primarily includes the results of our long-term care business that is in run-off. Corporate & Other primarily includes certain corporate expenses, including interest on corporate debt, and the results of certain property and casualty businesses in run-off, including A&EP, a legacy portfolio of excess workers' compensation (EWC) policies and certain legacy mass tort reserves. Intersegment eliminations are also included in this segment.

We utilize the core income (loss) financial measure to monitor our operations. Core income (loss) is calculated by excluding from net income (loss) the after-tax effects of net investment gains or losses and gains or losses resulting from pension settlement transactions. Net investment gains or losses are excluded from the calculation of core income (loss) because they are generally driven by economic factors that are not necessarily reflective of our primary operations. The calculation of core income (loss) excludes gains or losses resulting from pension settlement transactions as they result from decisions regarding our defined benefit pension plans which are unrelated to our primary operations. Presentation of consolidated core income (loss) is deemed to be a non-GAAP financial measure and management believes some investors may find this measure useful to evaluate our primary operations. See further discussion regarding how we manage our business in Note N to the Consolidated Financial Statements included under Item 8. For reconciliations of non-GAAP measures to the most comparable GAAP measures and other information, please see below and in Note N to the Consolidated Financial Statements included under Item 8.

In evaluating the results of our Specialty, Commercial and International segments, we utilize the loss ratio, the underlying loss ratio, the expense ratio, the dividend ratio, the combined ratio and the underlying combined ratio. These ratios are calculated using GAAP financial results. The loss ratio is the percentage of net incurred claim and claim adjustment expenses to net earned premiums. The underlying loss ratio excludes the impact of catastrophe losses and development-related items from the loss ratio. Development-related items represents net prior year loss reserve and premium development, and includes the effects of interest accretion and change in allowance for uncollectible reinsurance. The expense ratio is the percentage of insurance underwriting and acquisition expenses, including the amortization of deferred acquisition costs, to net earned premiums. The dividend ratio is the ratio of policyholders' dividends incurred to net earned premiums. The combined ratio is the sum of the loss ratio, the expense ratio and the dividend ratio. The underlying combined ratio is the sum of the underlying loss ratio, the expense ratio and the dividend ratio. The underlying loss ratio and the underlying combined ratio are deemed to be non-GAAP financial measures, and management believes some investors may find these ratios useful to evaluate our underwriting performance since they remove the impact of catastrophe losses which are unpredictable as to timing and amount, and development-related items as they are not indicative of our current year underwriting performance.

Changes in estimates of claim and claim adjustment expense reserves, net of reinsurance, for prior years are defined as net prior year loss reserve development within this MD&A. These changes can be favorable or unfavorable. Net prior year loss reserve development does not include the effect of any related acquisition expenses. Further information on our reserves is provided in Note E and Note F to the Consolidated Financial Statements included under Item 8.

In addition, we also utilize renewal premium change, rate, retention and new business in evaluating operating trends. Renewal premium change represents the estimated change in average premium on policies that renew, including rate and exposure changes. Rate represents the average change in price on policies that renew excluding exposure change. Exposure represents the measure of risk used in the pricing of the insurance product. The change in exposure represents the change in premium dollars on policies that renew as a result of the change in risk of the policy. Retention represents the percentage of premium dollars renewed, excluding rate and exposure changes, in comparison to the expiring premium dollars from policies available to renew. New business represents premiums from policies written with new customers and additional policies written with existing customers.

We use underwriting gain (loss) and underlying underwriting gain (loss), calculated using GAAP financial results, to monitor our insurance operations. Underwriting gain (loss) is deemed to be a non-GAAP financial measure and is calculated pretax as net earned premiums less total insurance expenses, which includes insurance claims and policyholders' benefits, amortization of deferred acquisition costs and insurance related administrative expenses. Net income (loss) is the most directly comparable GAAP measure. Management believes some investors may find this measure useful to evaluate the profitability, before tax, derived from our underwriting activities, which are managed separately from our investing activities. Underlying underwriting gain (loss) is also deemed to be a non-GAAP financial measure, and represents pretax underwriting gain (loss) excluding catastrophe losses and development-related items. Management believes some investors may find this measure useful to evaluate the profitability, before tax, derived from our underwriting activities, excluding the impact of catastrophe losses, which are unpredictable as to timing and amount, and development-related items as they are not indicative of our current year underwriting performance.

The following tables present reconciliations of net income to core income, underwriting gain and underlying underwriting gain for our Property & Casualty Operations:

Year ended December 31, 2025 (In millions)	**Specialty**	**Commercial**	**International**	**Property & Casualty**
Net income	$ 615	$ 788	$ 205	$ 1,608
Net investment losses, after tax	22	32	2	56
Core income	$ 637	$ 820	$ 207	$ 1,664
Less:				
Net investment income	650	775	156	1,581
Non-insurance warranty revenue (expense)	51	—	—	51
Other revenue (expense), including interest expense	(55)	(12)	13	(54)
Income tax expense on core income	(173)	(215)	(77)	(465)
Underwriting gain	164	272	115	551
Effect of catastrophe losses	—	217	23	240
Effect of unfavorable (favorable) development-related items	37	52	(25)	64
Underlying underwriting gain	$ 201	$ 541	$ 113	$ 855

Year ended December 31, 2024 (In millions)	**Specialty**	**Commercial**	**International**	**Property & Casualty**
Net income	$ 663	$ 658	$ 153	$ 1,474
Net investment losses, after tax	31	44	—	75
Core income	$ 694	$ 702	$ 153	$ 1,549
Less:				
Net investment income	626	733	131	1,490
Non-insurance warranty revenue (expense)	62	—	—	62
Other revenue (expense), including interest expense	(53)	(14)	(10)	(77)
Income tax expense on core income	(190)	(188)	(44)	(422)
Underwriting gain	249	171	76	496
Effect of catastrophe losses	—	318	40	358
Effect of favorable development-related items	(8)	—	(6)	(14)
Underlying underwriting gain	$ 241	$ 489	$ 110	$ 840

The following table presents a reconciliation of net loss to core loss for our Life & Group segment:

Years ended December 31 (In millions)	**2025**	**2024**
Net loss	$ (51)	$ (10)
Net investment losses (gains), after tax	7	(13)
Core loss	$ (44)	$ (23)

The following table presents a reconciliation of net loss to core loss for our Corporate & Other segment:

Years ended December 31 (In millions)	**2025**	**2024**
Net loss	$ (279)	$ (505)
Net investment losses, after tax	1	2
Pension settlement transaction losses, after tax	—	293
Core loss	$ (278)	$ (210)

Specialty

Specialty provides management and professional liability and other property and casualty coverages, products and services using a network of retail and wholesale brokers, independent agencies and managing general underwriters. Specialty includes the following business groups:

Management & Professional Liability consists of the following coverages and products:

- Professional liability coverages and risk management services to various professional firms, including architects, real estate agents, accounting firms and law firms.
- Directors and officers (D&O), errors and omissions (E&O), employment practices, fiduciary, fidelity and cyber coverages. Specific areas of focus include small and mid-size firms, public as well as privately held firms and not-for-profit organizations.
- Insurance products to serve the healthcare industry, including professional and general liability as well as associated casualty coverages. Key customer groups include aging services, allied medical facilities, dentists, physicians, nurses and other medical practitioners.

Surety offers small, medium and large contract and commercial surety bonds. Surety provides surety and fidelity bonds in all 50 states.

Warranty and Alternative Risks provides extended service contracts and related insurance products covering mechanical breakdown and similar losses for vehicles, portable electronics and other consumer goods. These service contracts are primarily distributed through independent representatives and sold by automobile dealerships and retailers in North America. Revenue and expenses for these service contracts are reported as Non-insurance warranty revenue and expense. Our insurance subsidiaries may issue contractual liability, inland marine, or guaranteed asset protection policies supporting these contracts, a significant portion of which are reinsured through third-party captive programs. The net retained results of these insurance products are reflected within the underwriting gain (loss) and combined ratio of our insurance operations.

The following table details the results of operations for Specialty.

Years ended December 31 (In millions, except ratios, rate, renewal premium change and retention)	2025	2024
Net written premiums	$ 3,515	$ 3,445
Net earned premiums	3,472	3,361
Underwriting gain	164	249
Net investment income	650	626
Core income	637	694
Other performance metrics:		
Loss ratio	61.5 %	59.5 %
Expense ratio	33.5	32.8
Dividend ratio	0.3	0.3
Combined ratio	95.3 %	92.6 %
Less: Effect of catastrophe impacts	—	—
Less: Effect of unfavorable (favorable) development-related items	1.1	(0.3)
Underlying combined ratio	94.2 %	92.9 %
Underlying loss ratio	60.4 %	59.8 %
Rate	3 %	1 %
Renewal premium change	4	2
Retention	86	89
New business	$ 487	$ 462

2025 Compared with 2024

Net written premiums for Specialty increased $70 million in 2025 as compared with 2024 driven by rate partially offset by lower retention. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income decreased $57 million in 2025 as compared with 2024 primarily due to unfavorable net prior year loss reserve development in 2025 compared with favorable net prior year loss reserve development in 2024 and lower underlying underwriting results partially offset by higher net investment income.

The combined ratio of 95.3% increased 2.7 points in 2025 as compared with 2024 due to a 2.0 point increase in the loss ratio and a 0.7 point increase in the expense ratio. The increase in the loss ratio was due to unfavorable net prior year loss reserve development recorded in 2025 and an increase in the underlying loss ratio, primarily driven by continued pricing pressure in management liability lines. The increase in the expense ratio was driven by higher employee related costs and a non-recurring technology charge partially offset by higher net earned premiums. There were no catastrophe losses for 2025 or 2024.

Unfavorable net prior year loss reserve development of $37 million was recorded in 2025 compared with $9 million of favorable net prior year loss reserve development recorded in 2024. Further information on net prior year loss reserve development is in Note E to the Consolidated Financial Statements included under Item 8.

The following table summarizes the gross and net carried reserves for Specialty.

December 31 (In millions)	2025	2024
Gross case reserves	$ 2,166	$ 2,023
Gross IBNR reserves	5,618	5,403
Total gross carried claim and claim adjustment expense reserves	$ 7,784	$ 7,426
Net case reserves	$ 1,801	$ 1,697
Net IBNR reserves	4,387	4,282
Total net carried claim and claim adjustment expense reserves	$ 6,188	$ 5,979

Commercial

Commercial works with a network of retail and wholesale brokers and independent agents to market a broad range of property and casualty insurance products to all types of insureds targeting small business, construction, middle market and other commercial customers. Property products include standard and excess property, marine and boiler and machinery coverages. Casualty products include standard casualty insurance products such as workers' compensation, general and product liability, commercial auto, umbrella, and excess and surplus coverages. Most insurance programs are provided on a guaranteed cost basis; however, we also offer specialized loss-sensitive insurance programs and total risk management services relating to claim and information services to the large commercial insurance marketplace.

The following table details the results of operations for Commercial.

Years ended December 31 (In millions, except ratios, rate, renewal premium change and retention)	**2025**	**2024**
Net written premiums	$ 5,821	$ 5,469
Net earned premiums	5,695	5,158
Underwriting gain	272	171
Net investment income	775	733
Core income	820	702
Other performance metrics:		
Loss ratio	67.9 %	68.3 %
Expense ratio	26.8	27.9
Dividend ratio	0.5	0.5
Combined ratio	95.2 %	96.7 %
Less: Effect of catastrophe impacts	3.8	6.2
Less: Effect of unfavorable (favorable) development-related items	0.9	(0.1)
Underlying combined ratio	90.5 %	90.6 %
Underlying loss ratio	63.2 %	62.2 %
Rate	5 %	6 %
Renewal premium change	6	7
Retention	82	84
New business	$ 1,491	$ 1,512

2025 Compared with 2024

Net written premiums for Commercial increased $352 million in 2025 as compared with 2024 driven by favorable renewal premium change, inclusive of rate, partially offset by lower retention. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income increased $118 million in 2025 as compared with 2024, driven by lower catastrophe losses, improved underlying underwriting results and higher net investment income partially offset by unfavorable net prior year loss reserve development.

The combined ratio of 95.2% improved 1.5 points in 2025 as compared with 2024 due to a 1.1 point improvement in the expense ratio and a 0.4 point improvement in the loss ratio. The improvement in the expense ratio was primarily driven by higher net earned premiums and a lower acquisition ratio. The improvement in the loss ratio was driven by lower catastrophe losses partially offset by unfavorable net prior year loss reserve development and an increase in the underlying loss ratio related to social inflation impacted lines. Catastrophe losses were $217 million, or 3.8 points of the loss ratio, for 2025, as compared with $318 million, or 6.2 points of the loss ratio, for 2024.

Unfavorable net prior year loss reserve development of $39 million was recorded in 2025 compared with $16 million of favorable net prior year loss reserve development recorded in 2024. Further information on net prior year loss reserve development is in Note E to the Consolidated Financial Statements included under Item 8.

The following table summarizes the gross and net carried reserves for Commercial.

December 31 (In millions)	**2025**	**2024**
Gross case reserves	$ 4,093	$ 3,690
Gross IBNR reserves	8,156	7,646
Total gross carried claim and claim adjustment expense reserves	$ 12,249	$ 11,336
Net case reserves	$ 3,508	$ 3,135
Net IBNR reserves	7,188	6,804
Total net carried claim and claim adjustment expense reserves	$ 10,696	$ 9,939

International

The International segment underwrites property and casualty coverages on a global basis through a branch operation in Canada, a European business consisting of insurance companies based in the U.K. and Luxembourg and Hardy, our Lloyd's syndicate.

Canada offers a wide range of specialty and commercial insurance products, including property, casualty, auto, marine, management liability, professional liability and cyber. Its focus is on providing risk transfer solutions for midsize and large companies headquartered in Canada, across various sectors, with domestic, cross-border and international operations.

Europe provides a diverse range of specialty and commercial insurance products with a focus on specific areas including the middle market, marine, healthcare, financial and professional services sectors in the U.K. and Continental Europe on both a domestic and cross-border basis.

Hardy operates through Lloyd's Syndicate 382 underwriting energy, marine, property, casualty and specialty lines with risks located in many countries around the world. The capacity and results of the syndicate are 100% attributable to CNA.

The following table details the results of operations for International.

Years ended December 31 (In millions, except ratios, rate, renewal premium change and retention)	**2025**	**2024**
Net written premiums	$ 1,347	$ 1,262
Net earned premiums	1,311	1,256
Underwriting gain	115	76
Net investment income	156	131
Core income	207	153
Other performance metrics:		
Loss ratio	58.4 %	60.9 %
Expense ratio	32.8	33.1
Combined ratio	91.2 %	94.0 %
Less: Effect of catastrophe impacts	1.8	3.2
Less: Effect of favorable development-related items	(1.9)	(0.4)
Underlying combined ratio	91.3 %	91.2 %
Underlying loss ratio	58.5 %	58.1 %
Rate	(4)%	(1)%
Renewal premium change	(1)	—
Retention	86	82
New business	$ 370	$ 288

2025 Compared with 2024

Net written premiums for International increased $85 million in 2025 as compared with 2024. Excluding the effect of foreign currency exchange rates, net written premiums increased $76 million as compared with 2024 driven by higher new business partially offset by lower rate. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income increased $54 million in 2025 as compared with 2024 driven by higher net investment income, a favorable impact from changes in foreign currency exchange rates, higher favorable net prior year loss reserve development and lower catastrophe losses.

The combined ratio of 91.2% improved 2.8 points in 2025 as compared with 2024 due to a 2.5 point improvement in the loss ratio and a 0.3 point improvement in the expense ratio. The improvement in the loss ratio was primarily driven by higher favorable net prior year loss reserve development and lower catastrophe losses. Catastrophe losses were $23 million, or 1.8 points of the loss ratio, for 2025, as compared with $40 million, or 3.2 points of the loss ratio, for 2024. The improvement in the expense ratio was primarily driven by higher net earned premiums.

Favorable net prior year loss reserve development of $25 million and $6 million was recorded in 2025 and 2024. Further information on net prior year loss reserve development is in Note E to the Consolidated Financial Statements included under Item 8.

The following table summarizes the gross and net carried reserves for International.

December 31 (In millions)	**2025**	**2024**
Gross case reserves	$ 1,052	$ 876
Gross IBNR reserves	2,324	2,044
Total gross carried claim and claim adjustment expense reserves	$ 3,376	$ 2,920
Net case reserves	$ 880	$ 741
Net IBNR reserves	1,961	1,675
Total net carried claim and claim adjustment expense reserves	$ 2,841	$ 2,416

Life & Group

The Life & Group segment includes our run-off long-term care business as well as structured settlement obligations not funded by annuities related to certain property and casualty claimants. Long-term care policies were sold on both an individual and group basis.

The following table summarizes the results of operations for Life & Group.

Years ended December 31 (In millions)	**2025**	**2024**
Net earned premiums	$ 423	$ 437
Claims, benefits and expenses	1,415	1,429
Net investment income	914	940
Core loss	(44)	(23)

2025 Compared with 2024

Core loss increased $21 million in 2025 as compared with 2024 primarily due to lower net investment income from limited partnerships. Both years are inclusive of assumption updates as a result of the annual reserve review completed in the third quarter of each year.

The cash flow assumption updates from the annual reserve review for 2025 and 2024 resulted in a pretax increase in long-term care reserves of $7 million and $15 million.

The annual structured settlement reserve review resulted in a pretax increase in claim reserves of $2 million for 2025 and a reduction in claim reserves of $9 million for 2024.

The following tables summarize policyholder reserves for Life & Group.

December 31, 2025 (In millions)	**Claim and claim adjustment expenses**	**Future policy benefits**	**Total**
Long-term care	$ —	$ 13,448	$ 13,448
Structured settlement and other	535	—	535
Total	535	13,448	13,983
Ceded reserves	56	—	56
Total gross reserves	$ 591	$ 13,448	$ 14,039

December 31, 2024 (In millions)	**Claim and claim adjustment expenses**	**Future policy benefits**	**Total**
Long-term care	$ —	$ 13,158	$ 13,158
Structured settlement and other	541	—	541
Total	541	13,158	13,699
Ceded reserves	81	—	81
Total gross reserves	$ 622	$ 13,158	$ 13,780

Corporate & Other

Corporate & Other primarily includes certain corporate expenses, including interest on corporate debt, and the results of certain property and casualty business in run-off, including A&EP, a legacy portfolio of EWC policies and certain legacy mass tort reserves.

The following table summarizes the results of operations for the Corporate & Other segment, including intersegment eliminations.

Years ended December 31 (In millions)	**2025**	**2024**
Net investment income	$ 62	$ 67
Insurance claims and policyholders' benefits	201	106
Interest expense	135	133
Core loss	(278)	(210)

2025 Compared with 2024

Core loss increased $68 million for 2025 as compared with 2024. 2025 includes a $106 million after-tax charge related to unfavorable net prior year loss reserve development largely associated with legacy mass tort abuse reserves compared with a $62 million after-tax charge in 2024. The current year also includes an unfavorable non-economic impact related to the A&EP LPT. The prior year included $16 million of after-tax charges related to office consolidation.

The application of retroactive reinsurance accounting to additional cessions to the A&EP LPT resulted in an after-tax charge of $36 million and $6 million in 2025 and 2024, both of which have no economic impact.

The net prior year loss reserve development and A&EP LPT are further discussed in Note E to the Consolidated Financial Statements included under Item 8.

The following table summarizes the gross and net carried reserves for Corporate & Other.

December 31 (In millions)	**2025**	**2024**
Gross case reserves	$ 1,196	$ 1,241
Gross IBNR reserves	1,403	1,431
Total gross carried claim and claim adjustment expense reserves	$ 2,599	$ 2,672
Net case reserves	$ 119	$ 120
Net IBNR reserves	238	268
Total net carried claim and claim adjustment expense reserves	$ 357	$ 388

INVESTMENTS

Net Investment Income

The significant components of Net investment income are presented in the following table. Fixed income securities, as presented, include both fixed maturity securities and non-redeemable preferred stock.

Years ended December 31 (In millions)	**2025**	**2024**
Fixed income securities:		
Taxable fixed income securities	$ 2,012	$ 1,940
Tax-exempt fixed income securities	165	144
Total fixed income securities	2,177	2,084
Limited partnership and common stock investments	302	320
Other, net of investment expense	78	93
Net investment income	$ 2,557	$ 2,497
Effective income yield for the fixed income securities portfolio	4.9 %	4.8 %
Limited partnership and common stock return for the year	11.1 %	13.3 %

Net investment income increased $60 million in 2025 as compared with 2024 driven by higher income from fixed income securities as a result of a larger invested asset base and favorable reinvestment rates partially offset by lower common stock returns.

Net Investment (Losses) Gains

The components of Net investment (losses) gains are presented in the following table.

Years ended December 31 (In millions)	**2025**	**2024**
Fixed maturity securities:		
Corporate bonds and other	$ (64)	$ (57)
States, municipalities and political subdivisions	(1)	1
Asset-backed	(18)	(46)
Total fixed maturity securities	(83)	(102)
Non-redeemable preferred stock	7	21
Derivatives, short-term and other	—	—
Mortgage loans	(5)	—
Net investment losses	(81)	(81)
Income tax benefit on net investment losses	17	17
Net investment losses, after tax	$ (64)	$ (64)

Pretax net investment losses for 2025 were consistent with 2024 as lower impairment losses were offset by a lower favorable change in the fair value of non-redeemable preferred stock and higher net losses on disposals of fixed maturity securities.

Further information on our investment gains and losses is set forth in Notes A and B to the Consolidated Financial Statements included under Item 8.

Portfolio Quality

The following table presents the estimated fair value and net unrealized gains (losses) of our fixed maturity securities by rating distribution.

December 31	2025		2024	
(In millions)	Estimated Fair Value	Net Unrealized Gains (Losses)	Estimated Fair Value	Net Unrealized Gains (Losses)
U.S. Government, Government agencies and Government-sponsored enterprises	$ 3,274	$ (228)	$ 2,936	$ (369)
AAA	3,997	(136)	3,010	(217)
AA	7,001	(428)	6,369	(567)
A	11,167	(140)	10,260	(379)
BBB	16,249	(223)	16,757	(729)
Non-investment grade	1,714	(42)	1,779	(64)
Total	$ 43,402	$ (1,197)	$ 41,111	$ (2,325)

As of December 31, 2025 and 2024, 1% of our fixed maturity portfolio was rated internally. Additionally, as of December 31, 2025 and 2024, we assigned a AAA rating to $661 million and $199 million of municipal bonds that were either pre-refunded or backed by mortgage loans guaranteed by a U.S. government agency or sponsored enterprise.

The following table presents available-for-sale fixed maturity securities in a gross unrealized loss position by ratings distribution.

	December 31, 2025	
(In millions)	Estimated Fair Value	Gross Unrealized Losses
U.S. Government, Government agencies and Government-sponsored enterprises	$ 1,980	$ 267
AAA	1,376	243
AA	3,827	623
A	5,025	440
BBB	7,758	639
Non-investment grade	678	74
Total	$ 20,644	$ 2,286

The following table presents the maturity profile for these available-for-sale fixed maturity securities. Securities not due to mature on a single date are allocated based on weighted average life.

	December 31, 2025	
(In millions)	Estimated Fair Value	Gross Unrealized Losses
Due in one year or less	$ 821	$ 11
Due after one year through five years	5,277	224
Due after five years through ten years	5,752	607
Due after ten years	8,794	1,444
Total	$ 20,644	$ 2,286

Duration

A primary objective in the management of the investment portfolio is to optimize return relative to the corresponding liabilities and respective liquidity needs. Our views on the current interest rate environment, tax regulations, asset class valuations, specific security issuer and broader industry segment conditions as well as domestic and global economic conditions, are some of the factors that enter into an investment decision. We also continually monitor exposure to issuers of securities held and broader industry sector exposures and may from time to time adjust such exposures based on our views of a specific issuer or industry sector.

A further consideration in the management of the investment portfolio is the characteristics of the corresponding liabilities and the ability to align the duration of the portfolio to those liabilities and to meet future liquidity needs, minimize interest rate risk and maintain a level of income sufficient to support the underlying insurance liabilities. For portfolios where future liability cash flows are determinable and typically long term in nature, we segregate investments for asset/liability management purposes. The segregated investments support the long-term care and structured settlement liabilities in the Life & Group segment.

The effective durations of fixed income securities and short-term investments are presented in the following table. Amounts presented are net of payable and receivable amounts for securities purchased and sold, but not yet settled.

December 31	**2025**		**2024**	
(In millions)	**Estimated Fair Value**	**Effective Duration (In years)**	**Estimated Fair Value**	**Effective Duration (In years)**
Life & Group	$ 15,584	9.7	$ 14,915	9.8
Property & Casualty and Corporate & Other	30,716	4.5	28,779	4.3
Total	$ 46,300	6.3	$ 43,694	6.2

The investment portfolio is periodically analyzed for changes in duration and related price risk. Certain securities have duration characteristics that are variable based on market interest rates, credit spreads and other factors that may drive variability in the amount and timing of cash flows. Additionally, we periodically review the sensitivity of the portfolio to the level of foreign exchange rates and other factors that contribute to market price changes. A summary of these risks and specific analysis on changes is included in the Quantitative and Qualitative Disclosures About Market Risk included under Item 7A.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

Our primary operating cash flow sources are premiums and investment income. Our primary operating cash flow uses are payments for claims, policy benefits and operating expenses, including interest expense on corporate debt. Additionally, cash may be paid or received for income taxes.

For 2025, net cash provided by operating activities was $2,490 million as compared with $2,571 million for 2024. The decrease in cash provided by operating activities was driven by an increase in net claim payments and higher operating expenses, partially offset by an increase in premiums collected and higher cash from investment earnings.

Cash flows from investing activities include the purchase and disposition of financial instruments, excluding those held as trading, and may include the purchase and sale of businesses, equipment and other assets not generally held for resale.

For 2025, net cash used by investing activities was $1,449 million as compared with $1,317 million for 2024. Net cash used or provided by investing activities is primarily driven by cash available from operations and by other factors, such as financing activities.

Cash flows from financing activities may include proceeds from the issuance of debt and equity securities, and outflows for stockholder dividends, repayment of debt and purchases of our common stock.

For 2025, net cash used by financing activities was $1,104 million as compared with $1,117 million for 2024. Financing activities for the periods presented include:

- In 2025, we issued $500 million of 5.20% notes due August 15, 2035 and repaid at par the $500 million outstanding aggregate principal balance of our 4.50% senior notes in advance of their March 1, 2026 maturity date.
- In 2025, we paid dividends of $1,047 million and repurchased 700,000 shares of common stock at an aggregate cost of $34 million.
- In 2024, we issued $500 million of 5.125% notes due February 15, 2034 and repaid the $550 million outstanding aggregate principal balance of our 3.95% senior notes which came due May 15, 2024.
- In 2024, we paid dividends of $1,025 million and repurchased 450,000 shares of our common stock at an aggregate cost of $20 million.

Liquidity

We believe that our present cash flows from operating, investing and financing activities are sufficient to fund our current and expected working capital and debt obligation needs and we do not expect this to change in the near term. There are currently no amounts outstanding under our $250 million senior unsecured revolving credit facility and no borrowings outstanding through our membership in the Federal Home Loan Bank of Chicago (FHLBC).

CCC paid dividends of $1,115 million and $995 million to CNAF during 2025 and 2024.

We have an effective shelf registration statement on file with the Securities and Exchange Commission under which we may publicly issue an unspecified amount of debt, equity or hybrid securities from time to time.

Common Stock Dividends

Cash dividends of $3.84 per share on our common stock, including a special cash dividend of $2.00 per share, were declared and paid in 2025. On February 6, 2026, our Board of Directors declared a quarterly cash dividend of $0.48 per share and a special cash dividend of $2.00 per share, payable March 12, 2026 to stockholders of record on February 23, 2026. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will depend on many factors, including our earnings, financial condition, business needs and regulatory constraints.

Our ability to pay dividends and satisfy our credit obligations is significantly dependent on receipt of dividends from our subsidiaries. The payment of dividends to us by our insurance subsidiaries without prior approval of the insurance department of each subsidiary's domiciliary jurisdiction is limited by formula. Dividends in excess of these amounts are subject to prior approval by the respective state insurance departments.

Further information on our dividends from subsidiaries is provided in Note M to the Consolidated Financial Statements included under Item 8.

Commitments, Contingencies and Guarantees

We have various commitments, contingencies and guarantees which arose in the ordinary course of business. The impact of these commitments, contingencies and guarantees should be considered when evaluating our liquidity and capital resources.

A summary of our commitments is presented in the following table.

December 31, 2025

(In millions)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Debt [1]	$ 3,838	$ 126	$ 735	$ 1,189	$ 1,788
Lease obligations [2]	261	34	66	57	104
Claim and claim adjustment expense reserves [3]	27,111	5,983	7,362	4,145	9,621
Future policy benefit reserves [4]	26,880	862	1,633	1,793	22,592
Total [5]	$ 58,090	$ 7,005	$ 9,796	$ 7,184	$ 34,105

(1) Includes estimated future interest payments.

(2) The lease obligations reflected above are not discounted.

(3) The Claim and claim adjustment expense reserves reflected above are not discounted and represent our estimate of the amount and timing of the ultimate settlement and administration of gross claims based on our assessment of facts and circumstances known as of December 31, 2025. See the Reserves - Estimates and Uncertainties section of this MD&A for further information.

(4) The Future policy benefit reserves reflected above are not discounted, include maintenance costs, represent our estimate of the ultimate amount and timing of the settlement of benefits net of expected premiums, and are based on our assessment of facts and circumstances known as of December 31, 2025. See the Reserves - Estimates and Uncertainties section of this MD&A for further information.

(5) Does not include investment commitments of approximately $1,770 million related to future capital calls from various third-party limited partnerships, signed and accepted mortgage loan applications, and obligations related to private placement securities.

Further information on our commitments, contingencies and guarantees is provided in Notes A, B, E, F, G, I and L to the Consolidated Financial Statements included under Item 8.

Ratings

Ratings are an important factor in establishing the competitive position of insurance companies. Our insurance company subsidiaries are rated by major rating agencies and these ratings reflect the rating agency's opinion of the insurance company's financial strength, operating performance, strategic position and ability to meet its obligations to policyholders. Agency ratings are not a recommendation to buy, sell or hold any security and may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating. One or more of these agencies could take action in the future to change the ratings of our insurance subsidiaries.

The table below reflects the Insurer Financial Strength Ratings of CNA's insurance company subsidiaries issued by A.M. Best, Moody's, S&P and Fitch. The table also includes the ratings for CNAF's senior debt.

December 31, 2025	Insurer Financial Strength Ratings	Senior Debt Ratings
A.M. Best	A+	a-
Moody's	A2	Baa2
S&P	A+	A-
Fitch	A+	BBB+

A.M. Best upgraded the Company's Insurer Financial Strength and Senior Debt Ratings and revised the outlook on the ratings to stable from positive in December 2025. Moody's maintains a positive outlook on the Company's ratings after revising it to positive from stable in November 2024. S&P and Fitch maintain stable outlooks across the Company's Insurer Financial Strength and Senior Debt Ratings.

CNA Insurance Company Limited and CNA Insurance Company (Europe) S.A. are included within S&P's Insurer Financial Strength Rating for the Company. Syndicate 382 benefits from the Insurer Financial Strength Rating of Lloyd's, which is rated AA- by S&P with a stable outlook and A+ by A.M. Best with a stable outlook.

ACCOUNTING STANDARDS UPDATE

For a discussion of Accounting Standards, see Note A to the Consolidated Financial Statements included under Item 8.

RECENT LEGISLATION

On July 4, 2025, H.R. 1, "An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14," commonly referred to as the One Big Beautiful Bill Act (OBBBA), was enacted. The OBBBA includes significant federal tax law changes which, among other impacts, modify and make permanent certain business tax provisions originally enacted in the 2017 Tax Cuts and Jobs Act. The provisions of the OBBBA have not had a material impact on our results of operations or financial condition. The OBBBA is subject to further clarification from the issuance of future technical guidance by the U.S. Department of Treasury.

FORWARD-LOOKING STATEMENTS

This report contains a number of forward-looking statements which relate to anticipated future events 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 in this report include any and all statements regarding expected developments in our insurance business, including losses and loss reserves (note that loss reserves for long-term care, A&EP and other mass tort claims are more uncertain, and therefore more difficult to estimate than loss reserves respecting traditional property and casualty exposures); the impact of routine ongoing insurance reserve reviews we conduct; our expectations concerning our revenues, earnings, expenses and investment activities; volatility in investment returns; and our proposed actions in response to trends in our business. 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 in the forward-looking statements. We cannot control many of these risks and uncertainties. Material risks and uncertainties are addressed in Part I, Item IA Risk Factors and include, but are not limited to, the following:

Company-Specific Factors

- the risks and uncertainties associated with our insurance reserves, as outlined in the Critical Accounting Estimates and the Reserves - Estimates and Uncertainties sections of this report, including the sufficiency of the reserves and the possibility of future increases, which would be reflected in the results of operations in the period that the need for such adjustment is determined;
- the risk that the other parties to the transactions in which, subject to certain limitations, we ceded our legacy A&EP and EWC liabilities, respectively, will not fully perform their respective obligations to CNA, the uncertainty in estimating loss reserves for A&EP and EWC liabilities and the possible continued exposure of CNA to liabilities for A&EP and EWC claims that are not covered under the terms of the respective transactions; and
- the performance of reinsurance companies under reinsurance contracts with us.

Industry and General Market Factors

- general economic and business conditions, including potential recessionary conditions that may decrease the size and number of our insurance customers and create losses in our lines of business, and inflationary pressures on medical care costs, construction costs and other economic sectors;
- the effect of new tariffs and changes in tariffs, as well as significant uncertainty surrounding U.S. tariff policy generally, and any retaliatory tariffs, may adversely impact the economic environment, inflation expectations and certain loss costs, and may result in decreases in the size and number of our insurance customers;
- the effects of social inflation, including frequency of nuclear verdicts and increased litigation activity, on the severity of claims;
- the effects on the frequency of claims of reviver statutes that extend, or eliminate, the statute of limitations for the reporting of claims, including statutes passed in certain states with respect to sexual abuse;

- the impact of competitive products, policies and pricing and the competitive environment in which we operate, including changes in our book of business;
- product and policy availability and demand and market responses, including the level of ability to obtain rate increases;
- conditions in the capital and credit markets, including uncertainty and instability in these markets, as well as the overall economy, and their impact on the returns, types, liquidity and valuation of our investments;
- conditions in the capital and credit markets that may limit our ability to raise significant amounts of capital on favorable terms or at all; and
- the possibility of changes in our ratings by ratings agencies, including the inability to access certain markets or distribution channels and the required collateralization of future payment obligations as a result of such changes, and changes in rating agency policies and practices.

Regulatory, Legal and Operational Factors

- regulatory and legal initiatives and compliance with governmental regulations and other legal requirements, which are increasing in complexity and number, change frequently, sometimes conflict, and could expose us to significant monetary damages, regulatory enforcement actions, fines and/or criminal prosecution in one or more jurisdictions, including regulations related to cybersecurity protocols (which continue to evolve in breadth, sophistication and maturity in response to an ever-evolving threat landscape) or utilization of artificial intelligence (AI), legal inquiries by state authorities, judicial interpretations within the regulatory framework, including interpretation of policy provisions, decisions regarding coverage and theories of liability, legislative actions that increase claimant activity, including those revising applicability of statutes of limitations, trends in litigation and the outcome of any litigation involving us and rulings and changes in tax laws and regulations;
- regulatory limitations, impositions and restrictions upon us, including with respect to our ability to increase premium rates, and the effects of assessments and other surcharges for guaranty funds and second-injury funds, other mandatory pooling arrangements and future assessments levied on insurance companies;
- regulatory limitations and restrictions, including limitations upon our ability to receive dividends from our insurance subsidiaries, imposed by regulatory authorities, including regulatory capital adequacy standards;
- additional complexities and greater risk to the effectiveness of controls with the incorporation of AI into our and our third-party service providers' operations, including the possibility of inaccurate or biased outputs, degradation in model performance, unauthorized use or disclosure of data used to train AI models, and the potential for AI to be misused to perpetrate fraud or evade monitoring controls; and
- breaches of our or our vendors' data security infrastructure resulting in unauthorized access to systems and information, and/or interruption of operations.

Impact of Natural and Man-Made Disasters and Mass Tort Claims

- weather and other natural physical events, including the severity and frequency of storms, hail, snowfall and other winter conditions, natural disasters such as hurricanes, tornados and earthquakes, as well as climate change, including effects on global weather patterns, greenhouse gases, sea, land and air temperatures, sea levels, wildfires, rain, hail and snow;
- regulatory requirements imposed by coastal state regulators in the wake of hurricanes or other natural disasters, including limitations on the ability to exit markets or to non-renew, cancel or change terms and conditions in policies, as well as mandatory assessments to fund any shortfalls arising from the inability of quasi-governmental insurers to pay claims;
- man-made disasters, including the possible occurrence of terrorist attacks, the unpredictability of the nature, targets, severity or frequency of such events, and the effect of the absence or insufficiency of applicable terrorism legislation on coverages;
- the occurrence of epidemics and pandemics; and
- mass tort claims, including those related to exposure to potentially harmful products or substances such as glyphosate, lead paint, per- and polyfluoroalkyl substances (PFAS) and opioids, sexual abuse and molestation claims and claims arising from changes in statutes of limitation and other changes that repeal or weaken tort reforms.

Our forward-looking statements speak only as of the date of the filing of this Annual Report on Form 10-K and we do not undertake any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date of the filing of this Annual Report on Form 10-K, even if our expectations or any related events or circumstances change.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our financial instruments are exposed to various market risks, such as interest rate risk, equity price risk and foreign currency risk. Due to the level of risk associated with certain invested assets and the level of uncertainty related to changes in the value of these assets, it is possible that changes in these risks in the near term could have a material adverse impact on our results of operations, financial condition or equity.

Discussions herein regarding market risk focus on only one element of market risk, which is price risk. Price risk relates to changes in the level of prices due to changes in interest rates, equity prices, foreign exchange rates or other factors such as credit spreads. The fair value of our financial instruments is generally adversely affected when interest rates rise, equity markets decline or the dollar strengthens against foreign currency.

Active management of market risk is integral to our operations. We may take the following actions to manage our exposure to market risk within defined tolerance ranges: (1) change the character of future investments purchased or sold or (2) use derivatives to offset the market behavior of existing assets and liabilities or assets expected to be purchased and liabilities expected to be incurred.

Sensitivity Analysis

We monitor our sensitivity to interest rate changes by revaluing financial assets and liabilities using a variety of different interest rates. We use duration and convexity at the security level to estimate the change in fair value that would result from a change in each security's yield. Duration measures the price sensitivity of an asset to changes in yield. Convexity measures how the duration of the asset changes with interest rates. The duration and convexity analysis takes into account the unique characteristics (e.g., call and put options and prepayment expectations) of each security in determining the hypothetical change in fair value. The analysis is performed at the security level and aggregated up to the asset category levels for reporting in the tables below.

The evaluation is performed by applying an instantaneous change in yield rates of varying magnitudes on a static balance sheet to determine the effect such a change in rates would have on our fair value at risk and the resulting effect on stockholders' equity. The analysis presents the sensitivity of the fair value of our financial instruments to selected changes in capital market rates and index levels. The range of change chosen reflects our view of changes that are reasonably possible over a one-year period. The selection of the range of values chosen to represent changes in interest rates should not be construed as our prediction of future market events, but rather an illustration of the impact of such events.

The sensitivity analysis estimates the decline in the fair value of our interest sensitive assets and liabilities that were held as of December 31, 2025 and 2024 due to an instantaneous change in the yield of the security at the end of the period of 100 and 150 basis points, with all other variables held constant.

The sensitivity analysis also assumes an instantaneous 10% and 20% decline in the foreign currency exchange rates versus the United States dollar from their levels as of December 31, 2025 and 2024, with all other variables held constant.

Equity price risk was measured assuming an instantaneous 10% and 25% decline in the S&P 500 from its level as of December 31, 2025 and 2024, with all other variables held constant. Our common stock holdings, which are included in equity securities, were assumed to be highly and positively correlated with the S&P 500 index. For our limited partnership holdings, the estimated change in value was largely derived from a beta analysis calculation of historical experience of our portfolio and indices with similar strategies relative to the S&P 500.

The following tables present the estimated effects on the fair value of our financial instruments as of December 31, 2025 and 2024 due to an increase in yield rates of 100 basis points, a 10% decline in foreign currency exchange rates and a 10% decline in the S&P 500, with all other variables held constant.

Market Risk Scenario 1

December 31, 2025		Increase (Decrease)		
(In millions)	**Estimated Fair Value**	**Interest Rate Risk**	**Foreign Currency Risk**	**Equity Price Risk**
Assets:				
Fixed maturity securities	$ 43,402	$ (2,869)	$ (399)	$ —
Equity securities	769	(22)	—	(24)
Limited partnership investments	2,772	—	(2)	(111)
Other invested assets	105	—	(10)	—
Mortgage loans (1)	1,072	(34)	—	—
Short-term investments	2,320	(2)	(25)	—
Total assets	50,440	(2,927)	(436)	(135)
Long-term debt (2)	$ 2,967	$ (141)	$ —	$ —
Total debt	$ 2,967	$ (141)	$ —	$ —

December 31, 2024		Increase (Decrease)		
(In millions)	**Estimated Fair Value**	**Interest Rate Risk**	**Foreign Currency Risk**	**Equity Price Risk**
Assets:				
Fixed maturity securities	$ 41,111	$ (2,684)	$ (326)	$ —
Equity securities	659	(15)	—	(18)
Limited partnership investments	2,520	—	(1)	(101)
Other invested assets	85	—	(8)	—
Mortgage loans (1)	987	(30)	—	—
Short-term investments	2,088	(1)	(23)	—
Total assets	47,450	(2,730)	(358)	(119)
Long-term debt (2)	$ 2,885	$ (125)	$ —	$ —
Total debt	$ 2,885	$ (125)	$ —	$ —

(1) Reported at amortized value, less allowance for credit loss, in the Consolidated Balance Sheets included under Item 8 and not adjusted for fair value changes.
(2) Reported at amortized value in the Consolidated Balance Sheets included under Item 8 and not adjusted for fair value changes.

The following tables present the estimated effects on the fair value of our financial instruments as of December 31, 2025 and 2024 due to an increase in yield rates of 150 basis points, a 20% decline in foreign currency exchange rates and a 25% decline in the S&P 500, with all other variables held constant.

Market Risk Scenario 2

December 31, 2025		Increase (Decrease)		
(In millions)	**Estimated Fair Value**	**Interest Rate Risk**	**Foreign Currency Risk**	**Equity Price Risk**
Assets:				
Fixed maturity securities	$ 43,402	$ (4,301)	$ (798)	$ —
Equity securities	769	(33)	—	(59)
Limited partnership investments	2,772	—	(5)	(277)
Other invested assets	105	—	(20)	—
Mortgage loans [(1)]	1,072	(51)	—	—
Short-term investments	2,320	(2)	(49)	—
Total assets	50,440	(4,387)	(872)	(336)
Long-term debt [(2)]	$ 2,967	$ (211)	$ —	$ —
Total debt	$ 2,967	$ (211)	$ —	$ —

December 31, 2024		Increase (Decrease)		
(In millions)	**Estimated Fair Value**	**Interest Rate Risk**	**Foreign Currency Risk**	**Equity Price Risk**
Assets:				
Fixed maturity securities	$ 41,111	$ (4,024)	$ (651)	$ —
Equity securities	659	(23)	—	(45)
Limited partnership investments	2,520	—	(2)	(252)
Other invested assets	85	—	(16)	—
Mortgage loans [(1)]	987	(45)	—	—
Short-term investments	2,088	(2)	(45)	—
Total assets	47,450	(4,094)	(714)	(297)
Long-term debt [(2)]	$ 2,885	$ (188)	$ —	$ —
Total debt	$ 2,885	$ (188)	$ —	$ —

(1) Reported at amortized value, less allowance for credit loss, in the Consolidated Balance Sheets included under Item 8 and not adjusted for fair value changes.
(2) Reported at amortized value in the Consolidated Balance Sheets included under Item 8 and not adjusted for fair value changes.

Changes in discount rates used to measure our liability for future policyholder benefits (LFPB) would reduce the impact of the decrease in Fixed maturity securities within Other comprehensive income. The carrying value of the LFPB was $13.4 billion and $13.2 billion as of December 31, 2025 and 2024. The estimated decrease in the carrying value of the LFPB as of December 31, 2025 and 2024 due to an increase in yield rates of 100 basis points was $1.3 billion. The estimated decrease in the carrying value of the LFPB as of December 31, 2025 and 2024 due to an increase in yield rates of 150 basis points was $1.8 billion. We have estimated the change in the carrying value of the LFPB due to interest rate changes by discounting the expected future cash flows using different interest rate scenarios.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CNA Financial Corporation
Consolidated Statements of Operations

Years ended December 31 (In millions, except per share data)	2025	2024	2023
Revenues			
Net earned premiums	$ 10,900	$ 10,211	$ 9,480
Net investment income	2,557	2,497	2,264
Net investment losses	(81)	(81)	(99)
Non-insurance warranty revenue	1,577	1,609	1,624
Other revenues	36	34	30
Total revenues	14,989	14,270	13,299
Claims, Benefits and Expenses			
Insurance claims and policyholders' benefits (re-measurement loss of $104, $125 and $88)	8,294	7,738	7,068
Amortization of deferred acquisition costs	1,898	1,798	1,644
Non-insurance warranty expense	1,526	1,547	1,544
Other operating expenses	1,516	1,843	1,398
Interest	135	133	127
Total claims, benefits and expenses	13,369	13,059	11,781
Income before income tax	1,620	1,211	1,518
Income tax expense	(342)	(252)	(313)
Net income	$ 1,278	$ 959	$ 1,205
Basic earnings per share	$ 4.71	$ 3.53	$ 4.44
Diluted earnings per share	$ 4.69	$ 3.52	$ 4.43
Weighted Average Outstanding Common Stock and Common Stock Equivalents			
Basic	271.2	271.5	271.3
Diluted	272.4	272.7	272.2

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CNA Financial Corporation
Consolidated Statements of Comprehensive Income

Years ended December 31 (In millions)	2025	2024	2023
Comprehensive Income			
Net income	$ 1,278	$ 959	$ 1,205
Other Comprehensive Income, net of tax			
Changes in:			
Net unrealized gains and losses on investments with an allowance for credit losses	(2)	(1)	(5)
Net unrealized gains and losses on other investments	888	(263)	1,125
Net unrealized gains and losses on investments	886	(264)	1,120
Impact of changes in discount rates used to measure long-duration contract liabilities	(161)	712	(318)
Foreign currency translation adjustment	143	(101)	58
Pension and postretirement benefits	25	334	66
Other comprehensive income, net of tax	893	681	926
Total comprehensive income	$ 2,171	$ 1,640	$ 2,131

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CNA Financial Corporation
Consolidated Balance Sheets

December 31 (In millions, except share data)	2025	2024
Assets		
Investments:		
Fixed maturity securities at fair value (amortized cost of $44,668 and $43,481, less allowance for credit loss of $69 and $45)	$ 43,402	$ 41,111
Equity securities at fair value (cost of $728 and $632)	769	659
Limited partnership investments	2,772	2,520
Other invested assets	105	85
Mortgage loans (less allowance for credit loss of $15 and $35)	1,079	1,019
Short-term investments	2,320	2,088
Total investments	50,447	47,482
Cash	425	472
Reinsurance receivables (less allowance for uncollectible receivables of $27 and $21)	6,381	6,051
Insurance receivables (less allowance for uncollectible receivables of $25 and $26)	3,739	3,671
Accrued investment income	480	451
Deferred acquisition costs	986	959
Deferred income taxes	575	850
Property and equipment at cost (less accumulated depreciation of $346 and $314)	282	295
Goodwill	148	145
Deferred non-insurance warranty acquisition expense	3,220	3,525
Other assets	2,760	2,591
Total assets	$ 69,443	$ 66,492
Liabilities		
Insurance reserves:		
Claim and claim adjustment expenses	$ 26,599	$ 24,976
Unearned premiums	7,635	7,346
Future policy benefits	13,448	13,158
Long-term debt	2,971	2,973
Deferred non-insurance warranty revenue	4,138	4,530
Other liabilities (includes $54 and $47 due to Loews Corporation)	3,031	2,996
Total liabilities	57,822	55,979
Commitments and contingencies (Notes B and G)		
Stockholders' Equity		
Common stock ($2.50 par value; 500,000,000 shares authorized; 273,040,243 shares issued; 270,671,747 and 270,844,681 shares outstanding)	683	683
Additional paid-in capital	2,229	2,229
Retained earnings	9,915	9,686
Accumulated other comprehensive loss	(1,098)	(1,991)
Treasury stock (2,368,496 and 2,195,562 shares), at cost	(108)	(94)
Total stockholders’ equity	11,621	10,513
Total liabilities and stockholders' equity	$ 69,443	$ 66,492

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CNA Financial Corporation
Consolidated Statements of Cash Flows

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Cash Flows from Operating Activities			
Net income	$ 1,278	$ 959	$ 1,205
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Deferred income tax expense (benefit)	75	(45)	2
Trading portfolio activity	—	—	1
Net investment losses	81	81	99
Equity method investees	(34)	(101)	(8)
Net amortization of investments	(208)	(200)	(191)
Depreciation and amortization	70	67	73
Changes in:			
Receivables, net	(323)	(898)	(245)
Accrued investment income	(26)	(8)	(41)
Deferred acquisition costs	(17)	(69)	(85)
Insurance reserves	1,670	2,365	1,667
Other, net	(76)	420	(192)
Net cash flows provided by operating activities	2,490	2,571	2,285
Cash Flows from Investing Activities			
Dispositions:			
Fixed maturity securities - sales	2,946	2,793	4,029
Fixed maturity securities - maturities, calls and redemptions	3,357	2,396	1,334
Equity securities	505	523	317
Limited partnerships	103	97	164
Mortgage loans	122	105	122
Purchases:			
Fixed maturity securities	(7,118)	(6,404)	(6,616)
Equity securities	(573)	(444)	(293)
Limited partnerships	(360)	(335)	(402)
Mortgage loans	(186)	(89)	(127)
Change in other investments	(12)	(11)	(2)
Change in short-term investments	(151)	147	(274)
Purchases of property and equipment	(86)	(95)	(90)
Disposals of property and equipment	12	—	—
Other, net	(8)	—	(5)
Net cash flows used by investing activities	(1,449)	(1,317)	(1,843)
Cash Flows from Financing Activities			
Dividends paid to common stockholders	(1,047)	(1,025)	(787)
Proceeds from the issuance of debt	495	490	491
Repayment of debt	(500)	(550)	(243)
Purchase of treasury stock	(34)	(20)	(24)
Other, net	(18)	(12)	(14)
Net cash flows used by financing activities	(1,104)	(1,117)	(577)
Effect of foreign exchange rate changes on cash	16	(10)	5
Net change in cash	(47)	127	(130)
Cash, beginning of year	472	345	475
Cash, end of year	$ 425	$ 472	$ 345

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CNA Financial Corporation
Consolidated Statements of Stockholders' Equity

Years ended December 31 (In millions)	2025	2024	2023
Common Stock			
Balance, beginning of year	$ 683	$ 683	$ 683
Balance, end of year	683	683	683
Additional Paid-in Capital			
Balance, beginning of year	2,229	2,221	2,220
Stock-based compensation	—	8	1
Balance, end of year	2,229	2,229	2,221
Retained Earnings			
Balance, beginning of year	9,686	9,755	9,336
Dividends to common stockholders ($3.84, $3.76, and $2.88 per share)	(1,049)	(1,028)	(786)
Net income	1,278	959	1,205
Balance, end of year	9,915	9,686	9,755
Accumulated Other Comprehensive Loss			
Balance, beginning of year	(1,991)	(2,672)	(3,598)
Other comprehensive income	893	681	926
Balance, end of year	(1,098)	(1,991)	(2,672)
Treasury Stock			
Balance, beginning of year	(94)	(94)	(93)
Stock-based compensation	20	20	23
Purchase of treasury stock	(34)	(20)	(24)
Balance, end of year	(108)	(94)	(94)
Total stockholders' equity	$ 11,621	$ 10,513	$ 9,893

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Note A. Summary of Significant Accounting Policies

Basis of Presentation

The Consolidated Financial Statements include the accounts of CNA Financial Corporation (CNAF) and its subsidiaries. Collectively, CNAF and its subsidiaries are referred to as CNA or the Company. Loews Corporation (Loews) owned approximately 92% of the outstanding common stock of CNAF as of December 31, 2025.

The accompanying Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). Intercompany amounts have been eliminated. The preparation of Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Recently Adopted Accounting Standards Updates (ASU)

ASU 2023-09: In December 2023, the Financial Accounting Standards Board (FASB) issued ASU No. 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*. The updated accounting guidance requires expanded income tax disclosures, including disaggregation of the tax rate reconciliation and income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024. The Company adopted the guidance retrospectively, with comparative period tax disclosures adjusted to reflect the change in accounting guidance.

Accounting Standards Pending Adoption

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses*. The updated accounting guidance requires disaggregated disclosure of specified expense categories. The guidance also requires disclosure of total selling expenses and how the Company defines selling expenses. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027. Prospective application is required, with retrospective application permitted. The Company is currently evaluating the effect the updated guidance will have on its financial statement disclosures.

In September 2025, the FASB issued ASU No. 2025-06, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): *Targeted Improvements to the Accounting for Internal-Use Software*. The updated guidance changes the accounting for internal-use software by eliminating references to sequential project stages. Eligible software development cost capitalization will begin when: (1) management has authorized and committed to funding the software project and (2) it is probable that the software will be completed and used as intended. The guidance is effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods, with early adoption permitted. The guidance may be applied using a prospective transition method, a retrospective transition method, or a modified prospective transition method. The Company is currently evaluating the effect the updated guidance will have on its financial statements.

Insurance Operations

Premiums: Insurance premiums on property and casualty insurance contracts are recognized in proportion to the underlying risk insured and are primarily earned ratably over the term of the policies. Premiums on long-term care contracts are earned ratably over the policy year in which they are due. The reserve for unearned premiums represents the portion of premiums written relating to the unexpired terms of coverage.

Property and casualty contracts that are retrospectively rated or subject to audit premiums contain provisions that result in an adjustment to the initial policy premium depending on the contract provisions. These provisions stipulate the adjustment due to loss experience of the insured during the coverage period, or changes in the level of exposure to insurance risk. For such contracts, the Company estimates the amount of ultimate premiums that the Company may earn upon completion of the coverage period and recognizes either an asset or a liability for the difference between the initial policy premium and the estimated ultimate premium. The Company either adjusts such estimated ultimate premium amounts during the course of the coverage period based on actual results to date, or by conducting premium audits after the policy has expired to determine the final exposure to insured risks. The resulting adjustment is recorded as either a reduction of or an increase to the earned premiums for the period.

Insurance receivables include balances due currently or in the future, including amounts due from insureds related to paid losses under high deductible policies, and are presented at unpaid balances, net of an allowance for uncollectible receivables. A loss rate methodology is used to determine expected credit losses for premium receivables. This methodology uses the Company's historical annual credit losses relative to gross premium written to develop a range of credit loss rates for each dollar of gross written premium underwritten. Additionally, an expected credit loss for amounts due from insureds under high deductible and retrospectively rated policies is calculated on a pool basis, informed by historical default rate data obtained from major rating agencies. Changes in the allowance are presented as a component of Other operating expenses on the Consolidated Statements of Operations. Amounts are considered past due based on policy payment terms. Insurance receivables and any related allowance are written off after collection efforts are exhausted or a negotiated settlement is reached. See the *Credit Losses* section of this note for additional information on the Company's allowances for expected credit losses.

Claim and claim adjustment expense reserves: Claim and claim adjustment expense reserves, except reserves for structured settlements not associated with asbestos and environmental pollution (A&EP) and workers' compensation lifetime claims, are not discounted and are based on i) case basis estimates for losses reported on direct business, adjusted in the aggregate for ultimate loss expectations; ii) estimates of incurred but not reported (IBNR) losses; iii) estimates of losses on assumed reinsurance; iv) estimates of future expenses to be incurred in the settlement of claims; v) estimates of salvage and subrogation recoveries and vi) estimates of amounts due from insureds related to losses under high deductible policies. Management considers current conditions and trends as well as past Company and industry experience in establishing these estimates. The effects of inflation, which can be significant, are implicitly considered in the reserving process and are part of the recorded reserve balance. Ceded claim and claim adjustment expense reserves are reported as a component of Reinsurance receivables on the Consolidated Balance Sheets.

Claim and claim adjustment expense reserves are presented net of anticipated amounts due from insureds related to losses under deductible policies of $1.6 billion and $1.3 billion as of December 31, 2025 and 2024. A significant portion of these amounts are supported by collateral. The Company has an allowance for uncollectible deductible amounts, which is presented as a component of the allowance for doubtful accounts included in Insurance receivables on the Consolidated Balance Sheets.

Structured settlements have been negotiated for certain property and casualty insurance claims. Structured settlements are agreements to provide fixed periodic payments to claimants. The Company's obligations for structured settlements not funded by annuities are included in claim and claim adjustment expense reserves and are discounted at a weighted average interest rate of 6.5% and 6.6% as of December 31, 2025 and 2024. This interest rate is based on the expected yield of the assets that support the reserves and reinvestment assumptions. As of December 31, 2025 and 2024, the discounted reserves for unfunded structured settlements were $432 million and $444 million, net of discount of $505 million and $535 million. For the years ended December 31, 2025, 2024 and 2023, the amount of interest recognized on the discounted reserves of unfunded structured settlements was $32 million, $33 million and $34 million, respectively. This interest accretion is presented as a component of Insurance claims and policyholders' benefits on the Consolidated Statements of Operations, but is excluded from the Company's disclosure of prior year loss reserve development.

Workers' compensation lifetime claim reserves are calculated using mortality assumptions determined through statutory regulation and economic factors. As of December 31, 2025 and 2024, workers' compensation lifetime claim reserves are discounted at a 3.5% interest rate. As of December 31, 2025 and 2024, the discounted reserves for workers' compensation lifetime claim reserves were $167 million and $179 million, net of discount of $78 million and $80 million. For the years ended December 31, 2025, 2024 and 2023, the amount of interest accretion recognized on the discounted reserves of workers' compensation lifetime claim reserves was $6 million, $6 million and $9 million, respectively. This interest accretion is presented as a component of Insurance claims and policyholders' benefits on the Consolidated Statements of Operations, but is excluded from the Company's disclosure of prior year loss reserve development.

Future policy benefit reserves: Future policy benefit reserves are associated with the Company's run-off long-term care business and relate to policyholders that are currently receiving benefits, including claims that have been incurred but are not yet reported, as well as policyholders that are not yet receiving benefits.

The LFPB is computed using the net level premium method, which incorporates cash flow assumptions and discount rate assumptions. Under the net level premium method, the LFPB is equal to the present value of future benefits and claim settlement expenses less the present value of future net premiums. Net premiums are equal to gross premiums multiplied by the NPR. The NPR is generally the ratio of the present value of benefits and expense payments to the present value of gross premiums, expected over the lifetime of the policy. As a result of the modified retrospective adoption of ASU 2018-12, the Company's NPR calculation incorporates the original locked in discount rate and the reserve balance as of the transition date of January 1, 2021.

The key cash flow assumptions used to estimate the LFPB are morbidity, persistency, premium rate actions and expenses. Morbidity is the frequency and severity of injury, illness, sickness and diseases contracted. Persistency is the percentage of policies remaining in force and can be affected by policy lapses, benefit reductions and death. Premium rate actions are generally subject to regulatory approval, and therefore the exact timing and size of the approved rate increases are unknown. Expense assumptions relate to claim adjudication. The Company has not elected the practical expedient that allows locking in the expense assumption. The carried LFPB discount rate is determined using the upper-medium grade fixed income instrument yield curve.

The Company has elected to update the NPR and the LFPB for actual experience on a quarterly basis. A quarterly assessment is also made as to whether evidence suggests that cash flow assumptions should be updated. Annually, in the third quarter, actuarial analysis is performed on policyholder morbidity, persistency, premium rate actions and expense experience. This analysis, combined with judgment, informs the setting of updated cash flow assumptions used to estimate the LFPB. Actuarial analysis includes predictive modeling, actual to expected experience comparisons and trend analysis. Applicable industry research and current macroeconomic conditions are also considered. The effect of changes in cash flow assumptions and actual variances from expected experience are recorded in the Company's results of operations within Insurance claims and policyholders' benefits.

Quarterly, to derive the upper-medium grade fixed income instrument yield discount rate assumption, the Company uses a published spot rate curve constructed from single-A rated U.S. dollar denominated corporate bonds. The Company uses linear interpolation to determine yield assumptions for tenors that fall between points for which observable rates are available. For cash flows that are projected to occur beyond the tenor for which market-observable rates are available, the Company applies judgment to estimate a normative rate which the Company grades to over 10 years. The effect of changes in discount rate assumptions are recorded in Other comprehensive income (loss).

Quarterly, the updated NPR is used to derive an updated LFPB as of the beginning of the current quarter measured at the original locked in discount rate. The updated LFPB is then compared to the existing carrying amount of the liability as of the same date (measured at the original locked in discount rate) to determine the re-measurement gain (loss), which is presented parenthetically within the Insurance claims and policyholders' benefits line on the Consolidated Statements of Operations.

Insurance contracts are grouped into cohorts according to issue year. Contracts assumed through reinsurance are generally included within the same cohorts as contracts issued directly by the Company, according to issue year. The issue year for assumed contracts is defined according to the date that the Company's assumption of insurance risk incepted. For assumed contracts that were reinsured concurrently with the issuance of the underlying direct contract, issue year is defined as the year that the underlying policy was issued. For contracts that were already in-force when assumed by the Company, issue year is defined as the year in which the reinsurance agreement incepted. For group long-term care business, issue year is defined as the year the individual insurance certificate was issued. Long-term care is the Company's only long-duration product line, therefore, cohorts are not further disaggregated by product.

Insurance-related assessments: Liabilities for insurance-related assessments are accrued when an assessment is probable, when it can be reasonably estimated and when the event obligating the entity to pay an imposed or probable assessment has occurred. Liabilities for insurance-related assessments are not discounted and are included as part of Other liabilities on the Consolidated Balance Sheets. As of December 31, 2025 and 2024, the liability balances were $89 million and $86 million.

Reinsurance: Reinsurance accounting allows for contractual cash flows to be reflected as premiums and losses. To qualify for reinsurance accounting, reinsurance agreements must include risk transfer. To meet risk transfer requirements, a reinsurance contract must include both insurance risk, consisting of underwriting and timing risk, and a reasonable possibility of a significant loss for the assuming entity.

Reinsurance receivables related to paid losses are presented at unpaid balances. Reinsurance receivables related to unpaid losses are estimated in a manner consistent with claim and claim adjustment expense reserves or future policy benefit reserves. Reinsurance receivables are reported net of an allowance for uncollectible amounts on the Consolidated Balance Sheets. The cost of reinsurance is primarily accounted for over the life of the underlying reinsured policies using assumptions consistent with those used to account for the underlying policies or over the reinsurance contract period. The ceding of insurance does not discharge the primary liability of the Company.

The Company has established an allowance for uncollectible reinsurance receivables which relates to both amounts already billed on ceded paid losses as well as ceded reserves that will be billed when losses are paid in the future. For assessing expected credit losses, the Company separates reinsurance receivables into two pools: voluntary reinsurance receivables and involuntary receivables related to mandatory pools. The Company has not recorded an allowance for involuntary pools as there is no perceived credit risk. The principal credit quality indicator used in the valuation of the allowance on voluntary reinsurance receivables is the financial strength rating of the reinsurer sourced from major rating agencies. If the reinsurer is unrated, an internal financial strength rating is assigned based on the Company’s historical loss experience and the Company’s assessment of the reinsurance counterparty's risk profile, which generally corresponds with a B rating. Reinsurer financial strength ratings are updated and reviewed on an annual basis or sooner if the Company becomes aware of significant changes related to a reinsurer. The allowance for uncollectible reinsurance receivables is estimated on the basis of periodic evaluations of balances due from reinsurers, reinsurer financial strength rating and solvency, industry experience and current and forecast economic conditions. Because billed receivables generally approximate 8% or less of total reinsurance receivables, the age of the reinsurance receivables related to paid losses is not a significant input into the allowance analysis. Changes in the allowance for uncollectible reinsurance receivables are presented as a component of Insurance claims and policyholders' benefits on the Consolidated Statements of Operations. See the *Credit Losses* section of this note for additional information on the Company's allowances for expected credit losses.

Amounts are considered past due based on the reinsurance contract terms. Reinsurance receivables related to paid losses and any related allowance are written off after collection efforts have been exhausted or a negotiated settlement is reached with the reinsurer. Reinsurance receivables from insolvent insurers related to paid losses are written off when the settlement due from the estate can be reasonably estimated. At the time reinsurance receivables related to paid losses are written off, any required adjustment to reinsurance receivables related to unpaid losses is recorded as a component of Insurance claims and policyholders' benefits on the Consolidated Statements of Operations.

A loss portfolio transfer is a retroactive reinsurance contract. If the cumulative claim and allocated claim adjustment expenses ceded under a loss portfolio transfer exceed the consideration paid, the resulting gain from such excess is deferred and amortized into earnings in future periods in proportion to actual recoveries under the loss portfolio transfer. In any period in which there is a revised estimate of claim and allocated claim adjustment expenses and the loss portfolio transfer is in a gain position, the deferred gain is recalculated as if the revised estimate was available at the inception date of the loss portfolio transfer and the change in the deferred gain is recognized in earnings.

Deferred acquisition costs: Deferrable acquisition costs include commissions, premium taxes and certain underwriting and policy issuance costs which are incremental direct costs of successful contract acquisitions. Acquisition costs related to property and casualty business are deferred and amortized ratably over the period the related premiums are earned. Deferred acquisition costs are presented net of ceding commissions and other ceded acquisition costs.

The Company evaluates deferred acquisition costs for recoverability. Anticipated investment income is considered in the determination of the recoverability of deferred acquisition costs. Adjustments, if necessary, are recorded in current period results of operations.

Policyholder dividends: Policyholder dividends are paid to participating policyholders within the workers' compensation and surety lines of business. Net written premiums for participating dividend policies were approximately 2% of total net written premiums for each of the years ended December 31, 2025, 2024 and 2023. Dividends to policyholders are accrued according to the Company's best estimate of the amount to be paid in accordance with contractual provisions and applicable state laws. Dividends to policyholders are presented as a component of Insurance claims & policyholders' benefits on the Consolidated Statements of Operations and Other liabilities on the Consolidated Balance Sheets.

Investments

The Company classifies its fixed maturity securities as either available-for-sale or trading, and in both cases, they are carried at fair value. Changes in fair value of trading securities are reported within Net investment income on the Consolidated Statements of Operations. Changes in fair value of available-for-sale securities are reported as a component of Other comprehensive income.

The cost of fixed maturity securities classified as available-for-sale is adjusted for amortization of premiums and accretion of discounts, which are included in Net investment income on the Consolidated Statements of Operations. The amortization of premium and accretion of discount for fixed maturity securities takes into consideration call and maturity dates that produce the lowest yield.

For asset-backed securities included in fixed maturity securities, the Company recognizes income using an effective yield based on anticipated prepayments and the estimated economic life of the securities. When estimates of prepayments change, the effective yield is recalculated to reflect actual payments to date and anticipated future payments predominantly using the retrospective method.

Equity securities are carried at fair value. The Company's non-redeemable preferred stock contain characteristics of debt securities, are priced similarly to bonds and are held primarily for income generation through periodic dividends. While recognition of gains and losses on these securities is not discretionary, management does not consider the changes in fair value of non-redeemable preferred stock to be reflective of our primary operations. As such, the changes in the fair value of these securities are recorded through Net investment gains (losses) on the Consolidated Statements of Operations. The Company owns certain common stock with the intention of holding the securities primarily for market appreciation and as such, the changes in the fair value of these securities are recorded through Net investment income.

The Company's carrying value of investments in limited partnerships is its share of the net asset value of each partnership, as determined by the general partner. The majority of the Company's limited partnerships are reported on a lag, primarily three months or less, as results are not available on a timely basis. Changes in net asset values are accounted for under the equity method and recorded within Net investment income on the Consolidated Statements of Operations.

Mortgage loans are commercial in nature, are carried at unpaid principal balance, net of unamortized fees and an allowance for expected credit losses, and are recorded once funded. The allowance for expected credit losses is developed by assessing the credit quality of pools of mortgage loans in good standing using debt service coverage ratios (DSCR) and loan-to-value ratios (LTV). The DSCR compares a property's net operating income to its debt service payments, including principal and interest. The LTV ratio compares the current unpaid principal balance of the loan to the estimated fair value of the underlying property collateralizing the loan. The pools developed to measure the credit loss allowance use increments of DSCR and LTV to draw distinctions between risk levels. The Company applies expected credit loss rates by pool to the outstanding receivable balances. Changes in the allowance for mortgage loans are presented as a component of Net investment gains (losses) on the Consolidated Statements of Operations. See the *Credit Losses* section of this note for additional information on the Company's allowances for expected credit losses. Interest income from mortgage loans is recognized on an accrual basis using the effective yield method.

Other invested assets include overseas deposits. Overseas deposits are valued using the net asset value per share (or equivalent) practical expedient. They are primarily short-term government securities, agency securities and corporate bonds held in trusts that are managed by Lloyd's of London. These funds are required of Lloyd's syndicates to protect policyholders in overseas markets and may be denominated in local currency.

Short-term investments are carried at fair value, with the exception of cash accounts earning interest, which are carried at cost and approximate fair value. Changes in fair value are reported as a component of Other comprehensive income.

Purchases and sales of all securities are recorded on the trade date, except for private placement securities, including bank loan participations, which are recorded once funded. Net investment gains and losses are determined on the basis of the cost or amortized cost of the specific securities sold.

In the normal course of investing activities, the Company enters into relationships with variable interest entities (VIEs), as both an investor in limited partnerships and asset-backed securities issued by third-party VIEs. The Company is not the primary beneficiary of these VIEs, and therefore does not consolidate them. The Company determines whether it is the primary beneficiary of a VIE based on a qualitative assessment of the relative power and benefits of the Company and the other participants in the VIE. The Company's maximum exposure to loss with respect to these investments is limited to the investment carrying values included in the Company's Consolidated Balance Sheets and any unfunded commitments.

An available-for-sale security is impaired if the fair value of the security is less than its cost adjusted for accretion, amortization and allowance for credit losses. When a security is impaired, it is evaluated to determine whether the Company intends to sell the security before recovery of amortized cost or whether a credit loss exists. Losses on securities that the Company intends to sell are recognized as impairment losses within Net investment gains (losses) on the Consolidated Statements of Operations. If a credit loss exists, an allowance is established and the corresponding amount is recognized as an impairment loss within Net investment gains (losses) on the Consolidated Statements of Operations. The allowance for credit losses related to available-for-sale fixed maturity securities is the difference between the present value of cash flows expected to be collected and the amortized cost basis, limited by the amount that the fair value is less than the amortized cost basis. In subsequent periods, the allowance is reviewed, with any changes in the allowance presented as a component of Net investment gains (losses) on the Consolidated Statements of Operations. Changes in the difference between the amortized cost basis, net of the allowance, and the fair value, are recognized in Other comprehensive income.

Significant judgment is required in the determination of whether an impairment loss has occurred for a security. The Company follows a consistent and systematic process for determining and recording an impairment loss, including the evaluation of securities in an unrealized loss position and securities with an allowance for credit losses on at least a quarterly basis.

The Company's assessment of whether an impairment loss has occurred incorporates both quantitative and qualitative information. A credit loss exists if the present value of cash flows expected to be collected is less than the amortized cost basis. Significant assumptions enter into these cash flow projections including delinquency rates, probable risk of default, loss severity upon a default, over collateralization and interest coverage triggers and credit support from lower level tranches. The Company considers all available evidence when determining whether an investment requires a credit loss write-down or allowance to be recorded. Examples of such evidence may include the financial condition and near-term and long-term prospects of the issuer, whether the issuer is current with interest and principal payments, credit ratings on the security or changes in ratings over time, general market conditions and industry, sector or other specific factors and whether it is likely that the Company will recover its amortized cost through the collection of cash flows. See the *Credit Losses* section of this note for additional information on the Company's allowances for expected credit losses.

Credit Losses

The allowances for credit losses on fixed maturity securities, mortgage loans, reinsurance receivables and insurance receivables are valuation accounts that are reported as a reduction of a financial asset's cost basis and are measured on a pool basis when similar risk characteristics exist. Management estimates the allowance using relevant available information from both internal and external sources. Historical credit loss experience provides the basis for the estimation of expected credit losses and adjustments may be made to reflect current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for any additional factors that come to the Company's attention. This could include significant shifts in counterparty financial strength ratings, aging of past due receivables, amounts sent to collection agencies, or other underlying portfolio changes. Amounts are considered past due when payments have not been received according to contractual terms. The Company also considers current and forecast economic conditions, using a variety of economic metrics and forecast indices. The sensitivity of expected credit losses relative to changes to these forecast economic conditions can vary by financial asset class. The Company considers a reasonable and supportable forecast period to be up to 24 months from the balance sheet date. After the forecast period, the Company reverts to historical credit experience. The Company uses collateral arrangements such as letters of credit and amounts held in beneficiary trusts to mitigate credit risk, which are considered in the estimate of net amount expected to be collected. Amounts are written off against the allowance when determined to be uncollectible.

The Company has made a policy election to present accrued interest balances separately from the amortized cost basis of assets and has elected the practical expedient to exclude the accrued interest from the tabular disclosures for mortgage loans and available-for-sale securities. The Company has elected not to estimate an allowance for credit losses on accrued interest receivable. The accrual of interest income is discontinued and the asset is placed on nonaccrual status within 90 days of the interest becoming delinquent. Interest accrued but not received for assets on nonaccrual status is reversed through investment income. Interest received for assets that are on nonaccrual status is recognized as payment is received. The asset is returned to accrual status when the principal and interest amounts contractually due are brought current and future payments are expected. Interest receivable is presented as a component of accrued investment income on the Consolidated Balance Sheet.

Deferred Non-Insurance Warranty Revenue and Acquisition Expense

Non-insurance warranty revenue is primarily generated from separately-priced service contracts that provide mechanical breakdown and other coverages to vehicle or consumer goods owners. The warranty contracts generally provide coverage from 1 month to 10 years. For warranty products where the Company acts as the principal in the transaction, Non-insurance warranty revenue is reported on a gross basis, with amounts paid by customers reported as Non-insurance warranty revenue and commissions paid to agents and dealers reported as Non-insurance warranty expense.

Non-insurance warranty revenue is reported net of any premiums related to contractual liability coverage issued by the Company's insurance operations. Additionally, the Company provides warranty administration services for dealer and manufacturer obligor warranty products, which include limited warranties and guaranteed asset protection waivers. The Company recognizes Non-insurance warranty revenue over the service period in proportion to the actuarially determined expected claims emergence pattern. Customers predominantly pay in full at the inception of the warranty contract. The liability for deferred revenue represents the unearned portion of revenue in advance of the Company's performance. The deferred revenue balance includes amounts which are refundable on a pro rata basis upon cancellation.

Dealers, retailers and agents earn commission for assisting the Company in obtaining non-insurance warranty contracts. Additionally, the Company utilizes third-parties to perform warranty administrator services for its consumer goods warranties. These costs, which are deferred and recorded as Deferred non-insurance warranty acquisition expense, are amortized to Non-insurance warranty expense consistent with how the related revenue is recognized. The Company evaluates deferred costs for recoverability including consideration of anticipated investment income. Adjustments to deferred costs, if necessary, are recorded in the current period results of operations.

Income Taxes

The Company and its eligible subsidiaries (CNA Tax Group) are included in the consolidated federal income tax return of Loews and its eligible subsidiaries. The Company accounts for income taxes under the asset and liability method. Under the asset and liability method, deferred income taxes are recognized for temporary differences between the financial statement and tax return bases of assets and liabilities, based on enacted tax rates and other provisions of the tax law. The effect of a change in tax laws or rates on deferred tax assets and liabilities is recognized in income in the period in which such change is enacted. Future tax benefits are recognized to the extent that realization of such benefits is more likely than not, and a valuation allowance is established for any portion of a deferred tax asset that management believes will not be realized. The Company releases tax effects from AOCI utilizing the security-by-security approach for Net unrealized gains (losses) on investments with an allowance for credit losses and Net unrealized gains (losses) on other investments.

Pension and Postretirement Benefits

The Company recognizes the overfunded or underfunded status of its defined benefit plans in Other assets or Other liabilities on the Consolidated Balance Sheets. Changes in funded status related to prior service costs and credits, and actuarial gains and losses arising from differences between actual experience and actuarial assumptions, are recognized in the year in which the changes occur through Other comprehensive income. Unrecognized actuarial gains and losses in excess of 10% of the greater of the beginning of the year projected benefit obligation or fair value of plan assets (the corridor) are amortized as a component of net periodic pension cost (benefit) over the average remaining life expectancy of the plan participants.

Annual service cost, interest cost, expected return on plan assets, amortization of prior service costs and credits and amortization of actuarial gains and losses are recognized on the Consolidated Statements of Operations.

The vested benefit obligation for the CNA Retirement Plan is determined based on eligible compensation and accrued service for previously entitled employees. Effective June 30, 2015, future benefit accruals under the CNA Retirement Plan were eliminated and the benefit obligations were frozen.

Stock-Based Compensation

The Company records compensation expense using the fair value method for all awards it grants, modifies or cancels primarily on a straight-line basis over the requisite service period, generally three years.

Foreign Currency

The functional currency of each foreign subsidiary of the Company is determined by the primary economic environment in which the foreign subsidiary operates. Assets and liabilities recorded in currencies other than the functional currency are remeasured to the functional currency at the exchange rates in effect at each reporting date. Foreign currency gains and losses relating to the remeasurement of the fair value of available-for-sale securities are reported within AOCI and those relating to the remeasurement of all other assets and liabilities are reported in net income. The foreign subsidiaries' functional currency balance sheet accounts are translated into the reporting currency at the exchange rates in effect at each reporting date and income statement accounts are translated into the reporting currency at exchange rates that approximate the weighted-average rate in the period. Foreign currency translation gains and losses are reflected in Stockholders' equity as a component of AOCI. Foreign currency transaction gains (losses) of $11 million, $(8) million and $9 million were included in determining Net income for the years ended December 31, 2025, 2024 and 2023, respectively.

Leases

A lease provides the lessee the right to control the use of an identified asset for a period of time in exchange for consideration. Operating lease right-of-use (ROU) assets and lease liabilities are included in Other assets and Other liabilities on the Company's Consolidated Balance Sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease. The Company determines if an arrangement is a lease at inception. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Most operating leases contain renewal options that provide for rent increases based on prevailing market conditions.

Certain leases contain options to terminate before maturity. The lease term used to calculate the ROU asset includes any renewal options or lease termination options that the Company expects to exercise. The discount rate used to determine the commencement date present value of lease payments is typically the Company's secured borrowing rate, as most of the Company's leases do not provide an implicit rate. ROU assets include any lease payments required to be made prior to commencement and exclude lease incentives. The Company has elected to account for its lease and non-lease components as a single lease component. The Company's non-lease components consist of variable lease costs not based on an index or rate and are excluded from the measurement of ROU assets and lease liabilities. Variable lease costs not based on an index or rate are treated as period costs, and represent charges for services provided by the landlord and the Company's reimbursement to the landlord for costs such as real estate taxes and insurance.

The Company occupies office facilities under lease agreements that expire at various dates. The Company's lease agreements do not contain significant residual value guarantees, restrictions or covenants. The Company does not have any significant finance leases.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is based on the estimated useful lives of the various classes of property and equipment and is determined principally on the straight-line method. Furniture and fixtures are depreciated over seven years. Office equipment is depreciated over five years. The estimated lives for data processing equipment and software generally range from three to five years, but can be as long as ten years. Leasehold improvements are depreciated over the corresponding lease terms not to exceed the underlying asset life.

Cloud Computing Costs

The company capitalizes certain implementation costs incurred in cloud computing arrangements that are service contracts. The capitalized costs are amortized on a straight-line basis over the term of the hosting arrangement and reported within Other assets on the Consolidated Balance Sheets.

Goodwill

Goodwill represents the excess of purchase price over the fair value of the net assets of acquired entities and businesses. Goodwill in the International segment may change from period to period as a result of foreign currency translation.

Goodwill is tested for impairment annually or when certain triggering events require such tests. As a result of reviews completed for the year ended December 31, 2025, the Company determined that the estimated fair value of the reporting units were in excess of their carrying value including Goodwill. Changes in future periods in assumptions about the level of economic capital, business growth, earnings projections or the weighted average cost of capital could result in goodwill impairment.

Other Intangible Assets

Other intangible assets are reported within Other assets on the Consolidated Balance Sheets. Finite-lived intangible assets are amortized over their estimated useful lives. Indefinite-lived other intangible assets are tested for impairment annually or when certain triggering events require such tests.

Earnings Per Share Data

Earnings per share is based on weighted average number of outstanding common shares. Basic earnings per share excludes the impact of dilutive securities and is computed by dividing Net income by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

For each of the years ended December 31, 2025, 2024 and 2023, approximately 1 million potential shares attributable to exercises or conversions into common stock under stock-based employee compensation plans were included in the calculation of diluted earnings per share. Excluded from the calculation of diluted earnings per share is the impact of potential shares attributable to exercises or conversions into common stock under stock-based employee compensation plans that would have been antidilutive during the respective periods.

Supplementary Cash Flow Information

Cash payments made for interest were $129 million, $122 million and $124 million for the years ended December 31, 2025, 2024 and 2023.

The following table presents cash payments made for federal, state and foreign income taxes (net of refunds).

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Federal	$ 204	$ 186	$ 263
State	11	12	15
Foreign			
Canada	18	57	(5)
Other	30	26	9
Total cash payments for income taxes	$ 263	$ 281	$ 282

Note B. Investments

The significant components of Net investment income are presented in the following table.

Years ended December 31 (In millions)	2025	2024	2023
Fixed maturity securities	$ 2,143	$ 2,051	$ 1,941
Equity securities	60	82	63
Limited partnership investments	276	271	174
Mortgage loans	64	58	58
Short-term investments	73	87	75
Trading portfolio	5	2	4
Other	27	31	28
Gross investment income	2,648	2,582	2,343
Investment expense	(91)	(85)	(79)
Net investment income	$ 2,557	$ 2,497	$ 2,264
Net investment income (loss) recognized due to the change in fair value of common stock held as of December 31, 2025, 2024 and 2023	$ 24	$ 28	$ 11

As of December 31, 2025 the Company held less than $1 million of fixed maturity securities that were non-income producing for the preceding twelve month period. The Company did not hold any fixed maturity securities as of December 31, 2024 that were non-income producing for the preceding twelve month period. As of December 31, 2025 and 2024, no investments in a single issuer exceeded 10% of stockholders' equity, other than investments in securities issued by the U.S. Treasury and obligations of government-sponsored enterprises.

Net investment gains (losses) are presented in the following table.

Years ended December 31 (In millions)	2025	2024	2023
Net investment gains (losses):			
Fixed maturity securities:			
Gross gains	$ 42	$ 48	$ 75
Gross losses	(125)	(150)	(166)
Net investment gains (losses) on fixed maturity securities	(83)	(102)	(91)
Equity securities	7	21	4
Derivatives	—	—	(1)
Mortgage loans	(5)	—	(11)
Net investment gains (losses)	$ (81)	$ (81)	$ (99)
Net investment gains (losses) recognized due to the change in fair value of non-redeemable preferred stock held as of December 31, 2025, 2024 and 2023	$ 7	$ 19	$ 14

The available-for-sale impairment losses (gains) recognized in earnings by asset type are presented in the following table. The table includes losses (gains) on securities with an intention to sell and changes in the allowance for credit losses on securities since acquisition date.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Fixed maturity securities available-for-sale:			
Corporate and other bonds	$ 25	$ 34	$ 33
Asset-backed	8	29	11
Impairment losses (gains) recognized in earnings	$ 33	$ 63	$ 44

For the years ended December 31, 2025 and 2023, the Company also recognized $5 million and $11 million of impairment losses on mortgage loans due to changes in expected credit losses. There were no impairment losses recognized on mortgage loans for the year ended December 31, 2024.

The net change in unrealized gains (losses) on fixed maturity securities was $1,128 million, $(352) million and $1,431 million for the years ended December 31, 2025, 2024 and 2023.

The following tables present a summary of fixed maturity securities.

December 31, 2025 (In millions)	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Estimated Fair Value
Fixed maturity securities available-for-sale:					
Corporate and other bonds	$ 25,484	$ 682	$ 881	$ 28	$ 25,257
States, municipalities and political subdivisions	8,870	303	742	—	8,431
Asset-backed:					
Residential mortgage-backed	4,011	50	366	—	3,695
Commercial mortgage-backed	1,566	18	80	21	1,483
Other asset-backed	3,729	28	194	20	3,543
Total asset-backed	9,306	96	640	41	8,721
U.S. Treasury and obligations of government-sponsored enterprises	236	1	3	—	234
Foreign government	764	7	20	—	751
Redeemable preferred stock	8	—	—	—	8
Total fixed maturity securities available-for-sale	$ 44,668	$ 1,089	$ 2,286	$ 69	$ 43,402

December 31, 2024 (In millions)	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Estimated Fair Value
Fixed maturity securities available-for-sale:					
Corporate and other bonds	$ 25,839	$ 423	$ 1,305	$ 13	$ 24,944
States, municipalities and political subdivisions	7,396	243	835	—	6,804
Asset-backed:					
Residential mortgage-backed	3,725	7	488	—	3,244
Commercial mortgage-backed	1,830	11	142	18	1,681
Other asset-backed	3,770	24	239	14	3,541
Total asset-backed	9,325	42	869	32	8,466
U.S. Treasury and obligations of government-sponsored enterprises	220	1	1	—	220
Foreign government	701	6	30	—	677
Redeemable preferred stock	—	—	—	—	—
Total fixed maturity securities available-for-sale	$ 43,481	$ 715	$ 3,040	$ 45	$ 41,111

The following tables present the estimated fair value and gross unrealized losses of available-for-sale fixed maturity securities in a gross unrealized loss position for which an allowance for credit loss has not been recorded, by the length of time in which the securities have continuously been in that position.

December 31, 2025 (In millions)	Less than 12 Months		12 Months or Longer		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Fixed maturity securities available-for-sale:						
Corporate and other bonds	$ 2,776	$ 56	$ 8,576	$ 825	$ 11,352	$ 881
States, municipalities and political subdivisions	403	8	3,471	734	3,874	742
Asset-backed:						
Residential mortgage-backed	154	1	2,002	365	2,156	366
Commercial mortgage-backed	36	2	887	78	923	80
Other asset-backed	420	9	1,432	185	1,852	194
Total asset-backed	610	12	4,321	628	4,931	640
U.S. Treasury and obligations of government-sponsored enterprises	78	2	18	1	96	3
Foreign government	131	1	260	19	391	20
Total	$ 3,998	$ 79	$ 16,646	$ 2,207	$ 20,644	$ 2,286

December 31, 2024 (In millions)	Less than 12 Months		12 Months or Longer		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Fixed maturity securities available-for-sale:						
Corporate and other bonds	$ 5,846	$ 165	$ 10,388	$ 1,140	$ 16,234	$ 1,305
States, municipalities and political subdivisions	1,247	52	2,967	783	4,214	835
Asset-backed:						
Residential mortgage-backed	849	22	2,010	466	2,859	488
Commercial mortgage-backed	230	3	988	139	1,218	142
Other asset-backed	680	21	1,557	218	2,237	239
Total asset-backed	1,759	46	4,555	823	6,314	869
U.S. Treasury and obligations of government-sponsored enterprises	49	1	41	—	90	1
Foreign government	118	3	368	27	486	30
Total	$ 9,019	$ 267	$ 18,319	$ 2,773	$ 27,338	$ 3,040

The following table presents the estimated fair value and gross unrealized losses of available-for-sale fixed maturity securities in a gross unrealized loss position for which an allowance for credit loss has not been recorded, by ratings distribution.

	December 31, 2025		December 31, 2024	
(In millions)	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
U.S. Government, Government agencies and Government-sponsored enterprises	$ 1,980	$ 267	$ 2,567	$ 373
AAA	1,376	243	1,830	283
AA	3,827	623	4,257	730
A	5,025	440	6,340	582
BBB	7,758	639	11,548	980
Non-investment grade	678	74	796	92
Total	$ 20,644	$ 2,286	$ 27,338	$ 3,040

Based on current facts and circumstances, the Company believes the unrealized losses presented in the December 31, 2025 securities in a gross unrealized loss position tables above are not indicative of the ultimate collectability of the current amortized cost of the securities, but rather are primarily attributable to changes in risk-free interest rates. In reaching this determination, the Company considered the volatility in risk-free rates and credit spreads as well as the fact that its unrealized losses are concentrated in investment grade issuers. Additionally, the Company has no current intent to sell securities with unrealized losses, nor is it more likely than not that it will be required to sell prior to recovery of amortized cost; accordingly, the Company has determined that there are no additional impairment losses to be recorded as of December 31, 2025.

The following tables present the activity related to the allowance on available-for-sale securities with credit impairments and purchased credit-deteriorated (PCD) assets. Accrued interest receivable on available-for-sale fixed maturity securities totaled $470 million and $442 million as of December 31, 2025 and 2024 and is excluded from the estimate of expected credit losses and the amortized cost basis in the table included within this Note.

(In millions)	Corporate and other bonds	Asset-backed	Total
Allowance for credit losses:			
Balance as of January 1, 2025	$ 13	$ 32	$ 45
Additions to the allowance for credit losses:			
Securities for which credit losses were not previously recorded	3	3	6
Available-for-sale securities accounted for as PCD assets	4	—	4
Reductions to the allowance for credit losses:			
Securities disposed during the period (realized)	6	—	6
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	—	—	—
Write-offs charged against the allowance	—	—	—
Recoveries of amounts previously written off	—	—	—
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period	14	6	20
Balance as of December 31, 2025	$ 28	$ 41	$ 69

(In millions)	Corporate and other bonds	Asset-backed	Total
Allowance for credit losses:			
Balance as of January 1, 2024	$ 4	$ 12	$ 16
Additions to the allowance for credit losses:			
Securities for which credit losses were not previously recorded	9	18	27
Available-for-sale securities accounted for as PCD assets	4	—	4
Reductions to the allowance for credit losses:			
Securities disposed during the period (realized)	3	1	4
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	1	—	1
Write-offs charged against the allowance	—	9	9
Recoveries of amounts previously written off	—	—	—
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period	—	12	12
Balance as of December 31, 2024	$ 13	$ 32	$ 45

Contractual Maturity

The following table presents available-for-sale fixed maturity securities by contractual maturity.

December 31	2025		2024	
(In millions)	Cost or Amortized Cost	Estimated Fair Value	Cost or Amortized Cost	Estimated Fair Value
Due in one year or less	$ 1,392	$ 1,389	$ 1,761	$ 1,753
Due after one year through five years	11,318	11,214	11,678	11,403
Due after five years through ten years	13,491	13,238	13,134	12,415
Due after ten years	18,467	17,561	16,908	15,540
Total	$ 44,668	$ 43,402	$ 43,481	$ 41,111

Actual maturities may differ from contractual maturities because certain securities may be called or prepaid. Securities not due at a single date are allocated based on weighted average life.

Limited Partnerships

The carrying value of limited partnerships as of December 31, 2025 and 2024 was $2,772 million and $2,520 million, which includes net undistributed earnings of $379 million and $334 million. Limited partnerships comprising 12% of the total carrying value are reported on a current basis through December 31, 2025 with no reporting lag, 2% are reported on a one month lag and the remainder are reported on more than a one month lag. The number of limited partnerships held and the strategies employed provide diversification to the limited partnership portfolio and the overall invested asset portfolio.

Limited partnerships comprising 88% and 86% of the carrying value as of December 31, 2025 and 2024 were invested in private debt and equity. Limited partnerships comprising 12% and 14% of the carrying value as of December 31, 2025 and 2024 employ hedge fund strategies. Private debt and equity funds cover a broad range of investment strategies including buyout, co-investment, private credit, growth capital, distressed investing and real estate. Hedge fund strategies include both long and short positions in fixed income, equity and derivative instruments.

The ten largest limited partnership positions held totaled $630 million and $648 million as of December 31, 2025 and 2024. Based on the most recent information available regarding the Company's percentage ownership of the individual limited partnerships, the carrying value reflected on the Consolidated Balance Sheets represents approximately 1% of the aggregate partnership equity as of December 31, 2025 and 2024, and the related income reflected on the Consolidated Statements of Operations represents approximately 1% of the changes in aggregate partnership equity for the years ended December 31, 2025, 2024 and 2023.

There are risks inherent in limited partnership investments which may result in losses due to short-selling, derivatives or other speculative investment practices. The use of leverage increases volatility generated by the underlying investment strategies.

The Company's private debt, private equity and other non-hedge fund limited partnership investments generally do not permit voluntary withdrawals. The Company's hedge fund limited partnership investments contain withdrawal provisions that generally limit liquidity for a period of thirty days up to one year or longer. Typically, hedge fund withdrawals require advance written notice of up to 90 days.

Derivative Financial Instruments

The Company may use derivatives in the normal course of business, primarily in an attempt to reduce its exposure to market risk (principally interest rate risk and foreign currency risk) stemming from various assets and liabilities. The Company's principal objective under such strategies is to achieve the desired reduction in economic risk, even if the position does not receive hedge accounting treatment.

The Company may enter into interest rate swaps, futures and forward commitments to purchase securities to manage interest rate risk. The Company may use foreign currency forward contracts to manage foreign currency risk.

Credit exposure associated with non-performance by the counterparties to derivative instruments is generally limited to the uncollateralized fair value of the asset related to the instruments recognized on the Consolidated Balance Sheets. The Company generally requires that all over-the-counter derivative contracts be governed by an International Swaps and Derivatives Association Master Agreement, and exchanges collateral under the terms of these agreements with its derivative investment counterparties depending on the amount of the exposure and the credit rating of the counterparty. Gross estimated fair values of derivative positions are presented in Other invested assets and Other liabilities on the Consolidated Balance Sheets. The Company does not offset derivative positions against the fair value of collateral provided or positions subject to netting arrangements. There would be no significant difference in the balance included in such accounts if the estimated fair values were presented net as of December 31, 2025 and 2024.

There was no cash collateral provided by the Company or cash collateral received from counterparties as of December 31, 2025 or 2024.

Investment Commitments

As part of its overall investment strategy, the Company invests in various assets which require future purchase, sale or funding commitments. These investments are recorded once funded, and the related commitments may include future capital calls from various third-party limited partnerships, signed and accepted mortgage loan applications, and obligations related to private placement securities. As of December 31, 2025, the Company had commitments to purchase or fund approximately $1,770 million and sell approximately $45 million under the terms of these investments.

Investments on Deposit

Cash and securities with carrying values of approximately $3.4 billion and $3.1 billion were deposited by the Company’s insurance subsidiaries under requirements of regulatory authorities and others as of December 31, 2025 and 2024.

Cash and securities with carrying values of approximately $0.6 billion and $0.7 billion were deposited with financial institutions in trust accounts or as collateral for letters of credit to secure obligations with various third parties as of December 31, 2025 and 2024.

Mortgage Loans

The following table presents the amortized cost basis of mortgage loans for each credit quality indicator by year of origination. The primary credit quality indicators utilized are debt service coverage ratios (DSCR) and loan-to-value ratios (LTV).

December 31, 2025	Mortgage Loans Amortized Cost Basis by Origination Year [(1)]						
(In millions)	2025	2024	2023	2022	2021	Prior	Total
DSCR ≥1.6x							
LTV less than 55%	$ 38	$ —	$ 33	$ —	$ 5	$ 215	$ 291
LTV 55% to 65%	37	—	12	14	6	12	81
LTV greater than 65%	—	—	—	12	13	—	25
DSCR 1.2x - 1.6x							
LTV less than 55%	—	68	28	5	2	75	178
LTV 55% to 65%	107	33	38	21	19	28	246
LTV greater than 65%	7	—	—	46	—	—	53
DSCR ≤1.2							
LTV less than 55%	—	—	6	—	—	21	27
LTV 55% to 65%	37	—	17	38	—	15	107
LTV greater than 65%	—	—	—	40	21	25	86
Total	$ 226	$ 101	$ 134	$ 176	$ 66	$ 391	$ 1,094
Write-offs for the year ended December 31, 2025	$ —	$ —	$ —	$ (2)	$ —	$ (23)	$ (25)

(1) The values in the table above reflect DSCR on a standardized amortization period and LTV based on the most recent appraised values trended forward using changes in a commercial real estate price index.

As of December 31, 2025, accrued interest receivable on mortgage loans totaled $5 million and is excluded from the amortized cost basis disclosed in the table above and the estimate of expected credit losses.

The following table presents the activity related to the allowance for credit loss on mortgage loans.

(In millions)	2025	2024
Allowance for credit losses:		
Balance as of January 1	$ 35	$ 35
Current-period provision for expected credit losses	5	—
Write-offs charged against the allowance	(25)	—
Balance as of December 31	$ 15	$ 35

Mortgage loan write-offs in 2025 were driven by certain loans that had been substantially reserved for in the allowance in prior years and were determined to be uncollectible.

As of December 31, 2025, the Company held mortgage loans with an amortized cost of $30 million that were on nonaccrual status, past due by more than 180 days and carried no allowance for credit loss as a result of write-offs charged against the allowance during the year. During the year ended December 31, 2025, the Company recognized $1 million of interest income on $15 million of these loans; the remaining $15 million were non-income producing for the preceding twelve-month period.

As of December 31, 2024, the Company held mortgage loans with an amortized cost of $48 million and an allowance for credit losses of $14 million that were on nonaccrual status. These loans were all past due by more than 180 days and were non-income producing for the preceding twelve-month period.

Recovery of loans on nonaccrual status is expected to be provided through the refinancing, operation, or sale of the commercial real estate collateralizing each loan.

Note C. Fair Value

Fair value is the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following fair value hierarchy is used in selecting inputs, with the highest priority given to Level 1, as these are the most transparent or reliable.

Level 1 - Quoted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets.

Level 3 - Valuations derived from valuation techniques in which one or more significant inputs are not observable.

Prices may fall within Level 1, 2 or 3 depending upon the methodology and inputs used to estimate fair value for each specific security. In general, the Company seeks to price securities using third-party pricing services. Securities not priced by pricing services are submitted to independent brokers for valuation and, if those are not available, internally developed pricing models are used to value assets using a methodology and inputs the Company believes market participants would use to value the assets. Prices obtained from third-party pricing services or brokers are not adjusted by the Company.

The Company performs control procedures over information obtained from pricing services and brokers to ensure prices received represent a reasonable estimate of fair value and to confirm representations regarding whether inputs are observable or unobservable. Procedures may include i) the review of pricing service methodologies or broker pricing qualifications, ii) back-testing, where past fair value estimates are compared to actual transactions executed in the market on similar dates, iii) exception reporting, where period-over-period changes in price are reviewed and challenged with the pricing service or broker based on exception criteria, and iv) deep dives, where the Company performs an independent analysis of the inputs and assumptions used to price individual securities.

Assets and Liabilities Measured at Fair Value

Assets and liabilities measured at fair value on a recurring basis are presented in the following tables. Corporate bonds and other includes obligations of the United States of America (U.S.) Treasury, government-sponsored enterprises, foreign governments and redeemable preferred stock.

December 31, 2025 (In millions)	**Level 1**	**Level 2**	**Level 3**	**Total Assets/Liabilities at Fair Value**
Assets				
Fixed maturity securities:				
Corporate bonds and other	$ 238	$ 24,529	$ 1,483	$ 26,250
States, municipalities and political subdivisions	—	8,386	45	8,431
Asset-backed	—	7,723	998	8,721
Total fixed maturity securities	238	40,638	2,526	43,402
Equity securities:				
Common stock	224	—	13	237
Non-redeemable preferred stock	35	497	—	532
Total equity securities	259	497	13	769
Short-term and other	2,086	51	—	2,137
Total assets	$ 2,583	$ 41,186	$ 2,539	$ 46,308
Liabilities				
Other liabilities	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ —	$ —	$ —

December 31, 2024 (In millions)	**Level 1**	**Level 2**	**Level 3**	**Total Assets/Liabilities at Fair Value**
Assets				
Fixed maturity securities:				
Corporate bonds and other	$ 223	$ 24,340	$ 1,278	$ 25,841
States, municipalities and political subdivisions	—	6,762	42	6,804
Asset-backed	—	7,590	876	8,466
Total fixed maturity securities	223	38,692	2,196	41,111
Equity securities:				
Common stock	162	—	18	180
Non-redeemable preferred stock	36	441	2	479
Total equity securities	198	441	20	659
Short-term and other	1,852	70	—	1,922
Total assets	$ 2,273	$ 39,203	$ 2,216	$ 43,692
Liabilities				
Other liabilities	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ —	$ —	$ —

The tables below present a reconciliation for all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

Level 3 (In millions)	**Corporate bonds and other**	**States, municipalities and political subdivisions**	**Asset-backed**	**Equity securities**	**Total**
Balance as of January 1, 2025	$ 1,278	$ 42	$ 876	$ 20	$ 2,216
Total realized and unrealized investment gains (losses):					
Reported in Net investment gains (losses)	(6)	—	(2)	2	(6)
Reported in Net investment income	—	—	19	2	21
Reported in Other comprehensive income (loss)	57	3	(3)	—	57
Total realized and unrealized investment gains (losses)	51	3	14	4	72
Purchases	197	—	213	—	410
Sales	—	—	—	(7)	(7)
Settlements	(101)	—	(105)	(4)	(210)
Transfers into Level 3	58	—	—	—	58
Transfers out of Level 3	—	—	—	—	—
Balance as of December 31, 2025	$ 1,483	$ 45	$ 998	$ 13	$ 2,539
Unrealized gains (losses) on Level 3 assets and liabilities held as of December 31, 2025 recognized in Net income (loss) in the period	$ —	$ —	$ —	$ 2	$ 2
Unrealized gains (losses) on Level 3 assets and liabilities held as of December 31, 2025 recognized in Other comprehensive income (loss) in the period	57	3	(1)	—	59

Level 3 (In millions)	**Corporate bonds and other**	**States, municipalities and political subdivisions**	**Asset-backed**	**Equity securities**	**Total**
Balance as of January 1, 2024	$ 1,045	$ 44	$ 901	$ 24	$ 2,014
Total realized and unrealized investment gains (losses):					
Reported in Net investment gains (losses)	(1)	—	(12)	—	(13)
Reported in Net investment income	—	—	21	12	33
Reported in Other comprehensive income (loss)	(15)	(2)	(12)	—	(29)
Total realized and unrealized investment gains (losses)	(16)	(2)	(3)	12	(9)
Purchases	352	—	125	3	480
Sales	(10)	—	(14)	(19)	(43)
Settlements	(104)	—	(83)	—	(187)
Transfers into Level 3	11	—	—	—	11
Transfers out of Level 3	—	—	(50)	—	(50)
Balance as of December 31, 2024	$ 1,278	$ 42	$ 876	$ 20	$ 2,216
Unrealized gains (losses) on Level 3 assets and liabilities held as of December 31, 2024 recognized in Net income (loss) in the period	$ (1)	$ —	$ —	$ 8	$ 7
Unrealized gains (losses) on Level 3 assets and liabilities held as of December 31, 2024 recognized in Other comprehensive income (loss) in the period	(21)	(2)	(12)	—	(35)

Securities may be transferred in or out of levels within the fair value hierarchy based on the availability of observable market information and quoted prices used to determine the fair value of the security. The availability of observable market information and quoted prices varies based on market conditions and trading volume.

Valuation Methodologies and Inputs

The following section describes the valuation methodologies and relevant inputs used to measure different financial instruments at fair value, including an indication of the level in the fair value hierarchy in which the instruments are generally classified.

Fixed Maturity Securities

Level 1 securities include highly liquid government securities and exchange traded bonds, valued using quoted market prices. Level 2 securities include most other fixed maturity securities as the significant inputs are observable in the marketplace. All classes of Level 2 fixed maturity securities are valued using a methodology based on information generated by market transactions involving identical or comparable assets, a discounted cash flow methodology, or a combination of both when necessary. Common inputs for all classes of fixed maturity securities include prices from recently executed transactions of similar securities, marketplace quotes, benchmark yields, spreads off benchmark yields, interest rates and U.S. Treasury or swap curves. Specifically for asset-backed securities, key inputs include prepayment and default projections based on past performance of the underlying collateral and current market data. Fixed maturity securities are primarily assigned to Level 3 in cases where broker/dealer quotes are significant inputs to the valuation and there is a lack of transparency as to whether these quotes are based on information that is observable in the marketplace. Level 3 securities also include private placement debt securities whose fair value is determined using internal models with some inputs that are not market observable.

Equity Securities

Level 1 equity securities include publicly traded securities valued using quoted market prices. Level 2 securities are primarily valued using pricing for similar securities, recently executed transactions and other pricing models utilizing market observable inputs. Level 3 securities are primarily priced using broker/dealer quotes and internal models with some inputs that are not market observable.

Short-Term and Other Invested Assets

Securities that are actively traded or have quoted prices are classified as Level 1. These securities include money market funds and treasury bills. Level 2 primarily includes non-U.S. government securities for which all inputs are market observable. Fixed maturity securities purchased within one year of maturity are classified consistent with fixed maturity securities discussed above. Short-term investments as presented in the tables above differ from the amounts presented on the Consolidated Balance Sheets because certain short-term investments, such as time deposits, are not measured at fair value.

As of December 31, 2025 and December 31, 2024, there were $99 million and $79 million of overseas deposits within Other invested assets, which can be redeemed at net asset value in 90 days or less. Overseas deposits are excluded from the fair value hierarchy because their fair value is recorded using the net asset value per share (or equivalent) practical expedient.

Significant Unobservable Inputs

The following tables present quantitative information about the significant unobservable inputs utilized by the Company in the fair value measurements of Level 3 assets. Valuations for assets and liabilities not presented in the tables below are primarily based on broker/dealer quotes for which there is a lack of transparency as to inputs used to develop the valuations. The quantitative detail of these unobservable inputs is neither provided nor reasonably available to the Company. The weighted average rate is calculated based on fair value.

December 31, 2025	Estimated Fair Value (In millions)		Valuation Technique(s)	Unobservable Input(s)	Range (Weighted Average)
Fixed maturity securities	$	1,927	Discounted cash flow	Credit spread	1% - 11% (2%)

December 31, 2024	Estimated Fair Value (In millions)		Valuation Technique(s)	Unobservable Input(s)	Range (Weighted Average)
Fixed maturity securities	$	1,724	Discounted cash flow	Credit spread	1% - 6% (2%)

For fixed maturity securities, an increase to the credit spread assumptions would result in a lower fair value measurement.

Financial Assets and Liabilities Not Measured at Fair Value

The carrying amount and estimated fair value of the Company's financial assets and liabilities which are not measured at fair value on the Consolidated Balance Sheets are presented in the following tables.

December 31, 2025	Carrying Amount		Estimated Fair Value							
(In millions)			Level 1		Level 2		Level 3		Total	
Assets										
Mortgage loans	$	1,079	$	—	$	—	$	1,072	$	1,072
Liabilities										
Long-term debt	$	2,971	$	—	$	2,967	$	—	$	2,967

December 31, 2024	Carrying Amount		Estimated Fair Value							
(In millions)			Level 1		Level 2		Level 3		Total	
Assets										
Mortgage loans	$	1,019	$	—	$	—	$	987	$	987
Liabilities										
Long-term debt	$	2,973	$	—	$	2,885	$	—	$	2,885

The carrying amounts reported on the Consolidated Balance Sheets for Cash, Short-term investments not carried at fair value, Accrued investment income and certain Other assets and Other liabilities approximate fair value due to the short-term nature of these items. These assets and liabilities are not listed in the tables above.

Note D. Income Taxes

The CNA Tax Group is included in the consolidated federal income tax return of Loews and its eligible subsidiaries. Loews and the Company have agreed that for each taxable year, the Company will 1) be paid by Loews the amount, if any, by which the Loews consolidated federal income tax liability is reduced by virtue of the inclusion of the CNA Tax Group in the Loews consolidated federal income tax return, or 2) pay to Loews an amount, if any, equal to the federal income tax that would have been payable by the CNA Tax Group filing a separate consolidated tax return. In the event that Loews should have a net operating loss in the future computed on the basis of filing a separate consolidated tax return without the CNA Tax Group, the Company may be required to repay tax recoveries previously received from Loews. This agreement may be canceled by either party upon 30 days written notice.

For the years ended December 31, 2025, 2024 and 2023, the Company paid $204 million, $186 million and $263 million to Loews related to federal income taxes.

For 2023 through 2025, Loews and the Company participate in the Internal Revenue Service (IRS) Compliance Assurance Process (CAP), which is a voluntary program for large corporations. Under CAP, the IRS conducts a real-time audit and works contemporaneously with the Company to resolve any issues prior to the filing of the tax return. For 2023, the Company was selected to participate in the phase of CAP reserved for taxpayers whose risk of noncompliance did not support use of IRS resources. The Company believes that participation in CAP should reduce tax-related uncertainties, if any.

As of December 31, 2025 and 2024, there were no unrecognized tax benefits.

The Company recognizes interest accrued related to unrecognized tax benefits and tax refund claims in Income tax (expense) benefit on the Consolidated Statements of Operations. The Company recognizes penalties (if any) in Income tax (expense) benefit on the Consolidated Statements of Operations. During 2025, 2024 and 2023 the Company recognized no interest and no penalties. There were no amounts accrued for interest or penalties as of December 31, 2025 or 2024.

The following table presents the Company's U.S. and foreign income before income tax.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Income before income tax:			
U.S.	$ 1,336	$ 1,009	$ 1,320
Foreign	284	202	198
Total income before income tax	$ 1,620	$ 1,211	$ 1,518

The following table presents the Company's federal, foreign and state and local income tax expense.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Income tax expense:			
Federal	$ (260)	$ (174)	$ (245)
Foreign	(69)	(63)	(52)
State and local	(13)	(15)	(16)
Total income tax expense	$ (342)	$ (252)	$ (313)

The following table presents a reconciliation between the Company's income tax expense at statutory rates and the recorded income tax expense.

Years ended December 31	**2025**		**2024**		**2023**	
(In millions, except percentages)	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Income tax expense at statutory rates	$ (340)	21.0 %	$ (254)	21.0 %	$ (319)	21.0 %
State and local income taxes, net of federal income tax effect (1)	(10)	0.6 %	(12)	1.0 %	(13)	0.8 %
Foreign tax effects						
Canada	(22)	1.4 %	(32)	2.6 %	(23)	1.5 %
Other foreign jurisdictions	(9)	0.5 %	(7)	0.6 %	(7)	0.4 %
Effect of cross-border tax laws	(6)	0.3 %	—	— %	(1)	— %
Tax credits						
Foreign tax credits	25	(1.5)%	36	(3.0)%	26	(1.7)%
Nontaxable or nondeductible items						
Tax exempt income	30	(1.8)%	26	(2.1)%	31	(2.0)%
Other nontaxable or nondeductible items	(10)	0.6 %	(9)	0.8 %	(7)	0.5 %
Income tax expense	$ (342)	21.1 %	$ (252)	20.9 %	$ (313)	20.5 %

(1) State taxes in Illinois and Florida made up the majority (greater than 50%) of the tax effect in this category for the years ended December 31, 2025, 2024 and 2023.

As of December 31, 2025, no deferred taxes are required on the undistributed earnings of subsidiaries subject to tax.

The following table presents the current and deferred components of the Company's income tax expense.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Current tax expense	$ (267)	$ (297)	$ (311)
Deferred tax (expense) benefit	(75)	45	(2)
Total income tax expense	$ (342)	$ (252)	$ (313)

The deferred tax effects of the significant components of the Company's deferred tax assets and liabilities are presented in the following table.

December 31 (In millions)	2025	2024
Deferred Tax Assets:		
Insurance reserves:		
Property and casualty claim and claim adjustment expense reserves	$ 276	$ 234
Unearned premium reserves	227	225
Deferred non-insurance warranty revenue	53	59
Employee benefits	7	13
Deferred retroactive reinsurance benefit	99	89
Net unrealized losses	258	494
Other assets	101	107
Gross deferred tax assets	1,021	1,221
Deferred Tax Liabilities:		
Investment valuation differences	168	130
Deferred acquisition costs	143	140
Policyholder reserves	25	48
Software and hardware	57	17
Other liabilities	53	36
Gross deferred tax liabilities	446	371
Net deferred tax asset	$ 575	$ 850

As of December 31, 2025, the CNA Tax Group had no loss carryforwards and a tax credit carryforward of $6 million which expires in 2034. The foreign operations had loss carryforwards of $83 million, which have no expiration. The foreign operations had a tax credit carryforward of $13 million, which has no expiration.

Although realization of deferred tax assets is not assured, management believes it is more likely than not that the recognized net deferred tax asset will be realized through recoupment of ordinary and capital taxes paid in prior carryback years and through future earnings, reversal of existing temporary differences and available tax planning strategies. As a result, no valuation allowance was recorded as of December 31, 2025 or 2024.

Note E. Claim and Claim Adjustment Expense Reserves

Claim and claim adjustment expense reserves represent the estimated amounts necessary to resolve all outstanding claims, including incurred but not reported (IBNR) claims as of the reporting date. The Company's reserve projections are based primarily on detailed analysis of the facts in each case, the Company's experience with similar cases and various historical development patterns. Consideration is given to historical patterns such as claim reserving trends and settlement practices, loss payments, pending levels of unpaid claims and product mix, economic, medical and social inflation, and public attitudes. All of these factors can affect the estimation of claim and claim adjustment expense reserves.

Establishing claim and claim adjustment expense reserves, including claim and claim adjustment expense reserves for catastrophic events that have occurred, is an estimation process. Many factors can ultimately affect the final settlement of a claim and, therefore, the necessary reserve. Changes in the law, results of litigation, medical costs, the cost of repair materials and labor rates can affect ultimate claim costs. In addition, time can be a critical part of reserving determinations since the longer the span between the incidence of a loss and the payment or settlement of the claim, the more variable the ultimate settlement amount can be. Accordingly, short-tail claims, such as property damage claims, tend to be more reasonably estimable than long-tail claims, such as workers' compensation, general liability and professional liability claims. Claim and claim adjustment expense reserves are also maintained for the Company's structured settlement obligations. In developing the claim and claim adjustment expense reserve estimates for structured settlement obligations, the Company's actuaries review mortality experience on an annual basis. Adjustments to prior year reserve estimates, if necessary, are reflected in the results of operations in the period that the need for such adjustments is determined. There can be no assurance that the Company's ultimate cost for insurance losses will not exceed current estimates.

Liability for Unpaid Claim and Claim Adjustment Expenses

The table below reconciles the net liability for unpaid claim and claim adjustment expenses to the amount presented on the Consolidated Balance Sheets.

As of December 31 (In millions)	**2025**
Net liability for unpaid claim and claim adjustment expenses:	
Specialty	$ 6,188
Commercial	10,696
International	2,841
Life & Group (1)	535
Corporate & Other	357
Total net claim and claim adjustment expenses	20,617
Reinsurance receivables: (2)	
Specialty	1,596
Commercial	1,553
International	535
Life & Group	56
Corporate & Other (3)	2,242
Total reinsurance receivables	5,982
Total gross liability for unpaid claim and claim adjustment expenses	$ 26,599

(1) The Life & Group segment amounts are related to unfunded structured settlements arising from short-duration contracts.

(2) Reinsurance receivables presented are gross of the allowance for uncollectible reinsurance and do not include reinsurance receivables related to paid losses.

(3) The Corporate & Other Reinsurance receivables are primarily related to A&EP claims covered under the A&EP Loss Portfolio Transfer (LPT).

The following table presents a reconciliation between beginning and ending claim and claim adjustment expense reserves.

As of or for the years ended December 31 (In millions)	**2025**	**2024**	**2023**
Reserves, beginning of year:			
Gross	$ 24,976	$ 23,304	$ 22,120
Ceded	5,713	5,141	5,191
Net reserves, beginning of year	19,263	18,163	16,929
Net incurred claim and claim adjustment expenses:			
Provision for insured events of current year	6,724	6,330	5,667
Increase (decrease) in provision for insured events of prior years	189	42	48
Amortization of discount	39	39	44
Total net incurred [(1)]	6,952	6,411	5,759
Net payments attributable to:			
Current year events	(1,089)	(1,093)	(922)
Prior year events	(4,685)	(4,096)	(3,679)
Total net payments	(5,774)	(5,189)	(4,601)
Foreign currency translation adjustment and other	176	(122)	76
Net reserves, end of year	20,617	19,263	18,163
Ceded reserves, end of year	5,982	5,713	5,141
Gross reserves, end of year	$ 26,599	$ 24,976	$ 23,304

(1) Total net incurred does not agree to Insurance claims and policyholders' benefits as reflected on the Consolidated Statements of Operations due to amounts related to retroactive reinsurance deferred gain accounting, uncollectible reinsurance and benefit expenses related to future policy benefits and policyholders' dividends, which are not reflected in the table above.

Reserving Methodology

In developing claim and claim adjustment expense reserve estimates, the Company's actuaries perform detailed reserve analyses that are staggered throughout the year. The data is organized at a reserve group level. Every reserve group is reviewed at least once during the year, but most are reviewed more frequently. The analyses generally review losses gross of ceded reinsurance and apply the ceded reinsurance terms to the gross estimates to establish estimates net of reinsurance. Factors considered include, but are not limited to, the historical pattern and volatility of the actuarial indications, the sensitivity of the actuarial indications to changes in paid and incurred loss patterns, the consistency of claims handling processes, the consistency of case reserving practices, changes in the Company's pricing and underwriting, pricing and underwriting trends in the insurance market and legal, judicial, geopolitical, social and economic trends. In addition to the detailed analyses, the Company reviews actual loss emergence for all products each quarter.

In developing the loss reserve estimates for property and casualty contracts, the Company generally projects ultimate losses using several common actuarial methods as listed below. The Company reviews the indications from the various methods and applies judgment to select an actuarial point estimate. The carried reserve may differ from the actuarial point estimate as a result of the Company's consideration of the factors noted above as well as the potential volatility of the projections associated with the specific product being analyzed and other factors affecting claims costs that may not be quantifiable through traditional actuarial analysis. The indicated required reserve is the difference between the selected ultimate loss and the inception-to-date paid losses. The difference between the selected ultimate loss and the case incurred or reported loss is IBNR. IBNR includes a provision for development on known cases as well as a provision for late reported incurred claims.

The most frequently utilized methods to project ultimate losses include the following:

- **Paid development:** The paid development method estimates ultimate losses by reviewing paid loss patterns and applying them to accident years with further expected changes in paid loss.
- **Incurred development:** The incurred development method is similar to the paid development method, but it uses case incurred losses instead of paid losses.
- **Loss ratio:** The loss ratio method multiplies premiums by an expected loss ratio to produce ultimate loss estimates for each accident year.
- **Bornhuetter-Ferguson paid loss:** The Bornhuetter-Ferguson paid loss method is a combination of the paid development approach and the loss ratio approach. This method normally determines expected loss ratios similar to the approach used to estimate the expected loss ratio for the loss ratio method.
- **Bornhuetter-Ferguson incurred loss:** The Bornhuetter-Ferguson incurred loss method is similar to the Bornhuetter-Ferguson using premiums and paid loss method except that it uses case incurred losses.
- **Frequency times severity:** The frequency times severity method multiplies a projected number of ultimate claims by an estimated ultimate average loss for each accident year to produce ultimate loss estimates.
- **Stochastic modeling:** The stochastic modeling method produces a range of possible outcomes based on varying assumptions related to the particular product being modeled.

For many exposures, especially those that can be considered long-tail, a particular accident or policy year may not have a sufficient volume of paid losses to produce a statistically reliable estimate of ultimate losses. In such a case, the Company's actuaries typically assign more weight to the incurred development method than to the paid development method. As claims continue to settle and the volume of paid loss increases, the actuaries may assign additional weight to the paid development method. For most of the Company's products, even the incurred losses for accident or policy years that are early in the claim settlement process will not be of sufficient volume to produce a reliable estimate of ultimate losses. In these cases, the Company may not assign much, if any weight to the paid and incurred development methods. The Company may use the loss ratio, Bornhuetter-Ferguson and/or frequency times severity methods. For short-tail exposures, the paid and incurred development methods can often be relied on sooner, primarily because the Company's history includes a sufficient number of years to cover the entire period over which paid and incurred losses are expected to change. However, the Company may also use the loss ratio, Bornhuetter-Ferguson and/or frequency times severity methods for short-tail exposures. For other more complex reserve groups where the above methods may not produce reliable indications, the Company uses additional methods tailored to the characteristics of the specific situation.

The Company's reserving methodologies for mass tort and A&EP are similar as both are based on detailed reviews of large accounts with estimates of ultimate payments based on the facts in each case and the Company's view of applicable law and coverage litigation.

Gross and Net Carried Reserves

The following tables present the gross and net carried reserves.

December 31, 2025 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Total
Gross Case Reserves	$ 2,166	$ 4,093	$ 1,052	$ 556	$ 1,196	$ 9,063
Gross IBNR Reserves	5,618	8,156	2,324	35	1,403	17,536
Total Gross Carried Claim and Claim Adjustment Expense Reserves	$ 7,784	$ 12,249	$ 3,376	$ 591	$ 2,599	$ 26,599
Net Case Reserves	$ 1,801	$ 3,508	$ 880	$ 506	$ 119	$ 6,814
Net IBNR Reserves	4,387	7,188	1,961	29	238	13,803
Total Net Carried Claim and Claim Adjustment Expense Reserves	$ 6,188	$ 10,696	$ 2,841	$ 535	$ 357	$ 20,617

December 31, 2024 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Total
Gross Case Reserves	$ 2,023	$ 3,690	$ 876	$ 572	$ 1,241	$ 8,402
Gross IBNR Reserves	5,403	7,646	2,044	50	1,431	16,574
Total Gross Carried Claim and Claim Adjustment Expense Reserves	$ 7,426	$ 11,336	$ 2,920	$ 622	$ 2,672	$ 24,976
Net Case Reserves	$ 1,697	$ 3,135	$ 741	$ 514	$ 120	$ 6,207
Net IBNR Reserves	4,282	6,804	1,675	27	268	13,056
Total Net Carried Claim and Claim Adjustment Expense Reserves	$ 5,979	$ 9,939	$ 2,416	$ 541	$ 388	$ 19,263

Net Prior Year Development

Changes in estimates of claim and claim adjustment expense reserves, net of reinsurance, for prior years are defined as net prior year loss reserve development (development). These changes can be favorable or unfavorable. The following table presents development recorded for the Specialty, Commercial, International and Corporate & Other segments.

Years ended December 31 (In millions)	2025	2024	2023
Pretax (favorable) unfavorable development:			
Specialty	$ 37	$ (9)	$ (14)
Commercial	39	(16)	(22)
International	(25)	(6)	13
Corporate & Other	134	79	71
Total pretax (favorable) unfavorable development	$ 185	$ 48	$ 48

Unfavorable development of $134 million was recorded within the Corporate & Other segment for the year ended December 31, 2025, largely associated with legacy mass tort abuse claim activity, the on-going effects of social inflation and an agreement with the Diocese of Rochester. Unfavorable development of $79 million and $71 million was recorded within the Corporate & Other segment for the years ended December 31, 2024 and 2023 largely associated with legacy mass tort abuse reserves.

Segment Development Tables

For the Specialty, Commercial and International segments, the following tables present further detail and commentary on the development reflected in the financial statements for each of the periods presented. Also presented are loss reserve development tables that illustrate the change over time of reserves established for claim and allocated claim adjustment expenses arising from short-duration insurance contracts for certain lines of business within each of these segments. Not all lines of business or segments are presented based on their context to the Company's overall loss reserves, calendar year reserve development, or calendar year net earned premiums. Insurance contracts are considered to be short-duration contracts when the contracts are not expected to remain in force for an extended period of time.

The Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses tables, reading across, show the cumulative net incurred claim and allocated claim adjustment expenses relating to each accident year at the end of the stated calendar year. Changes in the cumulative amount across time are the result of the Company's expanded awareness of additional facts and circumstances that pertain to the unsettled claims. The Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses tables, reading across, show the cumulative amount paid for claims for each accident year as of the end of the stated calendar year. The Net Strengthening or (Releases) of Prior Accident Year Reserves tables, reading across, show the net increase or decrease in the cumulative net incurred accident year claim and allocated claim adjustment expenses during each stated calendar year and indicates whether the reserves for that accident year were strengthened or released.

The information in the tables is reported on a net basis after reinsurance and does not include the effects of discounting. The information contained in calendar years 2024 and prior is unaudited. Information contained in the tables pertaining to the Company's International segment has been presented at the year-end 2025 foreign currency exchange rates for all periods presented to remove the effects of foreign currency exchange rate changes between calendar years. To the extent the Company enters into a commutation, the transaction is reported on a prospective basis. To the extent that the Company enters into a disposition, the effects of the disposition are reported on a retrospective basis by removing the balances associated with the disposed of business.

The amounts reported for the cumulative number of reported claims include direct and assumed open and closed claims by accident year at the claimant level. The number excludes claim counts for claims within a policy deductible where the insured is responsible for payment of losses in the deductible layer. Claim count data for certain assumed reinsurance contracts is unavailable.

IBNR includes reserves for incurred but not reported losses and expected development on case reserves. The Company does not establish case reserves for allocated loss adjusted expenses (ALAE), therefore ALAE reserves are also included in the estimate of IBNR.

Specialty

The following table presents further detail of the development recorded for the Specialty segment.

Years ended December 31 (In millions)	2025	2024	2023
Pretax (favorable) unfavorable development:			
Medical Professional Liability	$ —	$ (8)	$ 5
Other Professional Liability and Management Liability	69	49	37
Surety	(50)	(68)	(43)
Warranty	10	20	(11)
Other	8	(2)	(2)
Total pretax (favorable) unfavorable development	$ 37	$ (9)	$ (14)

<u>2025</u>

Unfavorable development in other professional liability and management liability was primarily due to higher than expected claim severity and frequency in the Company's professional errors and omissions (E&O) business.

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in multiple accident years.

Unfavorable development in warranty was primarily due to higher than expected frequency and severity in the most recent accident year for auto warranty.

<u>2024</u>

Unfavorable development in other professional liability and management liability was primarily due to higher than expected claim severity and frequency in the Company's professional E&O and cyber businesses.

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in multiple accident years.

Unfavorable development in warranty was primarily due to higher than expected frequency and severity in a recent accident year.

<u>2023</u>

Unfavorable development in other professional liability and management liability was primarily due to higher than expected claim severity and frequency in the Company’s professional E&O businesses in multiple accident years.

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in multiple accident years.

Favorable development in warranty was due to lower than expected loss emergence in a recent accident year.

Specialty - Line of Business Composition

The table below provides the line of business composition of the net liability for unpaid claim and claim adjustment expenses for the Specialty segment.

As of December 31 (In millions)		**2025**
Net liability for unpaid claim and claim adjustment expenses:		
Medical Professional Liability	$	1,468
Other Professional Liability and Management Liability		4,073
Surety		521
Warranty		58
Other		68
Total net liability for unpaid claim and claim adjustment expenses	$	6,188

Specialty - Medical Professional Liability

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 427	$ 487	$ 485	$ 499	$ 508	$ 510	$ 508	$ 514	$ 513	$ 509	$ 12	16,205
2017		412	449	458	460	455	460	456	463	458	11	15,400
2018			404	429	431	448	470	495	499	507	34	15,358
2019				430	445	458	471	469	481	478	17	14,572
2020					477	476	455	447	419	400	57	11,381
2021						377	376	374	349	318	57	10,085
2022							329	329	333	323	87	10,353
2023								340	350	382	129	11,129
2024									343	376	199	11,002
2025										390	317	9,107
									Total	$ 4,141	$ 920	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025
Accident Year										
2016	$ 18	$ 121	$ 246	$ 339	$ 401	$ 436	$ 460	$ 483	$ 489	$ 491
2017		19	107	235	308	355	388	417	427	438
2018			21	115	211	290	349	418	453	463
2019				17	91	183	280	349	395	425
2020					11	61	139	201	258	303
2021						11	49	118	170	223
2022							10	57	122	171
2023								14	86	160
2024									13	82
2025										15
									Total	$ 2,771
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 1,370
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										47
Liability for unallocated claim adjustment expenses for accident years presented										51
Total net liability for unpaid claim and claim adjustment expenses										$ 1,468

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year								
(In millions)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	Total
Accident Year										
2016	$ 60	$ (2)	$ 14	$ 9	$ 2	$ (2)	$ 6	$ (1)	$ (4)	$ 82
2017		37	9	2	(5)	5	(4)	7	(5)	46
2018			25	2	17	22	25	4	8	103
2019				15	13	13	(2)	12	(3)	48
2020					(1)	(21)	(8)	(28)	(19)	(77)
2021						(1)	(2)	(25)	(31)	(59)
2022							—	4	(10)	(6)
2023								10	32	42
2024									33	33
Total net development for the accident years presented above							15	(17)	1	
Total net development for accident years prior to 2016							(10)	9	1	
Total unallocated claim adjustment expense development							—	—	(2)	
Total							$ 5	$ (8)	$ —	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

Specialty - Other Professional Liability and Management Liability

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 901	$ 900	$ 900	$ 904	$ 907	$ 891	$ 888	$ 906	$ 912	$ 910	$ 28	17,993
2017		847	845	813	791	775	758	746	752	744	25	18,223
2018			850	864	869	906	923	941	987	1,003	44	20,083
2019				837	845	856	876	939	970	984	79	19,577
2020					930	944	951	945	945	936	106	19,558
2021						1,037	1,038	1,009	965	956	190	18,444
2022							1,120	1,112	1,084	1,049	265	18,534
2023								1,149	1,166	1,239	365	19,902
2024									1,150	1,200	609	20,579
2025										1,208	978	19,311
									Total	$10,229	$ 2,689	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025
Accident Year										
2016	$ 64	$ 248	$ 466	$ 625	$ 701	$ 736	$ 784	$ 826	$ 856	$ 862
2017		57	222	394	498	557	596	630	672	699
2018			54	282	473	599	706	779	847	886
2019				64	263	422	567	699	801	864
2020					67	248	400	523	660	751
2021						58	217	356	502	634
2022							64	225	453	638
2023								64	302	594
2024									77	315
2025										81
									Total	$ 6,324
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 3,905
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										101
Liability for unallocated claim adjustment expenses for accident years presented										67
Total net liability for unpaid claim and claim adjustment expenses										$ 4,073

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year									
(In millions)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	Total
Accident Year										
2016	$ (1)	$ —	$ 4	$ 3	$ (16)	$ (3)	$ 18	$ 6	$ (2)	$ 9
2017		(2)	(32)	(22)	(16)	(17)	(12)	6	(8)	(103)
2018			14	5	37	17	18	46	16	153
2019				8	11	20	63	31	14	147
2020					14	7	(6)	—	(9)	6
2021						1	(29)	(44)	(9)	(81)
2022							(8)	(28)	(35)	(71)
2023								17	73	90
2024									50	50
Total net development for the accident years presented above							44	34	90	
Total net development for accident years prior to 2016							(7)	10	(18)	
Total unallocated claim adjustment expense development							—	5	(3)	
Total							$ 37	$ 49	$ 69	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

Specialty - Surety

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 124	$ 124	$ 109	$ 84	$ 67	$ 64	$ 58	$ 43	$ 43	$ 43	$ 3	5,590
2017		120	115	103	84	71	66	67	67	66	3	5,928
2018			114	108	91	62	56	51	49	58	2	6,322
2019				119	112	98	87	82	82	81	6	6,286
2020					128	119	81	67	57	67	6	4,918
2021						137	129	110	91	74	12	5,003
2022							155	158	132	118	53	5,131
2023								175	169	147	92	4,889
2024									171	167	124	4,397
2025										163	155	3,143
									Total	$ 984	$ 456	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025
Accident Year										
2016	$ 5	$ 37	$ 45	$ 45	$ 43	$ 43	$ 41	$ 40	$ 40	$ 40
2017		23	37	41	46	49	62	62	63	63
2018			5	25	34	39	40	41	41	46
2019				12	34	44	59	70	74	75
2020					4	20	28	33	44	57
2021						5	20	35	42	59
2022							12	35	52	59
2023								8	27	52
2024									20	37
2025										4
Total										$ 492
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 492
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										13
Liability for unallocated claim adjustment expenses for accident years presented										16
Total net liability for unpaid claim and claim adjustment expenses										$ 521

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year								
(In millions)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	Total
Accident Year										
2016	$ —	$ (15)	$ (25)	$ (17)	$ (3)	$ (6)	$ (15)	$ —	$ —	$ (81)
2017		(5)	(12)	(19)	(13)	(5)	1	—	(1)	(54)
2018			(6)	(17)	(29)	(6)	(5)	(2)	9	(56)
2019				(7)	(14)	(11)	(5)	—	(1)	(38)
2020					(9)	(38)	(14)	(10)	10	(61)
2021						(8)	(19)	(19)	(17)	(63)
2022							3	(26)	(14)	(37)
2023								(6)	(22)	(28)
2024									(4)	(4)
Total net development for the accident years presented above							(54)	(63)	(40)	
Total net development for accident years prior to 2016							11	(5)	(7)	
Total unallocated claim adjustment expense development							—	—	(3)	
Total							$ (43)	$ (68)	$ (50)	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

Commercial

The following table presents further detail of the development recorded for the Commercial segment.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Pretax (favorable) unfavorable development:			
Commercial Auto	$ 74	$ 107	$ 33
General Liability	114	75	149
Workers' Compensation	(135)	(202)	(203)
Property and Other	(14)	4	(1)
Total pretax (favorable) unfavorable development	$ 39	$ (16)	$ (22)

2025

Unfavorable development in commercial auto was due to higher than expected claim severity in recent accident years.

Unfavorable development in general liability was due to higher than expected claim severity in multiple accident years going back to 2016.

Favorable development in workers’ compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Favorable development in property and other was due to favorable emergence in multiple accident years.

2024

Unfavorable development in commercial auto was due to higher than expected claim severity in recent accident years.

Unfavorable development in general liability was due to higher than expected claim severity in multiple accident years going back to 2015.

Favorable development in workers’ compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

2023

Unfavorable development in commercial auto was due to higher than expected claim severity in the Company’s construction business in a recent accident year.

Unfavorable development in general liability was due to higher than expected claim severity in the Company’s construction and middle market businesses across multiple accident years.

Favorable development in workers’ compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Commercial - Line of Business Composition

The table below provides the line of business composition of the net liability for unpaid claim and claim adjustment expenses for the Commercial segment.

As of December 31	
(In millions)	**2025**
Net Claim and claim adjustment expenses:	
Commercial Auto	$ 1,573
General Liability	4,837
Workers' Compensation	3,482
Property and Other	804
Total net liability for claim and claim adjustment expenses	$ 10,696

Commercial - Commercial Auto

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	**Calendar Year**										**As of December 31, 2025**	
(In millions, except reported claims data)	**2016(1)**	**2017(1)**	**2018(1)**	**2019(1)**	**2020(1)**	**2021(1)**	**2022(1)**	**2023(1)**	**2024(1)**	**2025**	**IBNR**	**Cumulative Number of Claims**
Accident Year												
2016	$ 198	$ 186	$ 186	$ 186	$ 190	$ 195	$ 200	$ 197	$ 195	$ 194	$ —	30,459
2017		199	198	200	221	232	239	241	241	237	—	30,948
2018			229	227	227	245	254	255	260	259	1	34,333
2019				257	266	289	323	325	327	323	—	37,281
2020					310	303	304	298	303	299	7	29,192
2021						397	388	390	393	377	16	33,063
2022							437	465	496	506	55	37,327
2023								554	620	635	120	42,921
2024									726	799	270	49,670
2025										886	616	41,075
									Total	$ 4,515	$ 1,085	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	**Calendar Year**									
(In millions)	**2016(1)**	**2017(1)**	**2018(1)**	**2019(1)**	**2020(1)**	**2021(1)**	**2022(1)**	**2023(1)**	**2024(1)**	**2025**
Accident Year										
2016	$ 52	$ 93	$ 126	$ 154	$ 175	$ 185	$ 190	$ 192	$ 193	$ 193
2017		58	107	150	178	203	225	232	235	237
2018			66	128	175	212	238	249	256	257
2019				77	147	203	257	295	312	319
2020					71	134	197	246	276	287
2021						83	168	240	305	347
2022							112	236	334	411
2023								127	270	414
2024									153	345
2025										163
									Total	$ 2,973
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 1,542
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										5
Liability for unallocated claim adjustment expenses for accident years presented										26
Total net liability for unpaid claim and claim adjustment expenses										$ 1,573

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	**Calendar Year**								
(In millions)	**2017(1)**	**2018(1)**	**2019(1)**	**2020(1)**	**2021(1)**	**2022(1)**	**2023(1)**	**2024(1)**	**2025**	**Total**
Accident Year										
2016	$ (12)	$ —	$ —	$ 4	$ 5	$ 5	$ (3)	$ (2)	$ (1)	$ (4)
2017		(1)	2	21	11	7	2	—	(4)	38
2018			(2)	—	18	9	1	5	(1)	30
2019				9	23	34	2	2	(4)	66
2020					(7)	1	(6)	5	(4)	(11)
2021						(9)	2	3	(16)	(20)
2022							28	31	10	69
2023								66	15	81
2024									73	73
Total net development for the accident years presented above							26	110	68	
Total net development for accident years prior to 2016							4	(3)	3	
Total unallocated claim adjustment expense development							3	—	3	
Total							$ 33	$ 107	$ 74	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

Commercial - General Liability

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016[1]	2017[1]	2018[1]	2019[1]	2020[1]	2021[1]	2022[1]	2023[1]	2024[1]	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 623	$ 659	$ 667	$ 671	$ 673	$ 683	$ 684	$ 704	$ 712	$ 723	$ 23	24,982
2017		632	632	632	634	630	652	690	713	749	15	22,611
2018			653	644	646	639	650	679	665	663	63	20,631
2019				680	682	682	691	720	727	747	98	20,091
2020					723	722	726	736	702	662	139	15,152
2021						782	784	793	814	833	189	16,349
2022							929	928	930	952	316	18,494
2023								1,071	1,106	1,146	516	18,905
2024									1,271	1,295	833	20,250
2025										1,381	1,218	15,771
									Total	$ 9,151	$ 3,410	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016[1]	2017[1]	2018[1]	2019[1]	2020[1]	2021[1]	2022[1]	2023[1]	2024[1]	2025
Accident Year										
2016	$ 32	$ 163	$ 279	$ 407	$ 481	$ 524	$ 582	$ 620	$ 652	$ 681
2017		23	118	250	399	471	553	606	657	705
2018			33	107	228	307	428	491	546	573
2019				25	98	181	322	455	532	607
2020					23	99	192	280	367	450
2021						26	140	262	391	542
2022							29	123	260	439
2023								33	153	356
2024									34	180
2025										43
Total										$ 4,576
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 4,575
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										179
Liability for unallocated claim adjustment expenses for accident years presented										83
Total net liability for unpaid claim and claim adjustment expenses										$ 4,837

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year								
(In millions)	2017[1]	2018[1]	2019[1]	2020[1]	2021[1]	2022[1]	2023[1]	2024[1]	2025	Total
Accident Year										
2016	$ 36	$ 8	$ 4	$ 2	$ 10	$ 1	$ 20	$ 8	$ 11	$ 100
2017		—	—	2	(4)	22	38	23	36	117
2018			(9)	2	(7)	11	29	(14)	(2)	10
2019				2	—	9	29	7	20	67
2020					(1)	4	10	(34)	(40)	(61)
2021						2	9	21	19	51
2022							(1)	2	22	23
2023								35	40	75
2024									24	24
Total net development for the accident years presented above							134	48	130	
Total net development for accident years prior to 2016							15	27	(30)	
Total unallocated claim adjustment expense development							—	—	14	
Total							$ 149	$ 75	$ 114	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

Commercial - Workers' Compensation

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 426	$ 405	$ 396	$ 382	$ 366	$ 355	$ 331	$ 308	$ 293	$ 287	$ 40	32,007
2017		440	432	421	400	402	399	398	383	364	44	33,164
2018			450	440	428	415	415	404	399	393	57	34,930
2019				452	449	437	436	419	416	410	57	34,398
2020					477	466	446	414	393	363	74	29,506
2021						468	454	432	421	412	97	30,150
2022							497	489	478	467	108	33,488
2023								555	551	541	161	37,037
2024									574	586	196	38,866
2025										646	348	36,112
									Total	$ 4,469	$ 1,182	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016(1)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025
Accident Year										
2016	$ 53	$ 129	$ 169	$ 198	$ 219	$ 227	$ 234	$ 235	$ 238	$ 238
2017		63	151	207	243	265	279	287	293	295
2018			68	163	229	259	280	298	307	313
2019				71	169	223	262	291	310	320
2020					65	147	200	228	246	257
2021						67	164	222	256	273
2022							79	192	258	299
2023								87	209	286
2024									111	264
2025										127
Total										$ 2,672
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 1,797
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										1,648
Other (2)										(23)
Liability for unallocated claim adjustment expenses for accident years presented										60
Total net liability for unpaid claim and claim adjustment expenses										$ 3,482

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year								
(In millions)	2017(1)	2018(1)	2019(1)	2020(1)	2021(1)	2022(1)	2023(1)	2024(1)	2025	Total
Accident Year										
2016	$ (21)	$ (9)	$ (14)	$ (16)	$ (11)	$ (24)	$ (23)	$ (15)	$ (6)	$ (139)
2017		(8)	(11)	(21)	2	(3)	(1)	(15)	(19)	(76)
2018			(10)	(12)	(13)	—	(11)	(5)	(6)	(57)
2019				(3)	(12)	(1)	(17)	(3)	(6)	(42)
2020					(11)	(20)	(32)	(21)	(30)	(114)
2021						(14)	(22)	(11)	(9)	(56)
2022							(8)	(11)	(11)	(30)
2023								(4)	(10)	(14)
2024									12	12
Total net development for the accident years presented above							(114)	(85)	(85)	
Adjustment for development on a discounted basis							(2)	(2)	2	
Total net development for accident years prior to 2016							(93)	(115)	(52)	
Total unallocated claim adjustment expense development							6	—	—	
Total							$ (203)	$ (202)	$ (135)	

(1) Data presented for these calendar years is required supplemental information, which is unaudited.
(2) Other includes the effect of discounting lifetime claim reserves.

International

The following table presents further detail of the development recorded for the International segment.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Pretax (favorable) unfavorable development:			
Commercial	$ (26)	$ (12)	$ (18)
Specialty	5	6	35
Other	(4)	—	(4)
Total pretax (favorable) unfavorable development	$ (25)	$ (6)	$ 13

<u>2025</u>

Favorable development in commercial was due to lower than expected loss emergence across multiple accident years in the Company's marine and property businesses.

<u>2024</u>

Favorable development in commercial was due to lower than expected loss emergence across multiple accident years in the Company's marine and property businesses.

<u>2023</u>

Favorable development in commercial was due to lower than expected loss emergence across multiple accident years.

Unfavorable development in specialty was due to higher than expected large loss emergence in the Company’s medical treatment and professional liability businesses in multiple accident years.

International

Cumulative Net Incurred Claim and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year										As of December 31, 2025	
(In millions, except reported claims data)	2016 (1)	2017 (1)	2018 (1)	2019 (1)	2020 (1)	2021 (1)	2022 (1)	2023 (1)	2024 (1)	2025	IBNR	Cumulative Number of Claims
Accident Year												
2016	$ 519	$ 556	$ 530	$ 516	$ 508	$ 518	$ 520	$ 543	$ 540	$ 550	$ 41	26,135
2017		551	626	636	630	632	620	644	665	668	29	27,478
2018			646	693	701	706	719	747	746	745	34	34,444
2019				572	588	580	595	594	600	605	59	31,242
2020					602	584	570	552	549	537	103	23,395
2021						595	574	538	520	516	139	20,159
2022							628	635	633	608	211	16,985
2023								691	679	658	318	15,977
2024									743	780	436	14,380
2025										759	544	9,708
									Total	$ 6,426	$1,914	

Cumulative Net Paid Claims and Allocated Claim Adjustment Expenses are presented in the following table.

As of December 31	Calendar Year									
(In millions)	2016 (1)	2017 (1)	2018 (1)	2019 (1)	2020 (1)	2021 (1)	2022 (1)	2023 (1)	2024 (1)	2025
Accident Year										
2016	$ 129	$ 278	$ 332	$ 365	$ 390	$ 424	$ 437	$ 452	$ 468	$ 475
2017		118	298	372	424	455	494	560	576	594
2018			144	337	415	477	520	585	634	655
2019				117	269	344	386	420	455	476
2020					87	208	269	301	339	372
2021						69	170	223	262	300
2022							69	197	279	308
2023								63	180	254
2024									76	209
2025										76
Total										$ 3,719
Net liability for unpaid claim and allocated claim adjustment expenses for the accident years presented										$ 2,707
Net liability for unpaid claim and claim adjustment expenses for accident years prior to 2016										83
Liability for unallocated claim adjustment expenses for accident years presented										51
Total net liability for unpaid claim and claim adjustment expenses										$ 2,841

Net strengthening (releases) of prior accident year reserves is presented in the following table.

For the years ended December 31	Calendar Year									
(In millions)	2017 (1)	2018 (1)	2019 (1)	2020 (1)	2021 (1)	2022 (1)	2023 (1)	2024 (1)	2025	Total (2)
Accident Year										
2016	$ 37	$ (26)	$ (14)	$ (8)	$ 10	$ 2	$ 23	$ (3)	$ 10	$ 31
2017		75	10	(6)	2	(12)	24	21	3	117
2018			47	8	5	13	28	(1)	(1)	99
2019				16	(8)	15	(1)	6	5	33
2020					(18)	(14)	(18)	(3)	(12)	(65)
2021						(21)	(36)	(18)	(4)	(79)
2022							7	(2)	(25)	(20)
2023								(12)	(21)	(33)
2024									37	37

(1) Data presented for these calendar years is required supplemental information, which is unaudited.

(2) The amounts included in the loss reserve development tables above are presented at the year-end 2025 foreign currency exchange rates for all periods presented to remove the effects of foreign currency exchange rate fluctuations between calendar years.

The table below presents information about average historical claims duration as of December 31, 2025 and is presented as required supplementary information, which is unaudited.

Average Annual Percentage Payout of Ultimate Net Incurred Claim and Allocated Claim Adjustment Expenses in Year:

	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Specialty										
Medical Professional Liability	3.6 %	16.6 %	21.4 %	16.7 %	13.2 %	9.7 %	6.1 %	2.9 %	1.8 %	0.4 %
Other Professional Liability and Management Liability	6.4 %	19.5 %	19.8 %	15.0 %	11.5 %	7.3 %	5.8 %	4.7 %	3.5 %	0.7 %
Surety (1)	15.2 %	36.2 %	12.9 %	8.4 %	6.3 %	9.2 %	(0.9)%	2.6 %	— %	— %
Commercial										
Commercial Auto	22.6 %	22.5 %	19.1 %	15.2 %	10.7 %	5.5 %	2.6 %	0.9 %	0.7 %	— %
General Liability	3.4 %	12.1 %	15.5 %	16.6 %	14.5 %	9.8 %	8.4 %	5.4 %	5.4 %	4.0 %
Workers' Compensation	17.6 %	24.2 %	14.5 %	8.8 %	5.8 %	3.8 %	2.3 %	1.2 %	0.8 %	— %
International	15.0 %	22.6 %	11.3 %	6.8 %	5.8 %	6.5 %	5.6 %	2.6 %	2.8 %	1.3 %

(1) Due to the nature of the Surety business, average annual percentage payout of ultimate net incurred claim and allocated claim adjustment expenses has been calculated using only the payouts of mature accident years presented in the loss reserve development tables.

A&EP Reserves

In 2010, Continental Casualty Company (CCC) together with several of the Company's insurance subsidiaries completed a transaction with National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Inc., under which substantially all of the Company's legacy A&EP liabilities were ceded to NICO through a LPT. At the effective date of the transaction, the Company ceded approximately $1.6 billion of net A&EP claim and allocated claim adjustment expense reserves to NICO under a retroactive reinsurance agreement with an aggregate limit of $4 billion. The $1.6 billion of claim and allocated claim adjustment expense reserves ceded to NICO was net of $1.2 billion of ceded claim and allocated claim adjustment expense reserves under existing third-party reinsurance contracts. The NICO LPT aggregate reinsurance limit also covers credit risk on the existing third-party reinsurance related to these liabilities. The Company paid NICO a reinsurance premium of $2 billion and transferred to NICO billed third-party reinsurance receivables related to A&EP claims with a net book value of $215 million, resulting in total consideration of $2.2 billion.

In years subsequent to the effective date of the LPT, the Company recognized adverse prior year development on its A&EP reserves resulting in additional amounts ceded under the LPT. As a result, the cumulative amounts ceded under the LPT have exceeded the $2.2 billion consideration paid, resulting in the NICO LPT moving into a gain position, requiring retroactive reinsurance accounting. Under retroactive reinsurance accounting, this gain is deferred and only recognized in earnings in proportion to actual paid recoveries under the LPT. Over the life of the contract, there is no economic impact as long as any additional losses incurred are within the limit of the LPT. In a period in which the Company recognizes a change in the estimate of A&EP reserves that increases or decreases the amounts ceded under the LPT, the proportion of actual paid recoveries to total ceded losses is affected and the change in the deferred gain is recognized in earnings as if the revised estimate of ceded losses was available at the effective date of the LPT. The effect of the deferred retroactive reinsurance benefit is recorded in Insurance claims and policyholders' benefits in the Consolidated Statements of Operations.

The following table presents the impact of the Loss Portfolio Transfer on the Consolidated Statements of Operations.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Additional amounts ceded under LPT	$ 185	$ 103	$ 86
Retroactive reinsurance benefit recognized	(140)	(95)	(94)
Pretax impact of deferred retroactive reinsurance	$ 45	$ 8	$ (8)

Additional amounts ceded under the LPT of $185 million, $103 million and $86 million for the years ended December 31, 2025, 2024 and 2023 were primarily driven by unfavorable development in each year as a result of higher than anticipated defense and indemnity costs on known direct asbestos and environmental accounts.

As of December 31, 2025 and 2024, the cumulative amounts ceded under the LPT were $3.9 billion and $3.7 billion. The unrecognized deferred retroactive reinsurance benefit was $470 million and $425 million as of December 31, 2025 and 2024 and is included within Other liabilities on the Consolidated Balance Sheets.

NICO established a collateral trust account as security for its obligations to the Company. The fair value of the collateral trust account was $2.4 billion as of December 31, 2025. In addition, Berkshire Hathaway Inc. guaranteed the payment obligations of NICO up to the aggregate reinsurance limit as well as certain of NICO's performance obligations under the trust agreement. NICO is responsible for claims handling and billing and collection from third-party reinsurers related to the majority of the Company's A&EP claims.

Excess Workers' Compensation LPT

On February 5, 2021, CCC completed a transaction with Cavello Bay Reinsurance Limited (Cavello), a subsidiary of Enstar Group Limited, under which certain legacy excess workers' compensation (EWC) liabilities were ceded to Cavello. Under the terms of the transaction, based on reserves in place as of January 1, 2020, the Company ceded approximately $690 million of net EWC claim and allocated claim adjustment expense reserves to Cavello under an LPT with an aggregate limit of $1 billion. The Company paid Cavello a reinsurance premium of $697 million.

Net favorable prior year development of $75 million was recognized before consideration of cessions to the EWC LPT for the year ended December 31, 2025 primarily driven by lower than expected severity in older accident years. This favorable development was entirely offset by ceded retroactive reserve development under the EWC LPT.

As of December 31, 2025, the cumulative amount ceded under the EWC LPT was $615 million.

Cavello established a collateral trust as security for its obligations to the Company. The fair value of the collateral trust was $247 million as of December 31, 2025.

Note F. Future Policy Benefits Reserves

Future policy benefits reserves are associated with the Company's run-off long-term care business, which is included in the Life & Group segment, and relate to policyholders that are currently receiving benefits, including claims that have been incurred but are not yet reported, as well as policyholders that are not yet receiving benefits. Future policy benefits reserves are comprised of the LFPB which is reflected as Insurance reserves: Future policy benefits on the Consolidated Balance Sheets.

The determination of Future policy benefits reserves requires management to make estimates and assumptions about expected policyholder experience over the remaining life of the policy. Since policies may be in force for several decades, these assumptions are subject to significant estimation risk. As a result of this variability, the Company's future policy benefits reserves may be subject to material increases if actual experience develops adversely to the Company's expectations.

Annually in the third quarter, actuarial analysis is performed on policyholder morbidity, persistency, premium rate actions and expense experience. This analysis, combined with judgment, informs the setting of updated cash flow assumptions used to estimate the LFPB. Actuarial analysis includes predictive modeling, actual to expected experience comparisons and trend analysis. Applicable industry research is also considered.

The cash flow assumption updates completed in the third quarter of 2025 resulted in a $7 million pretax increase in the LFPB. Included in the assumption updates were unfavorable incidence, claim closure and cost of care inflation impacts offset by favorable premium rate actions.

The cash flow assumption updates completed in the third quarter of 2024 resulted in a $15 million pretax increase in the LFPB. Included in the assumption updates was a favorable impact from outperformance on premium rate assumptions and an unfavorable impact from higher cost of care inflation.

The following table summarizes balances and changes in the LFPB.

(In millions)	2025	2024	2023
Present value of future net premiums			
Balance, January 1	$ 3,425	$ 3,710	$ 3,991
Effect of changes in discount rate	(7)	(125)	(74)
Balance, January 1, at original locked in discount rate	3,418	3,585	3,917
Effect of changes in cash flow assumptions (1)	114	111	28
Effect of actual variances from expected experience (1)	(10)	(41)	(126)
Adjusted balance, January 1	3,522	3,655	3,819
Interest accrual	176	183	202
Net premiums: earned during period	(406)	(420)	(436)
Balance, end of period at original locked in discount rate	3,292	3,418	3,585
Effect of changes in discount rate	71	7	125
Balance, December 31	$ 3,363	$ 3,425	$ 3,710
Present value of future benefits & expenses			
Balance, January 1	$ 16,583	$ 17,669	$ 17,471
Effect of changes in discount rate	440	(578)	(125)
Balance, January 1, at original locked in discount rate	17,023	17,091	17,346
Effect of changes in cash flow assumptions (1)	121	126	36
Effect of actual variances from expected experience (1)	87	69	(46)
Adjusted balance, January 1	17,231	17,286	17,336
Interest accrual	918	924	962
Benefit & expense payments	(1,165)	(1,187)	(1,207)
Balance, end of period at original locked in discount rate	16,984	17,023	17,091
Effect of changes in discount rate	(173)	(440)	578
Balance, December 31	$ 16,811	$ 16,583	$ 17,669
Net LFPB	$ 13,448	$ 13,158	$ 13,959

(1) As of December 31, 2025, 2024 and 2023 the re-measurement gain (loss) of $(104) million, $(125) million and $(88) million presented parenthetically on the Consolidated Statement of Operations is comprised of the effect of changes in cash flow assumptions and the effect of actual variances from expected experience.

The following table presents earned premiums and interest expense associated with the Company's long-term care business recognized on the Consolidated Statement of Operations.

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Earned premiums	$ 423	$ 437	$ 451
Interest accretion	742	741	760

The following table presents undiscounted expected future benefit and expense payments, and undiscounted expected future gross premiums.

	As of December 31	
(In millions)	**2025**	**2024**
Expected future benefit and expense payments	$ 31,323	$ 31,712
Expected future gross premiums	4,930	5,183

Discounted expected future gross premiums at the upper-medium grade fixed income instrument yield discount rate were $3,507 million and $3,573 million as of December 31, 2025 and 2024.

The weighted average effective duration of the LFPB calculated using the original locked in discount rate was 11 years as of December 31, 2025 and 2024.

The weighted average interest rates in the table below are calculated based on the rate used to discount all future cash flows.

	As of December 31	
	2025	**2024**
Original locked in discount rate	5.16 %	5.20 %
Upper-medium grade fixed income instrument discount rate	5.32	5.51

For the years ended December 31, 2025 and 2024, immediate charges to net income resulting from adverse development in certain cohorts where the NPR exceeded 100% were $135 million and $159 million. For the years ended December 31, 2025 and 2024, the portion of losses recognized in a prior period due to NPR exceeding 100% for certain cohorts which, due to favorable development, was reversed through net income was $58 million and $29 million.

Note G. Legal Proceedings, Contingencies and Guarantees

The Company is a party to various claims and litigation incidental to its business, which, based on the facts and circumstances currently known, are not material to the Company's results of operations or financial position.

Guarantees

The Company has provided guarantees, if the primary obligor fails to perform, to holders of structured settlement annuities issued by a previously owned subsidiary. As of December 31, 2025, the potential amount of future payments the Company could be required to pay under these guarantees was approximately $1.9 billion, which will be paid over the lifetime of the annuitants. The Company does not believe any payment is likely under these guarantees, as the Company is the beneficiary of a trust that must be maintained at a level that approximates the discounted reserves for these annuities.

Note H. Reinsurance

The Company cedes insurance to reinsurers to limit its maximum loss, provide greater diversification of risk, minimize exposures on larger risks and to exit certain lines of business. The ceding of insurance does not discharge the primary liability of the Company. A credit exposure exists with respect to reinsurance ceded to the extent that any reinsurer is unable to meet its obligations. A collectibility exposure also exists to the extent that the reinsurer disputes the liabilities assumed under reinsurance agreements. Property and casualty reinsurance coverages are tailored to the specific risk characteristics of each product line and the Company's retained amount varies by type of coverage. Reinsurance contracts are purchased to protect specific lines of business such as property and workers' compensation. Corporate catastrophe reinsurance is also purchased for property and workers' compensation exposure. The Company also utilizes facultative reinsurance in certain lines. In addition, the Company assumes reinsurance primarily through Hardy and as a member of various reinsurance pools and associations.

The following table presents the amounts receivable from reinsurers.

December 31 (In millions)	**2025**	**2024**
Reinsurance receivables related to insurance reserves:		
Ceded claim and claim adjustment expenses	$ 5,982	$ 5,713
Reinsurance receivables related to paid losses	426	359
Reinsurance receivables	6,408	6,072
Allowance for uncollectible reinsurance	(27)	(21)
Reinsurance receivables, net of allowance for uncollectible reinsurance	$ 6,381	$ 6,051

The Company has established an allowance for uncollectible voluntary reinsurance receivables which relates to both amounts already billed on ceded paid losses as well as ceded reserves that will be billed when losses are paid in the future. The following table summarizes the outstanding amount of voluntary reinsurance receivables, gross of any collateral arrangements, by financial strength rating.

(In millions)	**December 31, 2025**
A- to A++	$ 4,864
B- to B++	967
Insolvent	9
Total voluntary reinsurance outstanding balance [(1)]	$ 5,840

(1) Expected credit losses for legacy A&EP receivables are ceded to NICO and the reinsurance limit on the LPT has not been exhausted, therefore no allowance is recorded for these receivables and they are excluded from the table above. Refer to Note E to the Consolidated Financial Statements for information regarding the LPT. The Company has also excluded receivables from involuntary pools.

The Company attempts to mitigate its credit risk related to reinsurance by entering into reinsurance arrangements with reinsurers that have credit ratings above certain levels and by obtaining collateral. On a limited basis, the Company may enter into reinsurance agreements with reinsurers that are not rated, primarily captive reinsurers. Receivables from captive reinsurers are backed by collateral arrangements and comprise the majority of the voluntary reinsurance receivables within the B- to B++ rating distribution in the table above. The primary methods of obtaining collateral are through reinsurance trusts, letters of credit and funds withheld balances. Such collateral, limited by the balance of open recoverables, was approximately $3.8 billion and $3.4 billion as of December 31, 2025 and 2024.

The Company's largest recoverables from a single reinsurer as of December 31, 2025, including ceded unearned premium reserves, were approximately $1.9 billion from subsidiaries of the Berkshire Hathaway Insurance Group, $466 million from Cavello Bay Reinsurance Limited and $390 million from the Swiss Reinsurance Group. These amounts are substantially collateralized or otherwise secured. The recoverable from subsidiaries of the Berkshire Hathaway Insurance Group includes amounts related to third-party reinsurance for which NICO has assumed the credit risk under the terms of the LPT as discussed in Note E to the Consolidated Financial Statements.

The effects of reinsurance on earned premiums and written premiums are presented in the following tables.

(In millions)	Direct	Assumed	Ceded	Net	Assumed/ Net %
2025 Earned Premiums					
Property and casualty	$ 14,974	$ 253	$ 4,750	$ 10,477	2.4 %
Long-term care	383	40	—	423	9.5 %
Total earned premiums	$ 15,357	$ 293	$ 4,750	$ 10,900	2.7 %
2024 Earned Premiums					
Property and casualty	$ 14,629	$ 252	$ 5,107	$ 9,774	2.6 %
Long-term care	396	41	—	437	9.4 %
Total earned premiums	$ 15,025	$ 293	$ 5,107	$ 10,211	2.9 %
2023 Earned Premiums					
Property and casualty	$ 13,908	$ 223	$ 5,102	$ 9,029	2.5 %
Long-term care	407	44	—	451	9.8 %
Total earned premiums	$ 14,315	$ 267	$ 5,102	$ 9,480	2.8 %

(In millions)	Direct	Assumed	Ceded	Net	Assumed/ Net %
2025 Written Premiums					
Property and casualty	$ 15,303	$ 247	$ 4,868	$ 10,682	2.3 %
Long-term care	379	40	—	419	9.5 %
Total written premiums	$ 15,682	$ 287	$ 4,868	$ 11,101	2.6 %
2024 Written Premiums					
Property and casualty	$ 15,120	$ 257	$ 5,202	$ 10,175	2.5 %
Long-term care	389	41	—	430	9.5 %
Total written premiums	$ 15,509	$ 298	$ 5,202	$ 10,605	2.8 %
2023 Written Premiums					
Property and casualty	$ 14,498	$ 219	$ 5,272	$ 9,445	2.3 %
Long-term care	404	43	—	447	9.6 %
Total written premiums	$ 14,902	$ 262	$ 5,272	$ 9,892	2.6 %

Included in the direct and ceded earned premiums for the years ended December 31, 2025, 2024 and 2023 are $2,265 million, $2,653 million and $2,907 million related to insurance policies supporting service contracts associated with portable electronic devices, which are 100% reinsured under a significant third-party warranty captive program. The third-party captives that participate in this program are affiliated with the non-insurance company policyholders, therefore this program provides a means for the policyholders to self-insure the risk. The Company receives and retains a ceding commission.

Insurance claims and policyholders' benefits reported on the Consolidated Statements of Operations are net of estimated reinsurance recoveries of $2,894 million, $3,450 million and $2,772 million for the years ended December 31, 2025, 2024 and 2023, including $1,277 million, $1,730 million and $1,512 million, respectively, related to the significant third-party captive program discussed above.

Long-term care premiums are from long-duration contracts; property and casualty premiums are from short-duration contracts.

Note I. Debt

Debt is composed of the following long-term obligations.

December 31 (In millions)	2025	2024
Long-term debt:		
Senior notes of CNAF:		
4.500%, face amount of $500, due March 1, 2026	$ —	$ 500
3.450%, face amount of $500, due August 15, 2027	499	498
3.900%, face amount of $500, due May 1, 2029	498	498
2.050%, face amount of $500, due August 15, 2030	497	497
5.500%, face amount of $500, due June 15, 2033	492	491
5.125%, face amount of $500, due February 15, 2034	491	489
5.200%, face amount of $500, due August 15, 2035	494	—
Total debt	$ 2,971	$ 2,973

CCC is a member of the Federal Home Loan Bank of Chicago (FHLBC). FHLBC membership provides participants with access to additional sources of liquidity through various programs and services. As a requirement of membership in the FHLBC, CCC held $5 million of FHLBC stock as of December 31, 2025 giving it immediate access to approximately $108 million of additional liquidity. As of December 31, 2025 and 2024, CCC had no outstanding borrowings from the FHLBC.

During 2023, the Company amended and restated its existing credit agreement with a syndicate of banks. The agreement provides a five-year $250 million senior unsecured revolving credit facility which is intended to be used for general corporate purposes. At the Company's election, the commitments under the agreement may be increased from time to time up to an additional aggregate amount of $100 million, and two one-year extensions are available prior to any anniversary of the closing date, each subject to applicable consents. Under the agreement, the Company is required to pay a facility fee which would adjust in the event of a change in the Company's ratio of consolidated indebtedness to consolidated total capitalization, calculated in accordance with the agreement. The agreement includes several covenants, including maintenance of a minimum consolidated net worth and a specified ratio of consolidated indebtedness to consolidated total capitalization. The minimum consolidated net worth, as defined, at December 31, 2025, was $8.7 billion. The calculation of minimum consolidated net worth excludes AOCI. As of December 31, 2025 and 2024, the Company had no outstanding borrowings under the credit agreement.

The Company's debt obligations contain customary covenants for investment grade issuers. The Company was in compliance with all covenants as of and for the years ended December 31, 2025 and 2024.

The combined aggregate maturities for debt as of December 31, 2025 are presented in the following table.

(In millions)	
2026	$ —
2027	500
2028	—
2029	500
2030	500
Thereafter	1,500
Less: discount	(29)
Total	$ 2,971

Note J. Benefit Plans

Pension and Postretirement Health Care Benefit Plans

CNA sponsors noncontributory defined benefit pension plans, primarily through the CNA Retirement Plan, covering certain eligible employees. These plans are closed to new entrants. CNA's funding policy for defined benefit pension plans is to make contributions in accordance with applicable governmental regulatory requirements with consideration of the funded status of the plans.

Effective January 1, 2000, the CNA Retirement Plan was closed to new participants. Existing participants at that time were given a choice to either continue to accrue benefits under the CNA Retirement Plan or to cease accruals effective December 31, 1999. Employees who chose to continue to accrue benefits under the plan received benefits in accordance with plan provisions through June 30, 2015 as discussed further below. Participants who elected to cease accruals at December 31, 1999 received the present value of their accrued benefit in an accrued pension account that is credited with interest based on the annual rate of interest on 30-year Treasury securities. These employees also receive certain enhanced employer contributions in the CNA 401k Plan.

Effective June 30, 2015, the Company eliminated future benefit accruals associated with the CNA Retirement Plan. Participants who were continuing to accrue benefits under the CNA Retirement Plan up until that date are entitled to an accrued benefit payable based on their eligible compensation and accrued service through June 30, 2015. These affected participants now also receive enhanced employer contributions in the CNA 401k Plan similar to participants who elected to cease accruals effective December 31, 1999. Employees who elected to cease accruals effective December 31, 1999 were not affected by this curtailment.

In 2024, the CNA Retirement Plan paid $1,034 million to purchase a nonparticipating single premium group annuity contract from Metropolitan Life Insurance Company (the Insurer) under which the CNA Retirement Plan transferred $1,045 million of its defined benefit pension obligations. The group annuity contract covers approximately 7,600 CNA Retirement Plan participants and beneficiaries (the Transferred Participants), representing approximately 60% of the CNA Retirement Plan’s obligations. Under the group annuity contract, the Insurer has made an irrevocable commitment, and will be solely responsible, to pay the pension benefits of each Transferred Participant that are due on and after January 1, 2025. The purchase of the group annuity contract was funded directly by assets of the CNA Retirement Plan and required no cash or asset contributions by the Company. As a result of the transaction, the Company recognized a one-time, non-cash, pretax pension settlement charge of $367 million ($290 million after-tax).

Additionally in 2024, a subsidiary of CNAF, as a sponsor of the CNA Canada Employee Pension Plan (the Canada Plan), purchased a nonparticipating single premium group annuity contract, under which the defined benefit pension obligation of the Canada Plan was transferred in full to an insurance company counterparty. As a result of the transaction, the Company recognized a one-time, non-cash, pretax pension settlement charge of $4 million ($3 million after-tax).

The 2024 charges were largely driven by the accelerated recognition of the Company’s actuarial pension loss from accumulated other comprehensive income into net income, which does not impact stockholder’s equity. These charges did not impact the Company's core income or cash flow.

Effective December 31, 2025, the Company amended the CNA Health and Group Benefits Program to discontinue postretirement health care benefits that had been provided to eligible retired employees, their covered dependents and their beneficiaries through the program. These postretirement benefits had already largely been eliminated for active employees.

The following table presents a reconciliation of benefit obligations and plan assets.

(In millions)	Pension Benefits 2025	Pension Benefits 2024	Postretirement Benefits 2025	Postretirement Benefits 2024
Benefit obligation as of January 1	$ 681	$ 1,807	$ 4	$ 5
Changes in benefit obligation:				
Interest cost	36	87	—	—
Participants' contributions	—	—	1	1
Actuarial (gain) loss	8	(24)	1	—
Benefits paid	(51)	(144)	(2)	(2)
Foreign currency translation and other	4	(1)	—	—
Plan amendments	—	—	(2)	—
Effect of pension settlement transactions	5	(1,044)	—	—
Benefit obligation as of December 31	683	681	2	4
Fair value of plan assets as of January 1	915	1,984	—	—
Change in plan assets:				
Actual return on plan assets	84	115	—	—
Company contributions	5	5	1	1
Participants' contributions	—	—	1	1
Benefits paid	(51)	(144)	(2)	(2)
Foreign currency translation and other	6	(1)	—	—
Effect of pension settlement transactions	4	(1,044)	—	—
Fair value of plan assets as of December 31	963	915	—	—
Funded status	$ 280	$ 234	$ (2)	$ (4)
Amounts recognized on the Consolidated Balance Sheets as of December 31:				
Other assets	$ 318	$ 275	$ —	$ —
Other liabilities	(38)	(41)	(2)	(4)
Net amount recognized	$ 280	$ 234	$ (2)	$ (4)
Amounts recognized in Accumulated other comprehensive income, not yet recognized in net periodic cost (benefit):				
Net actuarial (gain) loss	$ 208	$ 236	$ (1)	$ 2
Net amount recognized	$ 208	$ 236	$ (1)	$ 2

The accumulated benefit obligation for all defined benefit pension plans was $683 million and $681 million as of December 31, 2025 and 2024. Changes for the year ended December 31, 2025 include an actuarial loss of $8 million primarily driven by changes in the discount rate used to determine the defined benefit pension obligations. Changes for the year ended December 31, 2024 include the impact of pension settlement transactions discussed above and an actuarial gain of $24 million primarily driven by changes in the discount rate used to determine the defined benefit pension obligations.

For pension plans with a benefit obligation in excess of plan assets, the benefit obligation was $38 million and $41 million and the aggregate plan assets were $0 at December 31, 2025 and 2024.

The components of net periodic pension cost (benefit) are presented in the following table.

Years ended December 31 (In millions)	2025	2024	2023
Net periodic pension cost (benefit)			
Interest cost on projected benefit obligation	$ 36	$ 87	$ 98
Expected return on plan assets	(54)	(116)	(119)
Amortization of net actuarial loss (gain)	7	29	33
Pension settlement transaction loss	—	371	—
Total net periodic pension cost (benefit)	$ (11)	$ 371	$ 12

The following table indicates the line items in which the non-service cost (benefit) is presented in the Consolidated Statements of Operations.

Years ended December 31 (In millions)	2025	2024	2023
Non-Service Cost (benefit):			
Insurance claims and policyholder's benefits	$ (3)	$ —	$ 3
Other operating expenses	(8)	371	9
Total net periodic pension cost (benefit)	$ (11)	$ 371	$ 12

The amounts recognized in Other comprehensive income are presented in the following table.

Years ended December 31 (In millions)	2025	2024	2023
Pension and postretirement benefits			
Amounts arising during the period	$ 22	$ 22	$ 50
Postretirement termination loss	3	—	—
Pension settlement transaction loss	—	371	—
Reclassification adjustment relating to prior service credit	(2)	—	—
Reclassification adjustment relating to actuarial loss	8	30	34
Total increase (decrease) in Other comprehensive income	$ 31	$ 423	$ 84

Actuarial assumptions used for the CNA Retirement Plan and CNA Health and Group Benefits Program to determine benefit obligations are presented in the following table. The interest crediting rate is the weighted average interest rate applied to the individual pension balances for employees who elected to cease accruals effective December 31, 1999.

December 31	2025	2024
Pension benefits		
Discount rate	5.200 %	5.500 %
Interest crediting rate	4.500	4.500
Postretirement benefits		
Discount rate	5.100 %	5.400 %

Actuarial assumptions used for the CNA Retirement Plan and CNA Health and Group Benefits Program to determine net cost or benefit are presented in the following table.

Years ended December 31	2025	2024	2023
Pension benefits			
Discount rate	5.500 %	5.100 %	5.350 %
Expected long-term rate of return	6.250	6.250	6.250
Interest crediting rate	4.500	4.500	3.500
Postretirement benefits			
Discount rate	5.400 %	5.100 %	5.250 %

To determine the discount rate assumption as of the year-end measurement date for the CNA Retirement Plan and CNA Health and Group Benefits Program, the Company considered the estimated timing of plan benefit payments and available yields on high quality fixed income debt securities. For this purpose, high quality is considered a rating of Aa or better by Moody's Investors Service, Inc. (Moody's) or a rating of AA or better from Standard & Poor's (S&P). The Company reviewed several yield curves constructed using the cash flow characteristics of the plans as well as bond indices as of the measurement date. The trend of those data points was also considered.

In determining the expected long-term rate of return on plan assets assumption for the CNA Retirement Plan, CNA considered the historical performance of the benefit plan investment portfolio as well as long-term market return expectations based on the investment mix of the portfolio and the expected investment horizon.

The CNA Health and Group Benefits Program has limited its share of the health care trend rate to a cost-of-living adjustment of 4% per year. For all participants, the employer subsidy on health care costs will not increase by more than 4% per year. As a result, the assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation for the CNA Health and Group Benefits Program was 4% per year in 2025, 2024 and 2023.

CNA employs a total return approach whereby a mix of equity, limited partnerships and fixed maturity securities are used to maximize the long-term return of retirement plan assets for a prudent level of risk and to manage cash flows according to plan requirements. The target allocation of plan assets is 0% to 40% invested in equity securities and limited partnerships, with the remainder primarily invested in fixed maturity securities. Alternative investments, including limited partnerships, are used to enhance risk adjusted long-term returns while improving portfolio diversification. The intent of this strategy is to minimize the Company's expense related to funding the plan by generating investment returns that exceed the growth of the plan liabilities over the long run. Risk tolerance is established after careful consideration of the plan liabilities, plan funded status and corporate financial conditions.

As of December 31, 2025, the Plan had committed approximately $85 million to future capital calls from various third-party limited partnership investments in exchange for an ownership interest in the related partnerships. Derivatives may be used to gain market exposure in an efficient and timely manner. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/ liability studies and quarterly investment portfolio reviews.

Pension plan assets measured at fair value on a recurring basis are presented in the following tables.

December 31, 2025 (In millions)	Level 1	Level 2	Level 3	Total
Assets				
Fixed maturity securities:				
Corporate bonds and other	$ —	$ 473	$ 4	$ 477
States, municipalities and political subdivisions	—	11	—	11
Asset-backed	—	103	8	111
Total fixed maturity securities	—	587	12	599
Equity securities	—	36	—	36
Short-term investments	33	—	—	33
Other assets	—	7	—	7
Cash	2	—	—	2
Total assets measured at fair value	$ 35	$ 630	$ 12	677
Total limited partnerships measured at net asset value (1)				286
Total				$ 963

December 31, 2024 (In millions)	Level 1	Level 2	Level 3	Total
Assets				
Fixed maturity securities:				
Corporate bonds and other	$ —	$ 408	$ 5	$ 413
States, municipalities and political subdivisions	—	6	—	6
Asset-backed	—	113	8	121
Total fixed maturity securities	—	527	13	540
Equity securities	8	15	—	23
Short-term investments	47	—	—	47
Other assets	—	6	—	6
Cash	2	—	—	2
Total assets measured at fair value	$ 57	$ 548	$ 13	618
Total limited partnerships measured at net asset value (1)				297
Total				$ 915

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table for these investments are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Plan's Statement of Financial Position.

The limited partnership investments held within the plan are recorded at fair value, which represents the plan's share of net asset value of each partnership, as determined by each limited partnership's general partner. Limited partnerships comprising more than 99% of the carrying value as of December 31, 2025 and 2024 were invested in private debt and equity. Limited partnerships comprising less than 1% of the carrying value as of December 31, 2025 and 2024 employ hedge fund strategies. Private debt and equity funds cover a broad range of investment strategies including buyout, private credit, growth capital and distressed investing. Hedge fund strategies include both long and short positions in fixed income, equity and derivative investments.

For a discussion of the fair value levels and the valuation methodologies used to measure fixed maturity securities, equities, derivatives and short-term investments, see Note C to the Consolidated Financial Statements.

The table below presents the estimated future minimum benefit payments to participants as of December 31, 2025.

(In millions)	Pension Benefits
2026	$ 58
2027	58
2028	58
2029	58
2030	57
2031-2035	258

In 2026, CNA expects to contribute $5 million to its pension plans.

Savings Plans

CNA sponsors savings plans, which are generally contributory plans that allow eligible employees to contribute a maximum of 50% of their eligible compensation, subject to certain limitations prescribed by the IRS. The Company contributes matching amounts to participants amounting to 100% of the first 6% of annual eligible compensation contributed by the employee. In addition, eligible employees also receive a Company contribution of 5% of their annual eligible compensation, referred to as a basic contribution. Company contributions vest ratably over participants first five years of service.

Benefit expense for the Company's savings plans was $95 million, $88 million and $82 million for the years ended December 31, 2025, 2024 and 2023.

Note K. Stock-Based Compensation

The CNAF Incentive Compensation Plan (the Plan) authorizes the grant of stock-based compensation to certain management personnel for up to 16 million shares of CNAF common stock. The Plan provides for awards of stock options, stock appreciation rights (SARs), restricted shares, restricted stock units (RSUs), performance-based RSUs and performance share units. Grants to employees are not designed to be spring-loaded. The number of remaining shares available for the granting of stock-based compensation under the Plan as of December 31, 2025 was approximately 2.0 million.

Substantially all of the Company's stock-based compensation is awarded under the Annual Performance Share Plan (PSP). The PSP provides officers with an opportunity to earn an award based upon attainment of specific performance goals achieved over a one-year performance period. Awards are granted in the form of performance share units at the beginning of each performance year and are generally subject to a two-year cliff vesting period after the Company's annual performance has been determined. The performance share units become payable within a range of 0% to 200% of the number of performance share units initially granted.

Additionally, the Company may grant RSUs under the Plan in certain circumstances. These awards generally vest over a one to three-year service period following the grant date.

Stock-based compensation that is not fully vested prior to termination is generally forfeited upon termination, except in cases of retirement, death or disability, and as otherwise provided by contractual obligations. The fair value of stock-based compensation awards is based on the market value of the Company's common stock as of the date of grant, except for awards made to foreign participants, which is based on the current market value of the Company's common stock. Payments made under the PSP are made entirely in shares of common stock granted under the Plan, except for awards made to foreign participants, which are paid in cash.

The Company recorded stock-based compensation expense related to the Plan of $41 million, $42 million and $38 million for the years ended December 31, 2025, 2024 and 2023. The related income tax benefit recognized was $9 million, $9 million and $8 million for the years ended December 31, 2025, 2024 and 2023. The compensation cost not yet recognized was $46 million, and the weighted average period over which it is expected to be recognized is 1.8 years as of December 31, 2025.

The total fair value of RSUs and performance share units that vested during the years ended December 31, 2025, 2024 and 2023 was $45 million, $33 million and $34 million, respectively.

The weighted average grant date fair value for RSUs and performance share units granted during the years ended December 31, 2025, 2024 and 2023 was $48.52, $44.28 and $37.06, respectively.

The following table presents activity for non-vested RSUs and performance share units under the Plan in 2025.

	Number of Awards	Weighted Average Grant Date Fair Value
Balance as of January 1, 2025	2,708,789	$ 42.26
Awards granted	1,079,668	48.52
Awards vested	(971,657)	45.34
Awards forfeited, canceled or expired	(279,084)	43.02
Performance-based adjustment	32,095	48.52
Balance as of December 31, 2025	2,569,811	43.72

Note L. Leases

Total lease expense was $46 million, $49 million and $55 million for the years ended December 31, 2025, 2024 and 2023. Total lease expense includes operating lease expense of $29 million, $29 million and $34 million and variable lease expense of $17 million, $20 million and $21 million for the years ended December 31, 2025, 2024 and 2023. Cash paid for amounts included in operating lease liabilities was $33 million, $55 million and $38 million for the years ended December 31, 2025, 2024 and 2023. Operating lease ROU assets obtained in exchange for lease obligations was $12 million, $54 million and $28 million for the years ended December 31, 2025, 2024 and 2023.

The following table presents operating lease ROU assets and lease liabilities.

(In millions)	December 31, 2025	December 31, 2024
Operating lease ROU assets	$ 148	$ 158
Operating lease liabilities	218	239

The following table presents the maturities of operating lease liabilities.

(In millions)	December 31, 2025
2026	$ 34
2027	35
2028	31
2029	31
2030	26
Thereafter	104
Total lease payments	261
Less: Discount	(43)
Total operating lease liabilities	$ 218

The following table presents the weighted average remaining lease term for operating leases and weighted average discount rate used in calculating operating lease ROU assets.

	December 31, 2025	December 31, 2024
Weighted average remaining lease term	8.6 years	8.8 years
Weighted average discount rate	4.0 %	3.9 %

Note M. Stockholders' Equity and Statutory Accounting Practices

Common Stock Dividends

There are no restrictions on the retained earnings or net income of CNAF with regard to payment of dividends to its stockholders. However, given the holding company nature of CNAF, its ability to pay a dividend is dependent on the receipt of dividends from its subsidiaries, particularly CCC, which directly or indirectly owns the vast majority of all significant subsidiaries. See the *Statutory Accounting Practices* section below for a discussion of the regulatory restrictions on CCC's availability to pay dividends.

CNAF's ability to pay dividends may be indirectly limited by the minimum consolidated net worth covenant in the Company's line of credit agreement. See Note I to the Consolidated Financial Statements for further discussion of the Company's debt obligations.

Common Stock Repurchases

The Company's Board of Directors has approved an authorization to purchase, in the open market or through privately negotiated transactions, our outstanding common stock, as our management deems appropriate. The Company repurchased 700,000 and 450,000 shares of CNAF common stock at an aggregate cost of $34 million and $20 million during the years ended December 31, 2025 and 2024.

Stock-Based Compensation

The Company issued 527,066 and 413,224 shares of CNAF common stock to settle employee stock-based compensation awards under the CNAF Incentive Compensation Plan during the years ended December 31, 2025 and 2024.

Accumulated Other Comprehensive Income (Loss)

The tables below display the changes in Accumulated other comprehensive income (loss) by component.

(In millions)	Net unrealized gains (losses) on investments with an allowance for credit losses	Net unrealized gains (losses) on other investments	Pension and postretirement benefits	Cumulative impact of changes in discount rates used to measure long duration contracts	Cumulative foreign currency translation adjustment	Total
Balance as of January 1, 2025	$ (13)	$ (1,876)	$ (191)	$ 353	$ (264)	$ (1,991)
Other comprehensive income (loss) before reclassifications	(22)	842	17	(161)	143	819
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of $5, $12, $1, $—, $— and $18	(20)	(46)	(8)	—	—	(74)
Other comprehensive income (loss) net of tax (expense) benefit of $—, $(238), $(6), $43, $— and $(201)	(2)	888	25	(161)	143	893
Balance as of December 31, 2025	$ (15)	$ (988)	$ (166)	$ 192	$ (121)	$ (1,098)

(In millions)		Net unrealized gains (losses) on investments with an allowance for credit losses		Net unrealized gains (losses) on other investments		Pension and postretirement benefits		Cumulative impact of changes in discount rates used to measure long duration contracts		Cumulative foreign currency translation adjustment		Total
Balance as of January 1, 2024	$	(12)	$	(1,613)	$	(525)	$	(359)	$	(163)	$	(2,672)
Other comprehensive income (loss) before reclassifications		(34)		(310)		17		712		(101)		284
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of $9, $13, $84, $—, $— and $106		(33)		(47)		(317)		—		—		(397)
Other comprehensive income (loss) net of tax (expense) benefit of $—, $68, $(89), $(189), $— and $(210)		(1)		(263)		334		712		(101)		681
Balance as of December 31, 2024	$	(13)	$	(1,876)	$	(191)	$	353	$	(264)	$	(1,991)

(In millions)		Net unrealized gains (losses) on investments with an allowance for credit losses		Net unrealized gains (losses) on other investments		Pension and postretirement benefits		Cumulative impact of changes in discount rates used to measure long duration contracts		Cumulative foreign currency translation adjustment		Total
Balance as of January 1, 2023	$	(7)	$	(2,738)	$	(591)	$	(41)	$	(221)	$	(3,598)
Other comprehensive income (loss) before reclassifications		(24)		1,072		39		(318)		58		827
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of $5, $14, $7, $—, $— and $26		(19)		(53)		(27)		—		—		(99)
Other comprehensive income (loss) net of tax (expense) benefit of $1, $(304), $(17), $85, $— and $(235)		(5)		1,125		66		(318)		58		926
Balance as of December 31, 2023	$	(12)	$	(1,613)	$	(525)	$	(359)	$	(163)	$	(2,672)

Amounts reclassified from Accumulated other comprehensive income (loss) shown above are reported in Net income (loss) as follows:

Component of AOCI	Consolidated Statements of Operations Line Item Affected by Reclassifications
Net unrealized gains (losses) on investments with an allowance for credit losses and Net unrealized gains (losses) on other investments	Net investment gains (losses)
Pension and postretirement benefits	Other operating expenses and Insurance claims and policyholders' benefits

Statutory Accounting Practices

CNAF's insurance subsidiaries are domiciled in various jurisdictions. These subsidiaries prepare statutory financial statements in accordance with accounting practices prescribed or permitted by the respective jurisdictions' insurance regulators. Domestic prescribed statutory accounting practices are set forth in a variety of publications of the National Association of Insurance Commissioners (NAIC) as well as state laws, regulations and general administrative rules. These statutory accounting principles vary in certain respects from GAAP. In converting from statutory accounting principles to GAAP, the more significant adjustments include deferral of policy acquisition costs and the inclusion of net unrealized holding gains or losses in stockholders' equity relating to certain fixed maturity securities.

The Company has a prescribed practice as it relates to the accounting under Statement of Statutory Accounting Principles No. 62, *Property and Casualty Reinsurance,* paragraphs 87 and 88 in conjunction with the 2010 LPT with NICO which is further discussed in Note E to the Consolidated Financial Statements. The prescribed practice allows the Company to aggregate all third-party A&EP reinsurance balances administered by NICO in Schedule F and to utilize the LPT as collateral for the underlying third-party reinsurance balances for purposes of calculating the statutory reinsurance penalty.

This prescribed practice increased statutory capital and surplus by $45 million and $55 million at December 31, 2025 and 2024.

The payment of dividends by CNAF's insurance subsidiaries without prior approval of the insurance department of each subsidiary's domiciliary jurisdiction is generally limited by formula. Dividends in excess of these amounts are subject to prior approval by the respective insurance regulator.

Dividends from CCC are subject to the insurance holding company laws of the State of Illinois, the domiciliary state of CCC. Under these laws, ordinary dividends, or dividends that do not require prior approval by the Illinois Department of Insurance (the Department), are determined based on the greater of the prior year's statutory net income or 10% of statutory surplus as of the end of the prior year, as well as the timing and amount of dividends paid in the preceding twelve months. Additionally, ordinary dividends may only be paid from earned surplus, which is calculated by removing unrealized gains from unassigned surplus. As of December 31, 2025, CCC is in a positive earned surplus position. The maximum allowable dividend CCC could pay during 2026 that would not be subject to the Department's prior approval is $1,266 million, less dividends paid during the preceding twelve months measured at that point in time. CCC paid dividends of $1,115 million in 2025. The actual level of dividends paid in any year is determined after an assessment of available dividend capacity, holding company liquidity and cash needs as well as the impact the dividends will have on the statutory surplus of the applicable insurance company.

Combined statutory capital and surplus and statutory net income (loss) for the Combined Continental Casualty Companies are presented in the table below, determined in accordance with accounting practices prescribed or permitted by insurance and/or other regulatory authorities.

	Statutory Capital and Surplus		Statutory Net Income (Loss)		
	December 31		Years ended December 31		
(In millions)	2025(1)	2024	2025(1)	2024(2)	2023
Combined Continental Casualty Companies	$ 11,578	$ 11,165	$ 1,258	$ 713	$ 1,172

(1) Information derived from the statutory-basis financial statements to be filed with insurance regulators.
(2) Includes a $293 million after-tax loss from pension settlement transactions. Pension settlement transactions are further discussed in Note J to the Consolidated Financial Statements included under Item 8.

CNAF's domestic insurance subsidiaries are subject to risk-based capital (RBC) requirements. RBC is a method developed by the NAIC to determine the minimum amount of statutory capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The formula for determining the amount of RBC specifies various factors, weighted based on the perceived degree of risk, which are applied to certain financial balances and financial activity. The adequacy of a company's actual capital is evaluated by a comparison to the RBC results, as determined by the formula. Companies below minimum RBC requirements are classified within certain levels, each of which requires specified corrective action.

The statutory capital and surplus presented above for CCC as of December 31, 2025 and 2024 was significantly above the level at which any RBC regulatory action would occur. The statutory capital and surplus of the Company's foreign insurance subsidiaries, which is not significant to the overall statutory capital and surplus, also met or exceeded their respective regulatory and other capital requirements.

Note N. Business Segments

The Company's property and casualty commercial insurance operations are managed and reported in three business segments: Specialty, Commercial and International. These three segments are collectively referred to as Property & Casualty Operations. Specialty provides management and professional liability and other property and casualty coverages, products and services using a network of retail and wholesale brokers, independent agencies and managing general underwriters. Commercial works with a network of retail and wholesale brokers and independent agents to market a broad range of property and casualty insurance products to all types of insureds targeting small business, construction, middle market and other commercial customers. The International segment underwrites property and casualty coverages on a global basis through a branch operation in Canada, a European business consisting of insurance companies based in the U.K. and Luxembourg and Hardy, the Company's Lloyd's syndicate.

The Company's operations outside of Property & Casualty Operations are managed and reported in two segments: Life & Group and Corporate & Other. Life & Group primarily includes the results of the long-term care business that is in run-off. Corporate & Other primarily includes certain corporate expenses, including interest on corporate debt, and the results of certain property and casualty business in run-off, including, A&EP, a legacy portfolio of EWC policies and certain legacy mass tort reserves.

The accounting policies of the segments are the same as those described in Note A to the Consolidated Financial Statements. The Company manages most of its assets on a legal entity basis, while segment operations are generally conducted across legal entities. As such, only Insurance and Reinsurance receivables, Insurance reserves, Deferred acquisition costs, Goodwill and Deferred non-insurance warranty acquisition expense and revenue are readily identifiable for individual segments. Distinct investment portfolios are not maintained for every individual segment; accordingly, allocation of assets to each segment is not performed. Therefore, a significant portion of Net investment income is allocated primarily based on each segment's net carried insurance reserves, as adjusted. All significant intersegment income and expense have been eliminated. Income taxes have been allocated on the basis of the taxable income of the segments.

Approximately 9%, 10% and 11% of the Company's direct written premiums were derived from outside the United States for the years ended December 31, 2025, 2024 and 2023.

In the following tables, certain financial measures are presented to provide information used by management to monitor the Company's operating performance. Management utilizes these financial measures to monitor the Company's insurance operations and investment portfolio.

The performance of the Company's insurance operations is monitored by management through core income (loss). The Company's Chief Operating Decision Maker (CODM) is the Chief Executive Officer. For all segments, the CODM uses a multi-year trend of core income (loss) to assess the segments' operating performance and make decisions regarding the allocation of resources to each segment.

Core income (loss) is calculated by excluding from net income (loss) the after-tax effects of net investment gains or losses and gains or losses resulting from pension settlement transactions. Net investment gains or losses are excluded from the calculation of core income (loss) because they are generally driven by economic factors that are not necessarily reflective of the Company's primary operations. The calculation of core income (loss) excludes gains or losses resulting from pension settlement transactions as they result from decisions regarding the Company's defined benefit pension plans which are unrelated to the Company's primary operations.

The Company's investment portfolio is monitored by management through analysis of various factors including unrealized gains and losses on securities, portfolio duration and exposure to market and credit risk.

The Company's results of operations and selected balance sheet items by segment are presented in the following tables.

Year ended December 31, 2025 (In millions)	**Specialty**	**Commercial**	**International**	**Life & Group**	**Corporate & Other**	**Eliminations**	**Total**
Net written premiums	$ 3,515	$ 5,821	$ 1,347	$ 419	$ —	$ (1)	$ 11,101
Operating revenues							
Net earned premiums	$ 3,472	$ 5,695	$ 1,311	$ 423	$ —	$ (1)	$ 10,900
Net investment income	650	775	156	914	62	—	2,557
Non-insurance warranty revenue	1,577	—	—	—	—	—	1,577
Other revenues	2	32	—	—	12	(10)	36
Total operating revenues	5,701	6,502	1,467	1,337	74	(11)	15,070
Claims, benefits and expenses							
Net incurred claims and benefits	2,134	3,867	765	1,291	201	—	8,258
Policyholders' dividends	9	27	—	—	—	—	36
Amortization of deferred acquisition costs	785	853	260	—	—	—	1,898
Non-insurance warranty expense	1,526	—	—	—	—	—	1,526
Insurance related administrative expenses	380	676	171	121	2	(1)	1,349
Interest expense	—	—	—	—	135	—	135
Other segment items [1]	57	44	(13)	3	86	(10)	167
Total claims, benefits and expenses	4,891	5,467	1,183	1,415	424	(11)	13,369
Income tax (expense) benefit on core income (loss)	(173)	(215)	(77)	34	72	—	(359)
Core income (loss)	$ 637	$ 820	$ 207	$ (44)	$ (278)	$ —	$ 1,342
Net investment gains (losses)							(81)
Income tax (expense) benefit on net investment gains (losses)							17
Net investment gains (losses), after tax							(64)
Net income (loss)							$ 1,278

(1) Other segment items for the Company's property and casualty commercial insurance segments reflects expenses not directly related to the Company's insurance operations, including certain expenses related to the Company's non-insurance warranty business within Specialty, claims services offerings within Commercial and foreign currency transaction gains and losses within International. Other segment items for the Corporate & Other segment reflects certain corporate expenses not attributable to the Company's ongoing property and casualty insurance operations.

December 31, 2025 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Reinsurance receivables	$ 1,716	$ 1,762	$ 577	$ 56	$ 2,297	$ —	$ 6,408
Insurance receivables	1,008	2,315	438	2	1	—	3,764
Deferred acquisition costs	447	391	148	—	—	—	986
Goodwill	117	—	31	—	—	—	148
Deferred non-insurance warranty acquisition expense	3,220	—	—	—	—	—	3,220
Insurance reserves							
Claim and claim adjustment expenses	7,784	12,249	3,376	591	2,599	—	26,599
Unearned premiums	3,317	3,411	819	88	—	—	7,635
Future policy benefits	—	—	—	13,448	—	—	13,448
Deferred non-insurance warranty revenue	4,138	—	—	—	—	—	4,138

Year ended December 31, 2024 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Net written premiums	$ 3,445	$ 5,469	$ 1,262	$ 430	$ —	$ (1)	$ 10,605
Operating revenues							
Net earned premiums	$ 3,361	$ 5,158	$ 1,256	$ 437	$ —	$ (1)	$ 10,211
Net investment income	626	733	131	940	67	—	2,497
Non-insurance warranty revenue	1,609	—	—	—	—	—	1,609
Other revenues	2	29	—	—	13	(10)	34
Total operating revenues	5,598	5,920	1,387	1,377	80	(11)	14,351
Claims, benefits and expenses							
Net incurred claims and benefits	2,001	3,525	764	1,308	106	—	7,704
Policyholders' dividends	9	25	—	—	—	—	34
Amortization of deferred acquisition costs	740	824	234	—	—	—	1,798
Non-insurance warranty expense	1,547	—	—	—	—	—	1,547
Insurance related administrative expenses	362	613	182	119	—	(1)	1,275
Interest expense	—	—	—	—	133	—	133
Other segment items [1]	55	43	10	2	97	(10)	197
Total claims, benefits and expenses [2]	4,714	5,030	1,190	1,429	336	(11)	12,688
Income tax (expense) benefit on core income (loss)	(190)	(188)	(44)	29	46	—	(347)
Core income (loss)	$ 694	$ 702	$ 153	$ (23)	$ (210)	$ —	$ 1,316
Net investment gains (losses)							(81)
Income tax (expense) benefit on net investment gains (losses)							17
Net investment gains (losses), after tax							(64)
Pension settlement transaction gains (losses)							(371)
Income tax (expense) benefit on pension settlement transaction gains (losses)							78
Pension settlement transaction gains (losses), after tax							(293)
Net income (loss)							$ 959

(1) Other segment items for the Company's property and casualty commercial insurance segments reflects expenses not directly related to the Company's insurance operations, including certain expenses related to the Company's non-insurance warranty business within Specialty, claims services offerings within Commercial and foreign currency transaction gains and losses within International. Other segment items for the Corporate & Other segment reflects certain corporate expenses not attributable to the Company's ongoing property and casualty insurance operations.

(2) Excludes the impact of pension settlement transaction gains (losses). See Note J to the Consolidated Financial Statements for additional information.

December 31, 2024 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Reinsurance receivables	$ 1,405	$ 1,710	$ 539	$ 82	$ 2,336	$ —	$ 6,072
Insurance receivables	1,062	2,219	410	4	2	—	3,697
Deferred acquisition costs	427	405	127	—	—	—	959
Goodwill	117	—	28	—	—	—	145
Deferred non-insurance warranty acquisition expense	3,525	—	—	—	—	—	3,525
Insurance reserves							
Claim and claim adjustment expenses	7,426	11,336	2,920	622	2,672	—	24,976
Unearned premiums	3,275	3,252	727	92	—	—	7,346
Future policy benefits	—	—	—	13,158	—	—	13,158
Deferred non-insurance warranty revenue	4,530	—	—	—	—	—	4,530

Year ended December 31, 2023 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Net written premiums	$ 3,329	$ 4,880	$ 1,237	$ 447	$ —	$ (1)	$ 9,892
Operating revenues							
Net earned premiums	$ 3,307	$ 4,547	$ 1,176	$ 451	$ —	$ (1)	$ 9,480
Net investment income	558	645	103	896	62	—	2,264
Non-insurance warranty revenue	1,624	—	—	—	—	—	1,624
Other revenues	1	29	—	(1)	11	(10)	30
Total operating revenues	5,490	5,221	1,279	1,346	73	(11)	13,398
Claims, benefits and expenses							
Net incurred claims and benefits	1,923	2,995	722	1,317	82	—	7,039
Policyholders' dividends	8	21	—	—	—	—	29
Amortization of deferred acquisition costs	686	729	229	—	—	—	1,644
Non-insurance warranty expense	1,544	—	—	—	—	—	1,544
Insurance related administrative expenses	373	620	139	118	2	(1)	1,251
Interest expense	1	—	—	—	126	—	127
Other segment items [1]	52	30	(4)	1	78	(10)	147
Total claims, benefits and expenses	4,587	4,395	1,086	1,436	288	(11)	11,781
Income tax (expense) benefit on core income (loss)	(195)	(174)	(48)	42	42	—	(333)
Core income (loss)	$ 708	$ 652	$ 145	$ (48)	$ (173)	$ —	$ 1,284
Net investment gains (losses)							(99)
Income tax (expense) benefit on net investment gains (losses)							20
Net investment gains (losses), after tax							(79)
Net income (loss)							$ 1,205

(1) Other segment items for the Company's property and casualty commercial insurance segments reflects expenses not directly related to the Company's insurance operations, including certain expenses related to the Company's non-insurance warranty business within Specialty, claims services offerings within Commercial and foreign currency transaction gains and losses within International. Other segment items for the Corporate & Other segment reflects certain corporate expenses not attributable to the Company's ongoing property and casualty insurance operations.

December 31, 2023 (In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Reinsurance receivables	$ 1,281	$ 1,218	$ 468	$ 93	$ 2,374	$ —	$ 5,434
Insurance receivables	1,053	2,024	388	5	—	—	3,470
Deferred acquisition costs	392	371	133	—	—	—	896
Goodwill	117	—	29	—	—	—	146
Deferred non-insurance warranty acquisition expense	3,661	—	—	—	—	—	3,661
Insurance reserves							
Claim and claim adjustment expenses	7,131	10,103	2,709	675	2,686	—	23,304
Unearned premiums	3,227	2,858	749	99	—	—	6,933
Future policy benefits	—	—	—	13,959	—	—	13,959
Deferred non-insurance warranty revenue	4,694	—	—	—	—	—	4,694

The following table presents further detail of significant segment expenses included within Net incurred claims and benefits for the Property & Casualty segments.

Years ended December 31 (In millions)	2025	2024	2023
Specialty			
Non-catastrophe net incurred claim and claim adjustment expenses related to current year	$ 2,097	$ 2,010	$ 1,937
Catastrophe losses	—	—	—
(Favorable) unfavorable development [1]	37	(9)	(14)
Commercial			
Non-catastrophe net incurred claim and claim adjustment expenses related to current year	$ 3,605	$ 3,217	$ 2,801
Catastrophe losses	217	318	207
(Favorable) unfavorable development [1]	39	(16)	(22)
International			
Non-catastrophe net incurred claim and claim adjustment expenses related to current year	$ 767	$ 730	$ 680
Catastrophe losses	23	40	29
(Favorable) unfavorable development [1]	(25)	(6)	13

(1) (Favorable) unfavorable development does not include the effects of interest accretion and change in allowance for uncollectible reinsurance.

The following table presents operating revenues by line of business for each reportable segment.

Years ended December 31 (In millions)	2025	2024	2023
Specialty			
Management & Professional Liability	$ 3,102	$ 2,998	$ 2,931
Surety	835	785	731
Warranty & Alternative Risks	1,764	1,815	1,828
Specialty revenues	5,701	5,598	5,490
Commercial			
Middle Market	1,925	1,775	1,696
Construction	2,088	1,991	1,678
Small Business	639	637	631
Other Commercial	1,850	1,517	1,216
Commercial revenues	6,502	5,920	5,221
International			
Canada	422	401	383
Europe	627	593	532
Hardy	418	393	364
International revenues	1,467	1,387	1,279
Life & Group revenues	1,337	1,377	1,346
Corporate & Other revenues	74	80	73
Eliminations	(11)	(11)	(11)
Total operating revenues	15,070	14,351	13,398
Net investment gains (losses)	(81)	(81)	(99)
Total revenues	$ 14,989	$ 14,270	$ 13,299

Note O. Related Party Transactions

The Company reimburses Loews for, or pays directly, fees and expenses of investment facilities and services provided to the Company. Additionally, the Company provides investment-related processing services to Loews and charges Loews for these services. The net amounts incurred by the Company for these fees, expenses and services were $64 million, $60 million and $55 million for the years ended December 31, 2025, 2024 and 2023. Net amounts due to Loews related to these services, included in Other liabilities and payable in the first quarter of the subsequent year, were $33 million and $30 million as of December 31, 2025 and 2024. In addition, the Company reimbursed Loews for general corporate services and related travel expenses of $1 million for the years ended December 31, 2025 and 2024. The CNA Tax Group is included in the consolidated federal income tax return of Loews and its eligible subsidiaries. The related payables due to Loews, included in Other liabilities, were $20 million and $17 million for the years ended December 31, 2025 and 2024. For a detailed description of the income tax agreement with Loews see Note D to the Consolidated Financial Statements.

In 2024, the Company invested in a commercial mortgage-backed securitization whose underlying mortgage loan is an obligation of an affiliate of Loews that matures in September of 2034. The Company purchased $50 million of par at issuance across three separate investment grade tranches of the $305 million securitization. The Company's position in this commercial mortgage-backed securitization is included in the Fixed maturity securities at fair value line on the Consolidated Balance Sheets and was $51 million and $50 million as of December 31, 2025 and 2024. The Company recognized $3 million and $1 million of income in Net investment income related to this investment during the years ended December 31, 2025 and 2024.

The Company writes, at standard rates, a limited amount of insurance for Loews and its subsidiaries. The earned premiums for each of the years ended December 31, 2025, 2024 and 2023 were $3 million, $2 million, and $2 million.

Note P. Non-Insurance Revenues from Contracts with Customers

Non-Insurance revenue is recognized when obligations under the terms of a contract with a customer are satisfied; generally this occurs over time as obligations are fulfilled. Revenue is measured as the amount of consideration the Company expects to receive in exchange for providing services.

Deferred Non-Insurance Warranty Revenue

The Company had deferred non-insurance warranty revenue balances of $4.1 billion and $4.5 billion reported in Deferred non-insurance warranty revenue as of December 31, 2025 and 2024. The decrease in the deferred revenue balance for the year ended December 31, 2025 was primarily driven by recognized revenue from prior periods outpacing new growth in the business. For the year ended December 31, 2025, the Company recognized $1.4 billion of revenues that were included in the deferred revenue balance as of January 1, 2025. For the year ended December 31, 2024, the Company recognized $1.4 billion of revenues that were included in the deferred revenue balance as of January 1, 2024. For the years ended December 31, 2025 and 2024, Non-insurance warranty revenue recognized from performance obligations related to prior periods due to a change in estimate was not material. The Company expects to recognize approximately $1.3 billion of the deferred revenue in 2026, $1.0 billion in 2027, $0.7 billion in 2028 and $1.1 billion thereafter.

Cost to Obtain and Fulfill Non-Insurance Warranty Contracts with Customers

For the years ended December 31, 2025 and 2024, capitalized commission costs were $3.2 billion and $3.5 billion and capitalized administrator service costs were $61 million and $68 million. For the years ended December 31, 2025 and 2024, the amount of amortization of capitalized costs was $1.2 billion and there were no impairment losses related to the costs capitalized. There were no adjustments to deferred costs recorded for the years ended December 31, 2025 and 2024.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of CNA Financial Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of CNA Financial Corporation (an affiliate of Loews Corporation) and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income (loss), cash flows, and stockholders' equity, for each of the three years in the period ended December 31, 2025, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

***Claim and claim adjustment expense reserves - Property & Casualty - Refer to Notes A and E to the consolidated financial statements*.**

Critical Audit Matter Description

The estimation of property and casualty claim and claim adjustment expense reserves ("P&C claim and claim adjustment expense reserves"), including those claims that are incurred but not reported, requires significant judgment. Estimating P&C claim and claim adjustment expense reserves is subject to a high degree of variability as it involves complex estimates that are generally derived using a variety of actuarial estimation techniques and numerous assumptions and expectations about future events, many of which are highly uncertain. Modest changes in judgments and assumptions can materially impact the valuation of these liabilities, particularly for claims with longer-tailed exposures such as workers' compensation, general liability and professional liability claims and certain shorter-tailed exposures.

Given the significant judgments made by management in estimating P&C claim and claim adjustment expense reserves, auditing P&C claim and claim adjustment expense reserves required a high degree of auditor judgment and an increased extent of effort, including the involvement of our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to P&C claim and claim adjustment expense reserves included the following, among others:

- We tested the effectiveness of controls related to the determination of P&C claim and claim adjustment expense reserves, including those controls related to the estimation of and management's review of P&C claim and claim adjustment expense reserves.
- We tested the underlying data, including historical claims, that served as the basis for the actuarial analyses, to test that the inputs to the actuarial estimates were accurate and complete.
- With the assistance of our actuarial specialists:

- ◦ We developed a range of independent estimates of P&C claim and claim adjustment expense reserves and compared the recorded reserves to our range of estimates.
- ◦ We performed a retrospective review which involved comparing our prior year estimates of expected incurred losses to actual experience during the most recent year to identify potential bias in the Company's determination of P&C claim and claim adjustment expense reserves.

Future policy benefit reserves - Long-Term Care - Refer to Notes A and F to the consolidated financial statements.

Critical Audit Matter Description

The estimation of long-term care future policy benefit reserves ("LTC future policy benefit reserves") requires significant judgment in the selection of key assumptions, including the morbidity, specifically incidence, assumption. Estimating future experience for long term care policies is subject to significant estimation risk as the required projection period spans several decades. Morbidity experience can be volatile and modest changes in this assumption can materially impact the valuation of these liabilities.

Given the significant judgments made by management in estimating LTC future policy benefit reserves, auditing LTC future policy benefit reserves required a high degree of auditor judgment and an increased extent of effort, including the involvement of our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to LTC future policy benefit reserves included the following, among others:

- We tested the effectiveness of controls related to the determination of LTC future policy benefit reserves, including those controls related to the estimation of and management's review of LTC future policy benefit reserves and determination of key assumptions.
- We tested the underlying data that served as the basis for the actuarial analyses to test that the inputs to the actuarial estimates were accurate and complete.
- With the assistance of our actuarial specialists:
    - ◦ We independently recalculated cohort level LTC future policy benefit reserves and compared our estimates to the recorded reserves.
    - ◦ We evaluated the judgments made by management in setting assumptions, including comparing those assumptions to the Company's historical experience used as the basis for setting those assumptions.
    - ◦ For a sample of policies, we evaluated management's estimate of future cash flows. This included evaluating that assumptions were applied as intended.

/s/ DELOITTE & TOUCHE LLP
Chicago, Illinois
February 10, 2026

We have served as the Company's auditor since 1976.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of CNA Financial Corporation (CNAF or the Company) is responsible for establishing and maintaining adequate internal control over financial reporting. CNAF's internal control system was designed to provide reasonable assurance to the Company's management, its Audit Committee and Board of Directors regarding the preparation and fair presentation of published financial statements.

There are inherent limitations to the effectiveness of any internal control or system of control, however well designed, including the possibility of human error and the possible circumvention or overriding of such controls or systems. Moreover, because of changing conditions the reliability of internal controls may vary over time. As a result even effective internal controls can provide no more than reasonable assurance with respect to the accuracy and completeness of financial statements and their process of preparation.

CNAF management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. In making this assessment, it has used the criteria set forth by the 2013 Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. Based on those criteria and our assessment we believe that, as of December 31, 2025, the Company's internal control over financial reporting was effective.

CNAF's independent registered public accountant, Deloitte & Touche LLP, has issued an audit report on the Company's internal control over financial reporting. This report appears on page 136.

CNA Financial Corporation
Chicago, Illinois
February 10, 2026

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

As of December 31, 2025, the Company's management, including the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on this evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures are effective.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, and the implementing rules of the Securities and Exchange Commission, the Company included a report of management's assessment of the design and effectiveness of its internal controls as part of this Annual Report on Form 10-K for the year ended December 31, 2025. Management's report and the independent registered public accounting firm's report are included in Part II, Item 8 under the captions entitled “Management's Report on Internal Control Over Financial Reporting” and “Report of Independent Registered Public Accounting Firm” and are incorporated herein by reference.

There has been no change in the Company’s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2025 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III
ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information about our Executive Officers

NAME	POSITION AND OFFICES HELD WITH REGISTRANT	AGE	FIRST BECAME EXECUTIVE OFFICER OF CNA	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS
Douglas M. Worman (1)	President and Chief Executive Officer	58	2017	Chief Executive Officer of CNA Financial Corporation since January 2025. Executive Vice President & Global Head of Underwriting of the CNA Insurance Companies from March 2017 through December 2024.
Scott R. Lindquist	Executive Vice President & Chief Financial Officer	62	2022	Executive Vice President & Chief Financial Officer of CNA Financial Corporation since February 2022. Executive Vice President of CNA Financial Corporation from January 2022 to February 2022. Retired from September 2021 to January 2022. Senior Advisor to the Chief Executive Officer of Farmers Group, Inc. from April 2021 through September 2021. Chief Financial Officer of Farmers Group, Inc. from February 2008 through April 2021.
Elizabeth A. Aguinaga	Executive Vice President & Chief Human Resources Officer	48	2018	Executive Vice President & Chief Human Resources Officer of the CNA Insurance Companies since February 2018.
Daniel P. Franzetti	Executive Vice President & Chief Administrative Officer	59	2020	Executive Vice President & Chief Administrative Officer of the CNA Insurance Companies since June 2023. Executive Vice President, Worldwide Claims of the CNA Insurance Companies from April 2020 to June 2023.
Robert J. Hopper	Executive Vice President & Chief Actuary	59	2020	Executive Vice President & Chief Actuary of the CNA Insurance Companies since August 2020.
Mark James	Executive Vice President, Chief Risk & Reinsurance Officer	61	2022	Executive Vice President, Chief Risk & Reinsurance Officer of the CNA Insurance Companies since July 2022. Senior Vice President, Global Chief Risk and Reinsurance Officer of the CNA Insurance Companies from October 2019 through July 2022.
Jeffrey Neuenschwander	Senior Vice President & General Counsel	58	2025	Senior Vice President & General Counsel of the CNA Insurance Companies since August 2025. Senior Vice President, Corporate Litigation of the CNA Insurance Companies from October 2007 through August 2025.
Jane Possell	Executive Vice President & Chief Information Officer, Analytics, Operations	53	2023	Executive Vice President & Chief Information Officer, Analytics, Operations of the CNA Insurance Companies since January 2023. Senior Vice President & Chief Information Officer of the CNA Insurance Companies from September 2019 to January 2023.
Jalil Rehman	President & Chief Executive Officer, U.K. & Europe	61	2020	President & Chief Executive Officer, U.K. & Europe of the CNA Insurance Companies since September 2020.

(1) As of January 1, 2026, Douglas M. Worman succeeded Dino E. Robusto as Chairman of the Board of the Company.

Officers are elected annually and hold office until their successors are elected and qualified, and are subject to removal by the Board of Directors.

The Company has adopted an insider trading policy governing the purchase, sale and other dispositions of the Company's securities by the Company’s directors, officer and employees, as well as by the Company itself. The Company believes its insider trading policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to the Company. The Company’s insider trading policy was filed as Exhibit 19.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Additional information required in Part III, Item 10 is incorporated by reference to the sections "Corporate Governance-Director Nominees' Biographical Information and Business Experience", "Corporate Governance-Audit Committee" and "Corporate Governance-Code of Business Conduct and Ethics" of the definitive proxy statement for the 2026 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025.

ITEM 11. EXECUTIVE COMPENSATION

Information required in Part III, Item 11 is incorporated by reference to the sections "Corporate Governance-Director Compensation", "Executive Compensation-Compensation Discussion and Analysis (CD&A)", "Executive Compensation-Compensation Committee Report on Executive Compensation", "Executive Compensation-Compensation of Executive Officers" and "Executive Compensation-2025 Pay Ratio Disclosure" of the definitive proxy statement for the 2026 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025. Information disclosed in the proxy statement pursuant to the Item 402(v) of Regulation S-K is expressly not incorporated by reference herein.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan

The table below presents the securities authorized for issuance under equity compensation plans. Performance share units are included at the maximum potential payout percentage.

December 31, 2025	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation plans approved by security holders	3,699,404	$ 44.38	2,035,846
Equity compensation plans not approved by security holders	—	—	—
Total	3,699,404	$ 44.38	2,035,846

Additional information required in Part III, Item 12 is incorporated by reference to the section "Stock Ownership of the Company" of the definitive proxy statement for the 2026 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required in Part III, Item 13 is incorporated by reference to the sections "Corporate Governance-Director Independence" and "Corporate Governance-Related Party Transactions" of the definitive proxy statement for the 2026 Annual Meeting of the Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Our independent registered public accounting firm is Deloitte & Touche LLP (PCAOB No. 34).

Information required in Part III, Item 14 is incorporated by reference to the section "Ratification of Deloitte & Touche LLP as Independent Registered Public Accountants for CNA for 2026" of the definitive proxy statement for the 2026 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(1) FINANCIAL STATEMENTS:

(2) FINANCIAL STATEMENT SCHEDULES:

(3) EXHIBITS:

Description of Exhibit	Exhibit Number	
(3) Articles of incorporation and by-laws:		
Certificate of Incorporation of CNA Financial Corporation, as amended May 6, 1987 (Exhibit 3.1 to Form S-8 filed October 9, 1998 incorporated herein by reference)	3.1	
Certificate of Amendment of Certificate of Incorporation, dated May 14, 1998 (Exhibit 3.1a to 2006 Form 10-K incorporated herein by reference)	3.1.1	
Certificate of Amendment of Certificate of Incorporation, dated May 10, 1999 (Exhibit 3.1 to 1999 Form 10-K incorporated herein by reference)	3.1.2	P
Certificate of Amendment of Certificate of Incorporation dated, May 1, 2024 (Exhibit 3.1.3 to June 30, 2024 Form 10-Q incorporated herein by reference)	3.1.3	
By-Laws of CNA Financial Corporation, as amended and restated effective October 30, 2024 (Exhibit 3.1 to Form 8-K filed October 30, 2024 incorporated herein by reference)	3.2	

(4) Instruments defining the rights of security holders, including indentures:*

Registration Rights Agreement, dated August 8, 2006, between CNA Financial Corporation and Loews Corporation (Exhibit 10.1 to August 8, 2006 Form 8-K incorporated herein by reference)	4.1	
Description of Registered Securities (Exhibit 4.2 to 2019 Form 10-K incorporated herein by reference)	4.2	

(10) Material contracts:

Second Amended and Restated Credit Agreement dated December 6, 2023 among the registrant, Wells Fargo Bank, National Association, J.P. Morgan Chase Bank, N.A., Associated Bank, National Association, Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., The Northern Trust Company, and U.S. Bank National Association (Exhibit 10.1 to 2023 Form 10-K incorporated herein by reference)	10.1	
Federal Income Tax Allocation Agreement, dated February 29, 1980 between CNA Financial Corporation and Loews Corporation (Exhibit 10.2 to 1987 Form 10-K incorporated herein by reference)	10.2	P
Amended and Restated Investment Facilities and Services Agreement, dated July 1, 2025, by and among Loews/CNA Holdings, Inc., CNA Financial Corporation and the Participating Subsidiaries (Exhibit 10.1 to June 30, 2025 Form 10-Q incorporated herein by reference)	10.3	
CNA Financial Corporation Incentive Compensation Plan, as amended and restated, effective as of January 1, 2020 (Exhibit A to Form DEF 14A, filed March 20, 2020)	10.4	+
CNA Supplemental Executive Retirement Plan, restated as of January 1, 2015 (Exhibit 10.5 to June 30, 2015 Form 10-Q incorporated herein by reference)	10.5	+
CNA Deferred Compensation and Savings Plan, restated as of January 1, 2022 (Exhibit 10.6 to December 31, 2021 Form 10-K incorporated herein by reference)	10.6	+
Form of Award Letter to Executive Officers, along with Form of Award Terms, for the Annual Performance Share Plan (Exhibit 10.1 to March 31, 2017 Form 10-Q incorporated herein by reference)	10.7	+
Employment Agreement, dated June 5, 2024, between CNA Financial Corporation and Dino E. Robusto (Exhibit 10.1 to June 30, 2024 Form 10-Q incorporated herein by reference)	10.8	+
Employment Agreement, dated June 5, 2024, between CNA Financial Corporate and Douglas M. Worman (Exhibit 10.2 to June 30, 2024 Form 10-Q incorporated herein by reference)	10.9	+
General Release & Separation Agreement, dated July 3, 2025 between CNA Financial Corporation and Susan A. Stone (Exhibit 10.2 to June 30, 2025 Form 10-Q incorporated herein by reference)	10.10	+
Master Transaction Agreement, dated July 14, 2010, among Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd., CNA Insurance Company Limited, National Indemnity Company and, solely for purposes of Sections 5.19 and 7.3(b) thereof, Berkshire Hathaway Inc. (Exhibit 10.1 to Form 8-K filed July 16, 2010 incorporated herein by reference)	10.11	

	Administrative Services Agreement, dated August 31, 2010, among Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd., CNA Insurance Company Limited and National Indemnity Company (Exhibit 10.1 to Form 8-K filed September 1, 2010 incorporated herein by reference)	10.12
	Collateral Trust Agreement, dated August 31, 2010, among Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd., CNA Insurance Company Limited, National Indemnity Company and Wells Fargo Bank, National Association (Exhibit 10.2 to Form 8-K filed September 1, 2010 incorporated herein by reference)	10.13
	Loss Portfolio Transfer Reinsurance Agreement, dated August 31, 2010, among Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd., CNA Insurance Company Limited and National Indemnity Company (Exhibit 10.3 to Form 8-K filed September 1, 2010 incorporated herein by reference)	10.14
	Amendment No. 1 to the Master Transaction Agreement, dated August 31, 2010, among Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd., CNA Insurance Company Limited and National Indemnity Company (Exhibit 10.4 to Form 8-K filed September 1, 2010 incorporated herein by reference)	10.15
	Parental Guarantee Agreement, dated August 31, 2010, made by Berkshire Hathaway Inc. in favor of Continental Casualty Company, The Continental Insurance Company, Continental Reinsurance Corporation International, Ltd. and CNA Insurance Company Limited (Exhibit 10.5 to Form 8-K filed September 1, 2010 incorporated herein by reference)	10.16
	Master Transaction Agreement, dated as of December 30, 2020, by and between Continental Casualty Company and Cavello Bay Reinsurance Limited (including the forms of the Reinsurance Agreement and Trust Agreement) (Exhibit 10.1 to Form 8-K filed December 31, 2020 incorporated herein by reference)	10.17
(19)	Insider trading policies and procedures	
	CNA Financial Corporation Insider Trading Policy (Exhibit 19.1 to December 31, 2024 Form 10-K incorporated herein by reference)	19.1
(21)	Subsidiaries of the Registrant	
	List of subsidiaries of the Registrant	21.1
(23)	Consent of Experts and Counsel	
	Consent of Independent Registered Public Accounting Firm	23.1
(31)	Rule 13a-14(a)/15d-14(a) Certifications	
	Certification of Chief Executive Officer	31.1
	Certification of Chief Financial Officer	31.2
(32)	Section 1350 Certifications	
	Written Statement of the Chief Executive Officer of CNA Financial Corporation Pursuant to 18 U.S.C. Section 1350 (As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.1
	Written Statement of the Chief Financial Officer of CNA Financial Corporation Pursuant to 18 U.S.C. Section 1350 (As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.2

(97)	Policy Relating to Recovery of Erroneously Awarded Compensation	
	CNA Financial Corporation Clawback Policy (Exhibit 97.1 to December 31, 2023 Form 10-K incorporated herein by reference)	97.1
(101)	XBRL - Interactive Data File	
	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	101.INS
	Inline XBRL Taxonomy Extension Schema	101.SCH
	Inline XBRL Taxonomy Extension Calculation Linkbase	101.CAL
	Inline XBRL Taxonomy Extension Definition Linkbase	101.DEF
	Inline XBRL Taxonomy Label Linkbase	101.LAB
	Inline XBRL Taxonomy Extension Presentation Linkbase	101.PRE
(104)	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	104.1

* CNA Financial Corporation hereby agrees to furnish to the Commission upon request copies of instruments with respect to long-term debt, pursuant to Item 601(b)(4) (iii) of Regulation S-K.

P - Per Item 102(d) of Regulation S-T [17CFR 232.102(d)], these exhibits do not need to be hyperlinked.

+ Management contract or compensatory plan or arrangement.

Except for Exhibits 21.1, 23.1, 31.1, 31.2, 32.1, 32.2 and the XBRL documents as discussed in the note above, the exhibits above are not included in this report, but are on file with the SEC.

SCHEDULE I. SUMMARY OF INVESTMENTS - OTHER THAN INVESTMENTS IN RELATED PARTIES

Incorporated herein by reference to Note B to the Consolidated Financial Statements included under Item 8.

SCHEDULE II. CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

CNA Financial Corporation
Statements of Operations and Comprehensive Income

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Revenues			
Net investment income	$ 36	$ 42	$ 41
Total revenues	36	42	41
Expenses			
Administrative and general	2	2	2
Interest	135	132	126
Total expenses	137	134	128
Loss from operations before income taxes and equity in net income of subsidiaries	(101)	(92)	(87)
Income tax benefit	3	7	4
Loss before equity in net income of subsidiaries	(98)	(85)	(83)
Equity in net income of subsidiaries	1,376	1,044	1,288
Net income	1,278	959	1,205
Equity in other comprehensive income of subsidiaries	893	681	926
Total comprehensive income	$ 2,171	$ 1,640	$ 2,131

See accompanying Notes to Condensed Financial Information as well as the Consolidated Financial Statements and accompanying Notes.

CNA Financial Corporation
Balance Sheets

December 31 (In millions, except share data)	2025	2024
Assets		
Investment in subsidiaries	$ 13,845	$ 12,684
Cash	1	1
Short-term investments	796	846
Amounts due from affiliates	3	4
Other assets	1	1
Total assets	$ 14,646	$ 13,536
Liabilities		
Long-term debt	$ 2,971	$ 2,973
Other liabilities	54	50
Total liabilities	3,025	3,023
Stockholders' Equity		
Common stock ($2.50 par value; 500,000,000 shares authorized; 273,040,243 shares issued; 270,671,747 and 270,844,681 shares outstanding)	683	683
Additional paid-in capital	2,229	2,229
Retained earnings	9,915	9,686
Accumulated other comprehensive loss	(1,098)	(1,991)
Treasury stock (2,368,496 and 2,195,562 shares), at cost	(108)	(94)
Total stockholders' equity	11,621	10,513
Total liabilities and stockholders' equity	$ 14,646	$ 13,536

See accompanying Notes to Condensed Financial Information as well as the Consolidated Financial Statements and accompanying Notes.

CNA Financial Corporation
Statements of Cash Flows

Years ended December 31 (In millions)	**2025**	**2024**	**2023**
Cash Flows from Operating Activities			
Net income	$ 1,278	$ 959	$ 1,205
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Equity in net income of subsidiaries	(1,376)	(1,044)	(1,288)
Dividends received from subsidiaries	1,115	995	1,055
Other, net	10	9	2
Net cash flows provided by operating activities	1,027	919	974
Cash Flows from Investing Activities			
Change in short-term investments	84	204	(395)
Capital contributions to subsidiaries	(7)	(6)	(3)
Net cash flows provided (used) by investing activities	77	198	(398)
Cash Flows from Financing Activities			
Dividends paid to common stockholders	(1,047)	(1,025)	(787)
Proceeds from the issuance of debt	495	490	491
Repayment of debt	(500)	(550)	(243)
Purchase of treasury stock	(34)	(20)	(24)
Other, net	(18)	(12)	(14)
Net cash flows used by financing activities	(1,104)	(1,117)	(577)
Net change in cash	—	—	(1)
Cash, beginning of year	1	1	2
Cash, end of year	$ 1	$ 1	$ 1

See accompanying Notes to Condensed Financial Information as well as the Consolidated Financial Statements and accompanying Notes.

Notes to Condensed Financial Information

A. Summary of Significant Accounting Policies

Basis of Presentation

The condensed financial information of CNA Financial Corporation (CNAF or the Parent Company) should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in Item 8 of this Form 10-K. CNAF's subsidiaries are accounted for using the equity method of accounting. Equity in net income of these subsidiaries is presented on the Condensed Statements of Operations as Equity in net income of subsidiaries. Loews owned approximately 92% of the outstanding common stock of CNAF as of December 31, 2025.

SCHEDULE III. SUPPLEMENTARY INSURANCE INFORMATION

Incorporated herein by reference to Note N to the Consolidated Financial Statements included under Item 8.

SCHEDULE IV. REINSURANCE

Incorporated herein by reference to Note H to the Consolidated Financial Statements included under Item 8.

SCHEDULE V. VALUATION AND QUALIFYING ACCOUNTS

(In millions)	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
Year ended December 31, 2025					
Allowance for uncollectible:					
Insurance and reinsurance receivables	$ 47	$ 22	$ 1	$ (18)	$ 52
Allowance for credit losses:					
Mortgage loans	$ 35	$ —	$ 5	$ (25)	$ 15
Fixed maturity securities	$ 45	$ —	$ 31	$ (7)	$ 69
Year ended December 31, 2024					
Allowance for uncollectible:					
Insurance and reinsurance receivables	$ 50	$ 7	$ —	$ (10)	$ 47
Allowance for credit losses:					
Mortgage loans	$ 35	$ —	$ —	$ —	$ 35
Fixed maturity securities	$ 16	$ —	$ 43	$ (14)	$ 45
Year ended December 31, 2023					
Allowance for uncollectible:					
Insurance and reinsurance receivables	$ 51	$ 11	$ —	$ (12)	$ 50
Allowance for credit losses:					
Mortgage loans	$ 24	$ —	$ 11	$ —	$ 35
Fixed maturity securities	$ 1	$ —	$ 44	$ (29)	$ 16

Effects of foreign currency translation, changes in the estimate of the allowance for credit losses on mortgage loan receivables, increases in the estimate of the allowance for credit losses on fixed maturity securities and allowances established with respect to assets purchased with credit deterioration are presented within the *Charged to Other Accounts* column in the table above. Write-offs of uncollectible amounts and reductions to the allowance for credit losses due to securities sold during the period or the reversal for securities that had an allowance recorded in a previous period are presented within the *Deductions* column in the table above.

SCHEDULE VI. SUPPLEMENTAL INFORMATION CONCERNING PROPERTY AND CASUALTY INSURANCE OPERATIONS

As of and for the years ended December 31	**Consolidated Property and Casualty Operations**		
(In millions)	**2025**	**2024**	**2023**
Balance Sheet Data			
Deferred acquisition costs	$ 986	$ 959	$ 896
Reserves for unpaid claim and claim adjustment expenses	26,599	24,976	23,304
Discount deducted from claim and claim adjustment expense reserves above (based on interest rates ranging from 3.5% to 6.5%)	583	615	647
Unearned premiums	7,635	7,346	6,933
Statement of Operations Data			
Net written premiums	$ 11,101	$ 10,605	$ 9,892
Net earned premiums	10,900	10,211	9,480
Net investment income	2,467	2,396	2,163
Incurred claim and claim adjustment expenses related to current year	6,724	6,330	5,667
Incurred claim and claim adjustment expenses related to prior years	189	42	48
Amortization of deferred acquisition costs	1,898	1,798	1,644
Paid claim and claim adjustment expenses	5,774	5,189	4,601

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CNA Financial Corporation

Dated: February 10, 2026	By	/s/ Douglas M. Worman **Douglas M. Worman** **Chief Executive Officer** **(Principal Executive Officer)**
Dated: February 10, 2026	By	/s/ Scott R. Lindquist **Scott R. Lindquist** **Chief Financial Officer** **(Principal Financial Officer)**
Dated: February 10, 2026	By	/s/ Amy M. Smith **Amy M. Smith** **Chief Accounting Officer** **(Principal Accounting Officer)**

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Dated: February 10, 2026	By	/s/ Douglas M. Worman **(Douglas M. Worman, Chief Executive Officer and Chairman of the Board of Directors)**
Dated: February 10, 2026	By	/s/ Michael A. Bless **(Michael A. Bless, Director)**
Dated: February 10, 2026	By	/s/ Jose O. Montemayor **(Jose O. Montemayor, Director)**
Dated: February 10, 2026	By	/s/ Don M. Randel **(Don M. Randel, Director)**
Dated: February 10, 2026	By	/s/ Andre Rice **(Andre Rice, Director)**
Dated: February 10, 2026	By	/s/ Kenneth I. Siegel **(Kenneth I. Siegel, Director)**
Dated: February 10, 2026	By	/s/ Andrew H. Tisch **(Andrew H. Tisch, Director)**
Dated: February 10, 2026	By	/s/ Benjamin J. Tisch **(Benjamin J. Tisch, Director)**
Dated: February 10, 2026	By	/s/ James S. Tisch **(James S. Tisch, Director)**
Dated: February 10, 2026	By	/s/ Jane Wang **(Jane Wang, Director)**

151 North Franklin Street
Chicago, Illinois 60606