



Building a Top Quartile P&C Underwriting Company

Virtual Investor Presentation

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Summer 2021



CNA Story

Effective portfolio management

Meaningful Expense Ratio reduction

Steady Underlying Loss Ratio improvement

Continued investment in the business

Strong value creation for shareholders



2016

- Dino Robusto appointed CEO and Chairman in November

2017

- Established a multi-year strategic goal to pursue Top Quartile underwriting performance

2018

- Initiated re-underwriting of the International operation
- Expanded Management Liability, Casualty and Property operations

2019

- Established six specialized business units within the Commercial segment
- Upgraded by A.M. Best, Fitch and S&P

2020

- Delivered best Underlying Combined Ratio in over a decade
- Completed Loss Portfolio Transfer of legacy Excess Workers' Comp

CNA Today



One of the largest U.S.
commercial lines insurers
Net Written Premium: **\$8.1B**
Shareholders' Equity: **\$12.7B**



Core Business Segments:
Commercial
Specialty
International



Specialized underwriting
capabilities with industry
segment focus



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



Financial
Strength
Ratings

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



Currently insures **over one**
million businesses and
professionals

Consistent **operating performance**, high degree of **financial stability**, robust **financial strength ratings**



Note: as of year-end 2020

CNA's Vectors of Success

Sustaining a deep underwriting culture

Optimizing distribution engagement

Attracting, developing & retaining top talent

Institutionalizing deep specialization



Broad Property & Casualty Portfolio

Core P&C Portfolio – \$7.6B Net Written Premium

Commercial (47%)

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

Specialty (40%)

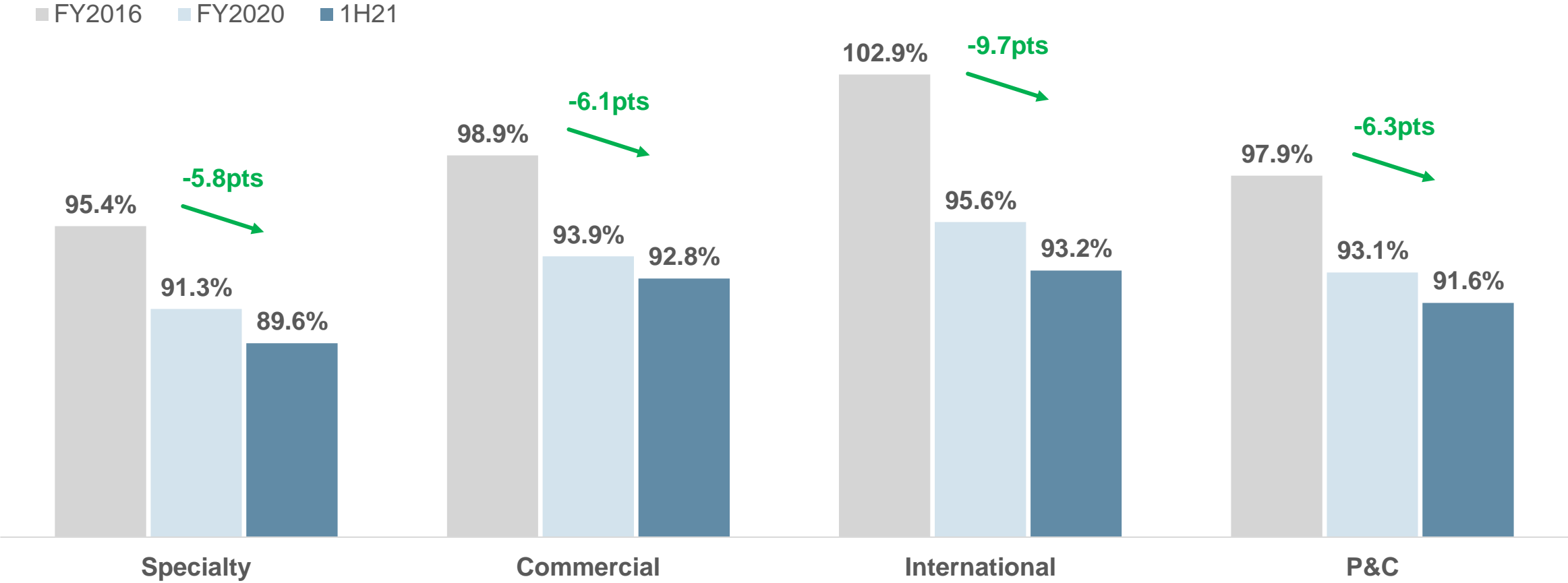
- Professional, financial and other specialty products and services
- Business units include:
 - Financial & Management Liability
 - Healthcare
 - Surety
 - Warranty
 - Affinity

International (13%)

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

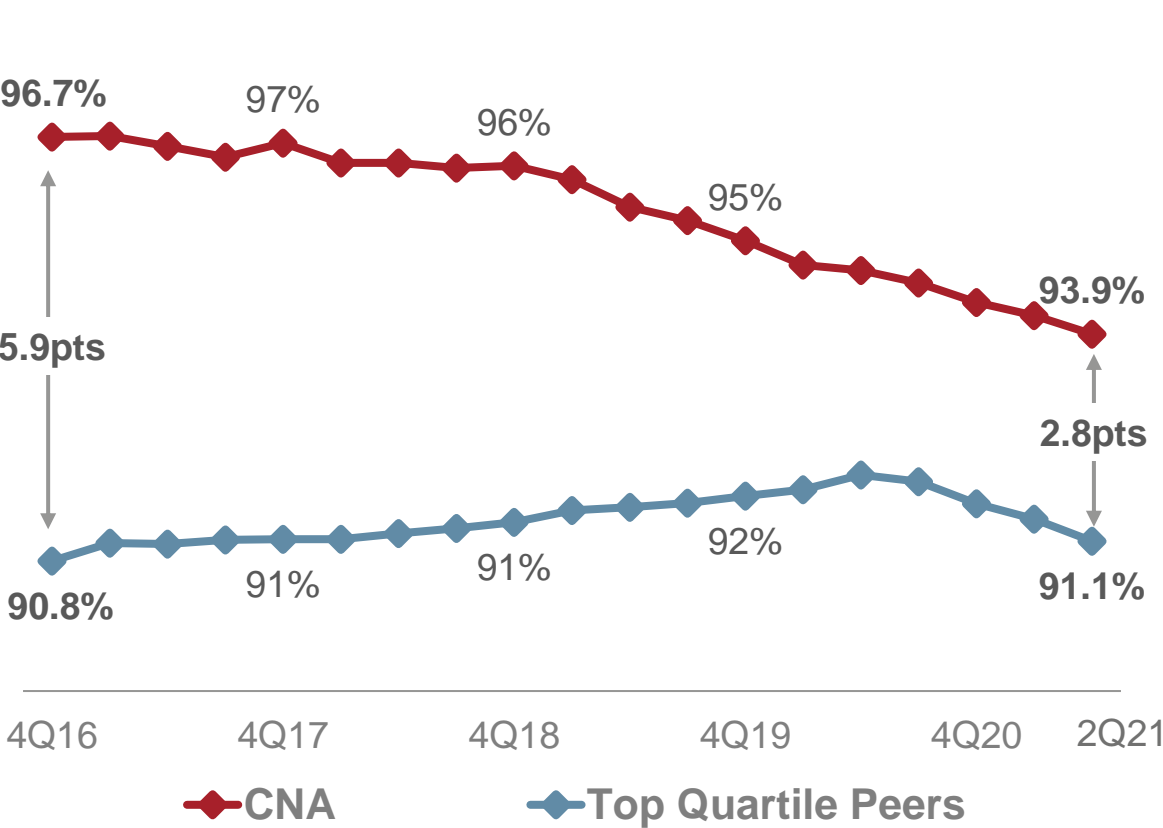


Underlying Combined Ratio improvement consistent across all P&C segments

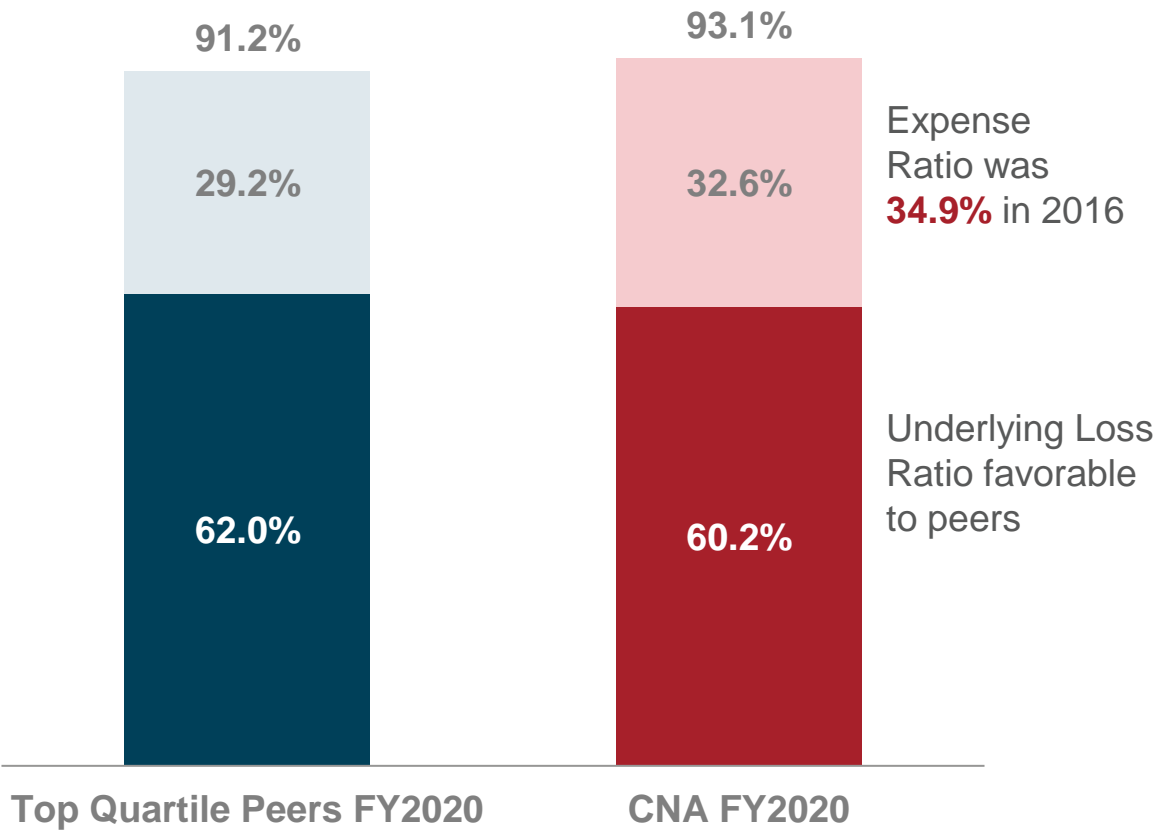


Measuring and Monitoring Success

Closed the **three-year average Underlying Combined Ratio** gap by 3.1 points over our Top Quartile Peers

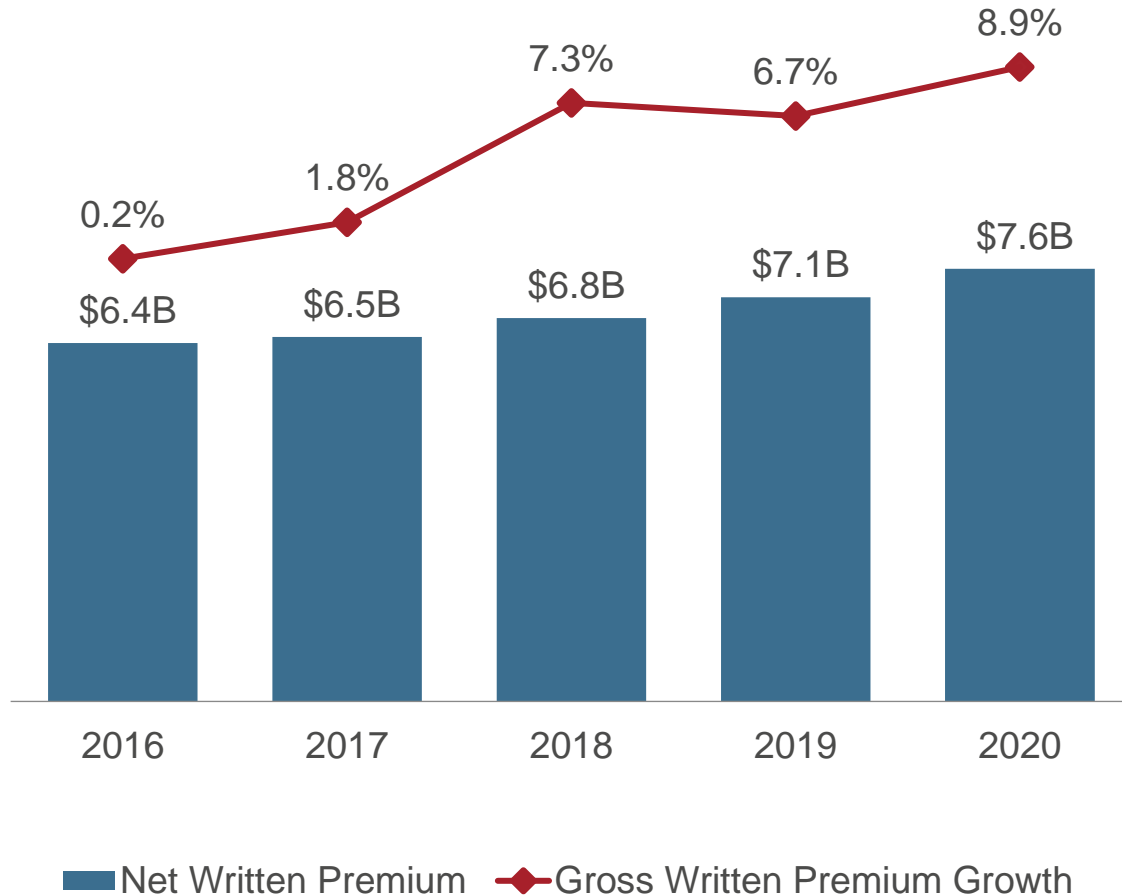


Delivered a **Top Quartile Underlying Loss Ratio** since mid 2019 and significantly improved Expense Ratio



Note: Top Quartile Peers are defined by CNA | “LTM” represents Last Twelve Months | Dividend Ratio of 0.3% included in CNA's 2020 Underlying Combined Ratio (not displayed)

Strong growth in core P&C business



Grew New Business by approximately 8% per annum from 2016 to 2020 (CAGR)

Successfully leveraged favorable market conditions in recent years

Maintaining a robust balance sheet and consistent value creation for shareholders

Conservative Capital Structure

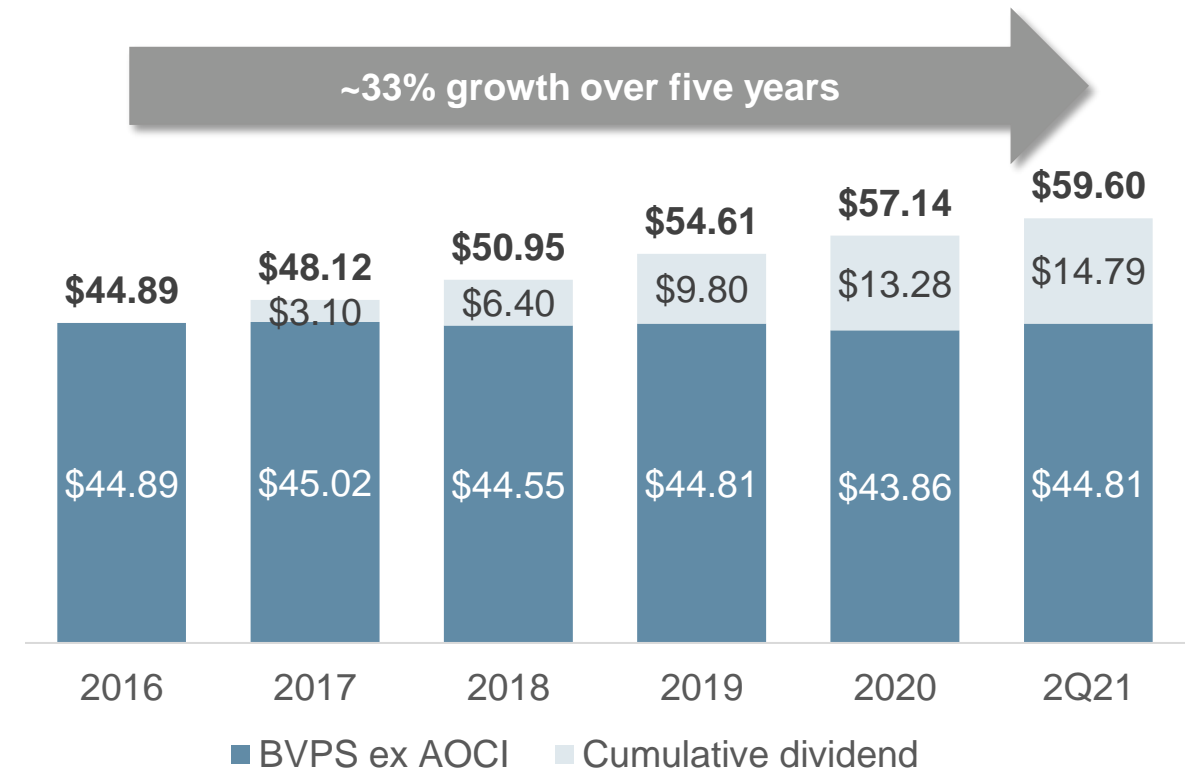
Equity:	\$12.7B
Debt:	\$2.8B
Total Capital:	\$15.4B
Debt to Capital:	18.0%

Conservative capital structure and debt profile

Ample liquidity at both holding and operating company

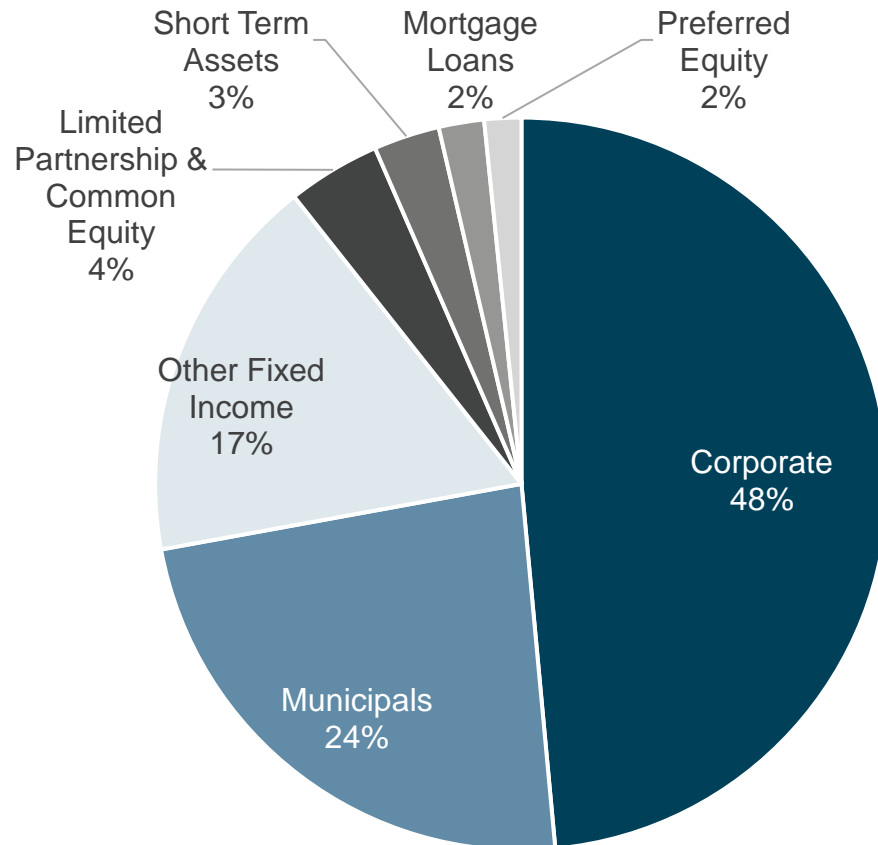
Operating cash flow of \$1.8B in 2020 and \$1.3B in 1H 2021

Strong Value Creation for Shareholders



Note: capital structure metrics as of 2Q 2021 | 2021 operating cash flow excludes a \$640M payment resulting from the Loss Portfolio Transfer of a legacy portfolio of Excess Workers' Compensation policies

Liquid, conservative and high-quality investments



~\$50 billion in carrying value

High-quality portfolio with an average “A” credit rating

Consistent fixed income earnings and solid limited partnership and common equity returns

Separate P&C and LTC investments portfolios to focus on duration management

Steady, organic de-risking of Long Term Care

LTC is a non-core operation, permanently closed to new business, and in run-off

2015

Over 5 years ago, our Group block was closed to new entrants (Individual block was closed in 2004), and we initiated a proactive approach to managing the run-off of our LTC portfolio

2016

Significant investment in the business

2017

Commitment to proactively addressing risks while effectively serving policyholders

2018

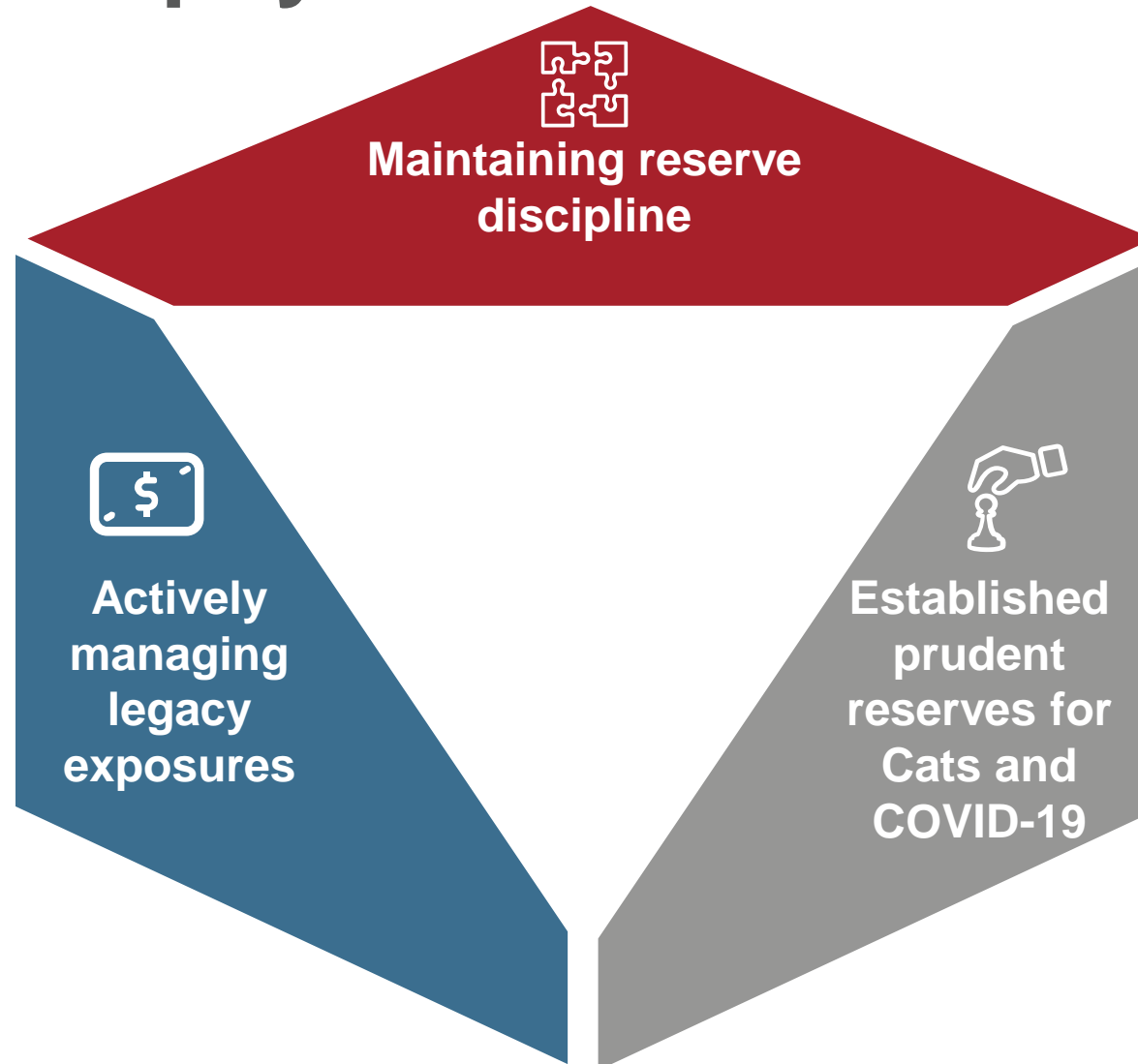
Progress and achievements:

2019

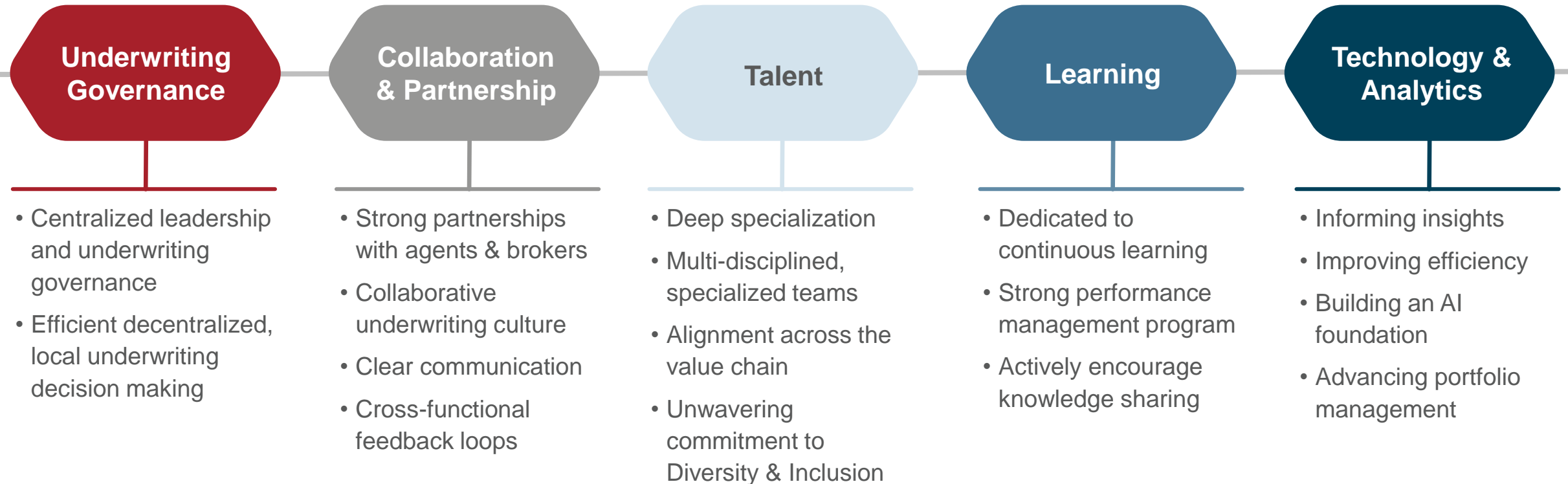
- Reduced risk across many dimensions of the block
- Achieved meaningful rate increases
- Taken pre-emptive actions on reserve assumptions (i.e., lowered the Normative Risk-Free Rate by 100bps to 2.75% and extended the time to reach Normative Rate to 10 years)
- Continue to execute policyholder benefit reductions and policy and commission buyouts

2020

Preserving balance sheet strength with a prudent reserve philosophy



Continuing to invest in underwriting, talent, technology and analytics



Positioning CNA for future success

Confidently pursuing Top Quartile performance with an intense focus on our Vectors of Success:

- **Sustaining a deep underwriting culture**
- **Optimizing distribution engagement**
- **Attracting, developing, and retaining top talent**
- **Institutionalizing deep specialization**

Creating opportunities by:

- **Concentrating on what we do best**
Specialized P&C products and services provided by expert talent aligned across the value chain
- **Investing in enablers of underwriting success**
Talent, underwriting acumen, distribution partnerships, and analytical technologies
- **Realizing Expense Ratio improvement**
Rigorous expense management, organizational efficiency, process optimization, and automation

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